

MF095350

<i>State Lease</i>	<i>Control</i>	<i>Base File</i>	<i>County</i>
MF095350	56-029973		BRAZOS

<i>Survey</i>	HIGHWAYS & PUBLIC TRANSPORTATION DE
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Block

Block Name

Township

Section/Tract

Land Part

Part Description

HIGHWAY RIGHT-OF-WAY

Acres

31.15

Depth Below

0

Depth Above

0

Depth Other

Name

UNION PACIFIC RESOURCES

Lease Date

9/7/1993

Primary Term

3 yrs

Bonus (\$)

\$3,592.80

Rental (\$)

\$0.00

Lease Royalty

0.2000

Leasing: _____

Analyst: _____

Maps: _____

GIS: _____

-M-
F
0
9
5
3
5
0
UNION PACIFIC RESOURCES

2268

18.29 UNIT ACRES

2284

12.86 UNIT ACRES

STATE LEASE - HROW

M-95350

COUNTY (CODE)	BRAZOS (21)
SURVEY	H. EVANS, T.H. MAYS, C.C. SMITH
BLOCK	N/A
TOWNSHIP	N/A
SECTION (S)	N/A
PART	ST. HWY. 6
ACRES	29.94
DEPTH LIMITS	N/A
BASE FILE (S)	N/A
CONTROL NO. (S)	56-02997-3
CONTROL NO. (S)	N/A

LESSEE	UNION PACIFIC RR. CO.
DATE	09-07-93
PRIMARY TERM	THREE (3) YRS
BONUS (\$)	3,592.80 (120.00/ACRE)
ROYALTY	1/5
RENTAL (\$)	PAID-UP
VARIABLE ROYALTY	N/A

RESOURCES

RENTALS	<i>LL</i>
LEASE ADMIN.	<i>DR</i>
MINERAL MAPS	

CONTENTS OF FILE NO. M-95350

Highway Right-of-way

1. Lease	9-7-93	(See MF 094821 #24 Assign #10872)
2. Memo	8-31-93	Enervert (to) Magnolia 7-26-19
3. Worksheet	—	scanned PJ 8-7-2019
4. Application Ctr	5-12-93	(See MF 094821 #25 Assign #10878)
5. Final Ltr	9-2-93	EV Prop (to) Har-vert 8-12-19
6. Waiver	5-12-93	scanned PJ 8-16-2019
7. Plat	—	18. Unit #3406 Termination Packet
8. List of Lessors	—	11/3/23
9. Affidavit	5-21-93	19. Correspondence 8/15/23
10. Letter opinion	6-29-93	scanned WM 8-25-2023
11. Row Deeds	—	
12. Adjacent lease's	—	
13. Unit Designation <small>(PODRA (SOWELL UNIT))</small>	4-4-94	
14. Division Order <small>(PODRAZA-ROTELU)</small>	DEC 12 1994	
15. UNIT DESIGNATION	7/27/94	
16. Pooling Committee Report + Designation of Unit. 11/24/03		
17. Reformation of Unit 11/6/96		
		Scanned sm 12/29/15
(See MF 096050 #14 Assign #9540)		
Anadarko & Kerr McGee to Legacy 3-7-16		
		scanned PJ 3-15-16
(See MF 095348 #18 Assign #10432)		
Anadarko (to) Enervert 10-20-17		
		scanned PJ 10-23-2017

The State of Texas



Austin, Texas

PAID-UP

OIL AND GAS LEASE NO. M-95350
GENERAL LAND OFFICE
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32, 34 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board, and Union Pacific Resources Company, whose address is P.O. Box 7, Forth Worth, Texas, 76101-0007, hereinafter called "Lessee".

1. Lessor, in consideration of Three Thousand Five Hundred Ninety Two and 80/100 Dollars (\$3,592.80), receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of Brazos, State of Texas, and is described as follows:

29.94 acres of land, more or less, situated in said Brazos County, Texas, more particularly described in

Exhibit "A" attached hereto and made a part hereof together with a plat, attached hereto as Exhibit "B", depicting said right-of-way and surrounding area for purposes of illustration only.

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 29.94 acres, whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. PRIMARY TERM: This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of three (3) years from September 7, 1993, hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. ROYALTIES: As royalty Lessee covenants and agrees:

(a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its well, the equal one fifth (1\5) part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such one fifth (1\5) part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear none of the cost of treating oil to render it marketable pipe line oil;

(b) To pay Lessor on gas and casinghead gas produced from said land (1) when sold by lessee, one fifth (1\5) of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of one fifth (1\5) of such gas and casinghead gas.

(c) If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred.

(d) Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle

labor trouble or to market gas upon terms unacceptable to Lessee.

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of \$1000.00. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

(f) All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

Royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager, or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, the Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00, whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin accruing when the royalty is sixty (60) days overdue.

Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value. The State shall have first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, as operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) the proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between

parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force for so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

(b) Neither unit production of oil or gas, nor unit operations, nor payment of shut-in royalties from a unit gas well, shall serve to hold the lease in force as to any area outside the unit, regardless of whether the production, maintenance of a shut-in gas well, or operations are actually located on the State tract or not.

(c) Lessee agrees to file with the General Land Office a copy of any unit designation which this lease is included within ninety (90) days of such designation.

5. RELEASE: Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by the prescribed filing fee. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

6. REWORK: If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate at the end of the primary term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) Lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 9 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling,

testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, or production of oil or gas in paying quantities.

7. MINERAL USE: Lessee shall have the use, free from royalty, of oil and gas produced from said land in all operations hereunder.

8. NOTICE: In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.

9. FORCE MAJEURE: If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

10. LESSER ESTATE, CLAUSE: If this lease covers a less interest in the oil or gas in all or any part of said land than the entire and undivided fee simple estate (whether lessors interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease bears to the whole and undivided fee simple estate therein.

11. ASSIGNMENTS: This lease may be transferred at any time. All transfers must reference the lease by file number and must be recorded in the county where the land covered hereby is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by N.R.C. Section 52.026, accompanied by the prescribed filing fee. Every transferee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original Lessee or any prior transferee of the lease, including any liabilities to the State for unpaid royalties.

12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well located off the leased premises, or by pooling of said land with other land, lease or leases as hereinabove provided.

14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall be no less than an amount equal to \$2000.00, and shall maintain this lease in effect for so long as such payments are made as provided herein.

15. FORFEITURE: If Lessee shall fail or refuse to make payment of any sum within thirty (30) days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, or refuse the proper authority access to the records pertaining to operations, or if Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if this lease is pooled or assigned and the unit designation or assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease. However, nothing herein shall be construed as waiving the automatic termination of this lease by operations of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

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

(a) the person, agency, or entity that executed the lease in question does not require the natural gas or casinghead gas to meet its own existing needs for fuel;

(b) no private or public hospital, nursing home, or other similar health-care facility in this state requires the natural gas or casinghead gas to meet its existing needs for fuel;

(c) no public or private school in this state that provides elementary, secondary, or higher education requires the natural gas or casinghead gas to meet its existing needs for fuel;

(d) no facility of the State or of any county, municipality, or other political subdivision in this state requires the natural gas or casinghead gas to meet its existing needs for fuel;

(e) no producer of food and fiber requires the natural gas or casinghead gas necessary to meet the existing needs of irrigation pumps and other machinery directly related to this


production; and

(f) no person who resides in this state and who relies on natural gas or casinghead gas to provide in whole or part his existing needs for fuel or raw material requires the natural gas or casinghead gas to meet those needs; provided, however, after notice and hearing as provided in Title 3 of the N.R.C., the Railroad Commission of Texas may grant exceptions to these provisions of Subchapter H of Chapter 52 of the N.R.C. if it finds and determines that enforcement of such provisions:

(1) would cause physical waste as defined in Title 3 of the N.R.C.; or

(2) would unreasonably deny to the Lessee an opportunity to produce economically hydrocarbons from the land subject to this lease.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office, under the seal of the General Land Office, effective as of September 7, 1993.


GARRY MAURO
COMMISSIONER OF THE GENERAL LAND OFFICE
OF THE STATE OF TEXAS

Approved:

Energy: RH

Legal (Form): MM

Executive: AS

Exhibit "A"

Being 29.94 acres of land, more or less, situated in the Holden Evans, T. H. Mays and the L.C. Smith Survey's in Brazos County, Texas. Said 29.94 acres being the same land conveyed to the State by the following listed deeds:

<u>Grantors</u>	<u>Volume</u>	<u>Page</u>
K. T. Williams	80	543
Ward Templeman	87	408
W. D. Caldwell	80	544
C. G. Rogers, et al	80	545
M. Wilkin, et al	80	547

Said 29.94 acres being a strip of land of variable width and is more particularly described as follows, to wit;

Beginning at a point on the West line of the T. H. Mays Survey located 919.00 feet north of the southwest corner. Said point also being located 62.00 feet south of Engineer's Centerline Station Number 1399+49.00;

Thence N 42° 14' 00" W, along the south right of way line of S.H. 6, a distance of 3,089.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1368+00.00;

Thence N 45° 00' 00" W, a distance of 145.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1366+55.00;

Thence N 42° 14' 00" W, a distance of 85.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1365+70.00;

Thence N 38° 00' 00" W, a distance of 170.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1365+23.70 = 1363+28.00, being the P. T. of a 01° 00' curve to the right;

Thence, along the south right of way line, around said curve, a distance of 125.00 feet on the centerline, to the P.C. of said curve 50.00 feet from and at right angles to Engineer's Centerline Station Number 1362+28.70;

Brazos County
CSJ 50-2-8
S.H. 6
No. 415

Thence N 39° 17' 00" W, along the south right of way line of S.H. 6, a distance of 228.70 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1360+00.00;

Thence S 39° 27' 00" E, a distance of 182.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1358+18.00;

Thence N 00° 00' 00" E, a distance of 80.00 feet crossing the centerline of S.H. 6 at Engineer's Centerline Station Number 1357+70.00 and continuing on for a total distance of 160.00 feet to a point on the northerly right of way line of said highway;

Thence S 39° 17' 00" E, a distance of 98.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1358+18.00;

Thence S 32° 00' 00" E, a distance of 182.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1360+00.00;

Thence S 39° 17' 00" E, a distance of 228.70 feet to the P.C. of a 01° 00' curve to the left. Said P.C. being Engineer's Centerline Station Number 1362+28.70;

Thence, along the northerly right of way line, around said curve 125.00 feet at the centerline, to the P.T. of said curve 50.00 feet from and at right angles to Engineer's Centerline Station Number 1365+23.70 = 1363+28.00;

Thence S 49° 00' 00" E, a distance of 170.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1365+70.00;

Thence S 42° 14' 00" E, a distance of 85.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1365+55.00;

Thence S 35° 00' 00" E, a distance of 145.00 to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1368+00.00;

Thence S 42° 14' 00" E, along the northerly right of way line, a distance of 10,704.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1475+00.00;

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S.H. 6
No. 415

Thence S 58° 00' 00" E, a distance of 303.00 feet to a point 150.00 feet from and at right angles to Engineer's Centerline Station Number 1478+00.00;

Thence S 42° 14' 00" E, a distance of 200.00 feet to a point on the centerline of a creek 150.00 feet from and at right angles to Engineer's Centerline Station Number 1480+00.00;

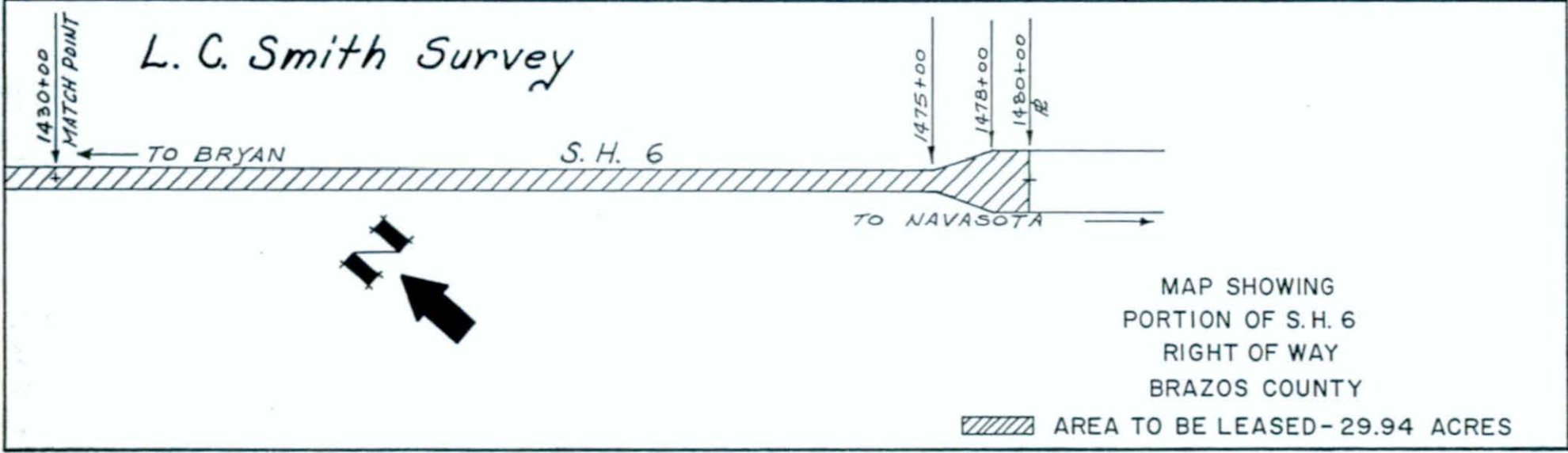
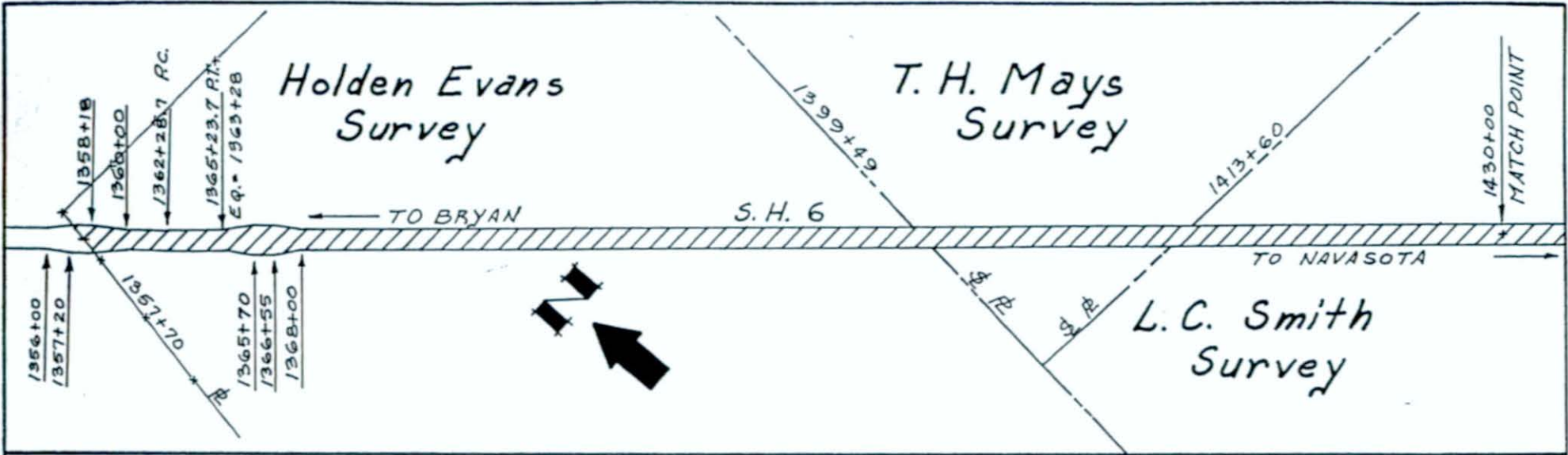
Thence in a southwesterly direction, along the meanders of said creek, a distance of 150.00 feet crossing the centerline of S. H. 6 at Engineer's Centerline Station Number 1480+00.00 and continuing on for a total distance of 300.00 feet to a point on the southerly right of way line of S.H. 6;

Thence N 42° 14' 00" W, a distance of 200.00 feet to a point 150.00 feet from and at right angles to Engineer's Centerline Station Number 1478+00.00;

Thence N 26° 00' 00" W, a distance of 303.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1475+00.00;

Thence N 42° 14' 00" W, along the southerly right of way line of S.H. 6, a distance of 7,510.00 feet to the Point of Beginning of the tract herein described and contains 29.94 acres of land.

Being as indicated on the official right of way map which is on file with the Texas Department of Transportation and is identified under Control Number 50-2-8.



①

M-95350

lease

9-7-93

GENERAL LAND OFFICE

GARRY MAURO
COMMISSIONER

MEMORANDUM

DATE: August 31, 1993

TO: School Land Board
FROM: Robert Hatter / Lease Administration
SUBJECT: Application To Lease Right-of-Way

M. 95350
9.7.93

APPLICANT: Union Pacific Resources Co.

REFERENCE: Being 29.94 acres, more or less, of State Highway 6, situated in the H. Evans, T. H. Mays, and L. C. Smith Surveys, Brazos County, Texas

The following terms were provide for in the adjacent leases:

	<u>High</u>	<u>Low</u>
Bonus/Acre:	\$120.00	\$100.00
Royalty:	1/5	1/6
Delay Rental:	\$ 25.00	\$ 10.00
Primary Term:	3 year	3 year

The application has been reviewed by the Lease Administration Department and approved by the Department of Transportation. Subchapter F, Chapter 32 of the Texas Natural Resources Code requires the approval of the application to the lease with the following terms:

Bonus/Acre:	\$120.00 per acre
Royalty:	1/5 royalty
Delay Rental:	\$ 25.00 10.00
Primary Term:	3 year

Union Pacific Resources Co. holds the mineral interest in the leases adjoining the above referenced right-of-way. Therefore, the applicant is entitled to a lease of the entire 29.94 acres. The applicant has submitted a title opinion showing that the state owns the entire mineral estate in the right-of-way and has submitted all other pertinent information required by the School Land Board rules.



Texas Department of Transportation

P.O. BOX 5075 • AUSTIN, TEXAS 78763-5075 • (512) 416-2901

August 30, 1993

Contact: D-15

Mr. Garry Mauro
Commissioner
General Land Office
Petroleum and Mineral Division
1700 North Congress Avenue
Austin, Texas


Dear Commissioner Mauro:

We have reviewed the proposed oil and gas lease applications and the following requests for preferential leases are considered sufficiently documented to be presented to the Public School Land Board for approval:

<u>County</u>	<u>Nominator</u>	<u>Bonus</u>	<u>Royalty</u>	<u>Primary Term</u>	<u>Delay Rental</u>
Newton	Berenergy Corp.	\$ 50.00	1/6	3 years	\$ 1.00
Brazos	Union Pacific Resources Co.	\$120.00	1/5	3 years	\$ 5.00
Brazos	Union Pacific Resources Co.	\$120.00	1/5	3 years	\$ 5.00
Brazos	Union Pacific Resources Co.	\$ 75.00	1/7	5 years	\$ 7.58
Henderson	Pennzoil Exploration and Production Co.	\$104.00	3/16	3 years	None
Frio	Union Pacific Resources Co.	\$150.00	1/4	2 years	\$25.00
Freestone	Enron Oil and Gas Co.	\$ 75.00	3/16	2 years	None

Attached is one copy each of the field notes and sketch for the proposed leases. If additional information is needed, please contact Jimmy Perry at (512) 416-2874.

Sincerely,



Gary Bernethy, P.E.
Director of Right of Way

Attachments

Exhibit "A"

Being 29.94 acres of land, more or less, situated in the Holden Evans, T. H. Mays and the L.C. Smith Survey's in Brazos County, Texas. Said 29.94 acres being the same land conveyed to the State by the following listed deeds:

<u>Grantors</u>	<u>Volume</u>	<u>Page</u>
K. T. Williams	80	543
Ward Templeman	87	408
W. D. Caldwell	80	544
C. G. Rogers, et al	80	545
M. Wilkin, et al	80	547

Said 29.94 acres being a strip of land of variable width and is more particularly described as follows, to wit;

Beginning at a point on the West line of the T. H. Mays Survey located 919.00 feet north of the southwest corner. Said point also being located 62.00 feet south of Engineer's Centerline Station Number 1399+49.00;

Thence N 42° 14' 00" W, along the south right of way line of S.H. 6, a distance of 3,089.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1368+00.00;

Thence N 45° 00' 00" W, a distance of 145.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1366+55.00;

Thence N 42° 14' 00" W, a distance of 85.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1365+70.00;

Thence N 38° 00' 00" W, a distance of 170.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1365+23.70 = 1363+28.00, being the P. T. of a 01° 00' curve to the right;

Thence, along the south right of way line, around said curve, a distance of 125.00 feet on the centerline, to the P.C. of said curve 50.00 feet from and at right angles to Engineer's Centerline Station Number 1362+28.70;

Brazos County
CSJ 50-2-8
S.H. 6
No. 415

Thence N 39° 17' 00" W, along the south right of way line of S.H. 6, a distance of 228.70 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1360+00.00;

Thence S 39° 27' 00" E, a distance of 182.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1358+18.00;

Thence N 00° 00' 00" E, a distance of 80.00 feet crossing the centerline of S.H. 6 at Engineer's Centerline Station Number 1357+70.00 and continuing on for a total distance of 160.00 feet to a point on the northerly right of way line of said highway;

Thence S 39° 17' 00" E, a distance of 98.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1358+18.00;

Thence S 32° 00' 00" E, a distance of 182.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1360+00.00;

Thence S 39° 17' 00" E, a distance of 228.70 feet to the P.C. of a 01° 00' curve to the left. Said P.C. being Engineer's Centerline Station Number 1362+28.70;

Thence, along the northerly right of way line, around said curve 125.00 feet at the centerline, to the P.T. of said curve 50.00 feet from and at right angles to Engineer's Centerline Station Number 1365+23.70 = 1363+28.00;

Thence S 49° 00' 00" E, a distance of 170.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1365+70.00;

Thence S 42° 14' 00" E, a distance of 85.00 feet to a point 70.00 feet from and at right angles to Engineer's Centerline Station Number 1365+55.00;

Thence S 35° 00' 00" E, a distance of 145.00 to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1368+00.00;

Thence S 42° 14' 00" E, along the northerly right of way line, a distance of 10,704.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1475+00.00;

Brazos County
CSJ 50-2-8
S.H. 6
No. 415

Thence S 58° 00' 00" E, a distance of 303.00 feet to a point 150.00 feet from and at right angles to Engineer's Centerline Station Number 1478+00.00;

Thence S 42° 14' 00" E, a distance of 200.00 feet to a point on the centerline of a creek 150.00 feet from and at right angles to Engineer's Centerline Station Number 1480+00.00;

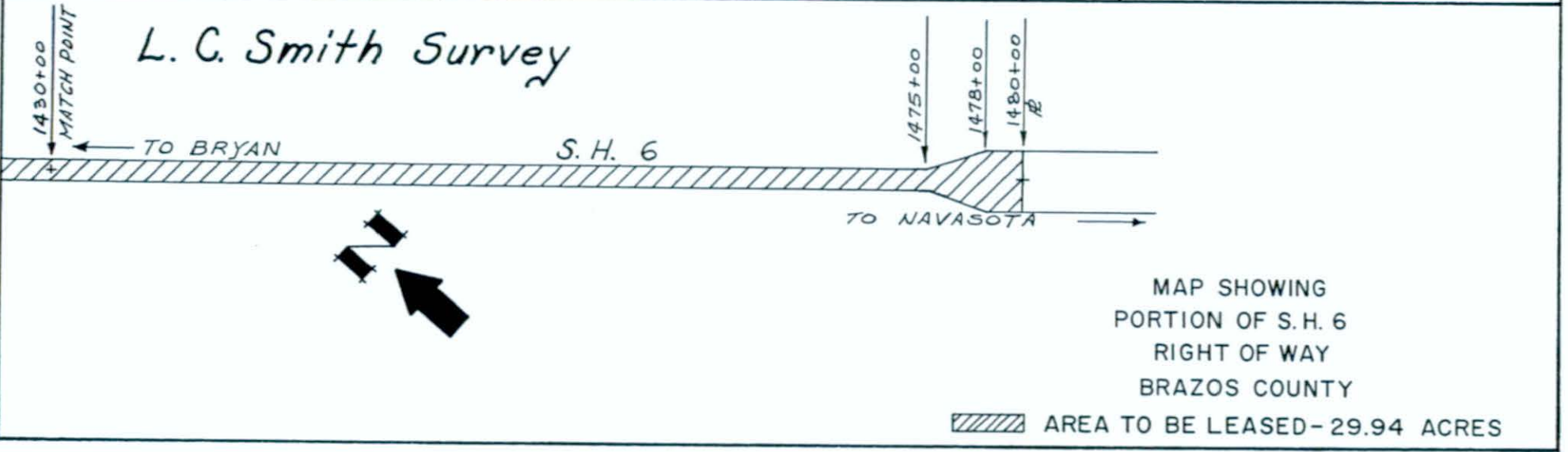
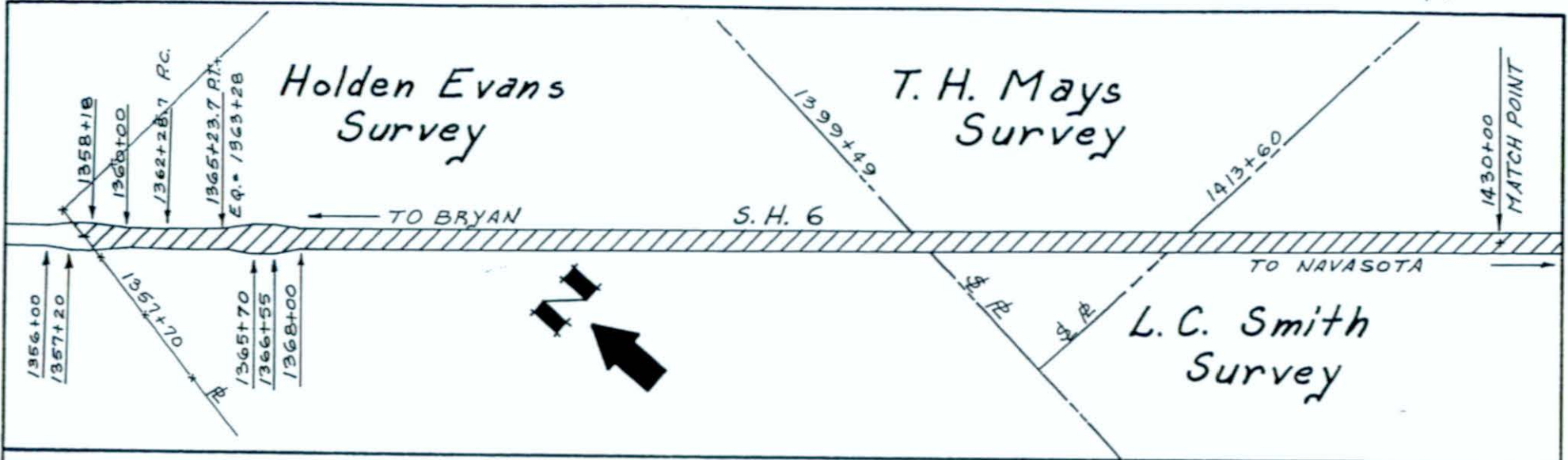
Thence in a southwesterly direction, along the meanders of said creek, a distance of 150.00 feet crossing the centerline of S. H. 6 at Engineer's Centerline Station Number 1480+00.00 and continuing on for a total distance of 300.00 feet to a point on the southerly right of way line of S.H. 6;

Thence N 42° 14' 00" W, a distance of 200.00 feet to a point 150.00 feet from and at right angles to Engineer's Centerline Station Number 1478+00.00;

Thence N 26° 00' 00" W, a distance of 303.00 feet to a point 50.00 feet from and at right angles to Engineer's Centerline Station Number 1475+00.00;

Thence N 42° 14' 00" W, along the southerly right of way line of S.H. 6, a distance of 7,510.00 feet to the Point of Beginning of the tract herein described and contains 29.94 acres of land.

Being as indicated on the official right of way map which is on file with the Texas Department of Transportation and is identified under Control Number 50-2-8.



MAP SHOWING
 PORTION OF S. H. 6
 RIGHT OF WAY
 BRAZOS COUNTY

 AREA TO BE LEASED - 29.94 ACRES

②

M-95350

Memo

8-31-93

Highway Lease Applicant

Name of Lease Applicant: UPRR - by Billy Curshaw of Jones + Zwickel

County & Tract Description:

Brazos Co. 29.94 ac along St. Hwy 6 in the Lee C. Smith sur. A-211

Date Sent to Highway Department:

6-10

Check List:

- Letter of Application and plat ✓
- Names and addresses of adjacent mineral owners ✓
- Affidavit of non-production within 2500 feet ✓
- \$100 processing fee + Bonus ✓
- Written waiver of statutory notice ✓
- Certified copy/copies of adjacent lease/leases ✓
- Notarized affidavit of consideration paid ✓

- Title Opinion - Need

Is the right-of-way on Relinquishment Act Land No 10 ✓

Remarks:

Have 3,592.80

Bonus - 3,592.80
 1/2 fee - 53.89
 Rental - ~~748.00~~ 558.00

~~4385.19~~
 4245.49

High	Low
120.00	700.00
1/5	1/6
3 yr Paid-up State	
Rental 2500	10.00
Start with \$1000.00	

Date Appeared Before SLB:

Approved:

Disapproved:

Problems:

Date Lease Issued:

01-95350
Worksheet

③

BILLY N. CURBOW
INDEPENDENT LANDMAN
P.O. Box 236
GARRISON, TEXAS 75946

MAY 12, 1993

ROBERT HATTER
MANAGER, LEASING & EVALUATION
PETROLEUM & MINERALS DEVELOPMENT
1700 NORTH CONGRESS AVENUE, RM. #640
AUSTIN, TEXAS 78701

RE: APPLICATION TO LEASE HIGHWAY RIGHT-OF-WAY
TO: UNION PACIFIC RESOURCES COMPANY ✓
29.94 ACRES, MORE OR LESS,
LEE C. SMITH SURVEY, A-211, ET AL
BRAZOS COUNTY, TEXAS

DEAR MR. HATTER,

PER OUR TELEPHONE CONVERSATION THIS WEEK, PLEASE FIND
ENCLOSED ALL PERTINENT INFORMATION THAT YOU REQUESTED, AS
FOLLOWS:

X 100.00 93056450

1. DRAFT IN THE AMOUNT OF \$100.00 (PROCESSING FEE).
2. DRAFT IN THE AMOUNT OF \$3,592.80 (PAID UP THREE YEAR LEASE).
3. WRITTEN WAIVER OF THE STATUTORY NOTICE.
4. CERTIFIED COPIES OF RECORDED OIL, GAS AND MINERAL LEASES. PHOTOCOPIES OF UNRECORDED LEASES.
5. AFFIDAVIT OF CONSIDERATION PAID FOR LEASES.
6. MAP/PLAT SHOWING LESSORS, LESSEE AND RIGHT-OF-WAY TRACT.
7. COPIES OF DEEDS OF ACQUISITION FOR RIGHT-OF-WAY.

IT IS OUR UNDERSTANDING THAT AN AFFIDAVIT OF PRODUCTION IS NOT REQUIRED FOR A HORIZONTAL WELL COMPLETION AND IS THEREFORE NOT INCLUDED. PLEASE CONTACT DOUG JONES AT 713-650-0903 IF YOU HAVE ANY QUESTIONS. THANKS IN ADVANCE FOR ALL YOUR HELP.

SINCERELY,
Billy N. Curbow
BILLY N. CURBOW

X 3592.80 93056451

BNC/Enc.

170
9



④

M-93350

GR.

5-12-93

2023

BILLY N. CURBOW
JONES & ZWIENER, INC.
901 University Drive East
College Station, Texas 77840

September 2, 1993

Drew Reid
Texas General Land Office
Stephen F. Austin Building
Room 640
1700 N. Congress
Austin, Texas 78701

170 RE: Drafts

Dear Mr. Reid,

In reference to my conversation on September 1, 1993, with Doug Jones of Jones & Zwiener, Inc., please find enclosed three sight drafts for the amounts indicated. The sums of each draft include Sale Fee, Paid Up Rentals and any additional bonus consideration.

When the Oil and Gas Leases are executed please send them to me at the above address for processing at your earliest convenience.

Thank you for your cooperation in taking care of this matter, should you have a question or require information, please feel free to contact me at 409-260-9150.

Sincerely,

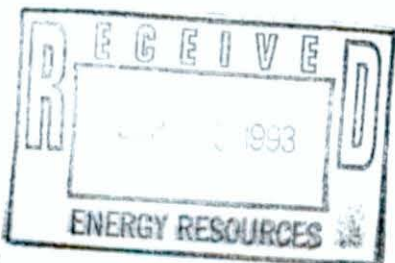
Billy N. Curbow
Billy N. Curbow

Union Pacific Resources Co ←
94000381
X 1,000.58

BNC/Enc.

X 652.69 94000382

X 140.11 94000383



5

10-93350
LHR

9-2-93

BILLY N. CURBOW
INDEPENDENT LANDMAN
P.O. Box 236
GARRISON, TEXAS 75946

MAY 12, 1993

ROBERT HATTER
MANAGER, LEASING & EVALUATION
PETROLEUM & MINERALS DEVELOPMENT
1700 NORTH CONGRESS AVENUE, RM. #640
AUSTIN, TEXAS 78701

RE: WRITTEN WAIVER OF THE STATUTORY NOTICE
BY: UNION PACIFIC RESOURCES COMPANY
29.94 ACRES, MORE OR LESS,
LEE C. SMITH SURVEY, A-211, ET AL
BRAZOS COUNTY, TEXAS

DEAR MR. HATTER,

PER OUR TELEPHONE CONVERSATION THIS WEEK, THIS WRITTEN
WAIVER OF THE STATUTORY NOTICE TO WHICH THE APPLICANT (UNION
PACIFIC RESOURCES COMPANY) IS ENTITLED BY VIRTURE OF THE
ENCLOSED CERTIFIED COPIES OF OIL, GAS AND MINERAL LEASES.

ATTACHED PLEASE FIND CERTIFIED COPIES OF ALL OF THE OIL, GAS
AND MINERAL LEASES RECORDED. PHOTOCOPIES OF THE UNRECORDED
LEASES ARE ALSO ENCLOSED.

SINCERELY,

Billy N. Curbow
BILLY N. CURBOW

BNC

ENC.

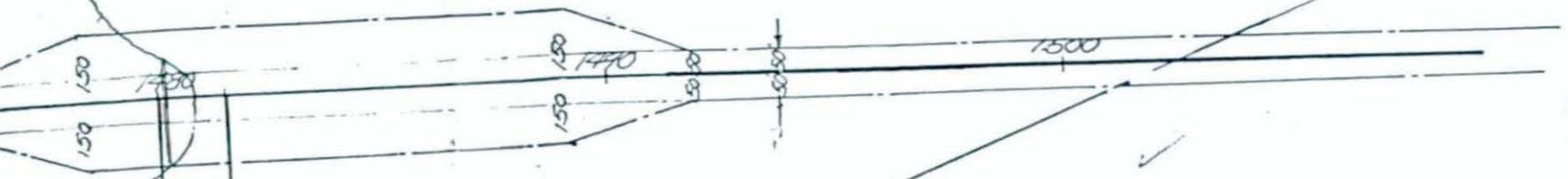
⑥

M-95350
Waller

5-12-93

2000

L.C. Smith
Survey line
B.B. & C. R.R. Survey



Ward Templeman
Sta. 1480 to 1568+12
Condemed 24.36 Ac.
Civil Min. Bk. Pg.

Control 50-2-7 F.A.R. 471 S
1479+83.5
1481+26

L.C. Smith Survey
L.C. Smith Inc.
B.B. & C. R.R. Survey

FAP471I - Control 50-2-8
FAP471G - Control 50-2-7

06428

Marian Wilkins et Al. ✓✓
Carolyn G. Rodgers et Al.
Deed 16.9 Ac.
Sta 1413+60 to 1480+00
Vol. 80 Pages 544, 545 + 547 ✓
3 Deeds

1430

1440

1450

1460

1470

1480

1475+00

25433

Ward Templeman
Sta. 1399+49 to 1413+60
Condemned 3.24 Ac.
Civil Min. Book Pg

Holden Evans Survey
T.H. Mays Survey

1413+60
T.H. Mays Survey
L.C. Smith Survey

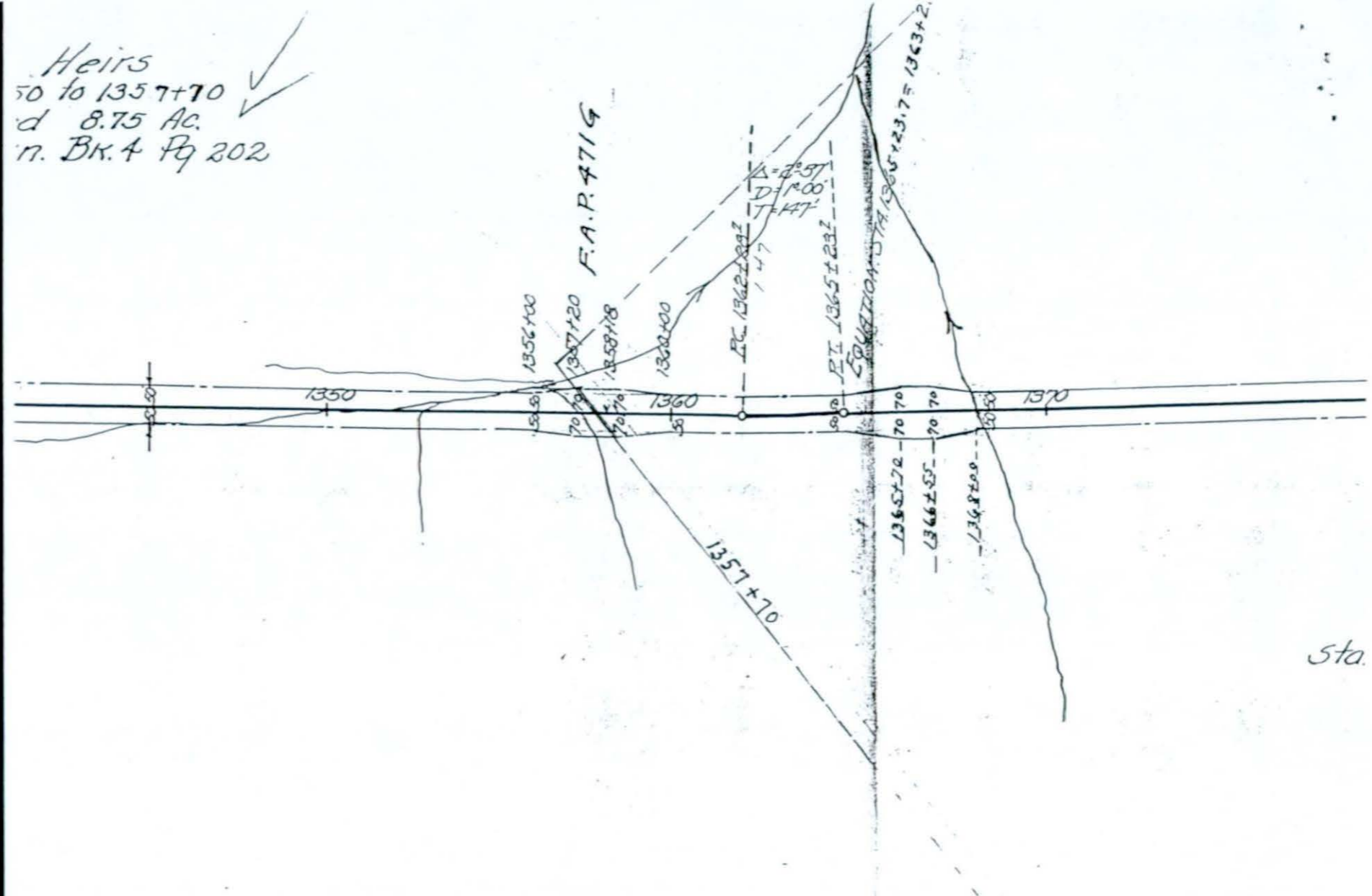
1380 1390 1400 1410 1420

Knox Williams
Sta. 1357+70 to 1399+49
Deed 9.8 Ac.
Vol 80 Pg. 543

1399+49
9.8'

00479

Heirs
 50 to 1357+70 ✓
 d 8.75 Ac. ✓
 n. BK. 4 Pg 202



05403

①

M-95350
Flat

LIST OF LESSORS AND ADDRESSES

<u>TRACT No.</u>	<u>Ac.</u>	<u>LESSOR</u>	<u>ADDRESS</u>
1.	625.23	AC. SOWELL 693, LTD.	1600 SMITH, STE. 5000 HOUSTON, TEXAS 77002
2.	68.00	AC. SOWELL 693, LTD.	1600 SMITH, STE. 5000 HOUSTON, TEXAS 77002
	68.00	AC. NORMA SAWYER PTACEK	1704 FAYLE ST. BAYTOWN, TEXAS 77520
	68.00	AC. MILTON J. SAWYER	4005 DANEK ROAD CROSBY, TEXAS 77532
3.	367.50	AC. LEILA ROTELLO, MGT. TRUST (NOT OF RECORD AS OF THIS DATE)	P.O. Box 487 NAVASOTA, TEXAS 77868
4.	4.92	AC. VICTOR M. GONZALES (UNLEASED)	P.O. Box 593 NAVASOTA, TEXAS 77868
5.	622.411	AC. MYERS CATTLE & LAND Co.	8566 KATY FRWY. HOUSTON, TEXAS 77024
6.	2.41	AC. THURMAN WEHMEYER (UNLEASED)	Rt. 2 Box 3900 NAVASOTA, TEXAS 77868
7.	0.57	AC. FELIPE MURQUIA (UNLEASED)	P.O. Box 53 NAVASOTA, TEXAS 77868
8.	18.32	AC. JOHNNY R. SMALLEY ET UX, MARY L.	P.O. Box 552 MILLICAN, TEXAS 77866
9.	7.430	AC. MELVIN OHRLEIN ET UX, DOROTHY	P.O. Box 953 NAVASOTA, TEXAS 77868
10.	6.068	AC. JOHN A. MILLS ET UX, DEETTA	Rt. 2 Box 538 JOSHUA, TEXAS 76058
11.	134.17	AC. TONI O. HARRIS ET VIR, STEVEN	24881 Hwy. 6 SOUTH NAVASOTA, TEXAS 77868
12.	118.908	AC. LOUIS J. ORLANDO ET UX, MARTHA	24547 Hwy. 6 SOUTH NAVASOTA, TEXAS 77868
13.	81.862	AC. ROCK BOTTOM RANCH	912 STANFIELD CIRCLE BRYAN, TEXAS 77805
14.	269.0	AC. MARY W. ORLANDO	7806 AIRLINE DR. HOUSTON, TEXAS 77037
15.	202.4	AC. DOUG ABSHIRE ET UX, LINDA G.	3017 CORONADO COLLEGE STATION, TX 77845
16.	5.844	AC. ANNIE O. HARRINGTON	305 HILLSIDE DR. NAVASOTA, TEXAS 77868
17.	201.75	AC. SELECTED LANDS, 17	14515 BRIARHILLS Pkwy. HOUSTON, TEXAS 77077
18.	176.75	AC. SELECTED LANDS, 16	14515 BRIARHILLS Pkwy. HOUSTON, TEXAS 77077
19.	25.00	AC. JOHNNY CHURCHWELL ET UX, GAIL	P.O. Box 1148 NAVASOTA, TEXAS 77868
20.	644.62	AC. W.C. MITCHELL ET AL (MEMORANDUM OF OPTION FOR LEASE)	P.O. DRW.913 BRYAN, TEXAS 77805

SEE
INSET

⑧

M-91350

List of lenses

5.2.2

AFFIDAVIT OF LEASE CONSIDERATION

THE STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, THE UNDERSIGNED AUTHORITY, A NOTARY PUBLIC, ON THIS DAY PERSONALLY APPEARED DOUGLAS G. JONES, KNOWN TO ME TO BE A CREDIBLE PERSON, WHO BY ME DULY SWORN ON OATH, DEPOSES AND SAYS:

MY NAME IS DOUGLAS G. JONES, VICE-PRESIDENT OF JONES & ZWIENER, INC., LOCATED AT 1300 MAIN BUILDING, SUITE 1720, HOUSTON, TEXAS 77002. I AM WELL AND PERSONALLY FAMILIAR WITH THE LEASE BONUS CONSIDERATION PAID TO LESSORS IN THE LEE C. SMITH SURVEY, ABSTRACT NO. 211, THOMAS H. MAYS SURVEY, ABSTRACT NO. 160, ANDREW MILLICAN SURVEY, ABSTRACT NO. 39 AND HOLDEN EVANS SURVEY, ABSTRACT NO. 15, BRAZOS COUNTY, TEXAS, FOR THE BENEFIT OF UNION PACIFIC RESOURCES COMPANY, 801 CHERRY ST., FT. WORTH, TEXAS 76102. THE MOST FAVORABLE BONUS CONSIDERATION PAID TO ANY OF THE NUMEROUS LESSORS ADJOINING TEXAS HIGHWAY NUMBER 6 WAS \$120.00 PER NET MINERAL ACRE FOR A THREE YEAR PAID-UP LEASE, WITH ONE-FIFTH (1/5) ROYALTY:

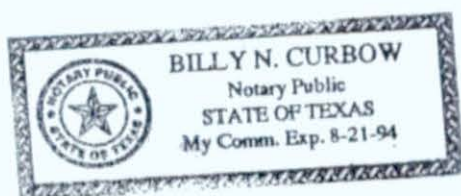
AFFIANT FURTHER STATES THAT COPIES OF DRAFTS PAID TO LESSORS ON LEASES THAT ADJOIN TEXAS HIGHWAY NUMBER 6 ARE AVAILABLE UPON REQUEST AND OFFICE PHONE NUMBER IS 713-650-0903.

FURTHER AFFIANT SAYETH NOT.

WITNESS MY HAND THIS 21st DAY OF MAY, 1993.

D. G. Jones
DOUGLAS G. JONES

SUBSCRIBED AND SWORN TO BEFORE ME BY SAID DOUGLAS G. JONES THIS 21st DAY OF MAY, 1993.

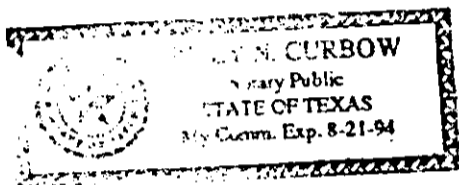


Billy N. Curbow
NOTARY PUBLIC, STATE OF TEXAS

ACKNOWLEDGEMENTS

THE STATE OF TEXAS §
§
COUNTY OF BRAZOS §

THIS INSTRUMENT AS ACKNOWLEDGED BEFORE ME ON THE 21st DAY
OF MAY, 1993, BY DOUGLAS G. JONES.



Billy N. Curbow
NOTARY PUBLIC, STATE OF TEXAS

9

M. 93350

41.

S-21-93

2023

BILLY N. CURBOW
JONES & ZWIENER, INC.
2311 DELEE STREET
BRYAN, TEXAS 77802

JUNE 29, 1993

DREW REED
TEXAS GENERAL LAND OFFICE
STEPHEN F. AUSTIN BUILDING
ROOM 640
1700 N. CONGRESS
AUSTIN, TEXAS 78701

RE: LETTER OPINIONS
HIGHWAY 6
BRAZOS COUNTY, TEXAS
FOR UNION PACIFIC RESOURCES COMPANY

DEAR DREW,

IN REFERENCE TO YOUR REQUEST TO THE ABOVE REFERENCED LETTER
OPINIONS, PLEASE FIND ENCLOSED LETTER OPINIONS FOR THE TWO
TRACTS OF LAND THAT I HAD EARLIER REQUESTED OIL AND GAS
LEASES ON MAY 19, 1993.

THANK YOU FOR YOUR ASSISTANCE IN HANDLING THIS MATTER,
SHOULD YOU HAVE A QUESTION OR REQUIRE FURTHER INFORMATION,
PLEASE CONTACT ME AT 409-776-8480.

SINCERELY,

Billy N. Curbow
BILLY N. CURBOW

HAYNES AND BOONE, L.L.P.
ATTORNEYS AND COUNSELORS AT LAW

3100 NATIONSBANK PLAZA
DALLAS, TEXAS 75202-3789
TELEPHONE 214/651-5000
TELEX 73-0187
TELECOPY 214/651-5940

AUSTIN
DALLAS
FORT WORTH
HOUSTON
SAN ANTONIO

WRITER'S DIRECT DIAL NUMBER:

(214) 651-5603

June 25, 1993

Mr. Robert Hatter
Manager, Lease Administrations
Texas General Land Office
Stephen F. Austin Building
1700 N. Congress Ave.
Austin, Texas 78701

Dear Mr. Hatter:

29.94 re Application

At the request of Union Pacific Resources Company, we have reviewed the following documents (the "Deeds") affecting certain tracts of land located in Burleson County, Texas, as more particularly described on Exhibit "A" attached hereto (the "Property"):

1. Photocopy of a Right of Way Deed dated July 2, 1931, from K T. Williams to the State of Texas, recorded in Volume 80, Page 543 of the Real Property Records of Brazos County, Texas. (being Tract One as described on Exhibit "A" hereto)
2. Photocopy of a Right of Way Deed dated June 18, 1934, from Ward Templeman, to the State of Texas, recorded in Volume 87, Page 408 of the Real Property Records of Bazos County, Texas. (being tract Two as described on Exhibit "A" hereto)
3. Photocopy of a Right of Way Deed (undivided interest) dated September 22, 1931, from Walter D. Caldwell, Guardian for Walter Dean Caldwell, Jr. and Marian Frances Caldwell, minors, to the State of Texas, recorded in Volume 80, Page 544 of the Real Property Records of Brazos County, Texas. (being Tract Three as described on Exhibit "A" hereto)
4. Photocopy of a Right of Way Deed (undivided interest) dated June 30, 1931, from Carolyn G. Rogers, et. al., to the State of Texas, recorded in Volume 80, Page 545 of the Real Property Records of Brazos County,

Mr. Robert Hatter
June 25, 1993
Page 2

Texas. (being Tract Three as described on Exhibit "A" hereto)

5. Photocopy of a Right of Way Deed (undivided interest) dated June 29, 1931, from Marion Wilkin, et. al., to the State of Texas, recorded in Volume 80, Page 547 of the Real Property Records of Brazos County, Texas. (being Tract Three as described on Exhibit "A" hereto)

Each of the Deeds contain a granting clause which on its fact grants and conveys to the State of Texas a fee simple interest in the affected Property. However, immediately following the granting clause, each of the Deeds prefaces the description of the affected Property as a tract of land "to be used for right of way purposes." Under Texas law it does not appear that this recital in the Deeds (i.e., that the affected Property conveyed is to be used for right of way purposes) limits the fee simple conveyance otherwise granted pursuant to the granting clause. The Texas Supreme Court, in Texas Electric Railway Company v. Neale, 252 S.W.2d 451, 456, held that the use of the words "right of way" in a deed "does not change the effect of the conveyance, for the declaration in a deed of the purpose for which land is conveyed or the use to be made of it does not impose a condition upon the title granted; nor does it operate to limit the grant to a mere easement."

Therefore, based upon our review of the Deeds and applying the analysis of Texas Electric Railway Company v. Neale, fee simple title to the surface and mineral estate of the Property is vested in the State of Texas by virtue of such Deeds.

Please do not hesitate to contact me should you have any questions concerning our interpretation of the Deeds.

Yours truly,



Terry I. Cross

TIC/wh

cc: Mr. Ray Sloan
c/o Varsity Motel
P.O. Box 716
Caldwell, Texas 77836

Mr. John C. Cirone
Union Pacific Resources Company

EXHIBIT "A"

TRACT ONE:

A tract of land out of the Holden Evans Survey to be used for right of way purposes and described as follows: Beginning at a point on the East line of the Holden Evans Survey said point being 919 feet from the extreme Western corner of the T. H. Mays Survey and 50 feet from the center of the proposed highway at station 1399 plus 49; Thence Due North with the East line of the Holden Evans Survey a distance of 124 feet to a point which is 50 feet from the center of the proposed highway; Thence N. 42 - 12 W. along a line parallel to and 50 feet from the center of the proposed highway a distance of 3113 feet; Thence N. 35 degrees W. a distance of 145 feet to a point which is 70 feet from the center of the proposed highway; Thence N. 42- 12 W. a distance of 85 feet; Thence N. 49 degrees W. a distance of 170 feet to a point which is 50 feet from the center of the proposed highway; Thence following a 1 degree curve to the right a distance of 125 feet; Thence N. 39 - 17 W. a distance of 229 feet; Thence N. 32 degrees W. a distance of 182 feet to a point which is 70 feet from the center of the proposed highway; Thence N. 39 - 17 W. a distance of 98 feet; Thence due South with a line between K. Williams and the Milo heirs a distance of 160 feet to a point which is 70 feet from the center of the proposed highway at station 1358 plus 18; Thence S. 39 - 27 E a distance of 182 feet to a point which is 50 feet from the center of the proposed highway; Thence S 39 - 17 E. along a line parallel to and 50 feet from the center of the proposed highway a distance of 229 feet; Thence following a 1 degree curve to the left a distance of 125 feet; Thence S 38 degrees E a distance of 170 feet to a point which is 70 feet from the center of the proposed highway; Thence S. 42 - 12 E a distance of 85 feet; Thence S. 45 degrees E a distance of 145 feet to a point which is 50 feet from the center of the proposed highway; Thence S. 42- 12 E. along a line parallel to and 50 feet from the center of the proposed highway a distance of 3089 feet to the place of beginning. Containing 9.8 acres of land.

TRACT TWO:

A tract out of the T. H. Mays survey to be used for right of way purposes and described as follows:

Beginning at a point on the West line of the T. H. Mays survey said point being 919 feet from the Southwest corner of said survey and 50 feet from the center of the proposed highway;

Thence S. 42-12 E along a line parallel to and 50 feet from the center of the proposed highway a distance of 1330 feet to the South line of the T. H. Mays survey;

Thence due East along the South line of the T. H. Mays survey a distance of 150 feet to a point which is 50 feet from the center of the proposed highway;

Thence N. 42-12 W along a line parallel to and 50 feet from the center of the proposed highway a distance of 1491 feet to a fence line and the West line of the T. H. Mays survey;

Thence due South a distance of 150 feet to the place of beginning. Containing 3.24 acres.

TRACT THREE:

Beginning at a point on the N. line of the L. C. Smith survey said point being 950 ft. from the NW corner of said survey and 50 ft. from the center of the proposed highway.

Thence S 42-12 E along a line parallel to and 50 ft from the center of the proposed highway a distance of 6180 feet;

Thence S. 26 degrees E a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway;

Thence S 42-12 E along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft. to the center of a creek;

Thence down said Creek a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway;

Thence N 42-12 W along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft;

Thence N. 58 degrees W. a distance of 300 ft. to a point which is 50 ft. from the center of the proposed highway;

Thence N. 42- 12 W. along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6100 feet;

Thence Due W. along the N. line of the L. C. Smith survey a distance of 150 feet to the place of beginning, containing 16.9 acres.

⑩

M. 95340

Letter opinion

6-29-93

2025

Row 5

DEED 80

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same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 2nd day of July A.D. 1931.

(SEAL) Oak McKenzie, Notary Public, Brazos County, Texas.

The foregoing is a true copy of the original instrument which was filed for record on the 14th day of Oct. A.D. 1931 at 5 o'clock p.m. and duly recorded on the 22nd day of Oct. A.D. 1931 at 9:55 o'clock p.m. to which I certify

Jess B. McGee, C. C. C. D. C.
Jess B. McGee Deputy

GUARDIAN'S DEED
FOR STATE HIGHWAY DEPARTMENT OF TEXAS
RIGHT-OF-WAY PURPOSES

80-544

THE STATE OF TEXAS
COUNTY OF POTTER I KNOW ALL MEN BY THESE PRESENTS: Walter D. Caldwell of Potter County, Texas, Guardian of the persons and Estate of Walter Dean Caldwell Jr., and Marian Frances Caldwell, Minors, for and in consideration of the sum of (\$56.33) to us in hand paid by the State of Texas, acting through the State Highway Commission, receipt of which is hereby acknowledged and confessed, have Granted sold and conveyed and do by these presents Grant, Sell and convey unto the State of Texas, the following described tract or parcel of land situated in the County of Brazos, State of Texas, being more particularly described as follows

A one-third undivided interest in and to a Tract of land containing sixteen and 9/10 (16.9) acres, out of the L.C. Smith Survey in Brazos County, Texas, to be used for right of way purposes and described as follows:

Beginning at a point on the N. line of the L. C. Smith Survey said point being 950 ft. from the N.W. corner of said survey and 50 ft. from the center of the proposed highway.

Thence: S. 42-12 E along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6180 feet;

Thence S. 26 degrees E a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway; Thence S. 42-12 E. along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft. to the center of a creek;

THENCE Down said Creek a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway; Thence N 42-12 W along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft.

Thence N. 58 degrees W. a distance of 300 ft. to a point which is 50 ft. from the center of the proposed highway;

Thence N. 42-12 W. along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6100 feet; Thence Due W. along the N. line of the L. C. Smith Survey a distance of 150 feet to the place of beginning, containing 16.9 acres.

and it is further agreed that the said State of Texas in consideration of the benefits above set out, will remove from the property above described, such fences, buildings and other obstructions as may be found upon said property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and hereditaments thereunto in anywise belonging unto the said State of Texas and its assigns:

And I, as Guardian of said heirs hereby bind myself, heirs, executors and administrators to forever warrant and defend the rights and title to said premises unto the said State of Texas against every person whomsoever lawfully claiming or to claim the same or any part thereof, claiming by through or under me, but not otherwise.

Witness my hand this the 22nd day of Sept. A.D. 1931.

So. 44. 7/21

Walter D. Caldwell, Guardian of Walter Dean
Caldwell, Jr. and Marian Frances Caldwell,
Minors.

THE STATE OF TEXAS|

COUNTY OF POTTER | BEFORE ME, the undersigned a Notary Public in and for said County and State, on this day personally appeared Walter D. Caldwell, 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 guardian of the persons and estate of Walter Dean Caldwell, Jr., and Marian Frances Caldwell, minors, for the purposes and consideration therein expressed.

Given under my hand and seal of office this the 22 day of September, A.D. 1931.

Wm. T. Pfeiffer, Notary Public, Potter County
Texas.

(SEAL)

The foregoing is a true copy of the original instrument which was filed for record on the 14th day of Oct. A.D. 1931 at 5 o'clock p.m. and duly recorded on the 22nd day of Oct. A.D. 1931 at 10 o'clock a.m. to which I certify

Jess B. McGee, C. C. B. C.

Wm. T. Pfeiffer Deputy

THE STATE OF TEXAS|

COUNTY OF BRAZOS | KNOW ALL MEN BY THESE PRESENTS: That we, *So. 54. 7/21* Carolyn G. Rogers, John D. Rogers, E. P. Anderson Linda G. Anderson, D. C. Giddings, Jr. of the County of Washington State of Texas, for and in consideration of the sum of \$10.00 to us in hand paid by the State of Texas, acting through the State Highway Commission, receipt of which is hereby acknowledged and confessed, have Granted, sold and conveyed, and do by these presents Grant Sell and convey unto the State of Texas the following described tract or parcel of land situated in the County of Brazos State of Texas, being more particularly described as follows:

A one-third undivided interest in and to a tract of land containing sixteen and 9/10 (16.9) acres, out of the L. C. Smith Survey in Brazos County, Texas, to be used for right-of-way purposes and described as follows:

Beginning at a point on the N. line of the L. C. Smith survey said point being 950 ft. from the NW corner of said survey and 50 ft. from the center of the proposed highway.

Thence S 42-12 E along a line parallel to and 50 ft from the center of the proposed highway a distance of 6180 feet;

Thence S. 26 degrees E a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway;

Thence S 42-12 E along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft. to the center of a creek;

Thence down said Creek a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway;

Thence N 42-12 W along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft;

Thence N. 58 degrees W. a distance of 300 ft. to a point which is 50 ft. from the center of the proposed highway;

Thence N. 42- 12 W. along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6100 feet;

Thence Due W. along the N. line of the L. C. Smith survey a distance of 150 feet to the place of beginning, containing 16.9 acres.

So. 54-17/2

Walter D. Caldwell, Guardian of Walter Dean
Caldwell, Jr. and Marian Frances Caldwell,
Minors.

THE STATE OF TEXAS|

COUNTY OF POTTER | BEFORE ME, the undersigned a Notary Public in and for said County and State, on this day personally appeared Walter D. Caldwell, 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 guardian of the persons and estate of Walter Dean Caldwell, Jr., and Marian Frances Caldwell, minors, for the purposes and consideration therein expressed.

Given under my hand and seal of office this the 22 day of September, A.D. 1931.

Wm. T. Pfeiffer, Notary Public, Potter County
Texas.

(SEAL)

The foregoing is a true copy of the original instrument which was filed for record on the 14th day of Oct. A.D. 1931 at 5 o'clock p.m. and duly recorded on the 22nd day of Oct. A.D. 1931 at 10 o'clock a.m. to which I certify

Jess B. McGee, C. S. S. B. C.

Wm. T. Pfeiffer Deputy

THE STATE OF TEXAS|

COUNTY OF BRAZOS | KNOW ALL MEN BY THESE PRESENTS: That we, ^{*So. 54-17/2*} Carolyn G. Rogers, John D. Rogers, E. P. Anderson Linda G. Anderson, D. C. Giddings, Jr. of the County of Washington State of Texas, for and in consideration of the sum of \$10.00 to us in hand paid by the State of Texas, acting through the State Highway Commission, receipt of which is hereby acknowledged and confessed, have Granted, sold and conveyed, and do by these presents Grant Sell and convey unto the State of Texas the following described tract or parcel of land situated in the County of Brazos State of Texas, being more particularly described as follows:

A one-third undivided interest in and to a tract of land containing sixteen and 9/10 (16.9) acres, out of the L. C. Smith Survey in Brazos County, Texas, to be used for right-of-way purposes and described as follows:

Beginning at a point on the N. line of the L. C. Smith survey said point being 950 ft. from the NW corner of said survey and 50 ft. from the center of the proposed highway.

Thence S 42-12 E along a line parallel to and 50 ft from the center of the proposed highway a distance of 6180 feet;

Thence S. 26 degrees E a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway;

Thence S 42-12 E along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft. to the center of a creek;

Thence down said Creek a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway;

Thence N 42-12 W along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft;

Thence N. 58 degrees W. a distance of 300 ft. to a point which is 50 ft. from the center of the proposed highway;

Thence N. 42- 12 W. along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6100 feet;

Thence Due W. along the N. line of the L. C. Smith survey a distance of 150 feet to the place of beginning, containing 16.9 acres.

30.5.15. 1931

And it is further agreed that the said State of Texas in consideration of the benefits above set out, will remove from the property above described, such fences, buildings and other obstructions as may be found upon said property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and hereditaments thereunto in anywise belonging unto the said State of Texas, and its assigns:

And we hereby binds ourselves our heirs, executors and administrators to forever warrant and defend the rights and title to said premises unto the said State of Texas against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Witness our hands, this the 30th day of June A.D. 1931.

Linda G. Anderson

E. P. Anderson Ex.

Carolyn G. Rogers

Jno. D. Rogers

D. C. Giddings Sr.

THE STATE OF TEXAS

COUNTY OF WASHINGTON] BEFORE ME, J. L. Chappell, a Notary Public, of the County of Washington, in the State of Texas, on this day personally appeared E. P. Anderson, and Linda G. Anderson his wife both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed. And the said Linda G. Anderson wife of the said E. P. Anderson having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Linda G. Anderson, acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office, this 1st day of July A.D. 1931.

J. L. Chappell, Notary Public in and for Washington
County, Texas.

(SEAL)

THE STATE OF TEXAS

COUNTY OF WASHINGTON] BEFORE ME, J. L. Chappell, a Notary Public in and for Washington County, Texas, on this day personally appeared D. C. Giddings, Jr., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 1st day of July A.D. 1931.

J. L. Chappell, Notary Public in and for
Washington County, Texas.

(SEAL)

~~The foregoing is a true copy of the original instrument which was filed for record on the~~

THE STATE OF TEXAS

COUNTY OF GRIMES] BEFORE ME, Margaret E. McFarlane a notary Public in and for said County and State, on this day personally appeared Jno. D. Rogers known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 30th day of June A.D. 1931.

Margaret E. McFarlane, Notary Public, Grimes
County, Texas.

(SEAL)

THE STATE OF TEXAS

BEFORE ME, Margaret E. McFarlane a notary Public in and for said county and State on this day personally appeared Carolyn G. Rogers wife of Jno. D. Rogers known to me to be the person whose name is subscribed to the foregoing instrument, and having been examined by me privily and apart from her husband and having the same fully explained to her

50-543-R-2

she the said she acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed and that she did not wish to retract it.

Given under my hand and seal of office, this the 30th day of June A.D. 1931.

Margaret E. McFarlane, Notary Public, Grimes
County, Texas.

(SEAL)

The foregoing is a true copy of the original instrument which was filed for record on the 14th day of Oct. A.D. 1931 at 5 o'clock p.m. and duly recorded on the 22nd day of Oct. A.D. 1931 at 11 o'clock a.m. to which I certify

Jess B. McGee, C. C. C. D. C.

Jess B. McGee Deputy

80.5.17.21

THE STATE OF TEXAS |

COUNTY OF BRAZOS | KNOW ALL MEN BY THESE PRESENTS: That we Marion Wilkin, Mabel Wilkin and Lillian Wilkin Fleming, joined pro forma by her husband, Frederic A. Fleming of the County of Harris State of Texas, for and in consideration of the sum of Ten (\$10.00) Dollars to us in hand paid by the State of Texas, acting through the State Highway Commission, receipt of which is hereby acknowledged and confessed, have Granted sold and conveyed and do by these presents Grant, sell and convey unto the State of Texas the following described tract or parcel of land situated in the County of Brazos State of Texas, being more particularly described as follows:

A one-third undivided interest in and to a Tract of land containing sixteen and 9/10 (16.9) acres, out of the L.C. Smith Survey in Brazos County, Texas, to be used for right-of-way purposes and described as follows:

BEGINNING at a point on the N. line of the L. C. Smith Survey said point being 950 ft. from the NW corner of said survey and 50 ft. from the center of the proposed highway.

Thence S 42-12 E E along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6180 feet;

Thence S 26 degrees E. a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway;

Thence S. 42-12 E along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft. to the center of a creek;

Thence down said Creek, a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway;

Thence N 42-12 W. along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft;

Thence N. 58 degrees W. a distance of 300 ft. to a point which is 50 ft from the center of the proposed highway;

Thence N. 42-12 W. along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6100 feet;

Thence Due W. along the N. line of the L.C. Smith Survey a distance of 150 feet to the place of beginning containing 16.9 acres.

and it is further agreed that the said State of Texas in consideration of the benefits above set out, will remove from the property above described, such fences, buildings and other obstructions as may be found upon said property.

TO HAVE AND TO HOLD, the above described premises, together with all and singular the rights and hereditaments thereunto in anywise belonging unto the said State of Texas, and its assigns:

And we do hereby bind ourselves our heirs, executors and administrators to forever

80-347-2-2a

warrant and defend the rights and title to said premises unto the said State of Texas against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Witness our hands this the 29th day of June A.D. 1931.

Marion Wilkin

Mabel Wilkin

Frederic A. Fleming Lillian Wilkin Fleming

THE STATE OF TEXAS|

COUNTY OF WASHINGTON| BEFORE ME, W. H. Bouldin a Notary Public in and for said County and State, on this day personally appeared Marion Wilkin a feme sole known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 29 day of June A.D. 1931.

W. H. Bouldin, Notary Public, Washington County,
Texas.

(SEAL)

THE STATE OF NEW MEXICO|

BEFORE ME, Maud Neal a Notary Public in and for said county and State, on this day personally appeared Mabel Wilkin acknowledges such instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office this the third day of July A.D. 1931.

(SEAL)

Maud Neal Notary Public Calfax County, New Mex.

My commission expires Mar. ___

THE STATE OF TEXAS|

COUNTY OF HARRIS | BEFORE ME, the undersigned, a Notary public in and for said County and State, on this day personally appeared Frederic A. Fleming, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this the 21st day of August, A.D. 1931.

Geo. M. Irving, Notary Public in and for Harris
County, Texas

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THE STATE OF TEXAS|

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

Given under my hand and seal of office, this the 21st day of August, A.D. 1931.

Geo. M. Irving, Notary Public in and for Harris
County, Texas.

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The foregoing is a true copy of the original instrument which was filed for record on the 14th day of Oct. A.D. 1931 at 5 o'clock p.m. and duly recorded on the 22nd day of Oct. A.D. 1931 at 11:20 o'clock a.m. to which I certify

Jess B. McGee, C. S. C. E. C.

Wm. L. P. ... Deputy

the Land Bank Commissioner acting as aforesaid that any unpaid portion of the debt and lien hereinbefore described which is not hereby specifically transferred, is fully completely and irrevocably released, and grantor has not and will not require or accept directly or indirectly any payment, renewal, extension or any other evidence of indebtedness for the unpaid portion of said debt.

87/408

This 6th day of Oct. A.D. 1934.

W. J. Coulter

THE STATE OF TEXAS |

COUNTY OF BRAZOS | BEFORE ME, the undersigned authority, on this day personally appeared W. J. Coulter, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, on this the 6th day of Oct. A.D. 1934.

W. S. Barron, Notary Public in and for Brazos County, Texas.

(SEAL)

The foregoing is a true copy of the original instrument which was filed for record on the 6th day of Oct. A.D. 1934 at 3:30 o'clock p.m. and duly recorded on the 9th day of Oct. A.D. 1934 at 12 o'clock m. to which I certify

C. F. Goun, C. C. C. P. C.
Wm. L. Gouin Deputy

THE STATE OF TEXAS |

COUNTY OF BRAZOS | KNOW ALL MEN BY THESE PRESENTS: That we, Ward Templeman, of the County of Grimes in the State of Texas, and Dallas Joint Stock Land Bank, a corporation, organized and doing business under the laws of the State of Texas, of the County of Dallas in the State of Texas, for and in consideration of the sum of One and No/100 Dollars, to us in hand paid by the State of Texas, acting through the State Highway Commission, receipt of which is hereby acknowledged, have this day sold, and do by these presents grant, bargain, sell and convey unto the State of Texas all that certain tract or parcel of land situated in the County of Brazos, State of Texas, and being part of a survey originally granted to Charles A. Bouldin and F.A. Thompson, assignees of Thomas H. Mays, by Patent No. ____, Vol. ____ Abstract No. __ and being apart of a tract of 1523 acres conveyed by J.T. and P. J. Garrett to W. J. Foster and Ward Templeman by deed dated the 2nd day of September, 1899, and recorded in Volume No. 22, page No. 100, of the Deed Records of Brazos County, Texas; said tract or parcel of land herein conveyed, being more particularly described as follows:

Tract No. 1. A tract out of the T. H. Mays Survey to be used for right of way purposes and described as follows:

Beginning at a point on the West line of the T. H. Mays survey said point being 919 feet from the Southwest corner of said survey and 50 feet from the center of the proposed highway;

Thence S. 42-12 E along a line parallel to and 50 feet from the center of the proposed highway a distance of 1530 feet to the South line of the T. H. Mays survey;

Thence due East along the South line of the T. H. Mays survey a distance of 150 feet to a point which is 50 feet from the center of the proposed highway;

Thence N. 42-12 W along a line parallel to and 50 feet from the center of the proposed highway a distance of 1491 feet to a fence line and the West line of the T. H. Mays survey;

Thence due South a distance of 150 feet to the place of beginning. Containing 3.24 acres.

and it is further agreed that the said Ward Templeman and Dallas Joint Stock Land Bank in consideration of the benefits above set out, will remove from the property above described

37-405-171-2

such fences, buildings and other obstructions as may be found upon said property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and hereditaments thereunto in anywise belonging unto the said State of Texas and its assigns;

and Ward Templeman and Dallas Joint Stock Land Bank hereby bind their heirs, executors and administrators to forever warrant and defend the rights and title to said premises unto the said State of Texas against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Witness our hands this the 18th day of June, A.D. 1934.

Witness to ink of Ward Templeman
Hal B. Stoneham, Loory Jacobs
(SEAL)
Attest: -- Secy.

his
Ward Templeman
Mark
The Dallas Joint Stock Land Bank
By H. W. Ferguson, Pres.

THE STATE OF TEXAS |

COUNTY OF CRIMES | BEFORE ME, the undersigned authority, a Notary Public in and for said county and State, on this day personally appeared Ward Templeman known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 18th day of June A.D. 1934.

(SEAL)

Hal B. Stoneham, Notary Public, Crimes County,
Texas.

THE STATE OF TEXAS |

COUNTY OF DALLAS | BEFORE ME, Susie S. Pace, a Notary Public in and for said county and State, on this day personally appeared, H. W. Ferguson, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of The Dallas Joint Stock Land Bank of Dallas, Texas and as the President thereof.

Given under my hand and seal of office, this the 28 day of June, A.D. 1934.

Susie S. Pace, Notary Public, Dallas
County, Texas.

(SEAL)

The foregoing is a true copy of the original instrument which was filed for record on the 9th day of Oct. A.D. 1934 at 10:30 o'clock a.m. and duly recorded on the 9th day of Oct. A.D. 1934 at 1:45 o'clock p.m. to which I certify

C. F. Coen, C. C. B. C.
M. L. Coen Deputy

THE STATE OF TEXAS |

COUNTY OF BRAZOS | KNOW ALL MEN BY THESE PRESENTS: That I, Mrs. J. W. Hamilton, a widow and surviving wife of J. W. Hamilton, deceased, of the County of Brazos State of Texas for and in consideration of the sum of One Dollar to me in hand paid by McCullough-Dansby Company, a partnership composed of W. I. McCullough, Norman Dansby, and Milton Dansby, and the further consideration being the cancellation and surrender of a deed of trust note dated September 5, 1933, for \$600.00, payable to McCullough-Dansby Company on or before September 5, 1934, bearing 8 per cent interest from date until paid, secured by a deed of trust on the hereinafter described land, which deed of trust is recorded in Volume Y, page 597, Deed of Trust records of Brazos County, Texas, to which reference is made for all pertinent purposes have Granted, sold and conveyed, and by these presents do Grant, sell and convey, unto the said McCullough-Dansby Company of the County of Brazos State of Texas all that certain The East one-half

80/543

THE STATE OF TEXAS|

KNOW ALL MEN BY THESE PRESENTS: That I, K. T. Williams, of the County of Brazos State of Texas, for and in consideration of the sum of (10.00) and other valuable considerations, to us in hand paid by the State of Texas, acting through the State Highway Commission, receipt of which is hereby acknowledged and confessed, have Granted, Sold and conveyed, and do by these presents Grant, sell and convey unto the State of Texas the following described tract or parcel of land situated in the County of Brazos State of Texas, being more particularly described as follows: a tract of land out of the Holden Evans Survey to be used for right of way purposes and described as follows: Beginning at a point on the East line of the Holden Evans Survey said point being 919 feet from the extreme Western corner of the T. H. Mays Survey and 50 feet from the center of the proposed highway at station 1399 plus 49; Thence Due North with the East line of the Holden Evans Survey a distance of 124 feet to a point which is 50 feet from the center of the proposed highway; Thence N. 42 - 12 W. along a line parallel to and 50 feet from the center of the proposed highway a distance of 3113 feet; Thence N. 35 degrees W. a distance of 145 feet to a point which is 70 feet from the center of the proposed highway; Thence N. 42- 12 W. a distance of 85 feet; Thence N. 49 degrees W. a distance of 170 feet to a point which is 50 feet from the center of the proposed highway; Thence following a 1 degree curve to the right a distance of 125 feet; Thence N. 39 - 17 W. a distance of 229 feet; Thence N. 32 degrees W. a distance of 182 feet to a point which is 70 feet from the center of the proposed highway; Thence N. 39 - 17 W. a distance of 98 feet; Thence due South with a line between K. Williams and the Milo heirs a distance of 160 feet to a point which is 70 feet from the center of the proposed highway at station 1358 plus 18; Thence S. 39 - 27 E a distance of 183 feet to a point which is 50 feet from the center of the proposed highway; Thence S 39 - 17 E. along a line parallel to and 50 feet from the center of the proposed highway a distance of 229 feet; Thence following a 1 degree curve to the left a distance of 125 feet; Thence S 38 degrees E a distance of 170 feet to a point which is 70 feet from the center of the proposed highway; Thence S. 42 - 12 E a distance of 85 feet; Thence S. 45 degrees E a distance of 145 feet to a point which is 50 feet from the center of the proposed highway; Thence S. 42- 12 E. along a line parallel to and 50 feet from the center of the proposed highway a distance of 3089 feet to the place of beginning. Containing 9.8 acres of land.

and it is further agreed that the said K. T. Williams will build fences and Brazos County in consideration of the benefits above set out, will remove from the property above described, such fences, buildings and other obstructions as may be found upon said property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and hereditaments thereunto in anywise belonging unto the said State of Texas and its assigns;

And I, hereby bind myself, heirs, executors and administrators to forever warrant and defend the rights and title to said premises unto the said State of Texas against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Witness my hand, this the 2nd day of July A.D. 1931.

K. T. Williams

THE STATE OF TEXAS|

COUNTY OF BRAZOS | BEFORE ME, Oak McKenzie, a Notary Public in and for said County and State, on this day personally appeared K. T. Williams, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the

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same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 2nd day of July A.D. 1931.

(SEAL)

Oak McKenzie, Notary Public, Brazos County, Texas.

The foregoing is a true copy of the original instrument which was filed for record on the 14th day of Oct. A.D. 1931 at 5 o'clock p.m. and duly recorded on the 22nd day of Oct. A.D. 1931 at 9:35 o'clock p.m. to which I certify

Jess B. McGee, C. C. C. D. C.

Miss L. Newton Deputy

GUARDIAN'S DEED

FOR STATE HIGHWAY DEPARTMENT OF TEXAS

RIGHT-OF-WAY PURPOSES

THE STATE OF TEXAS

COUNTY OF POTTER

KNOW ALL MEN BY THESE PRESENTS: Walter D. Caldwell of Patter County,

Texas, Guardian of the persons and Estate of Walter Dean Caldwell Jr., and Marian Frances Caldwell, Minors, for and in consideration of the sum of (\$56.33) to us in hand paid by the

State of Texas, acting through the State Highway Commission, receipt of which is hereby

acknowledged and confessed, have Granted sold and conveyed and do by these presents Grant,

Sell and convey unto the State of Texas, the following described tract or parcel of land

situated in the County of Brazos, State of Texas, being more particularly described as follows:

A one-third undivided interest in and to a Tract of land containing sixteen and 9/10 (16.9) acres, out of the L.C. Smith Survey in Brazos County, Texas, to be used for right of way purposes and described as follows:

Beginning at a point on the N. line of the L. C. Smith Survey said point being 950 ft. from the N.W. corner of said survey and 50 ft. from the center of the proposed highway.

Thence: S. 42-12 E along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6180 feet;

Thence S. 26 degrees E a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway; Thence S. 42-12 E. along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft. to the center of a creek;

THENCE Down said Creek a distance of 300 ft. to a point which is 150 ft. from the center of the proposed highway; Thence N 42-12 W along a line parallel to and 150 ft. from the center of the proposed highway a distance of 200 ft.

Thence N. 58 degrees W. a distance of 300 ft. to a point which is 50 ft. from the center of the proposed highway;

Thence N. 42-12 W. along a line parallel to and 50 ft. from the center of the proposed highway a distance of 6100 feet; Thence Due W. along the N. line of the L. C. Smith Survey a distance of 150 feet to the place of beginning, containing 16.9 acres.

and it is further agreed that the said State of Texas in consideration of the benefits above set out, will remove from the property above described, such fences, buildings and other obstructions as may be found upon said property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and hereditaments thereunto in anywise belonging unto the said State of Texas and its assigns:

And I, as Guardian of said heirs hereby bind myself, heirs, executors and administrators to forever warrant and defend the rights and title to said premises unto the said State of Texas against every person whomsoever lawfully claiming or to claim the same or any part thereof, claiming by through or under me, but not otherwise.

Witness my hand this the 22nd day of Sept. A.D. 1931.

⑪

M. 91350
Row Deeds

0. 2. 3. 4.

Adjacent
Leases
(10)

170

Producers 88 (4/76) Revised Paid Up
With 440 Acres Pooling Provision

* POUND PRINTING & STATIONERY COMPANY
2123 BANNIN, WRESTON, TEXAS 77081, (713) 436-1138

518593 OIL, GAS AND MINERAL LEASE

FILED

THIS AGREEMENT made this 26th day of FEBRUARY 1983 between:

SOWELL 693, LTD., a Texas Limited Partnership,
by Charles L. Sowell, its General Partner

Lessor (whether one or more), whose address is: 1600 Smith Street, Suite 5000, Houston, Texas 77002
and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Fort Worth, TX 76102, Lessee, WITNESSETH:

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars

(\$ 10.00 & OVC), in hand paid, of the royalties herein provided, and of the agreements of Lessor herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take

care of, treat, transport and own said products, and housing its employees, the following described land in BRAZOS County, Texas, to-wit:

693.23 acres of land, more or less, a part of the THOMAS H. MAYS SURVEY, A-160 and the ANDREW MILLICAN SURVEY, A-39, Brazos County, Texas, and being more particularly described in that certain Deed dated December 21, 1973, from W. Harold Sellers, Trustee to Charles L. Sowell, et al., and recorded in Volume 323, Page 123, of the Deed Records of Brazos County, Texas.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipelines to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessor, to pay lessor the average pooled market price of such one-eighth part of such oil at the wells as of the day it is run to the pipe line or storage tanks, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) to pay lessor for gas and casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; (c) To pay lessor on all other minerals mined and marketed or utilized by lessee from said land, one-tenth either in kind or value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessor covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then as to or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders as to or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the Tanglewood Bank National Association

Bank at P. O. Box 27710, Houston, Texas 77227 or its successors, which shall continue as the depositories, regardless of change in the ownership of such royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each.

4. Lessor, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessor's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessor, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessor under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessor shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessor may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 3 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit for each separate tract within the unit if this lease covers separate tracts within the unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit for to each separate tract within the unit if this lease covers separate tracts within the unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease for in each such separate tract and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is produced and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is produced and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any shut-in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessor shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

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5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force as long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 150 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessor, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided for simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided for simple estate thereon. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, 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 on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. See "ADDENDUM" attached hereto for Provisions 11 through 32.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

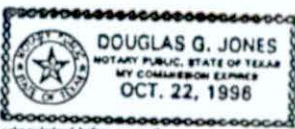
TAX ID# [REDACTED]

SOWELL 693, LTD., a Texas Limited Partnership

BY: CHARLES L. SOWELL
ITS: GENERAL PARTNER

STATE OF Texas
COUNTY OF Harris

This instrument was acknowledged before me on the 12th day of MARCH, 19 93, by Charles L. Sowell, General Partner on behalf of Sowell 693, Ltd., a Texas Limited Partnership.



STATE OF
COUNTY OF

This instrument was acknowledged before me on the

Notary Public, State of Texas
Notary's name (printed): DOUGLAS G. JONES
Notary's commission expires: 10/22/98

STATE OF
COUNTY OF

This instrument was acknowledged before me on the

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

of [REDACTED] corporation, on behalf of said corporation.

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

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FROM: [REDACTED]

TO: [REDACTED]

Oil, Gas and Mineral Lease

FROM: [REDACTED]

TO: [REDACTED]

Executed on the _____ day of _____, 19____, at _____, _____ County, Texas

No. Acres _____

Term _____

This instrument was filed for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and duly recorded in Book _____ Page _____ of the _____ records of this office.

By _____ County Clerk

When recorded return to _____

RECORDING & STATUTORY COMPANY
2125 Pecan, Houston, Texas 77025 (713) 646-1199

ADDENDUM

ATTACHED TO AND BY REFERENCE MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE MADE AND ENTERED INTO BY SOWELL 693, LTD., A TEXAS LIMITED PARTNERSHIP, AS LESSOR, AND UNION PACIFIC RESOURCES COMPANY, AS LESSEE, UNDER DATE OF FEBRUARY 26, 1993

11. **DRILLSITE** It is agreed and understood that Lessee is limited to one (1) drillsite, which will be situated on Tract 75, being described as 6.02 acres on Plat styled "7-11 Ranch, Phase 2", recorded in Volume 628, Page 661, Official Records, Brazos County, Texas, to which reference is here made for a more complete description of said land and for any and all purposes pertinent and relevant hereto. It is further agreed and understood that said drillsite shall be located in the most easterly 4.0 acres of said 6.02 acre tract, said 4.0 acre tract being more fully described hereinbelow.
 - a. During drilling operations of the initial well under the terms of this lease, Lessee shall be permitted to use any part of the 6.02 acres. However, within ninety (90) days after completion of the initial well, Lessee shall be restricted to the use of the most easterly 4.0 acres of said 6.02 acre Tract 75, described above. To this end, before starting its initial drilling operation, Lessee shall promptly prepare and file in the appropriate records a survey plat prepared by a licensed surveyor which sets forth the 4.0 acres to be retained by Lessee for its operations of such well. Said 4.0 acre tract shall be in as nearly a square or rectangular shape as is practicable; but if a square or rectangular shape is not practicable because of the configuration of Tract 75, in any event all of the acreage must be in a reasonably compact shape.
 - b. No well or equipment, including but not limited to wellbore, tank batteries, slush pits, separators, pumps and/or engines shall be placed within 100 feet of the perimeter of said 4.0 acre tract.
 - c. Lessee is hereby granted a right-of-way which is forty (40) feet in width on and across said Tract 75. Such right-of-way shall be adjacent to and parallel with the south line of Tract 75. This right-of-way is for use by Lessee, its employees, agents, licensees and their equipment, and shall remain effective throughout the term of this lease. Upon the expiration of this lease, said right-of-way shall expire and shall no longer have any force and effect.
12. **PRINTED FORM** Notwithstanding anything herein contained to the contrary, it is understood that in the event of conflict between the printed form and the provisions added to this lease, the provisions added to this lease shall prevail.
13. **TERM** This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of three (3) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced in paying quantities from said land or land with which said land is pooled hereunder.
14. **ROYALTY CHANGE** Notwithstanding anything provisions to the contrary herein, the royalty provided in Paragraph 3 on Page 1 of this lease shall be one-fifth (1/5th) instead of one-eighth (1/8th) and said paragraph is amended to the extent that where the word one-eighth (1/8th) appears there is hereby substituted the word one-fifth (1/5th). Where the phrase "one dollar (\$1.00) per long ton" appears in Paragraph 3(c) above, the phrase "one dollar (\$1.00) per long ton or one-fifth (1/5) of the value, whichever is greater", shall be substituted therefor.

15. **OIL & GAS ONLY** Notwithstanding anything hereinabove to the contrary, and there is excepted herefrom and reserved to the Lessor herein all coal, uranium, fissionable materials and all bentonite, fullers earth and other claylike substances, it is specifically understood and agreed that this lease covers only oil, gas, sulphur, and associated liquid or liquefiable hydrocarbons, but this lease does not cover or include any other minerals, with all other such minerals being reserved to the Lessor herein. Accordingly, the words "oil, gas" when used herein shall mean oil, gas, sulphur and associated liquid or liquefiable hydrocarbons, and the words "all other minerals" whenever used herein, shall be stricken from this lease, so that such "all other minerals", as defined herein, are reserved to the Lessor.

16. **USE OF THE PREMISES AND DAMAGES**

a. **Roads** It is agreed that Lessee shall use, and shall be restricted to the use of, the existing access roads on the leased premises. Further, other than the 40' right-of-way in Tract 75 granted hereinabove, no road shall be made, used or constructed without first securing the prior written permission from Lessor as to the location or use of such road. Still further, it is expressly agreed that Lessee shall have no right to use any roadways situated on and across Lessors' property to service or gain access to any well on adjoining land unless the pooled unit formed for such well includes Lessors' premises. Finally, at all times this lease remains in effect, the Lessee shall be obligated at its sole expense to maintain all roadways which it uses in and across Lessors' property in a state of repair equal to or better than that which existed at the date of this lease.

b. **Fences** Lessee will build and maintain a fence capable of turning cattle and horses completely around all drillsite locations including all turn arounds, pits and machinery and shall install cattle guards as necessary in all openings in such fence and at the mouth of any road or access opening created by Lessee in any fence which cattle guard will be suitable to prevent cattle or horses from moving through such opening.

c. **No Hunting or Fishing** Neither the Lessee, nor its employees or agents, shall have the right to hunt or fish on the leased premises or to bring any firearms onto same.

d. **No Employee Housing** Lessee shall not have the right under this lease to construct and use or lease camps for housing Lessee's employees on the leased premises.

e. **No Refining Facilities** Notwithstanding the general grant of rights in this lease, Lessee shall not have the right and privilege to erect and maintain refining facilities of any kind or character on the land hereby leased, or any part thereof.

f. **Permanent Installation of Equipment** Prior to permanently locating any pump stations, compressors, tank batteries or separators, Lessee will give written notice to Lessor of such intended installations. Lessee shall confine such facilities to the 4.0 acre location which is more fully described in Paragraph 11 above. This designated area shall be fenced with a five-wire barbed fence to be built at Lessee's expense.

g. **Deleterious Substances and Disposal Pits** Lessee agrees not to allow any oil, gas or other mineral covered by and included in this lease and produced hereunder, or any saltwater, waste material or deleterious substance to flow over the surface of said land, or to run or flow down any draws, drains, creeks or ravines on said land. Lessee shall construct such retaining or disposal pits on said land as shall be necessary to confine and dispose of such substances

and all such pits shall be lined with a material designed and sufficient to prevent any fluid or material contained in such pits from seeping into said soil. Lessee may not dispose of the contents of any pit or container by spreading such materials or liquids over the surface of the leased premises. All materials or fluids contained in such pits or containers must be taken by truck off the leased premises and disposed of at some legal location off the leased premises. At the conclusion of operation on each well, Lessee will remove all refuse, trash, used material, pit liners and all other types of refuse from the leased premises and Lessee agrees that it will not bury anything at all in the drained pits. Such pits will be filled in with the soil excavated therefrom in building the pits and such additional fill dirt as may be necessary to bring pit up to level with the adjoining ground surface and the pit site will then be reseeded with appropriate grass seed which is suitable to Lessor.

h. Removal of Fixtures and Pipeline Depth Lessee shall have the right at any time during or within six (6) months after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, or the surface owner, Lessee will bury all pipelines to a depth of not less than three (3) feet below the surface.

i. Damages and Repairs Lessee agrees and obligates itself to repair all damages of any kind or character to said premises and improvements which might be caused by Lessee, its agents, servants, employees, subcontractors, successors or assigns and PROVIDED FURTHER, that Lessee, its successors or assigns, shall pay to Lessor, third party surface owners and/or tenant in possession, as the case may be, within sixty (60) days from date damages are sustained by Lessors in full for all damages done in said operations under this lease to the lands, including but not limited to, trees, shrubs, fences, crops, pasture, improvements, or to any other structures, or to any livestock thereon; and, Lessee shall be liable to Lessor for same, whether or not such agents, employees, or licenses, at the time of occasioning such damage, are acting within the scope of their employment or license. At the end of each drilling operation, the Lessee shall proceed with reasonable diligence to restore the surface of the leased premises to as near its original condition as practicable, and shall pay Lessor in full for all damages to crops, livestock, land or improvements situated on the leased premises caused by Lessee's operations.

j. Use of Water and Water Wells Lessee shall not use water from Lessor's existing water wells and/or stock ponds on said land. Should Lessee require water in connection with its drilling operation, Lessee will drill its own water well, and upon termination of this lease or Lessee's abandonment of the premises, Lessee will leave the casing in said water well to the end that Lessors will thereafter have the benefit thereof. In the event Lessor accepts such water wells, then Lessor agrees to accept full responsibility for such water wells and to indemnify and hold harmless Lessee from and against any and all claims, actions or demands for injuries or damages of whatever kind and character resulting from the existence and operation by Lessor of such water wells. Should, however, Lessor elect not to accept such water wells or any of them, Lessee shall promptly and properly plug and abandon same in accordance with applicable rules, laws and regulations.

17. ROYALTY

a. Payment Royalties payable under this Lease shall be made without deductions for the costs of producing, gathering, storing, separating, treating, dehydrating, compressing, transporting and otherwise making the oil and gas produced from the leased premises ready for sale or use. All royalty oil and gas shall be delivered free of cost into the tank or pipeline, whichever is applicable, with the exception of

Lessor's pro rata share of all applicable taxes on such royalty production.

It is clearly understood that Lessor shall be entitled to look only to Lessee or assigns for payment of its royalty and shall not be required to deal with the purchaser of hydrocarbons produced from the lease premises or any other third party.

b. **Accounting** All royalties that may become due hereunder but that are being held in suspense by lack of division order, death of a party or other legal suspense purpose, will be paid to Lessor on or before the 30th day after receipt by Lessee. Otherwise, accounting and payment to Lessor of royalties from production of oil and gas as herein provided shall commence no later than ninety (90) days after the date of the Well Completion Report is filed with the Texas Railroad Commission. Thereafter, unless otherwise specifically provided herein, all accounting and payments of royalties shall be made on or before the last day of the third calendar month following the calendar month in which the production occurred. Unless otherwise herein expressly provided, any royalties or other payments provided for in this lease which are suspended or not paid to Lessor within the time period specified therefor shall accrue interest at the rate of twelve percent (12%) per annum (of if lesser, the highest rate permitted by applicable law) from due date until paid. Acceptance by Lessor, its successors, agents or assigns, of royalties which are past due shall not act as a waiver or estoppel of its right to receive or recover any and all interest due thereon under the provisions hereof, unless the written acceptance or acknowledgment by Lessor to Lessee expressly provides.

c. **Shut-In Wells** While there is a gas well or wells capable of producing gas in paying quantities on the leased premises, but gas is not being sold or used therefrom, Lessee may pay or tender to Lessor as royalty \$1,000.00, such payment to be made within ninety (90) days following the shut-in of each well, and in advance thereafter on or before the anniversary date of the first payment, for subsequent annual periods, not to exceed two (2) consecutive years or for shorter periods at various intervals not to exceed in the aggregate five (5) years in all; and if such payment is made or tendered it will be considered that gas is being produced from this lease in paying quantities.

d. **Minimum Royalty** Notwithstanding anything that may be contained in this lease to the contrary, while this lease is being maintained by production of minerals from the land covered hereby or land pooled therewith, it is agreed that royalties pursuant to this lease for any annual period commencing on the first day of the month following the month in which such mineral production first began and ending on the last day of the month of the next year in which said initial mineral production began, and annually thereafter, (each such period of time for each year hereof being hereinafter called the "annual period") do not amount to the sum of \$35.00 per net acre for each acre held by production under the term of this lease, (such sum being hereinafter called the "minimum royalty sum"), then the difference between the total amount so paid to lessor during the applicable annual period and said minimum royalty sum shall be paid to Lessor within sixty (60) days after the end of the applicable annual period at the address of the depository bank set out in Paragraph 5. In the event Lessor, during any annual period in which the lease is in effect, shall receive hereunder from the aggregate royalties (including shut-in well royalties) a sum greater than said minimum royalty sum, such excess shall not be applied to make up any difference due to Lessor for any preceding or succeeding year. In the event of any assignment of this lease as to a portion of the lands covered hereby, such Assignee of such portion of the lands covered hereby shall be responsible for his or its part of the minimum royalty sum payable hereunder to be apportioned on an acreage

basis. It is agreed that whenever this lease shall be terminated or subject to termination, in whole or in part under the other provision of this lease, the payment of the minimum royalty sum provided for in this paragraph shall not delay nor prevent such termination. As indicated above, it is understood that the aggregate amount of all shut-in well royalties and all production proceeds attributable to lessor's royalty interest, as obtained from all wells located on the land covered by this lease and land pooled therewith shall determine whether or not, for any annual period Lessor has been paid said minimum royalty sum. All minimum royalty sums payable to Lessor hereunder shall be subject to the proportionate reduction provisions contained in this lease.

18. **PUGH CLAUSE** Lessee shall, within sixty (60) days of the earlier of (i) the expiration of the primary term hereof or (ii) expiration, termination or forfeiture of all Lessee's rights hereunder, designate and be entitled to retain only the following acreage around each Well located on lands covered by this lease, or on lands pooled therewith, and producing, or upon which drilling operations are being conducted in accordance with the provisions hereof:

(a) If drilling or producing units have not been established, Lessee shall have the right to designate and retain up to three hundred twenty (320) acres of land around each gas well and up to 160 acres for each oil well producing gas or oil respectively, being worked on, or drilling for gas/oil hereunder, down to the stratigraphic equivalent of one hundred (100') feet below the deepest depth drilled. If however, any Federal/State law or regulation, including field rules established by the Railroad Commission of the State of Texas, shall prescribe larger or smaller areas as a spacing pattern for the development of the field or to allocate a producing allowable on acreage per well, then any such unit may embrace only as much as may be required or as may be used in such allocation or allowable.

(b) If drilling or producing units have been established, Lessee shall be entitled to retain around each Well so much of the lease premises as is included under such unit on which said Well is located down to the stratigraphic equivalent of one hundred (100') feet below the deepest depth drilled.

19. **DRILLING OPERATIONS** The actual drilling of a well, as such words "actual drilling" and "drilling operations" are used in this lease, shall be considered to be commenced when there shall have been erected on the leased premises, at the location for such well, a derrick, a rig and machinery capable of drilling to a depth sufficient to test a prospective oil or gas horizon on the leased premises, and when such well shall be "spudded-in" and rotating under power; and whenever the provisions of this lease refer to "commence" or "commencement" of a well, it is intended to mean the commencement of the actual drilling of such well. "Reworking operations", as that term is used in this lease, shall mean actual work in the hole, in a good and workmanlike manner, and prosecuted with reasonable diligence. The completion date of a well which results in commercial production shall be that day upon which all work in the hole has been completed prior to the running of the official potential test. The completion date of a well which results in a dry hole and is abandoned shall be the date upon which all work in the hole has been completed, prior to plugging.
20. **DRAINAGE** Lessee shall adequately protect the leased premises from drainage by wells on adjacent lands or leases. In the event that an oil and/or gas well is completed and producing in paying quantities on property adjacent to the leased premises and is situated with 500' of the leased premises if an oil well, or 1,000' of the leased premises if a gas well, or is considered to be draining the leased premises, then within sixty (60) days of commencement of production of said

offset well(s) Lessee shall have the option of (i) drilling or recompleting an offset well on the leased premises or (ii) releasing that portion of the leased premises which is being drained, which shall be that tract of land as nearly as possible immediately adjacent to the draining well(s) which Lessor would be entitled to retain had such draining well(s) been located on the leased premises, except that Lessee shall be entitled to retain those strata or formations, or portions thereof, which are producing from a well or wells located on the leased premises and which are being adequately protected from drainage.

21. **WARRANTY** Lessor warrants title to the leased premises as to acts by, through and under Lessor only. If lessor owns an interest in the oil and gas on, in or under said land, less than the entire fee simple estate, whether or not this lease purports to cover the whole or a fractional interest, the payments to be made to lessor shall be reduced in the proportion that its interest bears to the whole and undivided fee and in accordance with nature of estate of which lessor seized.
22. **FORCE MAJEURE** Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, 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 on 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. The term 'force majeure' as employed herein shall mean any act of God including but not limited to storms, floods, washouts, landslides and lightning; acts of the public enemy; wars, blockades, insurrection or riots; strikes or lockouts; epidemics or quarantine regulations; laws, acts, orders or requests of federal, state, municipal or other governments or governmental officers or agents under color of authority; freight embargoes or failures; exhaustion or unavailability or delays in delivery of any product, labor, service, or material.
23. **RECORDATION**
- a. Lessee agrees to record in the Oil and Gas Lease Records of Brazos County, Texas, any and all assignments of this lease following the execution of any such assignment, and Lessee here binds itself, its successors and assigns, to obtain and send to Lessors a copy of each and every such assignment immediately after each such assignment or assignments is recorded.
- b. Lessee, its successors or assigns, shall at the termination of this lease furnish to Lessors, their heirs, administrators, executors or assigns, with a written recordable release.
24. **POOLING** Lessee is hereby granted the right to pool or unitize this lease, the land covered by it or any part thereof with any other land, lease, leases, mineral estates, or parts thereof for the production of oil/gas. Units pooled for oil hereunder shall not exceed 160 acres and units pooled for gas shall not exceed 320 acres. However, if any Federal/State law or regulation shall prescribe larger or smaller units as a spacing pattern for the development of the field or allocate a producing allowable on acreage per well, then any such units may embrace only as much acreage as may be required or as may be used in such allocation or allowable. In the event a well is drilled on the leased premises, at least 50% of said lease will be pooled with said unit. In the event a second (2nd)

well is drilled on the leased premises, Lessee hereby agrees that the remainder of said lease shall be pooled with said unit. However, both of these stipulations are subject to the governing rules and regulations of the Railroad Commission of the State of Texas, or any other governing body.

25. **INFORMATION** At the written request of Lessor, and no sooner than ninety (90) days after the completion of Well or Wells on lease premises, Lessee shall furnish information from said Well/Wells to Lessor or his agent, for the personal use of Lessor. said information shall be provided to Lessor/Agent at Lessee's offices located in Ft. Worth, Texas, at the convenience of both parties. Before receiving any such information, Lessor agrees to sign a mutually acceptable "confidentially agreement" prepared by Lessee. Reproduction costs involved with this compliance herewith shall be borne by Lessor.
26. **LIABILITY** Lessee assumes all risk and liability of any kind and nature incident to, occasioned by or resulting in any manner from Lessee's operations hereunder, except that occasioned by Lessor's own negligence; agrees to keep the leased premises duly and fully protected against liens of every character arising in connection with, or resulting from, said operations; and agrees to indemnify and hold Lessor harmless from and against any and all liens and claims of any kind for damages occasioned by, or on account of, said operations and against any and all claims for property damage, personal injury or death sustained by any person or persons whomsoever, natural or corporate, in connection with, or resulting from Lessee's operations hereunder, and whether or not involving active or passive negligence on the part of Lessee or its agents, contractors or employees.
- Lessee shall carry, at all times while this lease is in force, adequate insurance, including broad form blanket contractual liability coverage and a waiver of subrogation by the insurance company to claims against Lessor. Union Pacific Resources Company does, however, reserve the right to be its own insurer.
27. **DEHYDRATING AND/OR COMPRESSING GAS** It is expressly and controllingly understood that Lessee will bear and pay all costs and expenses incurred in dehydrating and/or compressing all gas produced from the lease premises, if sold at the wellhead, including specifically all such costs and expenses incurred in dehydrating and/or compressing such part or portion of said gas accruing to Lessor's royalty interest therein under the provisions hereof.
28. **PIPELINE EASEMENTS** Notwithstanding anything to the contrary contained in this Lease, it is understood and agreed by Lessor and Lessee that blanket easements for pipelines are not granted by this Lease. Specific easements for the construction of necessary pipelines will be granted by Lessor to Lessee as needed and upon written request by Lessee. Such written request shall contain a plat by a licensed surveyor which sets forth the location of the proposed pipeline easement. Such pipeline shall be constructed, buried and located in accordance with pertinent provisions contained herein.
29. **AMENDMENTS** It is agreed that neither this lease nor any terms or provision herein shall be altered, amended, extended or ratified by any division order or transfer order executed by Lessor, its successors, agents or assigns, but that any division orders or transfer orders shall be solely for the purpose of confirming the extent of Lessor's interest in production of oil and gas from the herein described premises. Any amendment, alteration, extension or ratification of this lease or of any term or provision of this lease shall be made by an instrument in writing clearly denominated as to its purpose and effect, describing the specific terms or provisions of the lease affected and the proposed change or

modification thereof, and executed by the party against whom any such amendment, alteration, extension or ratification is sought to be enforced, and any purported amendment, alteration, extension or ratification not so drafted and executed shall be of no force or effect.

30. NOTICE Any notice or other communication permitted or required under the terms hereof shall be in writing and, unless otherwise specified, be deemed properly given on the date personally delivered or on the date postmarked if mailed, postage prepaid United States mail, addressed to Lessor or Lessee at the address set forth at the commencement of this lease, or to such other address as may hereafter be designated by either party to the other by notice. Notice given in other manner shall be effective only if and when received.
31. VENUE Venue for the enforcement of the terms and provisions of this lease will lie in Brazos County, Texas.
32. SUCCESSORS AND ASSIGNS All of the provisions of this lease shall inure to the benefit of and be binding upon the parties hereto, their heirs, administrators, successors and assigns.

SIGNED FOR IDENTIFICATION PURPOSES ONLY:

SOWELL 693, LTD., A TEXAS
LIMITED PARTNERSHIP

BY: 

CHARLES L. SOWELL

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007



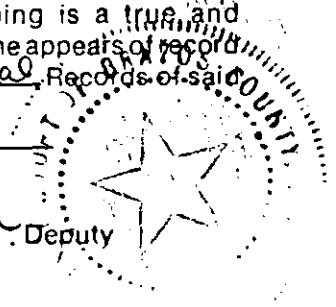
STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1774 Page 40 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas

Catherine Engleman Deputy



512057 FILED

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 14th day of December

93 FEB -4 PM 4:02

NORMA SAWYER PTACEK, a widow

and Ward, CO. CLERK

BRAZOS COUNTY COURTHOUSE
BRYAN, TEXAS

Lessor (whether one or more), whose address is 1704 Fayle St., Baytown, Texas 77520

Debita DEPT

and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, TX 76102. Lessee. WITNESSETH

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars
(\$ 10.00), in hand paid of the royalties herein provided, and of the agreements of Lessor herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save take care of, treat, transport and own said products, and housing its employees, the following described land in
BRAZOS County, Texas, to-wit

68.00 acres, more or less, a part of the THOMAS H. MAYS SURVEY, A-160, Brazos County, Texas, and being more particularly described in that certain Deed dated April 8, 1941 from C.M. Sawyer and wife, Artye Sawyer, to Mabyl Claire Klug and recorded in Volume 106, Page 243 of the Deed Records of Brazos County, Texas.

Notwithstanding anything to the contrary herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2. This is a paid-up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from this date (called "primary term") and as long thereafter as oil or other mineral is produced from said land or land with which said land is pooled hereunder.

3. As to this lease, Lessor covenants and agrees to: (a) deliver to the credit of lessee, in the pipelines to which lessee may connect its wells, the equal one-eighth part of all oil produced and sold by lessee in said land or from time to time, as the option of lessee, to gas, lessor the average pooled market price of such one-eighth part of such oil at the wells as of the date it is put in the pipe line or storage tank; lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) to pay lessee for gas and casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; (c) to pay lessee on all other minerals mined and marketed or utilized by lessee from said land, one-sixth of the value of the well or mine or lease's production, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on land with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall nevertheless continue in force as though operations were being conducted on said land for as long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessor covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to write labels, transfer or market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the Baytown State Bank

Bank at P.O. Box 7351 Baytown, Texas 77522 or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in its discretion, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or delivered in the parts entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessor's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when so to would in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilled or already drilled, and thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil and gas need not conform as an area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof with other units. Lessee shall file for record in the appropriate records of the county, in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties herein, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 5 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties as to which owners of royalties and payments due of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is, to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the pro rata portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any shut-in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease, but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

TX-46265(1)

5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 90 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 90 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 90 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 90 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 150 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such other well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder Lessee may withhold payments thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payments for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessee abandons the premises in whole or in part, then the acreage retained hereunder shall be deemed to be the acreage retained hereunder. Lessee shall notify Lessor in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not, or no interest thereon, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest thereon, if any, covered by this lease, bears to the whole and undivided fee simple estate thereon. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty hereon provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, 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 on or from producing oil or gas from the lease premises, and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Soc. Sec. [REDACTED]

Norma Sawyer Ptacek
NORMA SAWYER PTACEK

STATE OF
COUNTY OF

ACKNOWLEDGMENT

This instrument was acknowledged before me on the _____ day of _____, 19____

day of _____, 19____

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

STATE OF
COUNTY OF

TEXAS
HARRIS

ACKNOWLEDGMENT

This instrument was acknowledged before me on the 18th day of December, 19 92.

18th day of December, 19 92.

by Norma Sawyer Ptacek

Lara Robin Maguire
LARA ROBIN MAGUIRE
Notary Public, State of Texas
Commission Expires: _____
Notary's name (printed):
Notary's commission expires:

Robin Maguire

STATE OF
COUNTY OF

CORPORATE ACKNOWLEDGMENT

This instrument was acknowledged before me on the _____ day of _____, 19____

day of _____, 19____

by _____
corporation, on behalf of said corporation.

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

Produced Pursuant to the Public Information Act

Oil, Gas and Mineral Lease

FROM _____ TO _____

Vol. 1711 Page 104

This instrument was filed for record on the _____ day of _____, 19____ at _____ o'clock _____ M., and duly recorded in Book _____ Page _____ of the _____ records of this office.

By _____ County Clerk Deputy

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

3252

STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 171, Page 103 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Euglenora Deputy

513764

FILED

OIL, GAS AND MINERAL LEASE

93 FEB 24 PM 3:36

THIS AGREEMENT made this 14th day of December

MILTON J. SAWYER, a married man dealing herein in his sole and separate property

Josella

Lessor (whether one or more), whose address is 4005 Danek Road, Crosby, Texas 77532

and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, TX 76102, Lessee, WITNESSETH

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars

(10.00), in hand paid, of the royalties herein provided, and of the agreements of Lessor herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land is

BRAZOS

County, Texas, to-wit:

68.00 acres, more or less, a part of the THOMAS H. MAYS SURVEY, A-160, Brazos County, Texas, and being more particularly described in that certain Deed dated April 8, 1941, from C.M. Sawyer and wife, Artye Sawyer, to Mabyll Claire Klug, and recorded in Volume 106, Page 243 of the Deed Records of Brazos County, Texas.

Notwithstanding anything to contrary contained herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above

2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled herewith

3. As royalty, lessee covenants and agrees: (a) In delivery to the credit of lessor, in the pipelines to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessee the average pooled market price of such one-eighth part of such oil at the wells as of the day it is run to the pipe line or storage tanks, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) to pay lessor for gas and casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and for compression; (c) to pay lessor on all other minerals mined and marketed or utilized by lessee from said land, one-sixth either in kind or in value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton; If, at any time or times after the expiration of the primary term or at any time on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land so long as said wells are shut in, and thereafter this lease may be continued in force as if shut in had occurred. Lessor covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separators, and lease tanks, and shall not be required to utilize labor, material or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the EXYON BAYTOWN CREDIT UNION

Bank as BAYTOWN, TEXAS or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessor's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 80 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilled or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil and gas need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the lessee hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recitation the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 5 of this lease; and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments not of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract and included in the pooled unit bears to the total number of surface acres included in the pooled unit). Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any gas production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

3. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, or long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, the lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled acre designated by Lessee in accordance with the terms hereof, may be designated by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said land. In the event a well or wells producing oil or gas on paying quantities should be brought in on adjacent land and within 100 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessee or place of record a release or releases covering any portion or portions of the above described premises and thereby terminate this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. Where required by Lessee, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or farm now on said land without Lessee's consent.

7. The rights of other party hereunder may be assigned in whole or in part, and the premises hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, or interests, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instrument evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the assignor of this lease or of a portion thereof to the extent such breach is due to an assignor becoming entitled to equity hereunder. Lessee may withhold payment thereof unless and until furnished with a reasonable amount executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or expiration of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil or paying quantities and one well per 80 acres plus an acreage tolerance not to exceed 10% of total acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessee commences such operations as are at any time being conducted and in compliance with this lease, Lessee shall notify Lessee in writing of the facts which apply in constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessee hereby warrants and agrees to defend the title to said land and agrees that Lessee or its system may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply regulations as being hereunder known satisfying same. In the event of impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a farm situated in the oil, gas, sulphur, or other minerals in all or any part of said land that the entire pool undivided by simple estate (whether Lessee's interest is herein specified or not), or no interest therein, then the royalties and other income accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessee) shall be paid out of the royalty here provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. No Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of a violation of any state or federal law or regulation or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, then to be suspended, 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 on or from producing oil or gas from the lease premises, and the time while Lessee is so prevented shall not be counted against Lessee, anything to the contrary hereof notwithstanding.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Soc. Sec. # [REDACTED]

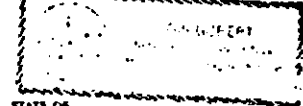
Milton J. Sawyer
MILTON J. SAWYER

STATE OF TEXAS
COUNTY OF HARRIS

ACKNOWLEDGMENT

This instrument was acknowledged before me on the 23 day of DECEMBER, 1992, by Milton J. Sawyer

day of DECEMBER, 1992



Lois Gobert
Notary Public, State of Texas
Notary's name (printed) LOIS GOBERT
Notary's commission expires 5-13-95

ACKNOWLEDGMENT

This instrument was acknowledged before me on the _____ day of _____, 19____, by _____

day of _____, 19____

Notary Public, State of Texas
Notary's name (printed)
Notary's commission expires

CORPORATE ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on the _____ day of _____, 19____, by _____

Notary Public, State of Texas
Notary's name (printed)
Notary's commission expires

Vol. 1726-Sub 294

Produced in Accordance with the Texas Public Information Act

Oil, Gas and Mineral Lease

FROM _____ TO _____

County, Texas

The instrument was filed for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and duly recorded in Book _____ Page _____ of the _____ records of this office.

County Clerk _____ Deputy _____

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Post North, TX 76101-0007
3125 Patton, Houston, Texas 77002 713.866.3128

2025

STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1724, Page 293 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Guzman, Deputy

FILED

516451

PRINTING & STATIONERY COMPANY
2121 ANNUN, HOUSTON, TEXAS 77002, (713) 550-5100

OIL, GAS AND MINERAL LEASE

93 MAR 28 11 34 AM '85

24th

February

19 93

County of Brazos
Carroll D. Myers

MYERS CATTLE AND LAND COMPANY, INC.
CARROLL D. MYERS, PRESIDENT.

8566 Katy Frey., Suite 128, Houston, Texas 77024

and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, TX 76102. Lessee, WITNESSETH

I, Lessor in consideration of Ten Dollars and other valuable consideration Dollars

is 10.00 in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting explorations, geophysical and geophysical surveys by seismicograph, core test, gravimetry and magnetic methods, tracking gas, water and other fluids, and all other substances of value, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, on or about and across lands owned or claimed by Lessee adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing of employees, the following described land in

BRAZOS County, Texas, to-wit:

620.411 acres of land, more or less, a part of the THOMAS H. MAYS SURVEY, A-160 and the L.C. SMITH SURVEY, A-211, Brazos County, Texas and being more particularly described in that certain General Warranty Deed dated October 14, 1988, from Carroll D. Myers, Jr. to Myers Cattle and Land Company, Inc., and recorded in Volume 1081, Page 385 of the Official Records of Brazos County, Texas.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 620.411 acres, whether a actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of 3 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor until the royalties to which the wells may be commuted; Lessee may from time to time purchase any royalties not in its possession, paying in one or more installments for the field where produced on the date of purchase; (b) to pay lessor on gas and sulphur gas produced from said land (1) when sold by Lessee, one-eighth of the amount realized by Lessee, computed at the month of the well, or (2) when used by Lessee on said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and for compression, while there is a gas well on the lease or on acreage pooled therewith but gas is not being sold or used; Lessee may pay as royalties, on or before ninety (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is shut in in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at annual intervals on or before the anniversary of the date the first payment is made, a sum equal to the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities, and to use all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed the royalty shall be fifty cents (50¢) per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessee's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 80 acres each in area, and units pooled for gas hereunder shall not substantially exceed an area 800 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for a maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined in any other stratum or strata, and oil units need not conform in size or area with gas units. The pooling in one or more strata shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recording the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas has theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil and gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land with the meaning of paragraph 5 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit for to each separate tract within the unit if this lease covers separate tracts within the unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit for to each separate tract within the unit if this lease covers separate tracts within the unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any delay rental or shut-in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" means any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender (or shall make a bona fide attempt to pay or tender, as hereinafter

wanted) to Lessor or to the credit of Lessor in Texas Commerce Bank, N.A. at Reagan Branch 5445 West 19th Houston, Texas 77008

Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of Six Thousand Two Hundred Four & 11/100

Dollars (\$ 6,204.11), (herein called rentals), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessee mailed or delivered to the parties entitled thereto or to said bank on or before the date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender or rental until thirty (30) days after Lessee shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders. If Lessee shall, on or before any anniversary date, make a bona fide attempt to pay or deposit rental to a Lessee-entitled thereto according to Lessee's records or to a Lessee, who, prior to such attempted payment or deposit, has given Lessee notice, in accordance with subsequent provisions of this lease, of his right to receive rental, and if such payment or deposit shall be ineffective or erroneous in any regard, Lessee shall be unconditionally obligated to pay to such Lessee the rental properly payable for the period so far involved, and this lease shall not terminate but shall be maintained in the same manner as if such erroneous or ineffective rental payment or deposit had been properly made, provided that the erroneous or ineffective rental payment or deposit be corrected within 30 days after receipt by Lessee of written notice from such Lessee of such error accompanied by such instruments as are necessary to enable Lessee to make proper payment. The done cash payment in consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases of this lease as to all or any part of the above-described premises, or of any mineral or horizon under all or any part thereof, and thereby be relieved of all obligations as to the released land or interest. If the lease is released as to all minerals and horizon under a portion of the land covered by this lease, the rentals and other payments computed in accordance therewith shall thereupon be reduced in the proportion that the number of surface acres within such released portion bears to the total number of surface acres which was covered by this lease immediately prior to such release.

TX1-47144

6. If prior to discovery and production of oil, gas or other mineral on said land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon, or if after discovery and production of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within sixty (60) days thereafter or if it is within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payments or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled thereon, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such oil or gas wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to drain and remove all casing as now required by Lessee. Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessee's consent.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the decedent or the estate of the decedent until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the decedent and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, the proportionate part of said rental to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In the event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or revocation of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessee considers that operations are not at any time being conducted in compliance with this lease, Lessee shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 800 acres plus an acreage tolerance not to exceed 10% of 800 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate in either Lessor's interest in herein specified or not, or no interest therein, then the rentals, delay rental, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessee) shall be paid out of the royalties herein provided. Should any one or more of the parties named above as Lesors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenants of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenants 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 so prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the lease premises, and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

See Exhibit "A" attached to and made a part of this lease for additional provisions.

Tax ID # [REDACTED] *Carroll D. Myers*
 CARROLL D. MYERS, President of Myers Cattle and Land Company, Inc.

LESSOR SOCIAL SECURITY NUMBER LESSOR SOCIAL SECURITY NUMBER

THE STATE OF TEXAS
 COUNTY OF HARRIS
 This instrument was acknowledged before me on March 2 1993 by
 Carroll D. Myers, President of Myers Cattle and Land Company, Inc.

(NOTARY)
 [Notary Seal: BEVERLY DENECOUR, Notary Public, State of Texas, Commission Expires March 22, 1995]

Beverly Denecour
 Notary Public, in and for the State of Texas
 Notary's typed or printed name: Beverly Denecour
 My commission expires 3-22-95

VO. 1753 PAGE 334

Oil, Gas and Mineral Lease
 FROM _____ TO _____
 Dated _____ 19____
 No. Acres _____
 Term _____
 This instrument was filed for record on the _____ day of _____ 19____ at _____ o'clock _____ M., and duly recorded in _____ Book _____ Page _____ of the _____ records of this office.
 By _____ County Clerk
 _____ Deputy
 When recording return to _____
 REC'D PRINTING & STATUTORY COMPANY
 2152 1/2 Ave. Houston, Tex. 77002 (713) 866-3196

EXHIBIT "A"

ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED FEBRUARY 24, 1993, BY AND BETWEEN MYERS CATTLE AND LAND COMPANY, INC. BY CARROLL D. MYERS, PRESIDENT, AS LESSOR, AND UNION PACIFIC RESOURCES COMPANY, AS LESSEE.

12. NOTWITHSTANDING ANYTHING TO CONTRARY CONTAINED HEREIN, IN REFERENCE TO ROYALTIES PAYABLE UNDER PARAGRAPH THREE (3) THEREOF, IN EACH INSTANCE WHERE THE WORDS, "ONE-EIGHTH" APPEAR IN SUCH PARAGRAPH, THE WORDS, "ONE-EIGHTH" SHALL BE OMITTED AND THE WORDS, "ONE-FIFTH" SHALL BE SUBSTITUTED THEREFOR.

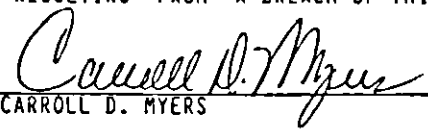
13. IT IS AGREED AND UNDERSTOOD THAT LESSEE WILL PAY TO LESSOR THE ACTUAL CASH VALUE OF ANY DAMAGE CAUSED TO LESSORS FENCES, GROWING CROPS, IMPROVED PASTURE OR IMPROVEMENTS, BY LESSEE'S OPERATIONS HEREUNDER. LESSEE AGREES TO FILL ITS SLUSH PITS OPENED ON THE LEASED PREMISES WHEN ITS DRILLING OPERATIONS ARE COMPLETE AND TO RESTORE THE SURFACE TO AS NEARLY PRACTICAL THE CONDITION IT WAS IN PRIOR TO THE COMMENCEMENT OF LESSEE'S OPERATIONS IN A MANNER THAT WOULD BE EXPECTED OF A REASONABLE PRUDENT OPERATOR UNDER SUCH CIRCUMSTANCES.

14. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, DRILLING OPERATIONS OR PRODUCTION FROM A POOLED UNIT OR UNITS ESTABLISHED UNDER THE PROVISIONS HEREOF EMBRACING LAND COVERED HEREBY AND OTHER LANDS SHALL MAINTAIN THIS LEASE IN FORCE ONLY AS TO SUCH LAND INCLUDED IN SUCH UNIT OR UNITS. THIS LEASE MAY BE MAINTAINED IN FORCE AS TO THE REMAINDER OF THE LANDS COVERED HEREBY IN ANY MANNER OTHERWISE PROVIDED FOR, PROVIDED THAT IF IT BE BY RENTAL PAYMENT, RENTAL SHALL BE PAYABLE ONLY ON THE NUMBER OF ACRES NOT INCLUDED IN SUCH UNIT OR UNITS.

15. IT IS FURTHER AGREED AND UNDERSTOOD THAT THIS LEASE COVERS OIL, GAS AND SULPHUR ONLY, (INCLUDING, WITH ALL OIL AND GAS, ALL CONSTITUENT ELEMENTS THEREOF AND ALL OTHER LIQUID OR LIQUEFIABLE HYDROCARBONS AND PRODUCTS OF EVERY KIND AND CHARACTER DERIVED THEREFROM AND PRODUCED THEREWITH), AND ALL MINERALS OTHER THAN OIL, GAS AND SULPHUR ARE EXCEPTED HEREFROM AND RESERVED TO LESSOR. INCLUDING AMONG THE MINERALS RESERVED TO LESSOR AND EXCLUDED FROM THIS LEASE ARE COAL, LIGNITE AND URANIUM.

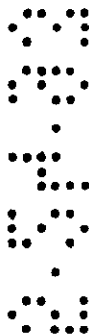
16. NO FIREARMS SHALL BE TAKEN UPON THE LEASED PREMISES BY ANY PERSON FOR ANY REASON WHATSOEVER. THERE WILL BE NO HUNTING OR FISHING ALLOWED ON THE LEASED PREMISES. LESSEE SHALL INSTRUCT AND SUPERVISE ITS EMPLOYEES, CONTRACTORS, AGENTS, AND REPRESENTATIVES OF SUCH RESTRICTION. LESSEE SHALL BE RESPONSIBLE FOR ENFORCEMENT OF THIS PROVISION. ANY BREACH OF THIS COVENANT SHALL MAKE SUCH PARTY LIABLE AS A TRESPASSER UNDER THE LAWS OF THE STATE OF TEXAS, AND SUCH PERSON SHALL NOT AGAIN BE ALLOWED OR PERMITTED TO COME ON TO THE LEASED PREMISES. LESSEE SHALL BE WHOLLY RESPONSIBLE TO LESSOR FOR ANY DAMAGES RESULTING FROM A BREACH OF THIS COVENANT.

SIGNED FOR IDENTIFICATION:


CARROLL D. MYERS

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

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STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1753, Page 333 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Engleman, Deputy

514483

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 29th day of December

1992

JOHNNY R. SMALLEY and wife, MARY L. SMALLEY

Lessor (whether one or more), whose address is: P.O. Box 552, Millican, Texas 77866

and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, TX 76102 Lessee, WITNESSETH:

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars

10.00 1. in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto

Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and all other subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, store, take

care of, treat, transport and own said products, and leaving its employees, the following described land in

BRAZOS

County, Texas, to-wit:

18.320 acres of land, more or less, a part of the L.C. SMITH SURVEY, A-211, Brazos County, Texas, and being more particularly described in Two Tracts in that certain Deed dated October 16, 1992, from Jimmie Wilson, Sr., and wife, Frances Wilson, to Johnny R. Smalley and wife, Mary L. Smalley, and recorded in Volume 1625, Page 101 of the Official Records of Brazos County, Texas.

Notwithstanding anything to contrary contained herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

This lease also covers and includes all land owned or claimed by Lessee adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from the date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of lessor, in the portions in which Lessee may connect its wells, the equal one-eighth part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay lessor the average proved market price of such one-eighth part of such oil as the wells on the day it is run to the pipe line or storage tanks, lessor's interest, in either case, to be at least one-eighth of the cost of marketing oil in tender of marketable pipeline oil; (b) to pay lessor for gas and casinghead gas produced from said land (1) when sold by Lessee, one-eighth of the amount realized by Lessee, computed as the month of the well, or (2) when used by Lessee or at the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; (c) to pay lessor an all other minerals mined and marketed or obtained by Lessee from said land, one-tenth either as kind or value of the well or mine at Lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time so long thereafter, there is any well on said land or on lands in which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to supply labor trouble or to market gas upon terms unacceptable to Lessee. If, at any time so long after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period Lessee shall pay or tender, by check or draft of Lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make the payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under

this lease if the wells were producing, and may be deposited in the Bank of Navasota

Bank at Navasota, Texas 77868 or its successors, which shall continue as the depositories, regardless of changes in the ownership of such royalty. If at any time that Lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, Lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownership thereof, as directed or elected. Any payment hereunder may be made by check or draft of Lessee deposited in the trust or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impede Lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of the lease, severally as to acreage owned by each.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof in the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed an area 640 acres each plus a tolerance of ten percent (10%) in excess, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or by otherwise obtaining permission allowable from any well to be drilled, drilled or already drilled, units hereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil or gas in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil and gas need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool the lease or portions thereof with other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and defining the boundaries of the acreage as a pooled unit, and upon such recording the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations are drilling were commenced or if such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such case operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 5 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on a acreage basis - that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or of each such separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit and as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is produced and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is produced and not from an oil pooled unit. The allocation of any unit hereunder shall not have the effect of changing the ownership of any part of the pooled unit or any part of the separate tracts which it may include hereafter. This lease covers separate tracts, no pooling or unitization of royalty interests in between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, same or hereafter, either as to parties or interests, from that as to any other part of the leased premises.

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TXI-47610

5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 330 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such other well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessee hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessee's interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate thereon. All royalty interest covered by this lease (whether or not owned by Lessee) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, 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 on or from producing oil or gas; and this lease shall be extended while and so long as Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Soc. Sec. # [REDACTED]
Soc. Sec. # [REDACTED]

Johnny R. Smalley
JOHNNY R. SMALLEY
Mary L. Smalley
MARY L. SMALLEY

STATE OF
COUNTY OF

ACKNOWLEDGMENT

This instrument was acknowledged before me on the _____ day of _____, 19____.



Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

ACKNOWLEDGMENT

This instrument was acknowledged before me on the 2ND day of JANUARY, 19 93, by Smalley and wife, Mary L. Smalley.

Glenda L. Karonka
GLENDA L. KARONKA
My Commission Expires 11/30/96

STATE OF
COUNTY OF

CORPORATE ACKNOWLEDGMENT

This instrument was acknowledged before me on the _____ day of _____, 19____.

by _____ of _____ corporation, on behalf of said corporation.

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

Producers 88 (4/75) Revised Paid Up
With 640 Acres Pooling Provision

No. _____

Oil, Gas and Mineral Lease

FROM _____

TO _____

VO: 1734 PAGE 145

Dated _____, 19____, at _____, County, Texas.

No. Acres _____

Terms _____

This instrument was filed for record on the _____ day of _____, 19____, at _____, M., and duly recorded in Book _____, Page _____, of the _____ records of this office.

By _____, County Clerk, Deputy

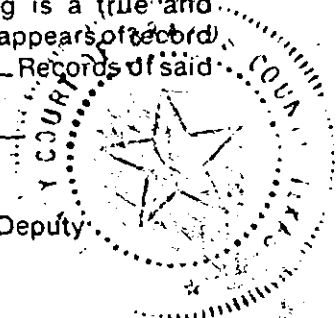
WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007
3225 Pacific, Houston, Texas 77002 (713) 628-3119

3333

STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas
do hereby certify that the foregoing is a true and
correct copy of the original as the same appears of record
in Vol. 1734, Page 140 in Official Records of said
County on file in my office.

ATTEST 5-7-93
Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Engman, Deputy



514470

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 16th day of December

MELVIN OEHRLIN and wife, DOROTHY OEHRLIN

Lessor (whether one or more), whose address is P.O. Box 953, Navasota, Texas 77868

and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, TX 76102

Witness
Lessees, WITNESSETH

1 Lessor in consideration of Ten Dollars and other valuable consideration Dollars

(\$10.00) in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in

BRAZOS

County, Texas, to-wit

7.430 acres, more or less, a part of the L.C. SMITH SURVEY, A-211, Brazos County, Texas and being Lot # 19 of the unrecorded Moon Subdivision, described in Two tracts; First Tract, 7.320 acres, more or less, more particularly described in that certain Deed dated September 26, 1980, from L.H. Moon, Trustee to Melvin Oehrlein and wife, Dorothy Oehrlein, and recorded in Volume 463, Page 740.

Second Tract, 0.110 of an acre, more or less, more particularly described in that certain Deed dated April 23, 1981, from L.H. Moon, Trustee to Melvin Oehrlein and wife, Dorothy Oehrlein, and recorded in Volume 501, Page 546, both recorded in the Deed Records of Brazos County, Texas.

Notwithstanding anything to contrary contained herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

This lease also covers and includes all land owned or claimed by Lessor adjacent and contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys. Although not included within the boundaries of the land particularly described above

2 This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder

3 As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipelines to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessor the average posted market price of such one-eighth part of such oil at the wells as of the day it is put in the pipeline or storage tank, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) to pay lessor for gas and casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; (c) To pay lessor on all other minerals mined and marketed or unmined by lessee from said land, one-sixth either on kind or value as the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton; (d) At the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred; Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to waste labor or money or to market gas upon terms unacceptable to lessee; If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby; Lessee shall make like payments or tenders as or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by the provisions of this paragraph; Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the

First Bank

Bank at Navasota, Texas or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each

4 Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof in the exercise hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed an area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilled or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the units or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the right of Lessee to pool the acreage or portions thereof covered by this lease with other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, retrospective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling or production were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling or production of oil or gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 5 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts) within the unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the basis of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any shut-in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of any separate tract within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said land. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 150 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessee, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a receivable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessee contemplates that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not, or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessor fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

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

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Soc. Sec. # [REDACTED]
 Soc. Sec. # [REDACTED]

Melvin O. Oehrlein
 MELVIN OEHRLIN
Dorothy Oehrlein
 DOROTHY OEHRLIN

STATE OF _____ COUNTY OF _____
 This instrument was acknowledged before me on the _____ day of _____, 19____.
 Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

STATE OF TEXAS COUNTY OF BRAZOS
 This instrument was acknowledged before me on the 6th day of January, 1993.
 by Melvin Oehrlein and wife, Dorothy Oehrlein
Billy N. Curbow
 Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

STATE OF _____ COUNTY OF _____
 This instrument was acknowledged before me on the _____ day of _____, 19____.
 by _____ of _____, a corporation, on behalf of said corporation.
 Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

VB: 1734 REC: 129

Produced in 14 (7) Revised Prod. by With and After Planning Provisions

Oil, Gas and Mineral Lease

FROM _____ TO _____

Executed on _____ day of _____, 19____.

This instrument was filed for record on the _____ day of _____, 19____.

Book _____ Page _____

of the _____ month of _____, 19____.

By _____ County Clerk, Deputy

WHEN RECORDED RETURN TO:
 Union Pacific Resources Co.
 ATTN: Land Administration
 P.O. Box 7, MS 3110
 Fort Worth, TX 76101-0007

1105 Jackson, Houston, Texas 77002 (713) 416-1116

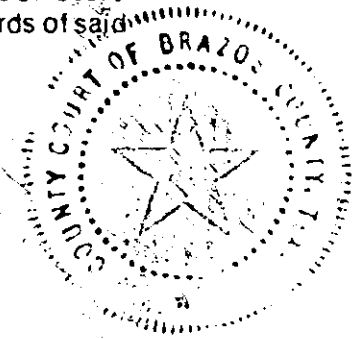
2020

STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas
do hereby certify that the foregoing is a true and
correct copy of the original as the same appears of record
in Vol. 1734, Page 144 in General Records of said
County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Coleman, Deputy



514803

OIL, GAS AND MINERAL LEASE

FILED

THIS AGREEMENT made this 16th day of December

1982

JOHN A. MILLS and wife, DeETTA K. MILLS

BRYAN, TEXAS

Lessor (together one or more), whose address is Rt. 2 Box 538, Joshua, Texas 76058-9678

and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, TX 76102, Lessee, WITNESSETH

1 Lessor in consideration of Ten Dollars and other valuable consideration Dollars \$10.00

1. In and paid, of the royalties herein provided, and of the agreements of Lessor herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys, by conventional, conventional and magnetic methods, shooting gas, water and other fluids, and all other subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, their and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in

BRAZOS

County, Texas, 50-5-0

6.068 acres, more or less, a part of the L.C. SMITH SURVEY, A-211, Brazos County, Texas and being Lot # 18 of the unrecorded Moon Subdivision, and being also more particularly described in that certain Deed dated October 20, 1988, from Tim Raven to John A. Mills and wife, DeEtta K. Mills, and recorded in Volume 1080, Page 831 of the Official Records of Brazos County, Texas.

Notwithstanding anything to contrary contained herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

It is agreed and understood that Lessee shall not conduct drilling or other operations either on or across the surface of the land covered by this lease without having prior written consent of Lessor.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2 This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from the date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3 As finally, lessee covenants and agrees: (a) To deliver to the credit of lessor in the pipelines to which lessee may connect its wells, the equal one-eighth part of all oil and gas produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessee the average pooled market price of such one-eighth part of such oil and gas at the well or at the pipe line or storage tanks, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line out, to pay lessee for gas and casinghead gas produced from said land (1) where sold by lessee, one-eighth of the amount realized by lessee, computed at the month of the well, or (2) where sold by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residual gas after deducting the amount used for plant fuel and for compression. (c) To pay lessee on all other minerals mined and marketed or utilized by lessee from said land, one-tenth either in kind or value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall nevertheless continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be required to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to write labor trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then as to before the expiration of said ninety day period, lessee shall pay or tender by check or draft of lessee, a sum equal to one dollar (\$1.00) for each acre of land then covered hereunder. Lessee shall make like payments or tenders as or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the Army National Bank

Bank of Ft. Leavenworth, KS 66027 or its successors, which shall continue as the depositories, regardless of changes in the ownership of such royalty, if at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessor's right to receive as provided in paragraph 3 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each.

4 Lessor, at its option, as herein, given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter provided, when in Lessor's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas or other lawful authority, or when to do so would, in the judgment of Lessor, promote the conservation of oil and gas in and under and that may be produced from said premises. Lessor pooled or combined shall not substantially exceed 40 acres such an area, and units pooled for gas hereunder shall not substantially exceed in area 800 acres such plus a subsurface of 10% thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well as a regulation or the obtaining maximum allowable from any well to be drilled, drilled or already drilled, upon thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil or gas in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to an oil or gas strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil and gas need not conform as to an oil or gas strata. The pooling or uniting of any or more strata shall not exhaust the rights of the Lessor hereunder to pool this lease or portions thereof with other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties herein, their heirs, successors, and assigns, irrespective of whether or not the unit is otherwise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may, at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include land or leasehold interest in a well capable of producing oil or gas in any stratum which has been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling or production of oil or gas from land covered by this lease whether or not the well or wells be so used on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 3 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of oil and gas and other minerals owned or produced on or from the pooled unit, or either of them, from the pooled unit, there shall be allocated in the land covered by this lease and included in said unit to each separate tract within the unit if this lease covers separate tracts within the unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit for each separate tract within the unit if this lease covers separate tracts within the unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or any such separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the proceeds of such production, whether it be oil and gas, or either of them, or allocated in the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any share in production royalty, which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessor shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4 the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

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3. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force as long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereon should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 150 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

4. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or bare soil on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division of ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessee shall notify Lessor in writing of the facts record upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessor's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, oil, gas, oil, gas, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate thereon. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty hereon provided. Should any one or more of the parties named above as Lessor's fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

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

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Soc. Sec. # [REDACTED]
Soc. Sec. # [REDACTED]

[Signature]
JOHN A. MILLS
[Signature]
DeETTA K. MILLS



ACKNOWLEDGMENT

This instrument was acknowledged before me on the 5TH day of January, 1993.
[Signature]
Notary Public, State of Mississippi
Notary's name (printed): Barbara R. Larson
Notary's commission expires: February 27, 1995

ACKNOWLEDGMENT

This instrument was acknowledged before me on the _____ day of _____, 19____, by John A. Mills and wife, DeEtta K. Mills.

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

CORPORATE ACKNOWLEDGMENT

STATE OF _____ COUNTY OF _____ This instrument was acknowledged before me on the _____ day of _____, 19____, by _____ corporation, on behalf of said corporation.

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

Product of the 1978 Revised Act by the State of Texas, Chapter 191, Section 191.001

Oil, Gas and Mineral Lease

FROM _____ TO _____

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Date _____

No. Acres _____

Term _____

This instrument was filed for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and duly recorded in Book _____ Page _____ of the _____ records of this office.

County Clerk _____ Deputy _____

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007
E113 (Rev. 1/82) (11/83) 448 1178

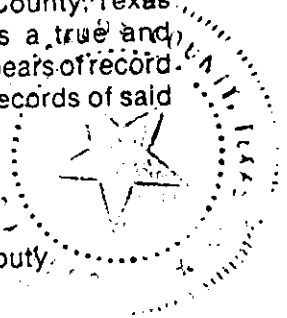


STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1737, Page 290 in Official Records of said County on file in my office. 5-12-99

ATTEST
Mary Ann Ward, County Clerk
Brazos County, Texas

Cherise Buck Deputy



509125

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 16th day of November, 1992

TONI ORLANDO HARRIS and husband, STEVEN HARRIS

DEC 31 PH12-18
[Signature]

Lessor to her/his one or more, whose address is: 24881 Hwy. 6 South, Navasota, Texas 77868
and UNION PACIFIC RESOURCES COMPANY, 801, Cherry Street, Dallas, TX 76102 LESSOR, WITNESSETH:

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars

(\$ 10.00), in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, sonic log, gravity and magnetic methods, injecting gas, water and other fluids, and all other surface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and employ its employees, the following described land in

BRAZOS County, Texas, to-wit:

134.17 acres of land, more or less, out of the THOMAS H. MAYS SURVEY, A-160, and the L.C. SMITH SURVEY, A-211, Brazos County, Texas and being more particularly described as being Tract C of Partition Deed dated May, 1986, from Louis James Orlando, et al to Toni Orlando Harris and husband, Steven Harris, and recorded in Volume 885, Page 557 of the Official Records of Brazos County, Texas.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in one survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 134.17 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of Three (3) years from this date (called "primary term") and so long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered to the wells or to the credit of Lessor on the premises to which the wells may be connected, Lessee may from time to time purchase any royalty oil in its possession leaving the market price thereof prevailing for the field where produced on the date of purchase; (b) on gas, one-tenth of the amount realized by Lessee on gas and casinghead gas produced from said land (1) when sold by Lessee, one-eighth of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression while there is a gas well on this lease or an acreage pooled therewith but gas is not being sold or used, Lessee may pay at monthly, one or before survey (90) days after the date on which it is produced, or (c) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (d) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at annual intervals on or before the anniversary of the date the first payment is made, a sum equal to the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities, and (e) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed the royalty shall be fifty cents (50¢) per long ton. Lessee shall have first use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the operating rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed an area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the units or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool that lease or portions thereof with other leases. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil and gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 3 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, the royalties to which one-tenth of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, and included in said unit for to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that portion of the total production of oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, as allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is produced and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any delay rental or shut-in production royalty which may become payable under this lease. If this lease here or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result therefrom by the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender for shall make a bona fide attempt to pay or tender, as hereinafter

stated) to Lessor or to the credit of Lessor in Bank of Navasota Bank at Navasota, Texas 77868

Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the results) the sum of Five dollars per net mineral acre

Six Hundred Seventy & 85/100 Dollars (\$ 670.85), (hereinafter called "rentals"), which shall cover the

expense of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalties under paragraph 3 on any gas well from which gas is being sold or used may be made by the check or draft of Lessee mailed or delivered to the parties entitled thereto or to said bank on or before the date of payment. If such bank for any successor banks should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender or rental until thirty (30) days after Lessee shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders. If Lessee shall, on or before any anniversary date, make a bona fide attempt to pay or deposit rental to a Lessee entitled thereto according to Lessee's tender to a Lessee, who, prior to such attempted payment or deposit, has given Lessee notice, in accordance with subsequent provisions of this lease, of his right to receive rental, and if such payment or deposit shall be the result of an error in any regard, Lessee shall be deemed to have made such payment or deposit to Lessee for the rental period involved, and this lease shall not terminate but shall be maintained in the same manner as if a continuous or ineffective rental payment or deposit had been properly made, provided that the erroneous or ineffective rental payment or deposit be corrected within 30 days after receipt by Lessee of written notice from such Lessor of such error accompanied by such instruments as are necessary to enable Lessee to make proper payment. The down payment in consideration for this lease according to its terms and if all not be allocated as a mere rental for a period. Lessee may at any time in the future exercise and deliver its asset or in the event of any named or place of record or lease or in any part of the lease as to all or any part of the above described premises, or of any mineral or bona fide interest in all or any part thereof, and they be relieved of all obligations as to the released land or interest. If the lease is released as to all minerals and horizon under a portion of the land covered by this lease, the rentals and other payments computed in accordance therewith shall thereupon be reduced in the proportion that the number of surface acres within such released portion bears to the total number of surface acres which was covered by this lease immediately prior to such release.

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TX-46492

[Signature]

6. If prior to discovery and production of oil, gas or other mineral on said land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon, or after discovery and production of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within sixty (60) days thereafter or if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operation on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein, or, at Lessee's election, the proportionate part of said rentals to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessor's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, delay rental, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, 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 on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

See Exhibit A attached hereto and made a part of this lease for additional provisions.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Soc. Sec. # [REDACTED]

Toni Orlando Harris
TONI ORLANDO HARRIS

Soc. Sec. # [REDACTED]

Steven Harris
STEVEN HARRIS

STATE OF _____ INDIVIDUAL ACKNOWLEDGMENT
COUNTY OF _____

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

known to me to be the person whose name _____ is (are) subscribed to the foregoing instrument, and acknowledged to me that _____ executed the same as _____ free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____ 19____
My Commission Expires _____

Notary Public in and for _____ County, State of _____

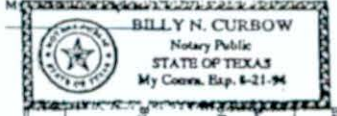
STATE OF TEXAS HUSBAND AND WIFE ACKNOWLEDGMENT
COUNTY OF BRAZOS

Before me, the undersigned authority, on this day personally appeared Steven Harris

and Toni Orlando Harris
husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this 14th day of November 1992

Notary Public in and for _____ County, State of _____



Oil, Gas and Mineral Lease
FROM _____ TO _____
This instrument was filed for record on the _____ day of _____ 19____ at _____ County, Texas.
When recorded return to _____
County Clerk, _____
Depository _____
1682 PAGE 113

Printed and Published by _____ Co., Houston, Texas

EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated November 16, 1992, by and between TONI ORLANDO HARRIS, and husband, STEVEN HARRIS, as Lessors and UNION PACIFIC RESOURCES COMPANY, as Lessee.

12. Notwithstanding anything to contrary herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

13. It is agreed and understood that Lessee will pay to Lessor the actual cash value of any damage caused to Lessors fences, growing crops, improved pasture or improvements, by Lessee's operations hereunder. Lessee agrees to fill its slush pits opened on the leased premises when its drilling operations are complete and to restore the surface to as nearly practical the condition it was in prior to the commencement of Lessee's operations in a manner that would be expected of a reasonable prudent operator under such circumstances.

14. Notwithstanding anything to the contrary contained herein, drilling operations or production from a pooled unit or units established under the provisions hereof embracing land covered hereby and other lands shall maintain this lease in force only as to such land included in such unit or units. This lease may be maintained in force as to the remainder of the lands covered hereby in any manner otherwise provided for, provided that if it by rental payments, rental shall be payable only on the number of acres not included in such unit or units.

15. In addition to the property described herein, this lease also covers and includes, as if specifically described herein, all lands owned or claimed by Lessor which are included in any rights-of-way, roads, alleys, ditches, waterways, easements, etc...which may be located upon or adjacent to the hereinabove described lands, including but not limited to all riparian rights and accretions thereto.

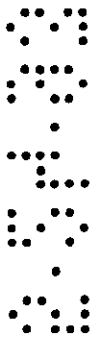
16. It is further agreed and understood that this lease covers oil, gas and sulphur only, (including, with all oil and gas, all constituent elements thereof and all other liquid or liquefiable hydrocarbons and products of every kind and character derived therefrom and produced therewith), and all minerals other than oil, gas and sulphur are excepted herefrom and reserved to Lessor. Including among the minerals reserved to Lessor and excluded from this lease are coal, lignite and uranium.

SIGNED FOR IDENTIFICATION:

Toni Orlando Harris
TONI ORLANDO HARRIS
Steven Harris
STEVEN HARRIS

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

VO: 1682 PAGE 114

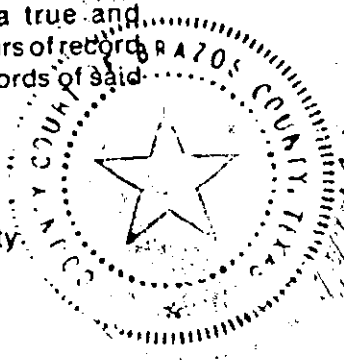


STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1182, Page 112 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Engleman Deputy



508851
OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 16th day of November

FILED

LOUIS JAMES ORLANDO and wife, MARTHA A. ORLANDO

92 DEC 28 PM 3:56

Lessor (whether one or more), whose address is 24547 Hwy. 6 South, Navasota, Texas 77868, and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, Tx 76102

1. Lessor in consideration of Ten Dollars and other valuable consideration \$10.00, in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in BRAZOS County, Texas, to-wit:

118.908 acres of land, more or less, out of the THOMAS H. MAYS SURVEY, A-160, and the L.C. SMITH SURVEY, A-211, Brazos County, Texas and being more particularly described as being Tract D of Partition Deed dated May, 1986, from Toni Orlando Harris et al, to Louis James Orlando and wife, Martha A. Orlando, containing 134.17 acres, more or less, and recorded in Volume 885, Page 557 of the Official Records of Brazos County, Texas. LESS & EXCEPT: 15.262 acres, more or less, more particularly described in Deed dated April 4, 1989 from Louis James Orlando and wife, Martha A. Orlando, to Three-S Grain, Inc., and recorded in Volume 1113, Page 305 of the Official Records of Brazos County, Texas.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the mineral payments hereinafter provided for, said land is estimated to comprise 118.908 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of Three (3) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipelines to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) to pay Lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, one-eighth of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; while there is a gas well on this lease or on acreage pooled therewith but gas is not being sold or used, Lessee may pay as royalty, on or before ninety (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at annual intervals on or before the anniversary of the date the first payment is made, a sum equal to the amount of the annual rental payable in less drilling operations during the primary term on the number of acres subject to this lease as the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed the royalty shall be fifty cents (50c) per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 800 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units to which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool this lease or portions thereof into other units. Lessee shall file for record on the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit; and upon such recordation the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling or such production were commenced or such production was secured before or after the execution of this instrument or the designation of the pooled unit, such operations shall be considered as operations for drilling or production of oil and gas from land covered by this lease whether or not a well or wells be drilled on the leased premises, and in such operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 5 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any delay rental or shut-in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or simultaneous, from that as to any other part of the leased premises.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender (or shall make a bona fide attempt to pay or tender, as hereinafter

stated) to Lessor or to the credit of Lessor in Bank of Navasota Bank at Navasota, Texas 77868

Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rental) the sum of Five dollars per net mineral acre

Five Hundred Ninety Four & 54/100 Dollars (\$594.54), (herein called rentals), which shall cover the

privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph of royalty under paragraph 5 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessee mailed or delivered to the parties entitled thereto or to said bank on or before the date of payment. If such bank for any successive bank should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender or rental until thirty (30) days after Lessee shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders. If Lessee shall, on or before any anniversary date, make a bona fide attempt to pay or deposit rental to a Lessor entitled thereto according to Lessee's records or to a Lessor, who, prior to such attempted payment or deposit, has given Lessee notice, in accordance with subsequent provisions of this lease, of his or her intention to receive such payment or deposit shall be ineffective or erroneous in any regard, Lessee shall be unconditionally obligated to pay to said Lessor the rental properly payable for the rental period involved, and this lease shall not terminate but shall be maintained in the same manner as if such erroneous or ineffective rental payment or deposit had been properly made, provided that the erroneous or ineffective rental payment or deposit be corrected within 30 days after receipt by Lessee of written notice from such Lessor of such error accompanied by such instruments as are necessary to enable Lessee to make proper payment. The down cash payment is consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases of this lease as to all or any part of the above-described premises, or of any mineral or horizon under all or any part thereof, and thereby be relieved of all obligations as to the released land or interest. If this lease is released as to all minerals and horizon under a portion of the land covered by this lease, the rentals and other payments computed in accordance therewith shall thereupon be reduced in the proportion that the number of surface acres within such released portion bears to the total number of surface acres which was covered by this lease immediately prior to such release.

6. If prior to discovery and production of oil, gas or other mineral on said land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon, or if after discovery and production of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within sixty (60) days thereafter or if it is within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operation on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligations hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein, or, at Lessee's election, the proportionate part of said rentals to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, delay rental, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenants 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 on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

See Exhibit "A" attached hereto and made a part of this lease for additional provisions.
IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Jesse L. Stanfield
JESSE L. STANFIELD, GENERAL PARTNER, ROCK BOTTOM RANCH, A TEXAS PARTNERSHIP

Tax ID # [REDACTED]

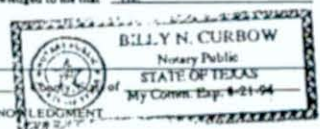
STATE OF TEXAS
COUNTY OF BRAZOS

INDIVIDUAL ACKNOWLEDGMENT

Before me, the undersigned authority, on this day personally appeared Jesse L. Stanfield, General Partner, Rock Bottom Ranch, A Texas Partnership

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 his free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this 3rd day of December, 1992
My Commission Expires Bill N. Curbow
Notary Public in and for _____



STATE OF _____
COUNTY OF _____
HUSBAND AND WIFE ACKNOWLEDGMENT

Before me, the undersigned authority, on this day personally appeared _____ and _____ husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 19____
My Commission Expires _____
Notary Public in and for _____ County, State of _____

VOL: 1698 PAGE 73

Oil, Gas and Mineral Lease

FROM _____ TO _____

County, Texas

Acres _____

Day of _____ 19____

This instrument was filed for record on the _____ day of _____, 19____ at _____, Texas.

of _____ County, Texas

Book _____ Page _____

or check _____

of the _____ records of said office.

County Clerk _____

When Recorded Return To: UNION PACIFIC RESOURCES CO., ATTN: Land Administration, P.O. Box 7, MS 310, FORT WORTH, TX 76101-0007

6. If prior to discovery and production of oil, gas or other mineral on said land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon, or if after discovery and production of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within sixty (60) days thereafter or if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operation on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the estate of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, the proportionate part of said rentals to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to an aggregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessee hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part. Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, delay rental, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interests covered by this lease (whether or not owned by Lessee) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessor's fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, 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 on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

See Exhibit A attached hereto and made a part of this lease for additional provisions.
 IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Soc. Sec. # [REDACTED]
 Soc. Sec. # [REDACTED]

Louis James Orlando
 LOUIS JAMES ORLANDO
Martha A. Orlando
 MARTHA A. ORLANDO

STATE OF _____
 COUNTY OF _____

INDIVIDUAL ACKNOWLEDGMENT

Before me, the undersigned authority, on this day personally appeared _____
 known to me to be the person whose name is (are) subscribed to the foregoing instrument, and acknowledged to me that _____
 executed the same as _____ free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 19____
 My Commission Expires _____

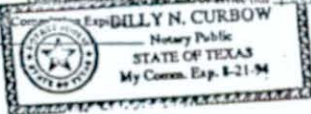
Notary Public in and for _____ County, State of _____

STATE OF TEXAS
 COUNTY OF BRAZOS

HUSBAND AND WIFE ACKNOWLEDGMENT

Before me, the undersigned authority, on this day personally appeared Louis James Orlando
 and Martha A. Orlando
 husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same as their
 free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this day of November 1992
 My Commission Expires _____
 Notary Public in and for _____ County, State of _____



Oil, Gas and Mineral Lease
 FROM _____ TO _____
 This instrument was filed for record on the _____ day of _____, 19____ at _____ County, Texas
 Book _____ Page _____ of _____ records of this office.
 Indexed _____
 Filed _____
 By _____ of the _____ County Clerk
 Deputy _____
 When recorded returns to _____
 Printed Printing & Stationery Co., Houston, Texas

EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated November 16, 1992, by and between LOUIS JAMES ORLANDO and wife, MARTHA A. ORLANDO, as Lessors, and UNION PACIFIC RESOURCES COMPANY, as Lessee.

12. Notwithstanding anything to contrary herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

13. It is agreed and understood that Lessee will pay to Lessor the actual cash value of any damage caused to Lessors fences, growing crops, improved pasture or improvements, by Lessee's operations hereunder. Lessee agrees to fill its slush pits opened on the leased premises when its drilling operations are complete and to restore the surface to as nearly practical the condition it was in prior to the commencement of Lessee's operations in a manner that would be expected of a reasonable prudent operator under such circumstances.

14. Notwithstanding anything to the contrary contained herein, drilling operations or production from a pooled unit or units established under the provisions hereof embracing land covered hereby and other lands shall maintain this lease in force only as to such land included in such unit or units. This lease may be maintained in force as to the remainder of the lands covered hereby in any manner otherwise provided for, provided that if it by rental payments, rental shall be payable only on the number of acres not included in such unit or units.

15. In addition to the property described herein, this lease also covers and includes, as if specifically described herein, all lands owned or claimed by Lessor which are included in any rights-of-way, roads, alleys, ditches, waterways, easements, etc...which may be located upon or adjacent to the hereinabove described lands, including but not limited to all riparian rights and accretions thereto.

16. It is further agreed and understood that this lease covers oil, gas and sulphur only, (including, with all oil and gas, all constituent elements thereof and all other liquid or liquefiable hydrocarbons and products of every kind and character derived therefrom and produced therewith), and all minerals other than oil, gas and sulphur are excepted herefrom and reserved to Lessor. Including among the minerals reserved to Lessor and excluded from this lease are coal, lignite and uranium.

SIGNED FOR IDENTIFICATION:

Louis James Orlando
LOUIS JAMES ORLANDO

Martha A. Orlando
MARTHA A. ORLANDO

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WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

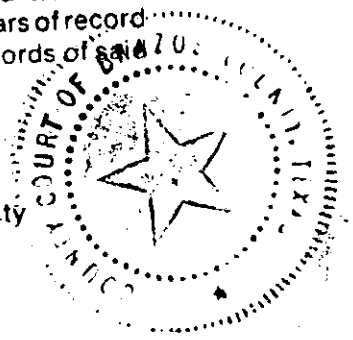
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STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas
do hereby certify that the foregoing is a true and
correct copy of the original as the same appears of record
in Vol. 1679 Page 83 in Official Records of said
County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Englemore Deputy



OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 2nd day of December 1951 510743 FILED

ROCK BOTTOM RANCH, A TEXAS PARTNERSHIP, BY ITS GENERAL PARTNER, JESSE L. STANFIELD

Lessor (whether one or more), whose address is: 912 Stanfield Circle, Bryan, Texas 77805

and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, TX 76102

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars 10.00

(10.00), in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, lets and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismicograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in:

BRAZOS County, Texas, to-wit:

81.862 acres, more or less, out of the THOMAS H. MAYS SURVEY, A-160, Brazos County, Texas and being described in Two Tracts in Exhibit "B" attached hereto and made a Part hereof.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 81.862 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of Three (3) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled heretofore.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipelines to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) to pay lessor on gas and casinghead gas produced from said land (1) when sold by lessor, one-eighth of the amount realized by lessor, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; while there is a gas well on this lease or an acreage pooled therewith but gas not being sold or used, Lessee may pay as royalty, on or before ninety (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at annual intervals on or before the anniversary of the date the first payment is made, a sum equal to the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals, mined and marketed, one-tenth either in kind or value as the well or mine, as Lessee's election, except that on sulphur mined and marketed the royalty shall be fifty cents (50¢) per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease and/or with any other land, lease or leases in the immediate vicinity thereof to the extent hereafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit; and upon such recordation the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit such operations shall be considered as operations for drilling on or production of oil and gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 5 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to be paid to the owners of royalty above and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit for to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit for to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease for in each such separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any delay rental or shut-in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. If operations for drilling are not commenced on said land or an acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender (or shall make a bona fide attempt to pay or tender, as hereinafter stated) to Lessor or to the credit of Lessor in Bank of Navasota Bank at Navasota, Texas 77868

Texas, (which bank and its successors are Lessee's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land (and the rentals) the sum of Five dollars per net mineral acre

FOUR HUNDRED NINE & 31/100 Dollars (\$ 409.31), therein called rentals, which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessee mailed or delivered to the parties to this lease or to any bank or other depository authorized to receive such payments or tenders, and if such payment or tender is not received by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender or rental until thirty (30) days after Lessee shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders. If Lessee shall, on or before any anniversary date, make a bona fide attempt to pay or deposit rental to a Lessor entitled thereto according to Lessee's records or to a Lessor, who, prior to such attempted payment or deposit, has given Lessee notice, in accordance with subsequent provisions of this lease, of his right to receive rental, and if such payment or deposit shall be effective or proper in any regard, Lessee shall be considered to have tendered or deposited the rental properly payable for the rental period involved, and this lease shall not terminate but shall be maintained in the same manner as if such erroneous or ineffective rental payment or deposit had been properly made, provided that the erroneous or ineffective rental payment or deposit be corrected within 30 days after receipt by Lessee of written notice from such Lessor of such error accompanied by such instruments as are necessary to enable Lessee to make proper payment. The down each payment is consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or from time to time execute and deliver to Lessor or to the depository above named or place of record a release or releases of this lease as to all or any part of the above-described premises, or of any mineral or horizon under all or any part thereof, and thereby be relieved of all obligations as to the released land or interest. If this lease is released as to all minerals and horizon under a portion of the land covered by this lease, the rentals and other payments computed in accordance therewith shall thereupon be reduced in the proportion that the number of surface acres within such released portion bears to the total number of surface acres which was covered by this lease immediately prior to such release.

1618 page 72 TX-46726 Day

EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated, December 2, 1992, by and between JESSE L. STANFIELD, GENERAL PARTNER, ROCK BOTTOM RANCH, as Lessor, and UNION PACIFIC RESOURCES COMPANY, as Lessee.

12. Notwithstanding anything herein to the contrary, first royalty payments due to Lessor shall be paid no later than 120 days from the date of first production and shall thereafter continue regularly and monthly.

13. Notwithstanding anything herein to the contrary, it is agreed and understood by and between Lessor and Lessee that the terms oil, gas, sulfur and other minerals or any of those terms used singularly herein, shall refer only to oil and gas and any derivatives therefrom and related hydrocarbons or sulfur produced in connection with the production of oil or gas, and that lease shall cover only the minerals stated in this paragraph alone and no other, it being expressly understood that surface minerals are excluded from this lease.

14. Notwithstanding herein to the contrary, in the event of drilling on said land, Lessee, its successors and assigns, shall, if so directed by Lessor, install separate cattle guards or gates at all fence crossings used by Lessee in connection with said operations, even though Lessor maintains gates or cattle guards that could be used. Where directed by Lessor, Lessee shall construct cattle guards with concrete seals at every fence crossing, which cattle guard shall be no smaller than 8 feet by 16 feet. When a cattle guard is installed in the fence line off of a public roadway or adjacent to neighboring lands, an iron gate will be also installed, maintained and locked at all times, except when in use. If Lessee, with Lessor's permission, installs a cattle guard at an existing gate (entrance) of Lessor, the Lessor may direct Lessee to relocate Lessor's existing gate elsewhere in the fence line. Any fence cut as a result of any operations under this lease, shall be double H braced prior to cutting.

15. Lessee shall not use Lessor's roads without Lessor's approval. Any road constructed across the lands pursuant to this lease, shall require Lessor's approval as to routing and location, which approval shall not be unreasonably withheld. All permanent roads constructed pursuant to this lease shall be topped with limestone. Lessee shall maintain all roads at Lessee's expense.

16. Lessee, its successors or assigns, shall pay Lessor for any damage done to crops or livestock as well as damages, if any, to the surface of said land by reason of operations thereon, and shall pay for any damage to roads, culverts, bridges, fences, water wells, irrigation wells, tanks, lakes, rivers, streams, or other improvements on or about Lessor's land resulting from their use by Lessee in connection with any geophysical exploration thereof or any development thereon by Lessee, its successors and assigns, and that upon abandonment of said lease or surrender thereof, Lessee, its successors and assigns, shall level all levees around slush pits and/or other excavations and generally restore the surface of the land covered hereby as nearly to its present condition as reasonably possible. Notwithstanding anything herein to the contrary, damage to pastures, crops and timber arising out of the construction of roadways, pads, tank batteries and other production facilities shall be paid to Lessor in actual cash value.

17. Notwithstanding anything herein to the contrary, it is understood that Lessor does not grant to Lessee the right and privilege to erect and maintain refining facilities, or any other extraction or treating facilities not directly related to production, treatment and recovery of oil, gas, sulfur and other associated substances expressly enumerated in paragraph 13 above, and all such facilities shall be only those reasonably necessary for production, treatment, recovery and storage of such leased substances from the lands covered by this lease.

18. Notwithstanding herein to the contrary, this lease does not grant Lessee the right to use or take water from the leased premises, including but not limited to Lessor's wells, tanks, lakes, streams, or rivers situated upon or adjacent to the leased premises. Neither does this lease grant Lessee the right to use fresh water from any fresh water sands or strata underlying the leased premises for any secondary recovery operations that may be conducted on the leased premises, without Lessor's written consent, which such consent shall not be unreasonably withheld.

19. In the event Lessee, its successors and assigns, complete a fresh water well for use in connection with operations pursuant to this lease, Lessee, upon abandonment or termination of this lease, shall leave such well(s) with casing for the use of Lessor, and Lessor shall thereafter be responsible for maintaining and operating such water well(s).

20. Notwithstanding anything herein to the contrary, all pits will be closed immediately after drilling and completion and no mud will be spread on the leased premises, without Lessor's prior written consent.

21. Notwithstanding anything herein to the contrary, this lease does not grant Lessee the right to lay oil or gas pipelines from the well, production facility or storage facility to the lease line, without the prior express written consent of Lessor. It is expressly understood and agreed that this lease does not grant Lessee the right to lay any pipelines whatsoever to move oil, gas or other minerals across the leased premises, unless the oil, gas or other minerals are produced from a well situated upon and completed beneath the leased premises, or on acreage pooled therewith. Notwithstanding anything herein to the contrary, Lessee shall bury all pipelines to a depth of at least 30 inches from the surface of the earth to the top of any such pipeline or flow line.

22. Notwithstanding anything herein to the contrary, no well or wells shall be drilled upon the surface of the leased premises, unless at least 50 % of the production or unitized unit is comprised of lands out of these leased premises.

23. Subject to other provisions of this agreement, Lessee shall remove all property and equipment and shall restore the surface within 120 days after Lessee, its successors or assigns, abandon the leasehold, terminate this lease, or abandon a producing well without paying shut-in royalties as provided herein, or this lease otherwise terminates. Failure to so remove all of such machinery, facilities and equipment as provided herein within the time provided shall result in forfeiture of such machinery, facilities and equipment as liquidated damages and shall become the property of the Lessor.

24. Immediately upon completion of any production, facility, tank battery or other facility used in connection with this lease, Lessee shall fence off such facilities with a fence capable of turning cattle, and Lessee shall maintain the fence at Lessee's expense.

25. Unless otherwise directed by Lessor, Lessee shall leave all roadways, cattle guards, gates, etc. for the use of Lessor upon termination of this lease or abandonment by Lessee. In the event Lessor otherwise directs Lessee, Lessee shall comply with the reasonable request of Lessor for the removal of such improvements and the restoration of Lessor's property.

26. No firearms shall be taken upon the leased premises by any person for any reason whatsoever. There will be no hunting or fishing allowed on the leased premises. Lessee shall instruct and supervise its employees, contractors, agents, and representatives of such restriction. Lessee shall be responsible for enforcement of this provision. Any breach of this covenant shall make such party liable as a trespasser under the laws of the State of Texas, and such person shall not again be allowed or permitted to come on to the leased premises. Lessee shall be wholly responsible to Lessor for any damages resulting from a breach of this covenant.

27. When clearing the land, Lessee will cut, pile, burn and bury all brush and trees removed. All stumps will be pulled up, burned and buried by Lessee.

28. Notwithstanding anything to the contrary contained herein, drilling operations or production from a pooled unit or units established under the provisions hereof embracing land covered hereby and other lands shall maintain this lease in force only as to such land included in such unit or units. This lease may be maintained in force as to the remainder of the lands covered hereby in any manner otherwise provided for, provided that if it be by rental payments, rental shall be payable only on the number of acres not included in such unit or units.

29. Notwithstanding anything to contrary contained herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

SIGNED FOR IDENTIFICATION:

Jesse L. Stanfield
JESSE L. STANFIELD, GENERAL PARTNER,
ROCK BOTTOM RANCH

EXHIBIT "B"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated December 2, 1992, by and between JESSE L. STANFIELD, GENERAL PARTNER, ROCK BOTTOM RANCH, as Lessor and UNION PACIFIC RESOURCES COMPANY, as Lessee.

Tract One. 66.60 acres, more or less, out of the THOMAS H. MAYS SURVEY, A-160, and more particularly described in that certain Deed dated November 17, 1988, from the Federal Deposit Insurance Corporation to the 3-S Grain, Inc., and recorded in Volume 1087, Page 144 of the Official Records of Brazos County, Texas.

Tract Two. 15.262 acres, more or less, out of the THOMAS H. MAYS SURVEY, A-160, and more particularly described in that certain Deed dated April 4, 1989, from Louis James Orlando and wife, Martha A. Orlando, to Three-S Grain, Inc., and recorded in Volume 1113, Page 305 of the Official Records of Brazos County, Texas.

SIGNED FOR IDENTIFICATION:

Jesse L. Stanfield
JESSE L. STANFIELD

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

608 REC 77

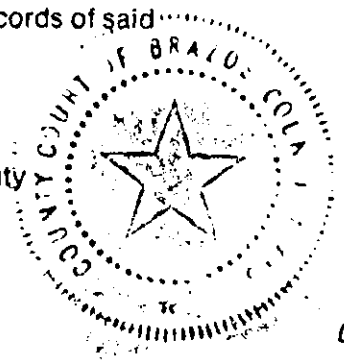


STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1108, Page 72 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Engleman, Deputy



OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 17th day of November

FILED

509560

93 JAN -7 PM 3:21

MARY W. ORLANDO, a widow

Lessor (whether one or more), whose address is: 7806 Airline Drive, Houston, Texas 77037
and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, Tx 76102

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars

\$ 10.00 in hand paid, of the royalties herein provided, and of the agreements of Lessor herein contained, hereby grants, leases and lets exclusively unto Lessor for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismicograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in

BRAZOS

County, Texas, to-wit:

269.00 acres of land, more or less, out of the THOMAS H. MAYS SURVEY, A-160 and the A.G. PERRY SURVEY, A-139, and being described in Two Tracts in Exhibit "A" attached hereto and made a part hereof.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 269.00 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of Three (3) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessor are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipelines to which the wells may be connected; Lessor may from time to time purchase any royalty oil in its possession, paying the market price thereof prevailing for the field where produced on the date of purchase; (b) to pay lessor on gas and casinghead gas produced from said land (1) when sold by lessor, one-eighth of the amount realized by lessor, computed at the mouth of the well, or (2) when used by lessor off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression, while there is a gas well on this lease or on acreage pooled therewith but gas is not being sold or used; Lessor may pay as royalty, on or before ninety (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at annual intervals on or before the anniversary of the date the first payment is made, a sum equal to the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities, and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, as Lessor's election, except that on sulphur mined and marketed the royalty shall be fifty cents (50¢) per long ton. Lessor shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessor, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessor's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessor, promote the conservation of oil and gas in and under that and may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well as a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessor under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool this lease or portions thereof into other units. Lessor shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessor may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit such operations shall be considered as operations for drilling on or production of oil and gas from land covered by this lease whether or not the well or wells located on the premises covered by this lease and in such operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 3 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit and included in the pooled unit for or operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any delay rental or shut-in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessor shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessor shall pay or tender or shall make a bona fide attempt to pay or tender, as hereinafter stated to Lessor or to the credit of Lessor in Texas Commerce N.A. Bank at 712 Main, Houston, Tx 77252

Acct. _____
Texas, (which bank and its successors are Lessor's agents and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of Five dollars per net mineral acre

Thirteen Hundred Forty Five & NO/00 Dollars (\$ 1,345.00), (three called rentals, which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well which gas is not being sold or used may be made by the check or draft of Lessor mailed or delivered to the parties entitled thereto or to said bank on or before the date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessor shall not be held in default for failure to make such payment or tender or rental until thirty (30) days after Lessor shall deliver to Lessor a proper recordable instrument naming another bank as agent to receive such payments or tenders. If Lessor shall, on or before any anniversary date, make a bona fide attempt to pay or deposit rental to a Lessor entitled thereto according to Lessor's records or to a Lessor, who, prior to such attempt payment or deposit, has given Lessor notice, in accordance with subsequent provisions of this lease, of his right to receive rental, and if such payment or deposit shall be ineffective or erroneous in any regard, Lessor shall be unconditionally obligated to pay to such Lessor the rental properly payable for the rental period involved, and this lease shall not terminate but shall be maintained in the same manner as if such erroneous or ineffective rental payment or deposit had been properly made, provided that the erroneous or ineffective rental payment or deposit be corrected within 30 days after receipt by Lessor of written notice from such Lessor of such error accompanied by such instruments as are necessary to enable Lessor to make proper payment. The down cash payment is consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessor may at any time or times execute and deliver to lessor or to the depository above named or place of record a release or release of this lease as to all or any part of the above-described premises, or of any mineral or horizon under all or any part thereof, and thereby be relieved of all obligations as to the released land or interest. If the lease is released as to all minerals and horizons under a portion of the land covered by this lease, the rentals and other payments computed in accordance therewith shall thereupon be reduced in the proportion that the number of surface acres within such released portion bears to the total number of surface acres which was covered by this lease immediately prior to such release.

1686 PAGE 337

TX-46610 *Jan*

6. If prior to discovery and production of oil, gas or other mineral on said land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon, or after discovery and production of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within sixty (60) days thereafter or if it is within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payments or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operation on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas is paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligations hereunder shall rest exclusively upon the owner of this lease or of a portion thereof or upon the separate credit of the assignor; and payment or tender to any participant of his portion of the rentals hereunder shall maintain the lease as to such participants. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessor's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest as herein specified or not), or no interest therein, then the royalties, delay rental, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalties covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty hereinafter provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenants of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operations of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenants 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 on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything to the contrary notwithstanding.

See Exhibit A attached hereto and made a part of this lease for additional provisions.

Soc. Sec. # [redacted] *Mary W. Orlando*
 MARY W. ORLANDO

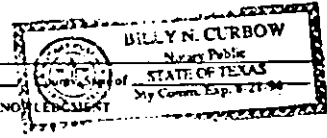
STATE OF TEXAS
 COUNTY OF HARRIS

INDIVIDUAL ACKNOWLEDGMENT

Before me, the undersigned authority, on this day personally appeared Mary W. Orlando, a widow

known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this 17th day of December, 1992
 My Commission Expires July 27, 1995
 Notary Public in and for _____



STATE OF _____ HUSBAND AND WIFE ACKNOWLEDGMENT
 COUNTY OF _____

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

and _____, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 19____
 My Commission Expires _____
 Notary Public in and for _____ County, State of _____

1686-338

Produced in Accordance with the Rules of the State Bar of Texas

Oil, Gas and Mineral Lease

FROM _____ TO _____

Book _____ Page _____ of _____

Filed _____ at _____ County, Texas

By _____

When recorded return to _____

Printed Printing & Stationery Co., Houston, Texas

EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated November 17, 1992, by and between MARY W. ORLANDO, a widow, as Lessor and UNION PACIFIC RESOURCES COMPANY, as Lessee.

First Tract. 66.60 acres, more or less, out of the THOMAS H. MAYS SURVEY, A-160 and more particularly described in Deed dated November 8, 1978 from Frances Orlando, a widow, to John Orlando and wife, Mary W. Orlando, and recorded in Volume 411, Page 792 of the Deed Records of Brazos County, Texas.

Second Tract. 202.40 acres, more or less, out of the THOMAS H. MAYS SURVEY, A-160 and the A.C. PERRY SURVEY, A-139, and more particularly described in Deed dated April 25, 1984, from Louis James Orlando, et al, to John Orlando and recorded in Volume 676, Page 690 of the Official Records of Brazos County, Texas.

SIGNED FOR IDENTIFICATION:


MARY W. ORLANDO

1686-339

EXHIBIT "B"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated November 17, 1992, by and between MARY W. ORLANDO, a widow, as Lessor and UNION PACIFIC RESOURCES COMPANY, as Lessee.

12. Notwithstanding anything to contrary herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

13. It is agreed and understood that Lessee will pay to Lessor the actual cash value of any damage caused to Lessors fences, growing crops, improved pasture or improvements, by Lessee's operations hereunder. Lessee agrees to fill its slush pits opened on the leased premises when its drilling operations are complete and to restore the surface to as nearly practical the condition it was in prior to the commencement of Lessee's operations in a manner that would be expected of a reasonable prudent operator under such circumstances.

14. Notwithstanding anything to the contrary contained herein, drilling operations or production from a pooled unit or units established under the provisions hereof embracing land covered hereby and other lands shall maintain this lease in force only as to such land included in such unit or units. This lease may be maintained in force as to the remainder of the lands covered hereby in any manner otherwise provided for, provided that if it by rental payments, rental shall be payable only on the number of acres not included in such unit or units.

15. In addition to the property described herein, this lease also covers and includes, as if specifically described herein, all lands owned or claimed by Lessor which are included in any rights-of-way, roads, alleys, ditches, waterways, easements, etc...which may be located upon or adjacent to the hereinabove described lands, including but not limited to all riparian rights and accretions thereto.

16. It is further agreed and understood that this lease covers oil, gas and sulphur only, (including, with all oil and gas, all constituent elements thereof and all other liquid or liquefiable hydrocarbons and products of every kind and character derived therefrom and produced therewith), and all minerals other than oil, gas and sulphur are excepted herefrom and reserved to Lessor. Including among the minerals reserved to Lessor and excluded from this lease are coal, lignite and uranium.

SIGNED FOR IDENTIFICATION:

Mary W. Orlando
MARY W. ORLANDO

1686-340

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

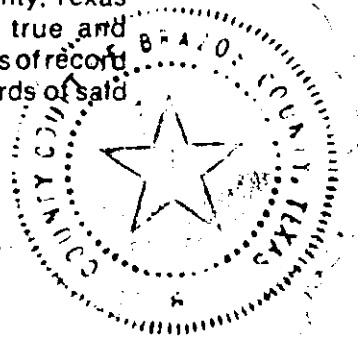
2025

STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1686, Page 337 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Engeman Deputy



6

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 2nd day of December

FILED

DOUG ABSHIRE and wife, LINDA G. ABSHIRE

512459

93 FEB -9 PM 4: 18

Lessor (to her or more), whose address is: 3017 Coronado, College Station, Texas 77845
and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, Tx 76102

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars
of 10.00 to her and, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively
unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting geologic
and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying
pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and
contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in

BRAZOS

County, Texas, to-wit:

202.40 acres, more or less, out of the THOMAS H. MAYS SURVEY, A-160, Brazos County, Texas and being more particularly described in that certain Deed dated September 16, 1992, from Jesse L. Stanfield and wife, Margaret Stanfield, to Doug Abshire and wife, Linda Abshire and recorded in Volume 1604, Page 338 of the Official Records of Brazos County, Texas.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 202.40 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of Three (3) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipelines to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) to pay lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, one-eighth of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount saved for plant fuel and/or compression, while there is a gas well on this lease or on acreage pooled therewith but gas is not being sold or used; Lessee may pay as royalty, on or before survey (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at annual intervals on or before the anniversary of the date the first payment is made, a sum equal to the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is not tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed net royalty shall be fifty cents (50¢) per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof, to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the operating rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 800 acres each plus a tolerance of two percent (2%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units in which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool this lease or portions thereof with other leases or portions thereof in the same or other strata in the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit; and upon such recordation the unit shall be effective as to all parties hereto, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit such operations shall be considered as operations for drilling or production of oil and gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of Paragraph 3 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit) the same proportion of the oil and gas, or either of them, produced from the pooled unit as the total number of surface acres within the unit which the number of surface acres covered by this lease (in each such separate tract) and included in the pooled unit bears to the total number of surface acres within the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any royalty rental or share in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. If operations for drilling are not commenced on said land or an acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender (or shall make a bona fide attempt to pay or tender, as hereinafter stated) to Lessor or to the credit of Lessor in Commerce National Bank at College Station, Texas 77840

Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the remain) the sum of Five dollars per net mineral acre

One Thousand Twelve Dollars (\$ 1,012.00), (a) portion called rental, which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or rentals, the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessor mailed or delivered to the person entitled thereto or to said bank on or before the date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender or rental until thirty (30) days after Lessee shall deliver to Lessee a proper recordable instrument naming another bank as depository to receive such payments or rentals. Lessee may, on or before any anniversary date, make a bona fide attempt to pay or deposit rental to a Lessor entitled thereto according to Lessee's records or to a Lessor, who, prior to such attempted payment or deposit, has given Lessee notice, in accordance with subsequent provisions of this lease, of his right to receive rental, and if such payment or deposit should be ineffective or erroneous in any regard, Lessee shall be unconditionally obligated to pay to such Lessor the rental properly payable for the rental period involved, and this lease shall not terminate but shall be maintained in the same manner as if such erroneous or ineffective rental payment or deposit had been properly made, provided that the erroneous or ineffective rental payment or deposit be corrected within 30 days after receipt by Lessee of written notice from such Lessor of such error accompanied by such instruments as are necessary to enable Lessee to make proper payment. The down cash payment in consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases of this lease as to all or any part of the above-described premises, or of any general or horizon under all or any part thereof, and thereby be relieved of all obligations as to the released land or interest. If this lease is released as to all minerals and horizon under a portion of the land covered by this lease, the rental and other payments computed in accordance therewith shall thereupon be reduced in the proportion that the number of surface acres within such released portion bears to the total number of surface acres which was covered by this lease immediately prior to such release.

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6. If prior to discovery and production of oil, gas or other mineral on said land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon, or if after discovery and production of oil, gas or other mineral, the production thereon should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within sixty (60) days thereafter or if it is within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operation on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessor, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the decedent or the estate of the decedent until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the decedent and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein, or, at Lessee's election, the proportionate part of said rentals to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and a payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, delay rental, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessor to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, 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 on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.
See Exhibit A attached hereto and made a part of this lease for additional provisions.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Soc. Sec. # [redacted] *Doug Abshire*
DOUG ABSHIRE
Soc. Sec. # [redacted] *Linda G. Abshire*
LINDA G. ABSHIRE

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____ COUNTY OF _____

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

known to me to be the person whose name is (are) subscribed to the foregoing instrument, and acknowledged to me that executed the same as free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, 19 _____

My Commission Expires _____ Notary Public in and for _____ County, State of _____

STATE OF TEXAS HUSBAND AND WIFE ACKNOWLEDGMENT
COUNTY OF BRAZOS DOUG ABSHIRE

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

and LINDA G. ABSHIRE husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this 2nd day of December, 19 92

My Commission Expires _____ Notary Public in and for _____



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Produced in 14-70 Standard
with Self-Accepting Provisions

Oil, Gas and Mineral Lease

FROM _____ TO _____

Term _____
This instrument was filed for record on the _____ day of _____, 19 _____ at _____ M., and duly recorded in _____ of _____ records of this office.

Book _____ Page _____
of the _____ records of this office.

By _____ County Clerk
_____ Deputy

When recorded returns to _____
Proval Printing & Stationery Co., Houston, Texas

17. Notwithstanding anything herein to the contrary, it is understood that Lessor does not grant to Lessee the right and privilege to erect and maintain refining facilities, or any other extraction or treating facilities not directly related to production, treatment and recovery of oil, gas, sulfur and other associated substances expressly enumerated in paragraph 13 above, and all such facilities shall be only those reasonably necessary for production, treatment, recovery and storage of such leased substances from the lands covered by this lease.

18. Notwithstanding herein to the contrary, this lease does not grant Lessee the right to use or take water from the leased premises, including but not limited to Lessor's wells, tanks, lakes, streams, or rivers situated upon or adjacent to the leased premises. Neither does this lease grant Lessee the right to use fresh water from any fresh water sands or strata underlying the leased premises for any secondary recovery operations that may be conducted on the leased premises, without Lessor's written consent, which such consent shall not be unreasonably withheld.

19. In the event Lessee, its successors and assigns, complete a fresh water well for use in connection with operations pursuant to this lease, Lessee, upon abandonment or termination of this lease, shall leave such well(s) with casing for the use of Lessor, and Lessor shall thereafter be responsible for maintaining and operating such water well(s).

20. Notwithstanding anything herein to the contrary, all pits will be closed immediately after drilling and completion and no mud will be spread on the leased premises, without Lessor's prior written consent.

21. Notwithstanding anything herein to the contrary, this lease does not grant Lessee the right to lay oil or gas pipelines from the well, production facility or storage facility to the lease line, without the prior express written consent of Lessor. It is expressly understood and agreed that this lease does not grant Lessee the right to lay any pipelines whatsoever to move oil, gas or other minerals across the leased premises, unless the oil, gas or other minerals are produced from a well situated upon and completed beneath the leased premises, or on acreage pooled therewith. Notwithstanding anything herein to the contrary, Lessee shall bury all pipelines to a depth of at least 30 inches from the surface of the earth to the top of any such pipeline or flow line.

22. Notwithstanding anything herein to the contrary, no well or wells shall be drilled upon the surface of the leased premises, unless at least 50 % of the production or unitized unit is comprised of lands out of these leased premises.

23. Subject to other provisions of this agreement, Lessee shall remove all property and equipment and shall restore the surface within 120 days after Lessee, its successors or assigns, abandon the leasehold, terminate this lease, or abandon a producing well without paying shut-in royalties as provided herein, or this lease otherwise terminates. Failure to so remove all of such machinery, facilities and equipment as provided herein within the time provided shall result in forfeiture of such machinery, facilities and equipment as liquidated damages and shall become the property of the Lessor.

24. Immediately upon completion of any production, facility, tank battery or other facility used in connection with this lease, Lessee shall fence off such facilities with a fence capable of turning cattle, and Lessee shall maintain the fence at Lessee's expense.

25. Unless otherwise directed by Lessor, Lessee shall leave all roadways, cattle guards, gates, etc. for the use of Lessor upon termination of this lease or abandonment by Lessee. In the event Lessor otherwise directs Lessee, Lessee shall comply with the reasonable request of Lessor for the removal of such improvements and the restoration of Lessor's property.

26. No firearms shall be taken upon the leased premises by any person for any reason whatsoever. There will be no hunting or fishing allowed on the leased premises. Lessee shall instruct and supervise its employees, contractors, agents, and representatives of such restriction. Lessee shall be responsible for enforcement of this provision. Any breach of this covenant shall make such party liable as a trespasser under the laws of the State of Texas, and such person shall not again be allowed or permitted to come on to the leased premises. Lessee shall be wholly responsible to Lessor for any damages resulting from a breach of this covenant.

27. When clearing the land, Lessee will cut, pile, burn and bury all brush and trees removed. All stumps will be pulled up, burned and buried by Lessee.

28. Notwithstanding anything to the contrary contained herein, drilling operations or production from a pooled unit or units established under the provisions hereof embracing land covered hereby and other lands shall maintain this lease in force only as to such land included in such unit or units. This lease may be maintained in force as to the remainder of the lands covered hereby in any manner otherwise provided for, provided that if it be by rental payments, rental shall be payable only on the number of acres not included in such unit or units.

29. Notwithstanding anything to contrary contained herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

SIGNED FOR IDENTIFICATION:

Doug Abshire
DOUG ABSHIRE

Linda C. Abshire
LINDA C. ABSHIRE

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

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2020

STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas
do hereby certify that the foregoing is a true and
correct copy of the original as the same appears of record
in Vol. 175, Page 124 in Official Records of said
County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas

Catherine Cushman, Deputy

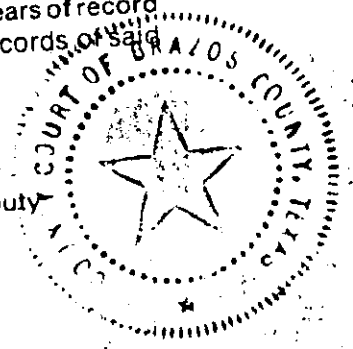


EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated, December 2, 1992, by and between DOUG ABSHIRE and wife, LINDA G. ABSHIRE, as Lessors and UNION PACIFIC RESOURCES COMPANY, as Lessee.

12. Notwithstanding anything herein to the contrary, first royalty payments due to Lessor shall be paid no later than 120 days from the date of first production and shall thereafter continue regularly and monthly.
13. Notwithstanding anything herein to the contrary, it is agreed and understood by and between Lessor and Lessee that the terms oil, gas, sulfur and other minerals or any of those terms used singularly herein, shall refer only to oil and gas and any derivatives therefrom and related hydrocarbons or sulfur produced in connection with the production of oil or gas, and that lease shall cover only the minerals stated in this paragraph alone and no other, it being expressly understood that surface minerals are excluded from this lease.
14. Notwithstanding herein to the contrary, in the event of drilling on said land, Lessee, its successors and assigns, shall, if so directed by Lessor, install separate cattle guards or gates at all fence crossings used by Lessee in connection with said operations, even though Lessor maintains gates or cattle guards that could be used. Where directed by Lessor, Lessee shall construct cattle guards with concrete seals at every fence crossing, which cattle guard shall be no smaller than 8 feet by 16 feet. When a cattle guard is installed in the fence line off of a public roadway or adjacent to neighboring lands, an iron gate will be also installed, maintained and locked at all times, except when in use. If Lessee, with Lessor's permission, installs a cattle guard at an existing gate (entrance) of Lessor, the Lessor may direct Lessee to relocate Lessor's existing gate elsewhere in the fence line. Any fence cut as a result of any operations under this lease, shall be double H braced prior to cutting.
15. Lessee shall not use Lessor's roads without Lessor's approval. Any road constructed across the lands pursuant to this lease, shall require Lessor's approval as to routing and location, which approval shall not be unreasonably withheld. All permanent roads constructed pursuant to this lease shall be topped with limestone. Lessee shall maintain all roads at Lessee's expense.
16. Lessee, its successors and assigns, shall pay Lessor for any damage done to crops or livestock as well as damages, if any, to the surface of said land by reason of operations thereon, and shall pay for any damage to roads, culverts, bridges, fences, water wells, irrigation wells, tanks, lakes, rivers, streams, or other improvements on or about Lessor's land resulting from their use by Lessee in connection with any geophysical exploration thereof or any development thereon by Lessee, its successors and assigns, and that upon abandonment of said lease or surrender thereof, Lessee, its successors and assigns, shall level all levees around slush pits and/or other excavations and generally restore the surface of the land covered hereby as nearly to its present condition as reasonably possible. Notwithstanding anything herein to the contrary, damage to pastures, crops and timber arising out of the construction of roadways, pads, tank batteries and other production facilities shall be paid to Lessor in actual cash value.

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 8th day of December 19 92 between

ANNIE ORLANDO HARRINGTON, dealing herein in her sole and separate property

Lessor (whether one or more), whose address is: 305 Hillside Drive, Navasota, Texas 77868
and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, Tx 76102 Lessee, WITNESSETH

1. Lessor in consideration of Ten Dollars and other valuable consideration Dollars
(\$ 10.00), in hand paid, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in

BRAZOS

County, Texas, to-wit:

5.844 acres, more or less, out of the THOMAS H. MAYS SURVEY, A-160, Brazos County, Texas and being more particularly described in that certain Deed dated September 23, 1987, from Toni Orlando Harris et al, to Annie Orlando Harrington, and recorded in Volume 1010, Page 399 of the Official Records of Brazos County, Texas.

511335

FILED
93 JAN 28 PM 2:20
BRAZOS COUNTY CLERK
JAN 28 1993
COURT HOUSE
1000 COUNTY
ST. WORTH, TEXAS

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipelines to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessor the average pooled market price of such one-eighth part of such oil at the wells as of the day it is run to the pipe line or storage tanks, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) to pay lessor for gas and casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; (c) To pay lessor on all other minerals mined and marketed or utilized by lessee from said land, one-tenth either in kind or value at the well or more at lessor's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at any time or times after the expiration of the primary term, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders as or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the

Bank of Navasota

Bank at Navasota, Texas 77868 or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payments hereunder may be made by check or draft of lessee deposited in the bank or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other law-fal authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties herein, their heirs, successors, and assigns, irrespective of whether or not the unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced on such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells or located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 3 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each such separate tract and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any shut-in production royalty which may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4 the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

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5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 90 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 330 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessor'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 on or from producing oil or gas from the lease premises, and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

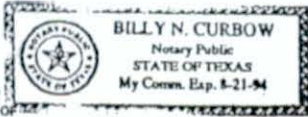
See Exhibit A attached hereto and made a part of this lease for additional provisions.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.
 Soc. Sec. # [REDACTED]

Annie Orlando Harrington
 ANNIE ORLANDO HARRINGTON

STATE OF TEXAS
 COUNTY OF BRAZOS

This instrument was acknowledged before me on the 8th day of December, 1992, by Annie Orlando Harrington



STATE OF TEXAS
 COUNTY OF BRAZOS

This instrument was acknowledged before me on the _____ day of _____, 19____, by _____

ACKNOWLEDGMENT

Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

Billy N. Curbow
 Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

ACKNOWLEDGMENT

Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

STATE OF TEXAS
 COUNTY OF BRAZOS

This instrument was acknowledged before me on the _____ day of _____, 19____, by _____ of _____ corporation, on behalf of said corporation.

CORPORATE ACKNOWLEDGMENT

Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

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Produced in 14701 Revised Prod. Op. With 1400 Acres Pooling Provision

No. _____

Oil, Gas and Mineral Lease

FROM _____ TO _____

Dated _____, 19____, at _____ County, Texas

No. Acres _____

This instrument was filed for record on the _____ day of _____, 19____, at _____ M., and duly recorded in Book _____, Page _____ of the _____ records of this office.

By _____ County Clerk

When recorded returns to _____ Deputy

PLUMB PRINTING & STATIONERY COMPANY
 2122 Hudson, Houston, Texas 77058 (713) 639-1139

EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated December 8, 1992, by and between ANNIE ORLANDO HARRINGTON, as Lessor and UNION PACIFIC RESOURCES COMPANY, as Lessee.

12. Notwithstanding anything to contrary herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words, "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.
13. It is agreed and understood that Lessee will pay to Lessor the actual cash value of any damage caused to Lessors fences, growing crops, improved pasture or improvements, by Lessee's operations hereunder. Lessee agrees to fill its slush pits opened on the leased premises when its drilling operations are complete and to restore the surface to as nearly practical the condition it was in prior to the commencement of Lessee's operations in a manner that would be expected of a reasonable prudent operator under such circumstances.
14. Notwithstanding anything to the contrary contained herein, drilling operations or production from a pooled unit or units established under the provisions hereof embracing land covered hereby and other lands shall maintain this lease in force only as to such land included in such unit or units. This lease may be maintained in force as to the remainder of the lands covered hereby in any manner otherwise provided for, provided that if it by rental payments, rental shall be payable only on the number of acres not included in such unit or units.
15. In addition to the property described herein, this lease also covers and includes, as if specifically described herein, all lands owned or claimed by Lessor which are included in any rights-of-way, roads, alleys, ditches, waterways, easements, etc...which may be located upon or adjacent to the hereinabove described lands, including but not limited to all riparian rights and accretions thereto.
16. It is further agreed and understood that this lease covers oil, gas and sulphur only, (including, with all oil and gas, all constituent elements thereof and all other liquid or liquefiable hydrocarbons and products of every kind and character derived therefrom and produced therewith), and all minerals other than oil, gas and sulphur are excepted herefrom and reserved to Lessor. Including among the minerals reserved to Lessor and excluded from this lease are coal, lignite and uranium.

SIGNED FOR IDENTIFICATION:

Annie Orlando Harrington
ANNIE ORLANDO HARRINGTON

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WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

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5
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STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1104, Page 138 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas

Catherine Engeman Deputy



509569

FILED

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 8th day of December 93 JAN-7 PM 92 22
Selected Lands, LTD#17, a Texas Limited Partnership

LESSOR (whether one or more), whose address is 14515 Briarhills Parkway, Suite 200 Houston, TX 77077
and UNION PACIFIC RESOURCES COMPANY, 801 Cherry St., Ft. Worth, TX Lessee, WITNESSETH

1. Lessor in consideration of Ten and QVC Dollars
(10.00), in hand paid of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto
Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical
surveys by seismic, etc., core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks,
power stations, electric lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take
care of, treat, transport and own said products, and housing its employees, the following described land in Brazos
County, Texas, to-wit:

201.75 acres of land, more or less, a part of the Thomas H. Mays Survey,
A-160, Brazos County, Texas being described as two tracts in that
certain deed dated November 9, 1973 from Selected Lands Corporation
to Selected Lands LTD#17, Recorded in Volume 322, Page 345, Deed
Records, Brazos County, Texas.

See Exhibit "A" attached hereto and made a part hereof for all purposes.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey
or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from this date (called "primary term")
and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. As to royalty, lease covenants and agrees: (a) To deliver to the credit of lessee, in the pipelines in which lessee may connect its wells, the equal one-eighth part of all
oil produced and saved by lessee from said land or from time to time, at the option of lessee, to pay lessor the average pooled market price of such one-eighth part of such
oil as the wells as of the date of its run to the pipe line or storage tanks, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe
line oil, (b) to pay lessor for gas and casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of
the well, or (2) when sold by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products
extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression, (c) to pay lessor on
all other minerals mined and marketed or utilized by lessee from said land, one-eighth either in kind or value at the well or mine at lessee's election, except that on sulphur mined
and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or
on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall nevertheless continue
in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had
occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of
such diligence, lessor shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall
not be required to utilize labor, trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are
shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall
pay or tender to, check or draft of lessee, as royalty, a sum equal to the royalty on the acreage of land then covered hereby. Lessee shall make like payments or tenders
at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions
of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under
this lease if the wells were producing, and may be deposited in the Pay Direct to Lessee 1004

Note:
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Bank at _____ or its successors, which shall continue as the depositories,
regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive
same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately
to each in accordance with their respective ownership thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or
delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessee's right
to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners
of this lease, severally as to acreage owned by each.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of
them, with any other land covered by this lease, and or with any other land, lease or leases in the immediate vicinity thereof as the extent hereinafter stipulated, when in Lessee's
judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad
Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced
from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed an area
640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger
than those specified, for the drilling or operation of a well as a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, upon
thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine
acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling
as to any stratum or strata need not conform in size or area with the unit or units upon which the lease is pooled or combined as to any other stratum or strata, and oil units
need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool this lease or portions thereof into
other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled
acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties herein, their heirs, successors, and assigns, irrespective of whether or not the
unit is likewise effective as to all other owners of surface, mineral, royalty, or other rights in land included in such unit. Lessee may at its election exercise its pooling option
before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or
leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas
have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the
land covered by this lease, regardless of whether such operations for drilling were commenced on such production was secured before or after the execution of this instrument
or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether
or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within
the meaning of paragraph 5 of this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all
purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which
owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated
of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from
such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled
unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation
of any unit hereunder shall not have the effect of changing the ownership of any shut-in production royalty which may become payable under this lease. If this lease now or hereafter
covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such
separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in
this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or interests, from that as to any other part
of the leased premises.

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5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force as long as operations on said well or the drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, the lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 330 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or bars now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessee considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessor's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligations to comply with such covenants 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 so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Selected Lands, LTD#17, a Texas Limited Partnership

BY: Donald C. Dalbosco
Selected Lands Corporation,
General Partner, Donald C. Dalbosco,
President

ACKNOWLEDGMENT

STATE OF
COUNTY OF

This instrument was acknowledged before me on the _____ day of _____, 19__

day of

19

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

ACKNOWLEDGMENT

STATE OF
COUNTY OF

This instrument was acknowledged before me on the _____ day of _____, 19__

day of

19

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me on the 9th day of December, 1997, by Donald Dalbosco a General Partner of Selected Lands

a Texas corporation, on behalf of said corporation.

Deborah A Swift
Notary Public, State of Texas
Notary's name (printed): Deborah A Swift
Notary's commission expires: APRIL 13, 1992

1687 PAGE 20

Production 88 14700 Standard Pool Up With 640 Acres Pooling Provision

FROM
TO
Oil, Gas and Mineral Lease

County, Texas
Date: _____, 19__
No. Acres: _____

This instrument was filed for record on the _____ day of _____, 19__ at _____ o'clock _____ M., and duly recorded in Book _____ Page _____ of the _____ records of this office.

By _____ County Clerk
Deputy

WALSH PRINTING & STATISTICAL COMPANY
1321 Postoffice, Houston, Texas 77002 (713) 488-1198

EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated December 8, 1992, by and between SELECTED LANDS, LTD # 17, a Texas Limited Partnership, as Lessor and UNION PACIFIC RESOURCES COMPANY, as Lessee.

11. Lessee shall not use Lessor's roads without Lessor's approval. Any road constructed across the lands pursuant to this lease, shall require Lessor's approval as to routing and location, which approval shall not be unreasonably withheld. All permanent roads constructed pursuant to this lease shall be topped with limestone. Lessee shall maintain all roads at Lessee's expense.

12. Lessee, its successors or assigns, shall pay Lessor for any damage done to crops or livestock as well as damages, if any, to the surface of said land by reason of operations thereon, and shall pay for any damage to roads, culverts, bridges, fences, water wells, irrigation wells, tanks, lakes, rivers, streams, or other improvements on or about Lessor's land resulting from their use by Lessee in connection with any geophysical exploration thereof or any development thereon by Lessee, its successors and assigns, and that upon abandonment of said lease or surrender thereof, Lessee, its successors and assigns, shall level all levees around slush pits and/or other excavations and generally restore the surface of the land covered hereby as nearly to its present condition as reasonably possible. Notwithstanding anything herein to the contrary, damage to pastures, crops, and timber arising out of the construction of roadways, pads, tank batteries and other production facilities shall be paid to Lessor in actual cash value. *All drilling mud and materials to be removed from pits and land prior to leveling & reclamation.*

13. Notwithstanding anything to the contrary contained herein, drilling operations or production from a pooled unit or units established under the provisions hereof embracing land covered hereby and other lands shall maintain this lease in force only as to such land included in such unit or units. This lease may be maintained in force as to the remainder of the lands covered hereby in any manner otherwise provided for, provided that if it be rental payments, rental shall be payable only on the number of acres not included in such unit or units.

14. Notwithstanding anything to the contrary contained herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

15. It is expressly understood and agreed that three (3) years from the date hereof, Lessee shall release all rights below 100' below the stratigraphic equivalent of the deepest depth drilled on the leased premises or on acreage pooled therewith.

16. Notwithstanding anything to the contrary, the appropriate bonus shall be received on or before December 14, 1994 in this lease.
SIGNED FOR IDENTIFICATION: Donald C. Dalton, president of Selected Lands Corporation, the General Partner of Selected Lands Ltd. #17.

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

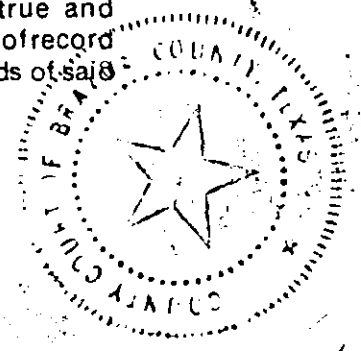
3350

STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1087, Page 19 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Underwood Deputy



5-

509570

FILED

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 8th day of December
Selected Lands, LTD#16, a Texas Limited Partnership.

93 JAN -7 PM 3:22
1992

C. CLERK
COUNTY CLERK
Brazos County, Texas
J. J. [Signature]

Lessor (whether one or more), whose address is 14515 Briarhills Parkway, Suite 200, Houston, TX 77077-1034
UNION PACIFIC RESOURCES COMPANY, 801 Cherry Street, Ft. Worth, TX 76102-5803

1. Lessor in consideration of Ten and OVC Dollars
(10.00), in hand paid of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by seismicograph, core test, gravity and magnetic methods, seeping gas, water and other fluids, and any subsurface strata, lining pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Brazos County, Texas, to-wit:

176.75 acres of land, more or less, being out of a larger 201.75 acres and a part of the Thomas H. Mays Survey, A-160, Brazos County, Texas being described in a deed dated November 9, 1973 from Selected Lands Corporation to Selected Lands, LTD#16, Recorded in Volume 322, Page 357, Deed Records, Brazos County, Texas. There is excepted from the 201.75 acre tract 25 acres being conveyed by an unrecorded deed to Johnnie Churchwell et ux Gail Churchwell out of the North West corner, bounded on the North and West by W.C. Mitchell land and on the South and East by Selected Lands, LTD#16 land and including a 30' wide strip running North and South along the West line.

See Exhibit "A" attached hereto and made a part hereof for all purposes.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of 3 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. As royalty, lessor covenants and agrees: (a) To deliver to the credit of lessee, in the pipelines to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessee the average posted market price of such one-eighth part of such oil at the wells as of the day it is run to the pipe line or storage tanks, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) To pay lessor five gas and casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products, one-eighth of the amount realized from the sale of gasoline or other products extracted therefrom and one-eighth of the amount realized from the sale of residue gas after deducting the amount used for plant fuel and/or compression; (c) To pay lessee on all other minerals mined and marketed or utilized by lessee from said land, one-sixth either in kind or value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, lessee shall shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar per acre for each acre of land then covered hereby. Lessee shall make such payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the Pay Direct to Lessor or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time the lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payments hereunder may be made by check or draft of lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with any other land covered by this lease, and/or with any other land, lease or leases in the immediate vicinity thereof, to the extent hereinafter stipulated, in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 80 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, provided that should governmental authority, having jurisdiction prescribe or permit the creation of units larger than those specified, for the drilling or operation of a well at a regular location or for obtaining maximum allowable from any well to be drilled, drilling or already drilled, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum herein need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof with other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and upon such recordation the unit shall be effective as to all parties herein, their heirs, successors, and assigns, irrespective of whether or not the unit is hereinafter effective as to all other owners of surface, mineral, royalty, or other rights in land included in said unit. Lessee may, at its election exercise its pooling option before or after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. In the event of operations for drilling on or production of oil or gas from any part of a pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, such operations shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease and in such event operations for drilling shall be deemed to have been commenced on said land within the meaning of paragraph 5 of this lease, and the acreage comprising such unit or units, as so oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is to say, there shall be allocated to the acreage covered by this lease and included in said unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease (or in each separate tract) and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit, and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. The formation of any unit hereunder shall not have the effect of changing the ownership of any shut-in production royalty which it may become payable under this lease. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interest as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool as provided above with consequent allocation of production as above provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing now or hereafter either as to parties or amounts, from that as to any other part of the leased premises.

5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole on the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 330 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such other well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessor's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who contains such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of total acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessor's rights under the warranty in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties, and other monies accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate thereon. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, 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 on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Selected Lands, LTD#16, a Texas Limited Partnership

BY: Donald C. Dalbosco
Selected Lands Corporation,
General Partner, Donald C. Dalbosco
President

ACKNOWLEDGMENT

STATE OF
COUNTY OF

This instrument was acknowledged before me on the _____ day of _____, 19____

day of _____, 19____

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

STATE OF
COUNTY OF

This instrument was acknowledged before me on the _____ day of _____, 19____

day of _____, 19____

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF HARRIS

CORPORATE ACKNOWLEDGMENT

This instrument was acknowledged before me on the _____ day of DECEMBER, 1992
by DONALD DALBOSCO GENERAL PARTNER
of SELECTED LANDS
TEXAS corporation, on behalf of said corporation.

day of DECEMBER, 1992

Notary Public, State of Texas
Notary's name (printed): DEBORAH A. SWIFT
Notary's commission expires: APRIL 13, 1993

Oil, Gas and Mineral Lease.

FROM _____ TO _____

County _____, State _____

This instrument was filed for record on the _____ day of _____, 19____ at _____ M., and duly recorded in _____ County Clerk's Office, _____ County, Texas, Book _____, Page _____.

When recorded refers to _____

1687 PAGE 23

FOUND PRINTING & ESTABLISHMENT COMPANY
2027 P.O. Box, Houston, Texas 77052 (713) 449-3129

EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated December 8, 1992, by and between SELECTED LANDS, LTD # 16, a Texas Limited Partnership, as Lessor and UNION PACIFIC RESOURCES COMPANY, as Lessee.

11. Lessee shall not use Lessor's roads without Lessor's approval. Any road constructed across the lands pursuant to this lease, shall require Lessor's approval as to routing and location, which approval shall not be unreasonably withheld. All permanent roads constructed pursuant to this lease shall be topped with limestone. Lessee shall maintain all roads at Lessee's expense.

12. Lessee, its successors or assigns, shall pay Lessor for any damage done to crops or livestock as well as damages, if any, to the surface of said land by reason of operations thereon, and shall pay for any damage to roads, culverts, bridges, fences, water wells, irrigation wells, tanks, lakes, rivers, streams, or other improvements on or about Lessor's land resulting from their use by Lessee in connection with any geophysical exploration thereof or any development thereon by Lessee, its successors and assigns, and that upon abandonment of said lease or surrender thereof, Lessee, its successors and assigns, shall level all levees around slush pits and/or other excavations and generally restore the surface of the land covered hereby as nearly to its present condition as reasonably possible. Notwithstanding anything herein to the contrary, damage to pastures, crops, and timber arising out of the construction of roadways, pads, tank batteries and other production facilities shall be paid to Lessor in actual cash value.

Drilling And L.P. Rights To Be Retained From Pits & Tank Batteries L.P. Resources Co.

13. Notwithstanding anything to the contrary contained herein, drilling operations or production from a pooled unit or units established under the provisions hereof embracing land covered hereby and other lands shall maintain this lease in force only as to such land included in such unit or units. This lease may be maintained in force as to the remainder of the lands covered hereby in any manner otherwise provided for, provided that if it be rental payments, rental shall be payable only on the number of acres not included in such unit or units.

14. Notwithstanding anything to the contrary contained herein, in reference to royalties payable under paragraph three (3) thereof, in each instance where the words, "one-eighth" appear in such paragraph, the words "one-eighth" shall be omitted and the words, "one-sixth" shall be substituted therefor.

15. It is expressly understood and agreed that three (3) years from the date hereof, Lessee shall release all rights below 100' below the stratigraphic equivalent of the deepest depth drilled on the leased premises or on acreage pooled therewith.

16. Notwithstanding anything to the contrary the approved bonus shall be received on or before December 10, 1992 w/ this lease agreement is null and void. RP

SIGNED FOR IDENTIFICATION: Donald C. Dalton, president
of Selected Lands Corporation, general partner
of Selected Lands Ltd. #16

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

1687mc 24

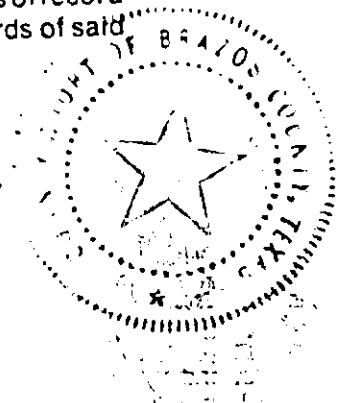


STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1087, Page 22 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Engeman Deputy



5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 90 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 90 consecutive days, and if they result in production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, so long as such operations are prosecuted with no cessation of more than 90 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 330 feet similar circumstances Lessee may at any time execute and deliver to Lessor or place of record a release or release covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a reasonable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities, and one well per 640 acres plus an acreage tolerance not to exceed 30% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument.

9. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty, in event of failure of title, it is agreed that if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessee's interest is herein specified or not), or no interest therein, then the royalties, by this lease, bears to the whole and undivided fee simple estate thereon. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, 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 so prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the lease premises, and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

Johnny Churchwell
 Johnny Churchwell - _____

Gail Churchwell
 Gail Churchwell - _____

STATE OF TEXAS
 COUNTY OF GRIMES

ACKNOWLEDGMENT

This instrument was acknowledged before me on the 16th day of FEBRUARY 1993 by JOHNNY CHURCHWELL & GAIL CHURCHWELL

Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:



ACKNOWLEDGMENT

day of 19

Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

STATE OF
 COUNTY OF

CORPORATE ACKNOWLEDGMENT

This instrument was acknowledged before me on the _____ day of _____ 19____ by _____ corporation, on behalf of said corporation.

Notary Public, State of Texas
 Notary's name (printed):
 Notary's commission expires:

VOL 1746 PAGE 437

Producers W (478) Revised Prod Op With 140 Acres Pooling Provision

FROM TO

Oil, Gas and Mineral Lease

Date: _____ 19____

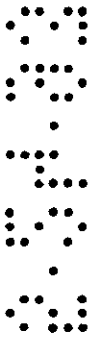
No. Acres _____

County, Texas _____

This instrument was filed for record on the _____ day of _____ 19____ at _____ o'clock _____ M., and duly recorded in Book _____ Page _____ of the _____ records of this office.

By _____ County Clerk _____ Deputy

WHEN RECORDED RETURN TO:
 Union Pacific Resources Co.
 ATTN: Land Administration
 P.O. Box 7, MS 3110
 Fort Worth, TX 76101-0007
 1337 Promiss. Records, Room 7500 (713) 636-3134

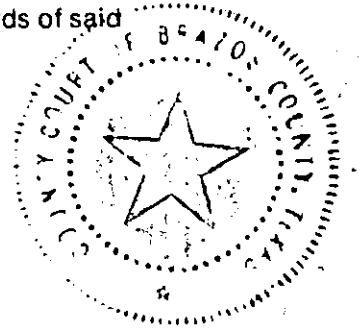


THE STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1746 Page 130 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas
Catherine Indeman Deputy



MEMORANDUM OF OPTION FOR LEASE

THE STATE OF TEXAS)
COUNTY OF BRAZOS)

514090

2:55

W.C. Mitchell

By Option of Lease dated December 1, 1992, the undersigned party, W.C. MITCHELL, Individually and NEW FIRST CITY, TEXAS - BRYAN/COLLEGE STATION, M.A., as Independent Executor and Trustee under the Will of Anne Lila Wickes Mitchell, for the benefit of W.C. MITCHELL, ("Lessor"), c/o Trust Department, P.O. Drawer 913, Bryan, Texas 77805-0913, for TEN DOLLARS (\$10.00) and other valuable consideration have granted, leased and let to UNION PACIFIC RESOURCES COMPANY, 801 Cherry Street, Fort Worth, Texas 76102-6803 ("Lessee"), and contemporaneously hereby grant, lease and let unto Lessee, for the purpose set forth in the Option for Lease, all of the following land located in Brazos County, Texas, to-wit:

SEE EXHIBIT "A" ATTACHED TO AND MADE A PART OF THIS INSTRUMENT FOR PROPERTY DESCRIPTION.

The Option for Lease and all of its terms, conditions, covenants and provisions are incorporated into and made a part of this Memorandum of Option for Lease in all aspects. Original counterparts of the Option for Lease are in the possession of Lessor and Lessee. Among other provisions, the Option for Lease provides for a term of one (1) year to exercise options to lease any part of the mentioned acreage in Exhibit "A".

The Memorandum of Option for Lease is executed for the purpose of filing this instrument of record in the Deed of Records in Brazos County, Texas, to give notice to all third parties dealing with Lessor or Lessee or with the lands described in Exhibit "A" of the existence of the Option for Lease. The Oil and Gas Lease and the Option for Lease shall be binding upon Lessor and Lessee and their respective heirs, successors, representatives and assigns.

IN WITNESS WHEREOF, this instrument is executed this the 21 day of JANUARY, 1993.

W.C. Mitchell
By W.C. Mitchell

Dean Dyer
By
Dean Dyer
Senior Vice President and
Trust Officer

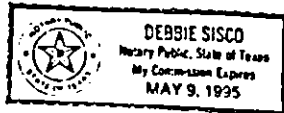
(1)

vo. 1730 no. 145

T11-47034

STATE OF TEXAS
COUNTY OF BRAZOS

This instrument was acknowledged before me on this the
22nd day of January, 1993 by W.C. Mitchell

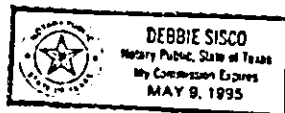


Debbie Sisco
Notary Public in and for
the State of Texas
My Commission Expires May
9, 1995

Debbie Sisco
Notary's Printed Name

STATE OF TEXAS
COUNTY OF BRAZOS

This instrument was acknowledged before me on this the
22nd day of January, 1993 by Dean Dyer
Senior Vice President and Trust Officer



Debbie Sisco
Notary Public in and for
the State of Texas
My Commission Expires: May
9, 1995

Debbie Sisco
Notary's Printed Name

EXHIBIT "A"

Attached to and made a part of that certain OPTION FOR LEASE dated December 1, 1992 by and between W. C. Mitchell, et al, and Union Pacific Resources Company, 801 Cherry, Ft. Worth, Texas 76102-6803, as Lessee.

644.62 acres of land, more or less, of the A. Millican Survey, A-39, the Thos. H. Mays Survey, A-160, and the Brooks & A. G. Perry Survey, A-73, being described in that certain deed dated April 5, 1961 from Roger Sloan Williams et ux to W. C. Mitchell, recorded in Volume 210, Page 507, Deed Records, Brazos County, Texas.

SIGNED FOR IDENTIFICATION-

W. C. Mitchell
Dean Dyer

Dean Dyer
Senior Vice President and
Plant Engineer

WHEN RECORDED RETURN TO:
Union Pacific Resources Co.
ATTN: Land Administration
P.O. Box 7, MS 3110
Fort Worth, TX 76101-0007

Vol. 1730 PAGE 147

21

M-95350
Adj. Case's

5
3
3
5

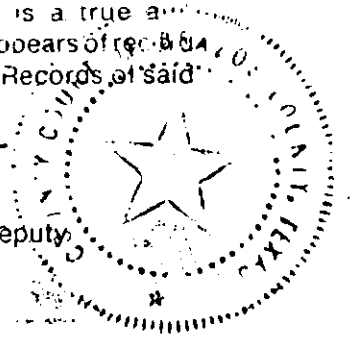
STATE OF TEXAS)
COUNTY OF BRAZOS)

I, Mary Ann Ward, County Clerk of Brazos County, Texas do hereby certify that the foregoing is a true and correct copy of the original as the same appears of record in Vol. 1730 Page 145 in Official Records of said County on file in my office.

ATTEST 5-7-93

Mary Ann Ward, County Clerk
Brazos County, Texas

Catherine Edeman Deputy



DO NOT DESTROY

GLO-36-10-84

-MEMO-

Operator UPRC

Unit Name Sowell Unit #1

County Brazos

Effective Date 4-4-94

Unitized for: Oil Gas Oil & Gas

1. M.F. No. 095350

Area HROW Tr. 1

Sec. 18.29 Blk. 743.47 Survey 1/5

$$\begin{array}{r}
 18.29 \\
 \times 743.47 \\
 \hline
 024600
 \end{array}
 \times \frac{1}{5} = \frac{.49200}{.004920} \%$$

2. M.F. No. _____

Area _____ Tr. _____

Sec. _____ Blk. _____ Survey _____

_____ x _____ . _____ %

3. M.F. No. _____

Area _____ Tr. _____

Sec. _____ Blk. _____ Survey _____

_____ x _____ . _____ %

4. M.F. No. _____

Area _____ Tr. _____

Sec. _____ Blk. _____ Survey _____

_____ x _____ . _____ %

REMARKS: 3-7-00 ms.

56-29973

DESIGNATION OF UNIT

SOWELL UNIT NO. 1

STATE OF TEXAS

COUNTY OF BRAZOS

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, being the owners of valid and subsisting oil, gas, and mineral leases listed in Exhibit "A", attached hereto and made a part hereof, insofar as said oil, gas, and mineral leases cover and affect the land and depths described on Exhibit "B", attached hereto and made a part hereof, do, by virtue of the authority conferred by the terms of such oil, gas, and mineral leases and all amendments and corrections thereto, hereby pool, consolidate, combine, and unitize said oil, gas, and mineral leases, the leasehold rights, overriding royalty, and royalty interests therein and thereunder, for the purpose of drilling for, development, and production of oil, gas, and liquid hydrocarbons (including condensate, distillate, and other liquids). The unit (hereinafter "Unit") shall be comprised of the land and interval described on the attached Exhibit "B", as depicted on the Plat attached hereto as Exhibit "C".

If at any time any tract of land or interest within the Unit is not properly pooled or unitized hereby or is not otherwise committed to the Unit, such fact shall not affect, terminate, impair, or invalidate the Unit as to any interest properly pooled or unitized hereby or otherwise.

This Designation of Unit covers all production from the land and depths described on the attached Exhibit "B" which is produced from any well drilled to the unitized interval underlying the Unit area. Production from the Unit shall be allocated proportionately among all of the tracts within the Unit in the proportion which the number of surface acres in each of such tracts bears to the total number of surface acres in the Unit.

The undersigned reserves the right to amend this Designation of Unit from time to time, and at any time, in order to correct any error herein or to include in this Unit any newly acquired interests within the Unit boundaries or to enlarge or reduce the Unit area in accordance with the applicable rules and regulations of any governmental regulatory body or agency having jurisdiction insofar as such right is granted in the subject leases, by appropriate amendments or instruments.

By execution of this Designation of Unit, the undersigned do not exhaust their right to pool the leases and lands hereinabove described with other leases and lands as to any other minerals, horizon, or strata covered thereby, and they expressly reserve to themselves, their assignees, or successors in interest, the right and power to pool or unitize the above described leases and lands with any other leases, lands, horizons, or strata in the vicinity and so far as the power, right, and authority to do so is granted in the subject leases and various agreements and so long as such power and authority is exercised in accordance with applicable rules and regulations of any governmental regulatory body or agency having jurisdiction.

This instrument may be executed as one document signed by all parties, or parties named herein may join herein by execution of a counterpart or ratification, with the same effect as if all parties executed this instrument.

The failure of any one or more persons owning an interest in the Unit to execute this instrument or a counterpart or ratification thereof shall not in any manner affect the validity of same as to the parties who do execute this instrument. This Unit may not be ratified or joined in by any party who is not named hereinbelow without the consent of the parties hereto.

The Unit hereby created shall be effective as of the date of first production from the Unit, or from the date operations are commenced anywhere on the Unit, whichever occurs first, and shall remain in force as long as the pooled minerals are being produced from the Unit, or so long as the leases covering the Unit are maintained in force by payment or tender of shut-in royalties or by other means, in accordance with the terms of said leases.

IN WITNESS WHEREOF, this Designation of Unit is executed on this 4th day of April, 1994.

UNION PACIFIC RESOURCES COMPANY

By: Carolyn J. David
Its: Attorney-in-Fact JB

TORCH ENERGY ASSOCIATES LTD.

By: _____
Its: _____

Approval
[Signature]

NUEVO ENERGY COMPANY

By: _____
Its: _____

Approval
[Signature]

STATE OF TEXAS
COUNTY OF TARRANT

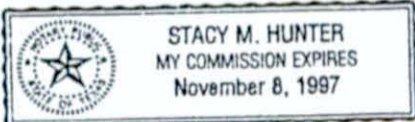
This instrument was acknowledged before me on the 4th day of April, 1994, by Carolyn J. David, Attorney-in-Fact of UNION PACIFIC RESOURCES COMPANY, a Delaware corporation, on behalf of said corporation.



Genell Gray
Notary Public in and for the
State of Texas
My commission expires: 1/26/98

STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me on the 14th day of April, 1994, by Matthew S. Ramsay, the Vice President of TORCH ENERGY ASSOCIATES LTD., a Texas corporation, general partner, on behalf of said corporation.



Stacy M. Hunter
Notary Public in and for the
State of Texas
My commission expires: 11-8-97

STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me on the 14th day of April, 1994, by Matthew S. Ramsey, the Vice President of NUEVO ENERGY COMPANY, a Delaware corporation on behalf of said corporation.



Stacy M. Hunter
Notary Public in and for the
State of Texas
My commission expires: 11-8-97

Law Department Approved
DESUNIT.O&G

Exhibit "A"

Attached to and made a part of that certain "Designation of Unit - Sowell Unit No. 1" dated APRIL 4, 1994.

Lease #: TX1-46265(1)
Lessor: Norma Sawyer Ptacek
Lessee: Union Pacific Resources Company
Dated: December 14, 1992
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1711, Page 103

Lease #: TX1-46265(2)
Lessor: Milton J. Sawyer
Lessee: Union Pacific Resources Company
Dated: December 14, 1992
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1726, Page 293

Lease #: TX1-46265(3)
Lessor: Sowell 693, Ltd.
Lessee: Union Pacific Resources Company
Dated: February 26, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1774, Page 040

Lease #: TX1-47012
Lessor: O'Jay Fuchs, et ux
Lessee: Union Pacific Resources Company
Dated: January 21, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1734, Page 104

X Lease #: TX2-60051
Lessor: State of Texas
Lessee: Union Pacific Resources Company
Dated: September 7, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1916, Page 291

EXHIBIT "B" Attached to and made a part of at certain
"Designation of Unit - Sowell Unit No. 1" dated APRIL 4, 1994.

Sowell Unit Well No. 1
743.47 Acre Unit
Union Pacific Resources Company
Andrew Millican Survey, A-39 &
H. Evans Survey, A-15
Thos. H. Mays Survey, A-160
Brazos County, Texas

Field notes of a 743.47 acre tract or parcel of land, lying and being situated in the Andrew Millican Survey, Abstract No. 39 & H. Evans Survey, Abstract No. 15 and in the Thos. H. Mays Survey, Abstract No. 160, Brazos County, Texas, and consisting of the following tracts:

Part of the called 693.230 acre tract described in the deed from W. Harold Sellers, Trustee to Charles L. Sowell, et alii, as recorded in Volume 323, Page 123, of the Deed Records of Brazos County, Texas;

Part of the called 300 acre tract described in the Contract for Sale & Purchase from the Veteran's Land Board of Texas to O'Jay Fuchs, as recorded in Volume 175, Page 210, of the Deed Records of Brazos County, Texas;

All of the original right-of-way (circa 1930's - generally 100' wide) of State Highway No. 6 adjoining the abovementioned 693.230 acre tract and being part of the called 29.94 acre lease tract described in the Oil and Gas Lease No. M-95350 from the State of Texas to Union Pacific Resources Company, as recorded in Volume 1916, Page 291, of the Official Records of Brazos County, Texas, and said 743.47 acre tract being more particularly described as follows:

BEGINNING at the 3/8" iron rod found at a crosstie fence corner marking the northwesterly interior ell corner of the beforementioned 693.230 acre tract, same being the southeast corner of the called 309.225 acre - Tract 1, as described in Volume 1178, Page 703, of the Official Records of Brazos County, Texas;

THENCE N 00° 29' 42" W along the common line between the beforementioned 693.230 acre tract and the beforementioned 309.225 acre tract, adjacent to a fence, at a distance of 1721.93 feet, pass a 3/8" iron rod found at a 13" elm tree fence corner in the existing right-of-way line of State Hwy No. 6, at a distance of 1748.31 feet, pass the southwest line of the original right-of-way line of said highway, continue on across Hwy No. 6 for a total distance of 1945.88 feet to the original northeast right-of-way line of Hwy No. 6, from which a 3/8" iron rod found at a 4" cedar post fence corner bears N 43° 29' 26" E - 19.08 feet;

THENCE along the original northeast right-of-way line of State Hwy No. 6, as follows:

S 40° 53' 28" E for a distance of 41.59 feet,
S 34° 37' 12" E for a distance of 183.10 feet,
S 40° 53' 28" E for a distance of 248.63 feet to the beginning of a curve, concave to the northeast, having a radius of 5679.58 feet, a concrete right-of-way marker bears N 14° 34' 40" E - 31.8 feet,

Southeasterly along said curve for an arc length of 300.66 feet to the end of this curve, the chord bears S 42° 24' 28" E - 300.62 feet,

S 49° 09' 11" E for a distance of 219.46 feet,
S 43° 55' 27" E for a distance of 85.00 feet,
S 36° 04' 15" E for a distance of 146.37 feet,
S 43° 55' 27" E for a distance of 6737.94 feet to the south line of the beforementioned Mays Survey;

Sowell Unit Well No. 1
743.47 Acre Unit
Union Pacific Resources Company
Andrew Millican Survey, A-39, etc.
Brazos County, Texas
Continued - Page 2

THENCE S 88° 17' 42" W along the most easterly south line of the beforementioned 693.230 acre tract, at a distance of 136.68 feet, pass a 3/8" iron rod found at a 10" creosote post fence corner, continue on, adjacent to a fence, for a total distance of 2519.42 feet to a 2" iron pipe found at an 8" creosote post fence corner marking an interior ell corner of the 693.230 acre tract;

THENCE S 01° 13' 07" E along the east line of the beforementioned 693.230 acre tract, same being the east line of the beforementioned Millican Survey, adjacent to a fence, for a distance of 1327.37 feet to a concrete monument found at a 4" cedar post fence corner marking a southeast corner of the 693.230 acre tract and the northeast corner of the beforementioned 300 acre tract;

THENCE S 01° 10' 26" E along the east line of the beforementioned 300 acre tract, adjacent to a fence, for a distance of 762.83 feet and corner;

THENCE S 88° 51' 52" W entirely across the beforementioned 300 acre tract at a distance of 2483.54 feet, pass a concrete monument found at an 8" creosote post fence corner marking a southeast corner of the 693.230 acre tract and an interior ell corner of the 300 acre tract, continue on along a common line between the 693.230 acre tract and the 300 acre tract, at a distance of 3776.34 feet, pass a concrete monument found at an 8" creosote post fence corner marking an interior ell corner of the 693.230 acre tract and a northwest corner of the 300 acre tract, continue on across the southern portion of the 693.230 acre tract for a total distance of 4050.77 feet to an angle point corner of the 693.230 acre tract, from which a 4" cedar post bears S 01° 17' 10" W - 4.8 feet;

THENCE along the most southerly west line of the beforementioned 693.230 acre tract, adjacent to a fence, as follows:

N 00° 56' 05" W for a distance of 712.84 feet to a 3/8" iron rod found at a 14" creosote post fence corner marking the southeast corner of the called 39.5 acre tract described in Volume 163, Page 627, of the Deed Records of Brazos County, Texas,

N 02° 49' 15" W for a distance of 1241.73 feet to a 3/8" iron rod found at a 14" creosote post marking the northeast corner of the 39.5 acre tract, same being the southeast corner of the called 282.24 acre tract described in Volume 164, Page 03, of the Deed Records of Brazos County, Texas,

N 01° 14' 16" W for a distance of 1721.73 feet to a 3/8" iron rod found at a 10" creosote post fence corner marking an interior ell corner of the 693.230 acre tract and a northeast corner of the 282.24 acre tract;

Sowell Unit Well No. 1
743.47 Acre Unit
Union Pacific Resources Company
Andrew Millican Survey, A-39, etc.
Brazos County, Texas
Continued - Page 3

THENCE along the common lines between the beforementioned 693.230 acre tract and the beforementioned 282.24 acre tract, adjacent to a fence, as follows:

S 88° 45' 11" W for a distance of 885.99 feet to a 3/8" iron rod found at a 12" creosote post fence corner,

N 24° 10' 59" W for a distance of 2583.25 feet to a 3" iron stake found at crosstie fence corner marking the northwest corner of the 693.230 acre tract, same being in the beforementioned 309.255 acre tract;

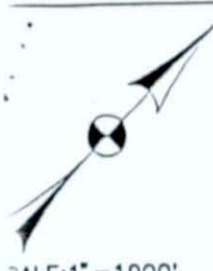
THENCE N 88° 58' 25" E along the common line between the beforementioned 693.230 acre tract and the beforementioned 309.225 acre tract, adjacent to a fence, for a distance of 3113.62 feet to the PLACE OF BEGINNING, containing 743.47 acres of land, more or less.

Bearings based on True North, as obtained by Solar Observation.

Prepared 3/2/94

kes94-01b:sowell.743

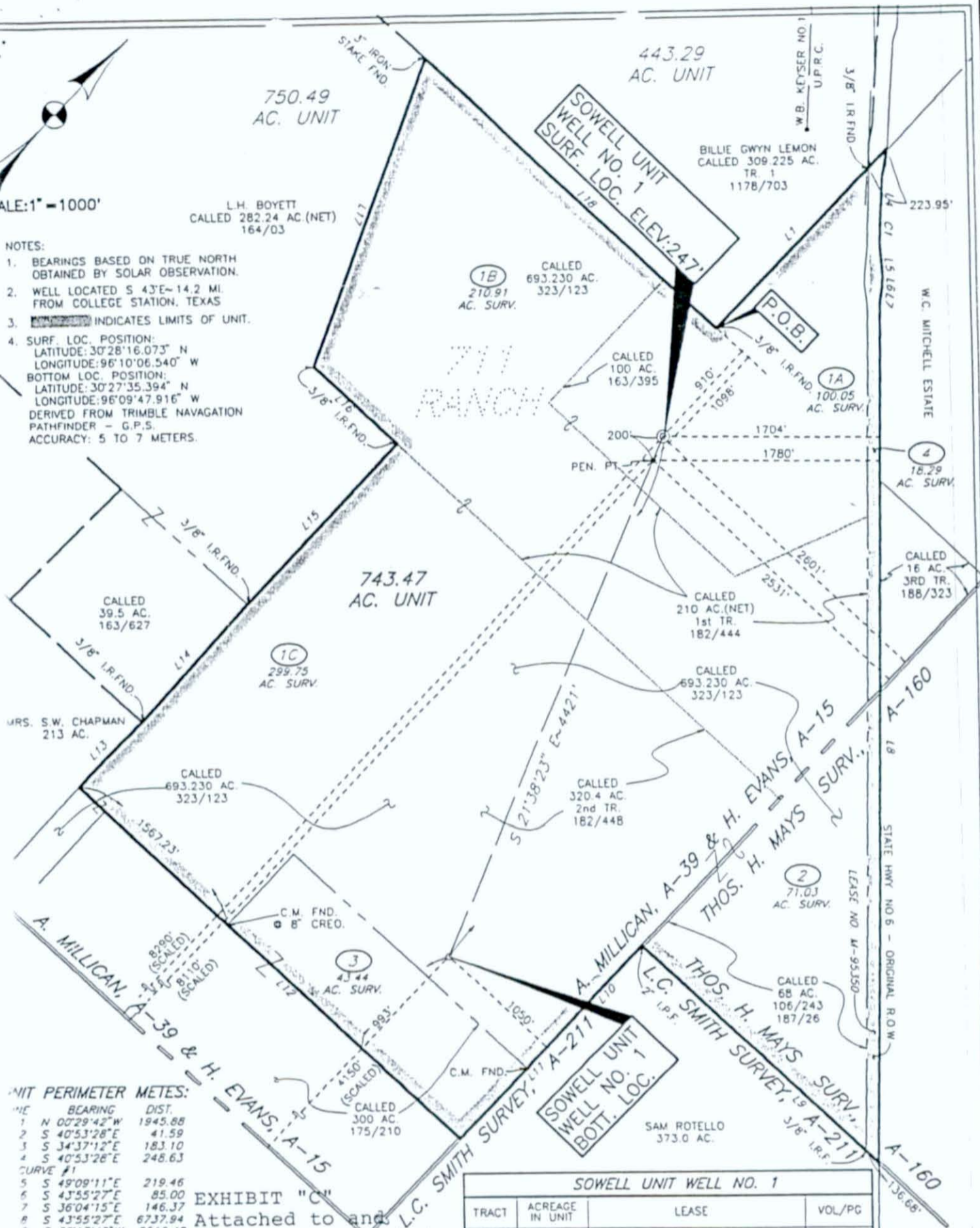
LIMITED TO THE AUSTIN CHALK FORMATION, as found between 11,730 feet and 12,272 feet in the Union Pacific Resources Company Keyser-Boyett Unit No. 1 Well, which is located 1,000 feet from the south line and 8,600 feet from the east line of the Holden Evans Survey, A-15, Brazos County, Texas.



SCALE: 1" = 1000'

NOTES:

1. BEARINGS BASED ON TRUE NORTH OBTAINED BY SOLAR OBSERVATION.
2. WELL LOCATED S 43°E-14.2 MI. FROM COLLEGE STATION, TEXAS
3. INDICATES LIMITS OF UNIT.
4. SURF. LOC. POSITION:
 LATITUDE: 30°28'16.073" N
 LONGITUDE: 96°10'06.540" W
 BOTTOM LOC. POSITION:
 LATITUDE: 30°27'35.394" N
 LONGITUDE: 96°09'47.916" W
 DERIVED FROM TRIMBLE NAVIGATION PATHFINDER - G.P.S.
 ACCURACY: 5 TO 7 METERS.



UNIT PERIMETER METES:

LINE	BEARING	DIST.
1	N 00°29'42"W	1945.88
2	S 40°53'28"E	41.59
3	S 34°37'12"E	183.10
4	S 40°53'28"E	248.63
CURVE #1		
5	S 49°09'11"E	219.46
6	S 43°55'27"E	85.00
7	S 36°04'15"E	146.37
8	S 43°55'27"E	6737.94
9	S 88°17'42"W	2519.42
10	S 01°13'07"E	1327.37
11	S 01°10'26"E	762.83
12	S 88°51'52"W	4050.77
13	N 00°56'05"W	712.84
14	N 02°49'15"W	1241.73
15	N 01°14'16"W	1721.73
16	S 88°45'11"W	885.99
17	N 24°10'59"W	2583.25
18	N 88°58'25"E	3113.62
CURVE #2		
1	RADIUS 5679.58	ARC 300.66
		CHORD BRG S 42°24'28"E - 300.62'

EXHIBIT "C"
 Attached to and
 made a part of that
 certain "Designation
 of Unit - Sowell Unit
 No. 1" dated APRIL 4,
 1994.

SOWELL UNIT WELL NO. 1			
TRACT	ACREAGE IN UNIT	LEASE	VOL/PAGE
1A	100.05	SOWELL 693, LTD. (100 Ac.)	1774/40
1B	210.91	SOWELL 693, LTD. (210 Ac.)	1774/40
1C	299.75	SOWELL 693, LTD. (320.4 Ac.)	1774/40
2	71.03	SOWELL 693, LTD. (68 Ac.) MILTON J. SAWYER NORMA SAWYER PTACEK	1774/40 1726/293 1711/103
3	43.44	O'JAY FUCHS, etux	1734/104
4	18.29	THE STATE OF TEXAS (HWY NO. 6) LEASE NO. M-95350	1916/291
743.47 TOTAL ACREAGE IN UNIT.			

WELL LOCATION

SOWELL UNIT WELL NO. 1

UNION PACIFIC RESOURCES COMPANY
 ANDREW MILLICAN SURVEY, A-39 &
 H. EVANS SURVEY, A-15
 THOS. H. MAYS SURVEY, A-160
 BRAZOS COUNTY, TEXAS

SURVEYED: FEBRUARY, 1994

S.M.K.
 S.M. KLING R.P.L.S. NO. 2003



SCALE: 1" = 1000'

FEB., 1994

M-95350 (13)

UNIT DESIGNATION

4/4/94



Texas General Land Office

Garry Mauro, Commissioner

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

December 9, 1994

Union Pacific Resources
Attn: Land Administration
P. O. Box 7
Fort Worth, Texas 76101-0007

**Re: Mineral File No. M-95350
UPR Prop. No. 070071**

Dear Sir or Madam:

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

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

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

Sincerely,

Eugene H. Moore, Jr.

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

EHM:mrg

Enclosures

DIVISION ORDER

ME

PROPERTY NUMBER: 070071 PRODUCT(S): CRUDE OIL, GAS
PROPERTY NAME: PODRAZA-ROTELLO UNIT #1 COUNTY/PARISH: BRAZOS
OPERATOR: UNION PACIFIC RESOURCES STATE: TEXAS
LEGAL DESCRIPTION: 831.40 ACRES - A. MILLICAN A-39, H. EVANS A-15,
L.C. SMITH A-211, & H.B. WHITESIDES A-56 SURVEYS.

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 JULY 1994.

OWNER SIGNATURE(S)/CORPORATE TITLE

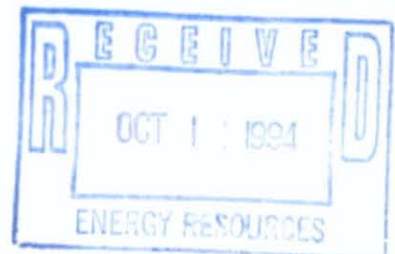
SIGNATURE OF WITNESS #1

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	0.003094



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.

PROPERTY NUMBER: 070071 PRODUCT(S): CRUDE OIL, GAS
 PROPERTY NAME: PODRAZA-ROTELLO UNIT #1 COUNTY/PARISH: BRAZOS
 OPERATOR: UNION PACIFIC RESOURCES STATE: TEXAS
 LEGAL DESCRIPTION: 831.40 ACRES - A. MILLICAN A-39, H. EVANS A-15,
 L.C. SMITH A-211, & H.B. WHITESIDES A-56 SURVEYS.

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 JULY 1994.

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	0.003094
2095923	01 001	THE EJE BROWN COMPANY	RI	0.018905
2146140	01 001	SAM FRANK DESTEFANO	RI	0.002899
2278243	01 001	CLINTON GIDDINGS ANDERSON	RI	0.003285
2293337	01 001	SOUTHERN PACIFIC TRANSPORTATION	RI	0.002971
2313485	01 001	MARY RODES GIBSON	RI	0.002884

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 similiar 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.
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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.
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OWNER NUMBER	DOI/ID	NAME	INTEREST TYPE	INTEREST PAID BY UPRC
2353049	01 001	O'JAY FUCHS	RI	0.035239
2353132	01 001	MARTHA BIVINS	RI	0.001739
2366857	01 001	CAROL ROGERS BICKNELL	RI	0.003285
2366869	01 001	LISA CALDWELL BRENT	RI	0.001739
2366871	01 001	MARTIN J DESTEFANO	RI	0.002899
2366883	01 001	SAMUEL RAY DESTEFANO	RI	0.005797
2366895	01 001	MARION CALDWELL DUCKWORTH	RI	0.003479
2366902	01 001	FREDERIC A FLEMING JR	RI	0.001546
2366914	01 001	ROBERT S FLEMING	RI	0.001546
2366926	01 001	VICTOR M GONZALEZ AND SANDRA A GONZALEZ	RI	0.000395
2366938	01 001	JIMMY J JOHNSON	RI	0.000439
2366940	01 001	R MICHAEL MOORE	RI	0.005809
2367058	01 001	THOMAS BROOKS MOORE	RI	0.005809
2367060	01 001	GRACE MOORE PAYNE	RI	0.005809
2367072	01 001	ELIZABETH HOHLT PECORE	RI	0.001739
2367084	01 001	CHRISTINE E PODRAZA	RI	0.027345
2367096	01 001	RONALD J PODRAZA	RI	0.002104
2367103	01 001	WILLIAM PODRAZA	RI	0.001052
2367115	01 001	LEILA ROTELLO/TRUST	RI	0.022198
2367127	01 001	CHARLES L ROTELLO AND SANDRA K ROTELLO	RI	0.011099
2367139	01 001	CHARLES LEE ROTELLO	RI	0.011099
2367141	01 001	TRAAC COMPANY	RI	0.000386
2367153	01 001	MARIAN WHITE WALTERS	RI	0.004793

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

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OWNER NUMBER	DOI/ID	NAME	INTEREST TYPE	INTEREST PAID BY UPRC
2367165 01	001	LAWRENCE ROY WHITE	RI	0.004793
2367177 01	001	LOUISE ROTELLO WHITE	RI	0.000076
2367189 01	001	RONALD ALLEN WHITE	RI	0.001932
2367191 01	001	JOAN HOLT WICH	RI	0.001739
2367260 01	001	SUE KENNEDY	RI	0.000386
1536001 01	001	UNION PACIFIC RESOURCES CO.	WI	0.466690
153600J 01	002	UNION PACIFIC RESOURCES CO.	WI	0.066464
2166491 01	001	TORCH ENERGY ASSOCIATES	WI	0.088847
2231187 01	001	NUEVO ENERGY COMPANY	WI	0.177690

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

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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.



TO ALL INTEREST OWNERS:

- Enclosed please find two copies of the Division Order(s) or Transfer Order(s). Please return one fully executed copy to the following address. **KEEP ONE COPY FOR YOUR RECORDS.**

**UNION PACIFIC RESOURCES COMPANY
P. O. Box 2993, Mail Station 3110
Fort Worth, Texas 76113-2993
Fax #(817) 877-7486
Voicemail #(817) 877-6369**

- Sign exactly as shown on the Division Order or Transfer Order. Signatures must be witnessed by two people. If joint ownership, all owners must sign.
- Signatures by Agents, Attorneys-in-Fact, Guardians, or Trustees must be verified by attaching evidence of the rights vested in the signatory party.
- Include the correct Social Security Number or Tax Identification Number in the space provided below your signature. Federal income tax law states 31% of proceeds must be withheld if not provided.
- If you have any questions and do not know your area representative, leave a message at this **VOICEMAIL number (817) 877-6369**. Our goal is to return your call within 48 hours. Please provide the following information which will assist us in serving you:
 - 1) Owner number
 - 2) County and state where well is located
 - 3) Well name and/or property number
 - 4) Telephone number with AREA CODE
 - 5) Reason for the call
- **Address Changes** must be submitted in writing to the above address. Provide your owner number, social security number, old address, new address and telephone number.
- **Name/Ownership Changes** must be submitted in writing to the above address. Please include proper documentation confirming the changes such as a: Marriage Certificate, Divorce Decree, Certificate of Merger, Deed, Will, Assignment, etc. **NOTE:** Documents which convey interest must be recorded in the county in which the property is located prior to sending them to our office.
- **Settlement Check/Stop Payment** requests must be submitted in writing to the address below. Please wait ten (10) working days before submitting request. Include owner number and date of check. **NOTE:** Funds will be replaced during our regular settlement cycle within the next 6 to 8 weeks.

Union Pacific Resources Company
Attn: Stop Payment
P.O. Box 7, MS 2605
Fort Worth, TX 76101-0007

-KEEP THIS INFORMATION FOR FUTURE REFERENCE-

HOW TO READ YOUR CHECK ATTACHMENT

To help you understand the essential information which accompanies your check, we are providing a sample check stub. Please keep this as a permanent part of your records.

PRODUCT CODE
100...CRUDE OIL
120...CONDENSATE
200...GAS
210...CASINGHEAD GAS
300...GAS LIQUID PRODUCTS
410...SULPHUR
500...HELIUM/OTHER

UNION PACIFIC RESOURCES COMPANY
SETTLEMENT STATEMENT
 P.O. BOX 2993 MS 3110
 FT. WORTH, TX 76113-2993
 VOICE MAIL (817) 877-6369
 FAX (817) 877-7486

-RETAIN THIS STATEMENT-
 FOR TAX PURPOSES
 DUPLICATES CANNOT BE FURNISHED

INTEREST TYPE
PP...PRODUCTION PAYMENT
OR...OVERRIDING ROYALTY
RI...ROYALTY INTEREST
SO...SURFACE OWNER
TP...TOTAL PRODUCTION
WI...WORKING INTEREST
ADJUSTMENT CODE
A...PRODUCTION TAX
C...OTHER

PLEASE CASH YOUR CHECK WITHIN THE ALLOTTED 180 DAYS
TIME PERIOD. ALL CHECKS WILL BE VOID AFTER THAT DATE.

OWNER NAME

TAX I.D. NO.: 99-9999999

1	2	3	4	5	6	7	8	9	10	11	12	13		
PROPERTY NUMBER	PROD. DATE	PROD. CODE	INT. TYP	OWNER DECIMAL	COMPUTED DECIMAL	QUANTITY	PRICE	GROSS VALUE	TAXES/ADJUSTMENT	ADI. CODE	NET VALUE PROPERTY	NET VALUE OWNER		
012345 PROPERTY OWNER	08/93 08/93	100 100	MC WI	GRUDER-ANDERSON #1	0.053333 0.053333	COUNTY: 176.93 9.44	BRAZOS 16.13700	2,855.12 152.27	STATE: TEXAS 132.22- 7.05-	A	2,722.90	145.22		
023458 PROPERTY OWNER	08/93 08/93	100 100	MC OR	GRUDER-ANDERSON #2	0.001836 0.001836	COUNTY: 25,599.91 47.00	BRAZOS 16.13700	413,105.77 758.46	STATE: TEXAS 19,130.88- 35.13-	A	393,974.89	723.33		
PROPERTY OWNER	06/93 06/93	100 100	OR		0.001836 0.001836	11,011.86- 20.22-	17.25800	190,042.69- 348.94-	8,797.02- 16.15	A	181,245.67-	332.79- 18		
										16	PAGE TOTAL	535.76		
14										15		17	CHECK AMOUNT	535.76
OWNER NUMBER 1234567-01		CHECK NUMBER 03660841		DATE 09/25/93		PAGE 001								

- 1** The **PROPERTY NUMBER** is used to identify the oil and/or gas producing property. This number is referenced on your Division Order.
- 2** The **PRODUCTION DATE** is the month and year in which the oil or gas was sold.
- 3** The **PRODUCT CODE** is the three digit code used to identify the product which was sold. Please refer to the **PRODUCT CODE** legend in the upper left-hand corner of the check stub.
- 4** The **INTEREST TYPE** shows the type of interest you own. Please refer to the **INTEREST TYPE** legend in the upper right-hand corner of the check stub.
- 5** The **OWNER DECIMAL** column reflects your share of the proceeds from sales for which UPRC is responsible. This interest is also reflected on your Division Order.
- 6** The **COMPUTED DECIMAL INTEREST** column reflects your share of proceeds received by UPRC. (If UPRC receives less than 100% of production, this figure may be an inflation of your actual decimal interest).

- 7** The **QUANTITY** is the gross volume shown in barrels, tons, or MCF (Thousand Cubic Feet) which was sold from the property. The figure shown immediately below is determined by multiplying your Computed Decimal by the total property level Quantity.
- 8** The **PRICE** is calculated by dividing the total Gross Value by the Quantity. The Price may be omitted on certain adjustments.
- 9** The **GROSS VALUE** is the total value of sales for each product delivered. The figure shown immediately below is determined by multiplying your Computed Decimal by the property level Gross Value.
- 10** The **TAXES/ADJUSTMENT** column is used to show state severance or other production taxes which were paid as required. The figure shown immediately below is your proportionate share of these taxes. This column will also be used to reflect any manual adjustments made to your account.
- 11** The **ADJUSTMENT CODE** is a one digit code identifying the type of adjustment made. Please refer to the **ADJUSTMENT CODE** legend in the upper right-hand corner of the check stub.

- 12** The **NET VALUE PROPERTY** shows the value of the total sales for the property after state tax deductions.
- 13** The **NET VALUE OWNER** shows the amount payable to you and is determined by multiplying your Computed Decimal by the property level Net Value in the previous column.
- 14** Your **OWNER NUMBER** is uniquely assigned to you and should be included when corresponding with UPRC.
- 15** The **CHECK NUMBER** and **CHECK DATE** of this payment are shown on the bottom of the check stub.
- 16** The **PAGE TOTAL** reflects the total value of the Owner Net Value lines on each page of your check stub. If there is more than one page of detail, each page total should be added to arrive at the total check amount.
- 17** The **CHECK AMOUNT** is the total of the page totals on your check stub.
- 18** A minus sign ("'-") following any amount means a deduction. A deduction normally reflects applicable taxes or a prior month adjustment.

ADDITIONAL INFORMATION CONCERNING YOUR CHECK

SMALL PAYMENTS AND NEGATIVE BALANCES - Small payments will be accumulated until the amount exceeds \$25. In November of each year, however, we pay all accumulated balances greater than two dollars. Should an overpayment be made to you, future proceeds may be held and applied towards the negative balance created by the overpayment.

NO SALES - Payments are made only for those months in which the property has sales. If, in a particular month, there are no sales for any properties in which you own an interest, no proceeds will be applied to your account for that month. No notification will be sent if a check is not mailed.

PAYMENTS FROM SUSPENSE - Occasionally, payments are held because of a notice of a transfer in the interest, an incorrect address, etc. If this happens, payments due you will be accumulated and released when the matter is resolved.

TAXES - Most states levy a severance or production tax on revenues from oil and gas sales. This tax is calculated in accordance with each states' law and is deducted from your payments.

INCOME TAX INFORMATION - An IRS Form 1099-MISC will be furnished to you by January 31st of each year if you received over \$10 in royalty income or \$600 in working interest income during the previous year.

14

M. 95350
.....
DIVISION Order
.....
DEC 12 1994
.....
File Dated
.....

#2284

DO NOT DESTROY

GLO-36-10-84

-MEMO-

Operator UPRC

Unit Name PODRAZA-ROTELLO

County BRAZOS

Effective Date 7-27-94

Unitized for: Oil Gas Oil & Gas

1. M.F. No. 095350

Area HROW Tr. 1

Sec. Blk. Survey

$$\begin{array}{r}
 12.86 \\
 \hline
 831.40
 \end{array}
 \times \frac{1}{5} = .3093 \quad \%$$

$$\begin{array}{r}
 .015467 \\
 \hline
 .200000
 \end{array}
 \times .3093 = .003093 \quad \%$$

2. M.F. No.

Area Tr.

Sec. Blk. Survey

 x = %

3. M.F. No.

Area Tr.

Sec. Blk. Survey

 x = %

4. M.F. No.

Area Tr.

Sec. Blk. Survey

 x = %

REMARKS: 3-7-00 MS.

56-29973

562327

561064

FILED

CORRECTED
DESIGNATION OF UNIT

FILED

34 AUG 24 AM 11:06 PODRAZA-ROTELLO UNIT NO. 1

34 AUG 19 PM 2:16

CLERK
BRAZOS COUNTY COURTHOUSE
STATE OF TEXAS
BY Jo Sillas
DEPUTY
COUNTY OF BRAZOS

CLERK
BRAZOS COUNTY COURTHOUSE
BY Alva Falgout
DEPUTY

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, being the owners of valid and subsisting oil, gas, and mineral leases listed in Exhibit "A", attached hereto and made a part hereof, insofar as said oil, gas, and mineral leases cover and affect the land and depths described on Exhibit "B", attached hereto and made a part hereof, do, by virtue of the authority conferred by the terms of such oil, gas, and mineral leases and all amendments and corrections thereto, hereby pool, consolidate, combine, and unitize said oil, gas, and mineral leases, the leasehold rights, overriding royalty, and royalty interests therein and thereunder, for the purpose of drilling for, development, and production of oil, gas, and liquid hydrocarbons (including condensate, distillate, and other liquids). The unit (hereinafter "Unit") shall be comprised of the land and interval described on the attached Exhibit "B", as depicted on the Plat attached hereto as Exhibit "C".

If at any time any tract of land or interest within the Unit is not properly pooled or unitized hereby or is not otherwise committed to the Unit, such fact shall not affect, terminate, impair, or invalidate the Unit as to any interest properly pooled or unitized hereby or otherwise.

This Designation of Unit covers all production from the land and depths described on the attached Exhibit "B" which is produced from any well drilled to the unitized interval underlying the Unit area. Production from the Unit shall be allocated proportionately among all of the tracts within the Unit in the proportion which the number of surface acres in each of such tracts bears to the total number of surface acres in the Unit.

The undersigned reserves the right to amend this Designation of Unit from time to time, and at any time, in order to correct any error herein or to include in this Unit any newly acquired interests within the Unit boundaries or to enlarge or reduce the Unit area in accordance with the applicable rules and regulations of any governmental regulatory body or agency having jurisdiction insofar as such right is granted in the subject leases, by appropriate amendments or instruments.

By execution of this Designation of Unit, the undersigned do not exhaust their right to pool the leases and lands hereinabove described with other leases and lands as to any other minerals, horizon, or strata covered thereby, and they expressly reserve to themselves, their assignees, or successors in interest, the right and power to pool or unitize the above described leases and lands with any other leases, lands, horizons, or strata in the vicinity and so far as the power, right, and authority to do so is granted in the subject leases and various agreements and so long as such power and authority is exercised in accordance with applicable rules and regulations of any governmental regulatory body or agency having jurisdiction.

This instrument may be executed as one document signed by all parties, or parties named herein may join herein by execution of a counterpart or ratification, with the same effect as if all parties executed this instrument. Executed signature pages from different originals of this instrument may be combined to form a single original instrument for recording purposes. The failure of any one or more persons owning an interest in the Unit to execute this instrument or a counterpart or ratification thereof shall not in any manner affect the validity of same as to the parties who do execute this instrument. This Unit may not be ratified or joined in by any party who is not named hereinbelow without the consent of the parties hereto.

The Unit hereby created shall be effective as of the date operations are commenced anywhere on the Unit; provided that, if a lease covered hereby prescribes another date on which pooling shall become effective, the Unit shall be effective as to such lease on such other date. The Unit shall remain in force as long as the pooled minerals are being produced from the Unit, or so long as the leases covering the Unit are maintained in force by payment or tender of shut-in royalties or by other means, in accordance with the terms of said leases.

IN WITNESS WHEREOF, this Designation of Unit is executed on this 27th day of July, 1994.

UNION PACIFIC RESOURCES COMPANY

By: Carolyn J. David
Its: Attorney-in-Fact JB

TORCH ENERGY ASSOCIATES LTD.

By: _____
Its: _____

NUEVO ENERGY COMPANY

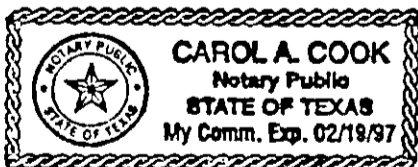
By: _____
Its: _____

Approval
[Signature]

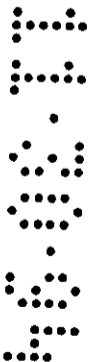
Approval
[Signature]

STATE OF TEXAS
COUNTY OF TARRANT

This instrument was acknowledged before me on the 28th day of July, 1994, by Carolyn J. David, Attorney-in-Fact of UNION PACIFIC RESOURCES COMPANY, a Delaware corporation, on behalf of said corporation.



Carol A. Cook
Notary Public in and for the
State of Texas
My commission expires: _____



STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me on the 2nd day of August, 1994, by Matthew S. Ramsey the Vice President of TORCH ENERGY ASSOCIATES LTD., a Texas limited partnership, on behalf of said partnership.



Stacy M. Hunter
Notary Public in and for the
State of Texas
My commission expires: 11-8-97

STATE OF TEXAS
COUNTY OF HARRIS

This instrument was acknowledged before me on the 2nd day of August, 1994, by Matthew S. Ramsey the Vice President of NUEVO ENERGY COMPANY, a Delaware corporation, on behalf of said corporation.



Stacy M. Hunter
Notary Public in and for the
State of Texas
My commission expires: 11-8-97

Law Department Approved
DESUNIT.1 (Revised 4/4/94)

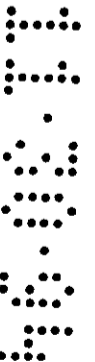


Exhibit "A"

Attached to and made a part of that certain "Designation of Unit - Podraza-Rotello Unit No. 1" dated July 27, 1994.

Lease #: TX1-47012
Lessor: O'Jay Fuchs, et ux
Lessee: Union Pacific Resources Company
Dated: January 21, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1734, Page 104

Lease #: TX1-47679
Lessor: Ronald J. Podraza
Lessee: Union Pacific Resources Company
Dated: March 4, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1774, Page 021

Lease #: TX1-47680
Lessor: William Podraza
Lessee: Union Pacific Resources Company
Dated: March 4, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1774, Page 025

Lease #: TX1-47806
Lessor: Christine E. Podraza
Lessee: Union Pacific Resources Company
Dated: March 4, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1774, Page 016

Lease #: TX1-47941
Lessor: Charles Lee Rotello, Trustee
Lessee: Union Pacific Resources Company
Dated: February 19, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1786, Page 150

Lease #: TX1-48559
Lessor: Victor M. Gonzalez, et ux
Lessee: Union Pacific Resources Company
Dated: May 18, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1837, Page 346

Lease #: TX1-60953
Lessor: Jimmie J. Johnson, et ux
Lessee: Union Pacific Resources Company
Dated: December 1, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 2027, Page 155

Lease #: TX1-61586
Lessor: Southern Pacific Transportation Company
Lessee: Union Pacific Resources Company
Dated: October 22, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 2032, Page 172

Lease #: TX1-62895
Lessor: Christine E. Podraza
Lessee: Union Pacific Resources Company
Dated: April 27, 1994
Filed: Official Records of Brazos County, Texas
Recorded: Volume 2100, Page 007

Lease #: TX2-60051
Lessor: State of Texas
Lessee: Union Pacific Resources Company
Dated: September 7, 1993
Filed: Official Records of Brazos County, Texas
Recorded: Volume 1916, Page 291



CORRECTED EXHIBIT "B" attached to and made a part of that certain
"Designation of Unit - Podraza-Rotello Unit No. 1" dated
July 27, 1994

Podraza-Rotello Unit Well No. 1
831.40 Acre Unit
Union Pacific Resources Company
Andrew Millican Survey, A-39 &
Holden Evans Survey, A-15
Lee C. Smith Survey, A-211
H. & B. Whitesides Survey, A-56
Brazos County, Texas

Field notes of a 831.40 acre tract or parcel of land, lying and being situated in the Andrew Millican Survey, Abstract No. 39 & Holden Evans Survey, Abstract No. 15, in the Lee C. Smith Survey, Abstract No. 211, and in the H. & B. Whitesides Survey, Abstract No. 56, Brazos County, Texas, and consisting of the following tracts:

All of the called 275.470 acre tract described in the deed from Tom J. Moore Farms to David Podraza, et ux, et ali, as recorded in Volume 605, Page 442, of the Official Records of Brazos County, Texas;

All of the called 367.5 acre tract described in the deed from Leila Rotello to Charles Lee Rotello, Trustee, as recorded in Volume 855, Page 331, of the Official Records of Brazos County, Texas;

All of the called 4.94 acre tract described in the deed from J. C. Thompson, Jr., et ux to Victor M. Gonzalez, et ux, as recorded in Volume 1719, Page 275, of the Official Records of Brazos County, Texas;

Part of the called 300 acre tract described in the deed from the Veteran's Land Board of Texas to O'Jay Fuchs, as recorded in Volume 175, Page 210, of the Deed Records of Brazos County, Texas;

All of the called 1.95 acre tract described in the deed from Knox T. Williams, Jr. to Annie Taylor, as recorded in Volume 138, Page 357, of the Deed Records of Brazos County, Texas;

Part of the right-of-way of the Southern Pacific Railroad (Lease - Volume 2032, Page 172);

Part of the original right-of-way of State Hwy No. 6 adjoining the beforementioned 367.5 acre tract and the beforementioned 4.94 acre tract (Lease - Volume 1916, Page 291);

And all of the called 12.404 acre tract described in the deed from Tom J. Moore Land Co. to State of Texas, as recorded in Volume 245, Page 493, of the Deed Records of Brazos County, Texas, and said 831.40 acre tract being more particularly described as follows:

BEGINNING at the 2" iron pipe found at an 8" creosote post fence corner marking the northwest corner of the beforementioned 367.5 acre tract same being an interior ell corner of the called 693.230 acre tract described in Volume 323, Page 123, of the Deed Records of Brazos County, Texas, and same being at or near the northwest corner of the beforementioned Lee C. Smith Survey;

THENCE N 88° 17' 42" E along the common line between the beforementioned 693.230 acre tract and the beforementioned 367.5 acre tract, adjacent to a fence, at a distance of 2382.75 feet, pass a 3/8" iron rod found at a 10" creosote post fence corner, continue on at a distance of 2384.39 feet, cross the original southwest right-of-way line of State Hwy No. 6, continue on for a total distance of 2519.42 feet to the original northeast right-of-way line of Hwy No. 6;

Podraza-Rotello Unit Well No. 1
831.40 Acre Unit
Union Pacific Resources Company
Andrew Millican Survey, A-39 &
Holden Evans Survey, A-15, etc.
Continued - Page 2

THENCE along the original northeast right-of-way line of State Hwy No. 6 as follows:

S 43° 55' 27" E for a distance of 3789.81 feet to an angle point,
S 62° 21' 33" E for a distance of 316.23 feet to an angle point,
S 43° 55' 27" E for a distance of 200.00 feet to the center of Jones Creek;

THENCE along the center of Jones Creek, same being the easterly and southerly line of the beforementioned Hwy No. 6 Lease - Volume 1916, Page 291, of the Official Records of Brazos County, Texas, as follows:

S 22° 15' 03" E for a distance of 150.28 feet,
S 20° 10' 29" E for a distance of 54.63 feet,
S 13° 12' 24" W for a distance of 86.04 feet,
S 55° 33' 20" W for a distance of 152.31 feet to the original southwest right-of-way line of Hwy No. 6, same being the east corner of the beforementioned 4.94 acre tract;

THENCE S 43° 55' 27" E along the original southwest right-of-way line of State Hwy No. 6 for a distance of 99.60 feet to the northeast corner of the beforementioned 275.47 acre tract, same being the northwest corner of Lake Millican Estates - Platted - Volume 575, Page 285, of the Deed Records of Brazos County, Texas, from which a ½" iron rod found at crosstie fence corner bears N 05° 04' 13" E - 0.3 feet;

THENCE along the common line between the beforementioned 275.47 acre tract and the beforementioned Lake Millican Estates, adjacent to a fence, as follows:

S 05° 04' 13" W for a distance of 2253.75 feet to a ¾" iron rod found at a 3" cedar post fence corner,
S 04° 49' 03" W at a distance of 1409.45 feet, pass a ¾" iron rod found (bent), at a distance of 1409.72 feet, pass the north or northeast right-of-way line of Farm to Market Road No. 2154 (Wellborn Road), continue on across F.M. No. 2154 for a total distance of 1513.50 feet to the south or southwest right-of-way line of F.M. No. 2154;

THENCE N 69° 39' 29" W along the common line between the beforementioned F.M. No. 2154 and the beforementioned Southern Pacific Railroad for a distance of 3182.04 feet to the most northerly east line of the beforementioned Whitesides Survey;

THENCE S 24° 45' 12" W along said survey line for a distance of 100.30 feet to the south right-of-way line of the Southern Pacific Railroad;

THENCE along the south right-of-way line of the beforementioned Southern Pacific Railroad, as follows:

Podraza-Rotello Unit Well No. 1
831.40 Acre Unit
Union Pacific Resources Company
Andrew Millican Survey, A-39 &
Holden Evans Survey, A-15, etc.
Continued - Page 3

N 69° 39' 29" W for a distance of 308.32 feet to the beginning of a curve, concave to the southwest, having a radius of 5679.65 feet, a damaged concrete right-of-way marker in the north line of F.M. No. 2154 bears N 20° 58' 41" E - 198.78 feet,

Westerly along said curve for an arc length of 873.71 feet to the end of this curve, the chord bears N 74° 03' 54" W - 872.85 feet,

N 78° 28' 19" W for a distance of 2092.15 feet to the east corner of the beforementioned 1.95 acre tract;

THENCE S 87° 20' 36" W along the south line of the beforementioned 1.95 acre tract, for a distance of 868.22 feet to the southwest corner of the 1.95 acre tract;

THENCE N 02° 39' 24" W along the west line of the beforementioned 1.95 acre tract, across the beforementioned Southern Pacific Railroad, the beforementioned F.M. No. 2154 and the beforementioned 300 acre tract, for a distance of 3264.40 feet to the south line of the 743.47 acre unit surrounding the Sowell Unit Well No. 1, a concrete monument found at the interior ell corner of the 300 acre tract bears S 88° 51' 52" W - 456.24 feet;

THENCE N 88° 51' 52" E across the beforementioned 300 acre tract and along the south line of the 743.47 acre unit surrounding the Sowell Unit Well No. 1, for a distance of 2027.30 feet to the common line between the 300 acre tract and the beforementioned 367.5 acre tract;

THENCE N 01° 10' 26" W along the common line between the beforementioned 300 acre tract and the beforementioned 367.5 acre tract, adjacent to a fence, for a distance of 762.83 feet to a concrete monument found marking the northeast corner of the 300 acre tract, same being a southeast corner of the beforementioned 693.230 acre tract;

THENCE N 01° 13' 07" W along the common line between the beforementioned 367.5 acre tract and the beforementioned 693.230 acre tract for a distance of 1327.37 feet to the **PLACE OF BEGINNING**, containing 831.40 acres of land, more or less.

Bearings based on True North, as obtained by Solar Observation.

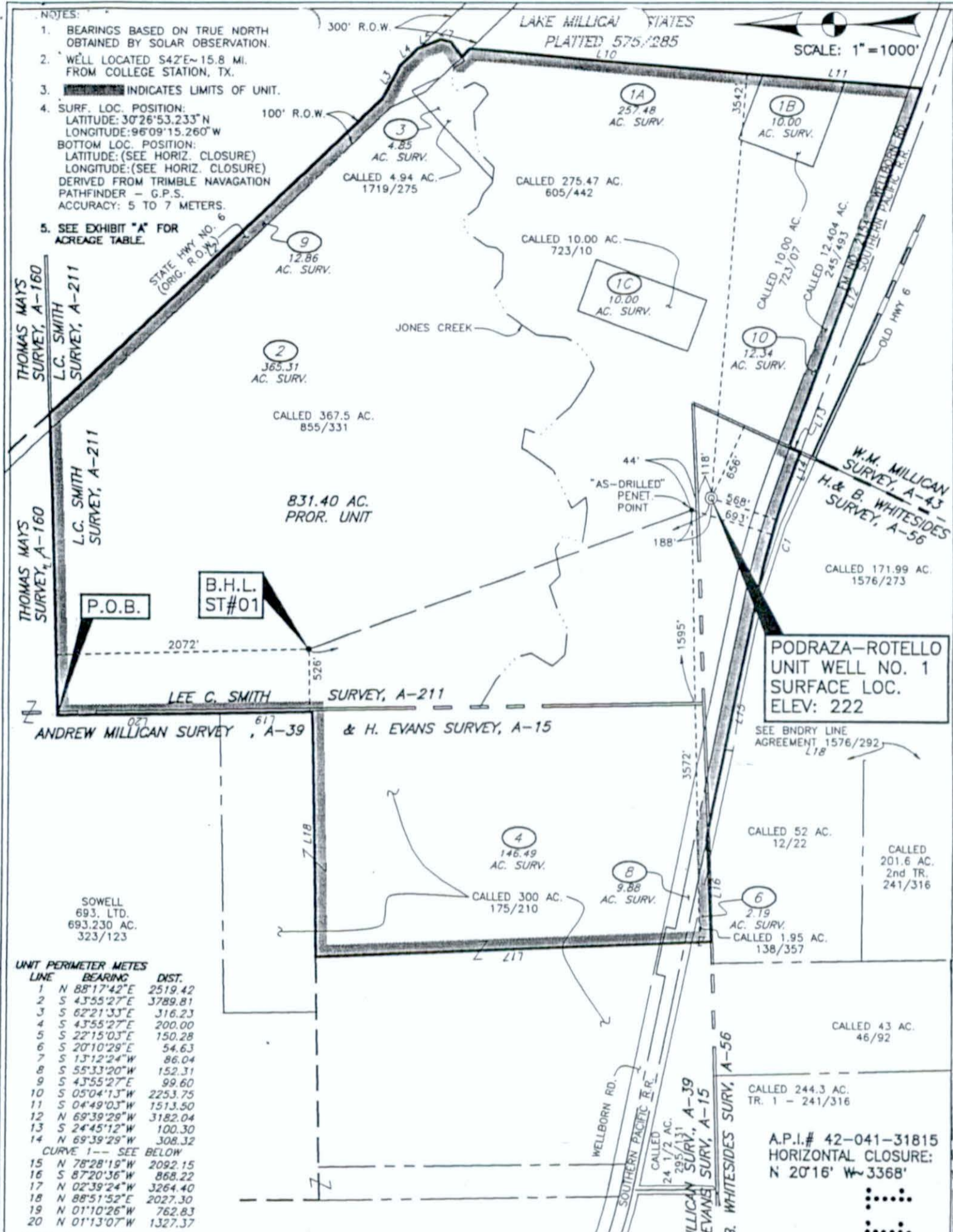
Prepared 6/8/94
Revised: 7/25/94 - changed to 838.74 acre unit
Revised: 8/19/94 - changed to 831.40 acre unit

kes94-02b:podraza.831

LIMITED TO THE AUSTIN CHALK FORMATION, as found between 12404' and 12900' in the Union Pacific Resources Company Podraza-Rotello No. 1 Well, which is located 118' from the north line and 356 feet from the east line of the H&B Whitesides Survey, A-56, Brazos County, Texas.

NOTES:

- BEARINGS BASED ON TRUE NORTH OBTAINED BY SOLAR OBSERVATION.
- WELL LOCATED S42°E-15.8 MI. FROM COLLEGE STATION, TX.
- INDICATES LIMITS OF UNIT.
- SURF. LOC. POSITION:
 LATITUDE: 30°26'53.233" N
 LONGITUDE: 96°09'15.260" W
 BOTTOM LOC. POSITION:
 LATITUDE: (SEE HORIZ. CLOSURE)
 LONGITUDE: (SEE HORIZ. CLOSURE)
 DERIVED FROM TRIMBLE NAVIGATION PATHFINDER - G.P.S.
 ACCURACY: 5 TO 7 METERS.
- SEE EXHIBIT "A" FOR ACREAGE TABLE.



SCALE: 1" = 1000'

P.O.B.

B.H.L. ST#01

PODRAZA-ROTELLO UNIT WELL NO. 1
 SURFACE LOC.
 ELEV: 222

UNIT PERIMETER METES

LINE	BEARING	DIST.
1	N 88°17'42"E	2519.42
2	S 43°55'27"E	3789.81
3	S 62°21'33"E	316.23
4	S 43°55'27"E	200.00
5	S 22°15'03"E	150.28
6	S 20°10'29"E	54.63
7	S 13°12'24"W	86.04
8	S 55°33'20"W	152.31
9	S 43°55'27"E	99.60
10	S 05°04'13"W	2253.75
11	S 04°49'03"W	1513.50
12	N 69°39'29"W	3182.04
13	S 24°45'12"W	100.30
14	N 69°39'29"W	308.32
CURVE 1-- SEE BELOW		
15	N 78°28'19"W	2092.15
16	S 87°20'36"W	868.22
17	N 02°39'24"W	3264.40
18	N 88°51'52"E	2027.30
19	N 01°10'26"W	762.83
20	N 01°13'07"W	1327.37

CURVE	DELTA	RADIUS	ARC	CHORD	TANGENT	CHORD BRG
1	8°48'50"	5679.65	873.71	872.85	437.72	N 74°03'54"W

CORRECTED EXHIBIT "C" attached to and made a part of that certain "Designation" AS-DRILLED PRORATION PLAT of Unit - Podraza-Rotello Unit No. 1" dated July 27, 1994.

PURSUANT TO STATEWIDE RULE 86 FOR GIDDINGS (AUSTIN CHALK-3) FIELD

PODRAZA-ROTELLO UNIT WELL NO. 1

UNION PACIFIC RESOURCES COMPANY
 ANDREW MILLICAN SURVEY, A-39 &
 H. EVANS SURVEY, A-15
 LEE C. SMITH SURVEY, A-211
 H. & B. WHITESIDES SURVEY, A-56
 BRAZOS COUNTY, TEXAS



PRORATION UNIT PLAT
 PREPARED: 07/25/94
 REVISED: 08/19/94
 REDUCED TO 831.40 AC.

PLAT PREPARED: APRIL, 1994
 FROM DEED RECORDS AND
 PARTIAL ON-GROUND SURVEY.

BY: S.M. KLING R.P.L.S. NO. 2003

SCALE: 1" = 1000' APRIL, 1994 PG. 1 OF 2

CORRECTED
EXHIBIT "A"

<i>PODRAZA-ROTELLO UNIT WELL NO.1</i>			
TRACT	ACREAGE IN UNIT	LEASE	VOL/PG
(1A)	257.48	CHRISTINE E. PODRAZA, a widow	1774/16
(1B)	10.00	RONALD J. PODRAZA	1774/21
(1C)	10.00	WILLIAM PODRAZA	1774/25
(2)	365.31	CHARLES LEE ROTELLO, TRUSTEE	1786/150
(3)	4.85	VICTOR M. GONZALES, Et Ux	1837/346
(4)	146.49	O'JAY FUCHS, Et Ux	1734/104
(5)	-	-	-
(6)	2.19	JIMMIE J. JOHNSON, Et Ux	2027/155
(7)	-	-	-
(8)	9.88	SOUTHERN PACIFIC TRANS. CO.	2032/172
(9)	12.86	THE STATE OF TX. (LSE. M-95350)	1916/291
(10)	12.34	CHRISTINE E. PODRAZA, a widow	2100/07
831.40		TOTAL ACRES IN UNIT	

EXHIBIT "A"

"AS-DRILLED" PRORATION PLAT
PODRAZA-ROTELLO UNIT WELL NO. 1

UNION PACIFIC RESOURCES COMPANY
ANDREW MILLICAN SURVEY, A-39 &
H. EVANS SURVEY, A-15
LEE C. SMITH SURVEY, A-211
H. & B. WHITESIDES SURVEY, A-56
BRAZOS COUNTY, TEXAS

REVISED: 08\19\94
REDUCED TO 831.40 AC.

PRORATION UNIT PLAT
PREPARED: 07/25/94

APRIL, 1994

PG. 2 OF 2

15

M-95350

UNIT DESIGNATION

7/27/94

STATE OF TEXAS COUNTY OF BRAZOS
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of Brazos County, Texas as stamped hereon by me.



AUG 26 1994

Mary Ann Ward

COUNTY CLERK, Brazos County Texas

UPRC
to
Public

Corrected Designation of
Padraza-Rotello Unit #1

RECEIVED

2000

DO NOT DESTROY



Texas General Land Office
UNIT AGREEMENT MEMO

PA03-164

Unit Number 3406
Operator Name ANADARKO E&P COMPANY LP Effective Date 5/20/2003
TaxID: [REDACTED] Unitized For Oil & Gas
Unit Name Rotello Unit well No. 1 Unit Term 0 Months
County1 Brazos
County 2 Old Unit Number Inactive Status Date
County 3 0
RRC District: 03 0
Unit Type: Permanent 0
State Royalty Interest: 0.0021939589358 0
State Part in Unit: 0.0109697946789
Unit Depth Below Well: Other
Below Depth 12054 MD Formation: Georgetown
Above Depth 12219 MD [If Exclusions Apply: See Remarks]

MF Number MF095350 Tract Number 28
Lease Acres 12.86 / Total Unit Acres 1172.31 =
Tract Participation: 0.0109698 X
Lease Royalty 0.2 = Manual Tract Participation: See Remark
Tract Royalty Participation 0.0021940 Manual Tract Royalty:

Tract Royalty Reduction No
Tract Royalty Rate 0
Tract On-Line Date:

56-29973

DOC 00829478 OR 55 208

DESIGNATION OF UNIT
ROTELLO UNIT WELL NO.1

PA 03-164
Unit # 3406

RECEIVED
03 NOV -3 PM 4:29

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

The undersigned, being the owners of valid and subsisting oil, gas and mineral leases listed in Exhibit "A", attached hereto and made a part hereof, insofar as said oil, gas and mineral leases cover and affect the land and depths described on Exhibits "A" and "B" do, by virtue of the authority conferred by the terms of such oil, gas and mineral leases and all amendments and corrections thereto, hereby pool, consolidate, combine and unitize said oil, gas and mineral leases, the leasehold rights, overriding royalty and royalty interests therein and thereunder, for the purpose of drilling for, development and production of oil, gas and liquid hydrocarbons (including condensate, distillate and other liquids). The unit (hereinafter "Unit") shall be comprised of the leases described on Exhibit "A", insofar as such leases lie within the outline depicted on the Plats attached hereto as Exhibit "B". The Unit may be limited to the depth interval, if any, as described on Exhibit "A".

API
041-31959
Spud 5-20-03

If at any time any tract of land or interest within the Unit is not properly pooled or unitized hereby or is not otherwise committed to the Unit, such fact shall not affect, terminate, impair, or invalidate the Unit as to any interest properly pooled or unitized hereby or otherwise.

This Designation of Unit covers all production from the land and depths described on the attached Exhibits "A" and "B" which is produced from any well drilled to the unitized interval underlying the Unit area. Production from the Unit shall be allocated proportionately among all of the tracts within the Unit in the proportion which the number of surface acres in each of such tracts bears to the total number of surface acres in the Unit.

The undersigned reserve the right to amend this Designation of Unit from time to time, and at any time, in order to correct any error herein or to include in this Unit any newly acquired interests within the Unit boundaries or to enlarge or reduce the Unit area in accordance with the applicable rules and regulations of any governmental regulatory body or agency having jurisdiction insofar as such right is granted in the subject leases, by appropriate amendments or instruments.

By execution of this Designation of Unit, the undersigned do not exhaust their right to pool the leases and lands hereinabove described with other leases and lands as to any other minerals, horizon or strata covered thereby, and they expressly reserve to themselves, their assignees, or successors in interest, the right and power to pool or unitize the above described leases and lands with any other leases, lands, horizons or strata in the vicinity and so far as the power, right and authority to do so is granted in the subject leases and various agreements and so long as such power and authority is exercised in accordance with applicable rules and regulations of any governmental regulatory body or agency having jurisdiction.

This instrument may be executed as one document signed by all parties, or parties named herein may join herein by execution of a counterpart or ratification, with the same effect as if all parties executed this instrument. Executed signature pages from different originals of this instrument may be combined to form a single original instrument for recording purposes. The failure of any one or more persons owning an interest in the Unit to execute this instrument or a counterpart or ratification thereof shall not in any manner affect the validity of same as to the parties who do execute this instrument. This Unit may not be ratified or joined in by any party who is not named hereinbelow without the consent of the parties hereto.

The Unit hereby created shall be effective as of the date of first production from the Unit, or from the date operations are commenced anywhere on the Unit, whichever occurs first, and shall remain in force as long as the pooled minerals are being produced from the Unit, or so long as the leases covering



the Unit are maintained in force by payment or tender of shut-in royalties or by other means, in accordance with the terms of said leases.

IN WITNESS WHEREOF, this Designation of Unit is executed on this 8th day of September, 2003.

ANADARKO E&P COMPANY LP

By: [Signature]
Its: Attorney-in-Fact

*EOB
MBZ*

STATE OF TEXAS
COUNTY OF Montgomery

This instrument was acknowledged before me on the 8th day of September, 2003, by Andrew C. Rudderow, Attorney-in-Fact for ANADARKO E&P COMPANY LP, a Delaware ~~corporation~~ limited partnership on behalf of said ~~corporation~~ limited partnership.



[Signature]
Notary Public in and for the
State of Texas
My commission expires: 6/12/04



EXHIBIT "A"

Attached to and made a part of that certain Designation of Unit - Rotello Unit No. 1 dated September 8, 2003

The Leases:

Lease No: TX-000046269
Date: December 15, 1992
Lessor: Milton Albert Belveal, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1730, Page 160

Lease No: TX-000046270
Date: December 17, 1992
Lessor: Rebecca J. Anderson
Lessee: Union Pacific Resources Company
Recorded: Volume 1711, Page 053

Lease No: TX-000046271/001
Date: December 15, 1992
Lessor: Milton Albert Belveal, Sr., et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1711, Page 066

Lease No: TX-000046271/002
Date: December 28, 1992
Lessor: Sherwin W. Belveal
Lessee: Union Pacific Resources Company
Recorded: Volume 1715, Page 131

Lease No: TX-000046278
Date: December 28, 1992
Lessor: Sherwin Wayne Belveal
Lessee: Union Pacific Resources Company
Recorded: Volume 1730, Page 154

Lease No: TX-000046492
Date: November 16, 1992
Lessor: Toni Orlando Harris, et al
Lessee: Union Pacific Resources Company
Recorded: Volume 1682, Page 112

Lease No: TX-000047006
Date: December 16, 1992
Lessor: James W. Wenzel, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1734, Page 157

Lease No: TX-000047007
Date: January 7, 1993
Lessor: Michael T. Uilkie
Lessee: Union Pacific Resources Company
Recorded: Volume 1734, Page 148

Lease No: TX-000047010
Date: December 29, 1992
Lessor: Johnny R. Smalley, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1734, Page 144



Lease No: TX-000047011
Date: December 16, 1992
Lessor: Melvin Oehrlein, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1734, Page 128

Lease No: TX-000047054
Date: December 16, 1992
Lessor: John A. Mills, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1737, Page 290

Lease No: TX-000047144
Date: February 24, 1993
Lessor: Myers Cattle & Land Company
Lessee: Union Pacific Resources Company
Recorded: Volume 1753, Page 333

Lease No: TX-000047903
Date: March 30, 1993
Lessor: William E. Peacock, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1786, Page 146

Lease No: TX-000047941
Date: February 19, 1993
Lessor: Charles Lee Rotello, Trustee
Lessee: Union Pacific Resources Company
Recorded: Volume 1786, Page 150

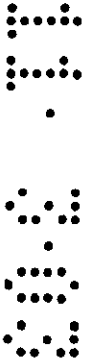
Lease No: TX-000048042
Date: April 1, 1993
Lessor: Ross M. Ayers, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1786, Page 097

Lease No: TX-000048060
Date: March 30, 1993
Lessor: Clyde D. Howard, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1803, Page 105

Lease No: TX-000048107
Date: April 1, 1993
Lessor: Eva Biering
Lessee: Union Pacific Resources Company
Recorded: Volume 1803, Page 092

Lease No: TX-000048559
Date: May 18, 1993
Lessor: Victor M. Gonzalez, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 1837, Page 346

Lease No: TX-000060051
Date: September 7, 1993
Lessor: State of Texas
Lessee: Union Pacific Resources Company
Recorded: Volume 1916, Page 291



Lease No: TX-000062869
Date: March 21, 1994
Lessor: Nevilee Wehmeyer
Lessee: Union Pacific Resources Company
Recorded: Volume 2117, Page 281

Lease No: TX-000062871
Date: March 21, 1994
Lessor: Thurmond Ray Wehmeyer, Jr.
Lessee: Union Pacific Resources Company
Recorded: Volume 2117, Page 283

Lease No: TX-000062885
Date: March 15, 1994
Lessor: Felipe Murguia, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 2117, Page 264

Lease No: TX-000063286
Date: May 31, 1994
Lessor: Jodie N. Smith, et vir
Lessee: Union Pacific Resources Company
Recorded: Volume 2182, Page 071

Lease No: TX-000063287
Date: May 23, 1994
Lessor: Joe Cemino, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 2182, Page 053

Lease No: TX-000065071
Date: June 10, 1994
Lessor: Bill Glameyer, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 2211, Page 307

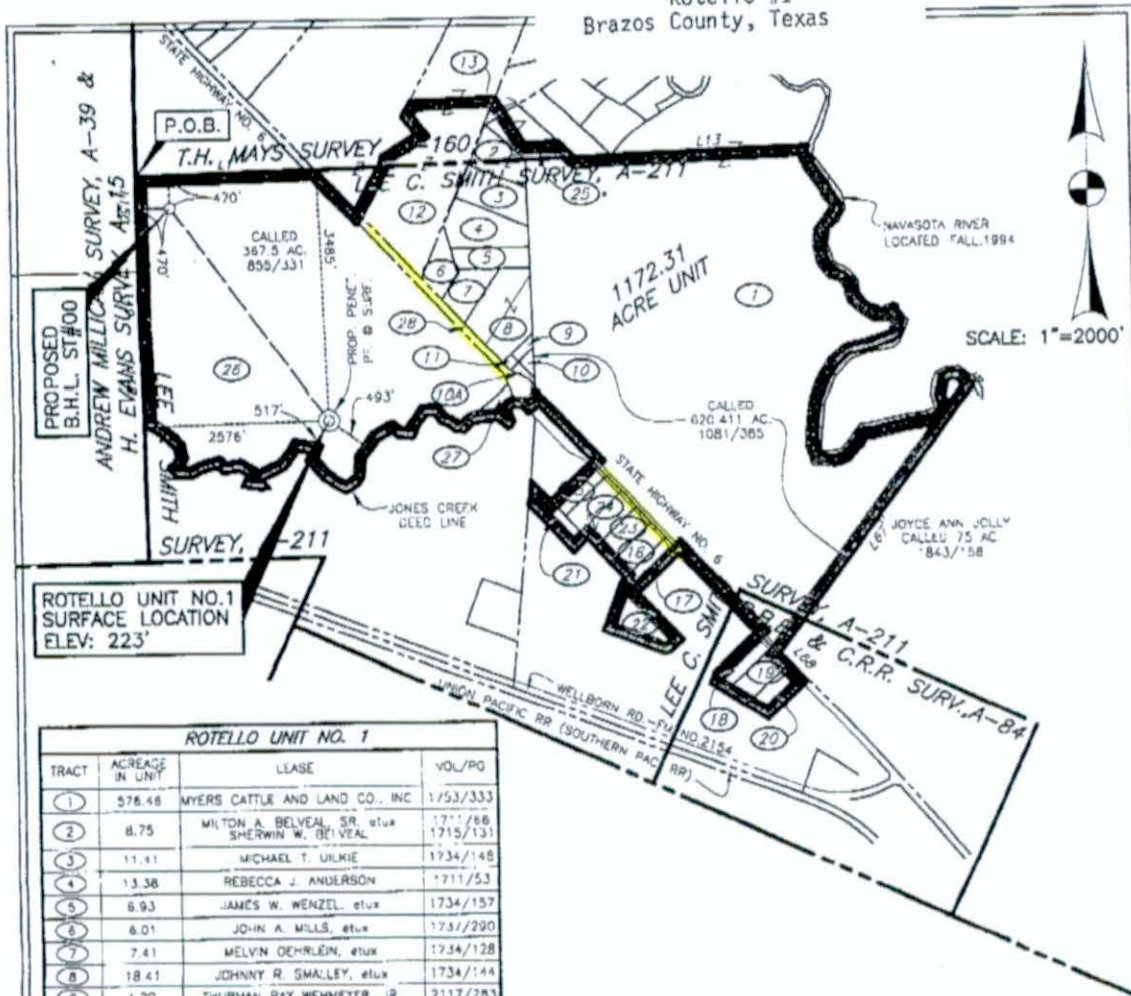
Lease No: TX-000065072
Date: June 10, 1994
Lessor: Harold N. Schuett, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 2182, Page 062

Lease No: TX-000071620
Date: September 7, 1994
Lessor: Mario N. Castillo, et ux
Lessee: Union Pacific Resources Company
Recorded: Volume 2201, Page 238

Lease No: TX-000072007
Date: June 14, 1994
Lessor: Michael B. Lively
Lessee: Union Pacific Resources Company
Recorded: Volume 2236, Page 238

LIMITED TO THE GEORGETOWN FORMATION, being the stratigraphic equivalent of the depths encountered between 12,054 feet measured depth and 12,219 feet measured depth in the C. R. L. Resources Walker No. 1 Well (API number 4204130552) located in the A. D. Houston Survey, A-133, Brazos County, Texas.

Exhibit 0029478 DR 55° 213'
 Designation of Unit
 Rotello #1
 Brazos County, Texas



ROTELLO UNIT NO.1
 SURFACE LOCATION
 ELEV: 223'

ROTELLO UNIT NO. 1			
TRACT	ACREAGE IN UNIT	LEASE	VOL/PG
1	578.48	MYERS CATTLE AND LAND CO., INC	1753/333
2	8.75	MILTON A. BELVEAL SR, et ux SHERWIN W. BELVEAL	1711/86 1715/131
3	11.41	MICHAEL T. ULKIE	1734/148
4	13.38	REBECCA J. ANDERSON	1711/53
5	6.93	JAMES W. WENZEL, et ux	1734/157
6	6.01	JOHN A. MILLS, et ux	1731/220
7	7.41	MELVIN DEHRLIN, et ux	1734/128
8	18.41	JOHNNY R. SMALLEY, et ux	1734/144
9	1.20	THURMAN RAY WEHMEYER, JR.	2117/283
10	1.06	NEVILLE M. WEHMEYER	2117/281
10A	0.83	NEVILLE M. WEHMEYER	2117/281
11	0.36	FELIPE MURGUIA, et ux	2117/284
12	57.36	TONI ORLANDO HARRIS, et ux	1682/112
13	1.11	MILTON ALBERT BELVEAL, et ux	1750/160
15	5.52	JOE CEMINO, et ux	2182/53
16	5.37	JODIE N. SMITH, et ux LESTER I. KASTLEMAN, et ux W. HAROLD SELLERS, et ux	2182/71 1823/326 1824/19
17	5.33	CLYDE D. HOWARD, et ux	1803/109
18	6.58	ROSS M. AYERS, et ux	1786/97
19	6.59	WILLIAM E. PEACOCK, et ux	1786/146
20	6.53	EVA BIERING	1803/92
21	6.30	BILL GLAMEYER, et ux LESTER I. KASTLEMAN, et ux W. HAROLD SELLERS, et ux	2211/307 1823/326 1824/19
22	13.28	HAROLD N. SCHUETT, et ux LESTER I. KASTLEMAN, et ux W. HAROLD SELLERS, et ux	2182/62 1823/326 1824/19
23	5.52	MARIO N. CASTILLO, et ux	2201/238
24	11.03	MICHAEL B. LVELY	2236/238
25	6.36	SHERWIN WAYNE BELVEAL	1730/154
26	365.31	CHARLES LEE ROTELLO, TR.	1786/150
27	4.85	VICTOR M. GONZALES, ET UX	1837/348
28	12.86	STATE OF TX. (LSE M-95350)	1916/291
1172.31 TOTAL ACRES IN UNIT.			

SURFACE TO PROPOSED BOTTOM LOC:
 N36°44'22"W-3674.94'

WELL LOCATION PLAT
 1172.31 ACRE UNIT
 ROTELLO UNIT NO.1

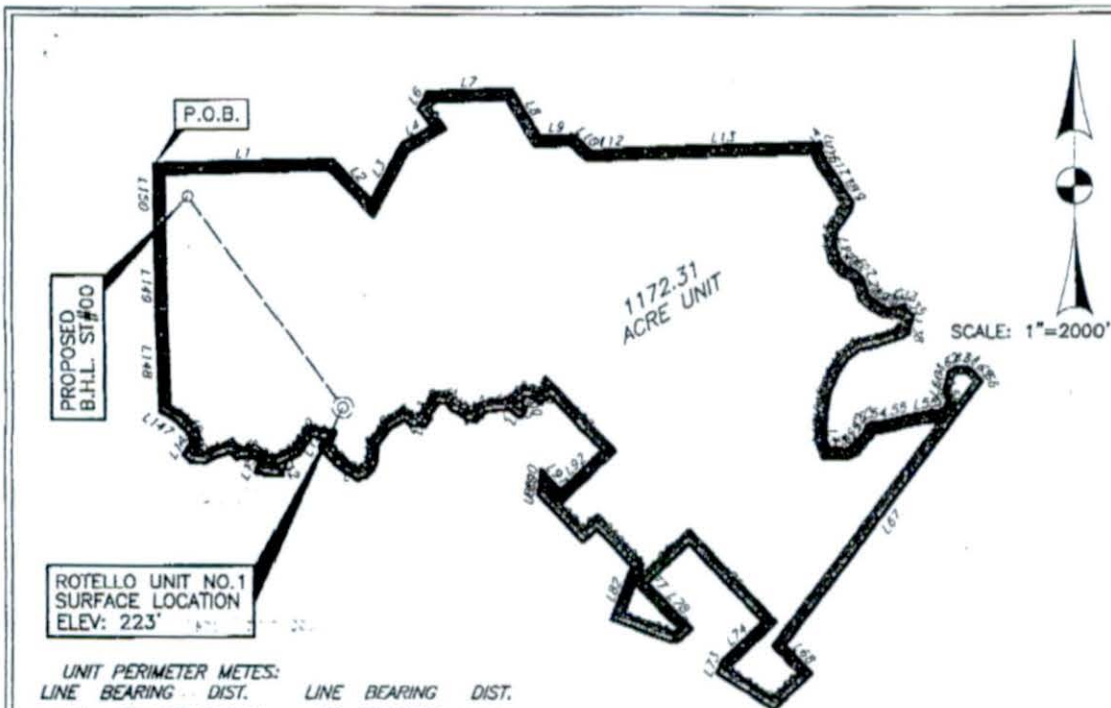
ANADARKO E&P COMPANY LP
 LEE C. SMITH SURVEY, A-211
 B.B.B. & C.R.R. SURVEY, A-84
 T. H. MAYS SURVEY, A-160
 BRAZOS COUNTY, TEXAS

SCALE: 1"=2000' MAY, 2003 PG. 1 OF 2

- BEARINGS BASED ON TRUE NORTH OBTAINED BY SOLAR OBSERVATION
- WELL LOCATED S47°E-25.1 MILES FROM COLLEGE STATION, TX.
- INDICATES LIMITS OF UNIT.
- SURF. LOC POSITION:
 LATITUDE: 30°27'13"N
 LONGITUDE: 96°09'05.5W
 SCALED FROM U.S.G.S. QUADRANGLE SHEET "MILLICAN, TX."
- SEE EXHIBIT "A" FOR UNIT PERIMETER METES.

WELL LOCATION PLAT: MAY, 2003

BY: S.M. KLING



UNIT PERIMETER METES:

LINE	BEARING	DIST.	LINE	BEARING	DIST.	LINE	BEARING	DIST.
L1	N88°17'44"E	2519.42'	L66	S25°58'02"E	11.14'	L131	S63°48'00"W	350.48'
L2	S43°55'21"E	797.94'	L67	S36°30'51"W	4618.20'	L132	S37°00'00"E	150.29'
L3	N27°55'24"E	802.84'	L68	S43°56'14"W	545.51'	L133	S83°40'00"W	99.54'
L4	N59°08'00"E	509.56'	L69	S46°02'14"W	740.69'	L134	N84°08'00"W	124.03'
L5	N36°10'58"W	309.82'	L70	N57°40'52"W	373.07'	L135	N78°45'00"W	153.64'
L6	N7°55'04"E	262.03'	L71	N57°40'52"W	339.66'	L136	N20°31'00"E	168.73'
L7	N87°39'27"E	1198.17'	L72	N57°40'52"W	236.93'	L137	N58°29'00"W	130.88'
L8	S31°28'22"E	766.63'	L73	N20°20'37"E	184.33'	L138	S79°16'00"W	223.28'
L9	N87°39'27"E	468.50'	L74	N48°02'14"E	800.24'	L139	N44°42'00"W	129.19'
L10	S47°25'13"E	328.06'	L75	N43°56'14"W	1521.09'	L140	S71°08'00"W	311.43'
L11	N88°32'26"E	97.31'	L76	S46°02'14"W	800.92'	L141	S67°15'00"W	176.92'
L12	N86°19'38"E	404.69'	L77	S43°57'48"E	114.80'	L142	N84°55'00"W	208.65'
L13	N87°34'12"E	2757.30'	L78	S43°57'42"E	785.24'	L143	N47°44'00"W	140.20'
L14	S24°32'13"W	18.33'	L79	S48°02'14"W	205.69'	L144	N107°34'00"E	205.37'
L15	S01°11'35"E	77.24'	L80	N89°39'23"W	475.00'	L145	N15°30'00"W	135.07'
L16	S24°38'42"E	184.94'	L81	N89°39'23"W	397.86'	L146	N48°16'00"W	235.91'
L17	S35°25'26"E	338.59'	L82	N20°20'37"E	807.38'	L147	N59°23'00"W	269.73'
L18	S27°14'27"E	118.90'	L83	N43°57'46"W	253.43'	L148	N02°25'43"W	1379.91'
L19	S34°27'32"E	237.32'	L84	N43°57'47"W	300.00'	L149	N01°10'20"W	762.83'
L20	S11°29'47"W	118.66'	L85	N43°57'47"W	159.08'	L150	N01°13'01"W	1327.37'
L21	S34°59'04"W	203.72'	L86	S46°02'14"W	269.30'			
L22	S37°30'08"W	149.96'	L87	N43°57'46"W	913.11'			
L23	S04°39'19"W	174.93'	L88	N04°58'05"E	44.27'			
L24	S14°12'30"E	204.66'	L89	N15°09'23"E	64.20'			
L25	S39°01'35"E	156.80'	L90	N04°20'41"E	242.16'			
L26	S68°31'14"E	133.27'	L91	S43°57'46"E	395.89'			
L27	S45°49'59"E	172.87'	L92	N48°02'14"E	801.72'			
L28	S15°23'18"E	224.10'	L93	N43°56'14"W	1049.82'			
L29	S50°04'35"E	177.92'	L94	S13°11'45"W	0.17'			
L30	S59°43'43"E	151.29'	L95	S55°19'49"W	151.93'			
L31	S88°12'35"E	144.97'	L96	S51°39'16"W	34.76'			
L32	N55°05'05"E	96.12'	L97	N37°44'17"W	101.55'			
L33	S80°28'57"E	42.98'	L98	N80°39'17"W	151.61'			
L34	S02°07'40"W	48.81'	L99	S51°38'08"W	80.03'			
L35	S45°37'07"E	154.92'	L100	S24°53'38"E	155.61'			
L36	S16°56'16"W	141.53'	L101	S25°17'00"W	90.41'			
L37	S08°25'55"W	70.27'	L102	S60°00'23"W	60.91'			
L38	S03°42'11"E	38.52'	L103	N51°00'16"W	192.21'			
L39	S56°09'04"W	118.46'	L104	S85°00'05"W	211.65'			
L40	S70°58'06"W	341.22'	L105	S77°30'47"W	132.63'			
L41	S77°15'14"W	297.71'	L106	S43°39'34"W	173.20'			
L42	S49°09'42"W	226.51'	L107	N83°29'40"W	130.38'			
L43	S32°02'51"W	231.88'	L108	N50°08'21"W	120.03'			
L44	S22°30'49"W	287.24'	L109	N67°39'00"W	123.53'			
L45	S08°30'30"W	222.76'	L110	N38°48'00"W	147.86'			
L46	S05°09'55"W	230.73'	L111	S88°14'00"W	106.83'			
L47	S03°08'10"W	171.89'	L112	S36°00'00"W	224.57'			
L48	S19°16'05"E	161.18'	L113	S08°47'00"W	80.95'			
L49	S87°21'30"E	214.80'	L114	S17°38'00"W	74.43'			
L50	N68°08'02"E	111.39'	L115	N87°20'00"W	202.46'			
L51	N40°44'48"E	275.70'	L116	N47°03'00"W	123.26'			
L52	N17°55'08"E	88.39'	L117	S60°35'00"W	219.20'			
L53	N56°41'10"E	72.13'	L118	S35°12'00"W	319.75'			
L54	N87°23'39"E	128.05'	L119	S05°11'00"W	247.61'			
L55	N76°15'08"E	321.04'	L120	S27°07'00"W	114.33'			
L56	N81°57'36"E	321.75'	L121	S53°20'00"W	152.66'			
L57	N70°37'01"E	79.09'	L122	S63°44'00"W	92.40'			
L58	N30°40'15"E	113.48'	L123	N80°58'00"W	170.68'			
L59	N17°38'13"W	177.88'	L124	N55°25'00"W	200.45'			
L60	N16°06'06"E	93.00'	L125	N47°27'00"W	210.50'			
L61	N12°55'36"E	159.29'	L126	N44°30'00"W	132.95'			
L62	N57°25'37"E	130.49'	L127	N20°44'00"E	116.73'			
L63	N85°22'09"E	83.61'	L128	N80°10'00"W	161.75'			
L64	S80°41'32"E	109.87'	L129	S20°16'00"W	55.53'			
L65	S43°41'39"E	237.46'	L130	S36°23'00"W	260.82'			

EXHIBIT "A"
1172.31 ACRE UNIT

ROTELLO UNIT NO.1

ANADARKO E&P COMPANY LP
LEE C. SMITH SURVEY, A-211
B.B.B. & C.R.R. SURVEY, A-84
T. H. MAYS SURVEY, A-160
BRAZOS COUNTY, TEXAS

003 . 11

16.

File No. MF 95 350

Policy Committee Report

Assignment of Unit

Date Filed: 11/24/03

Jerry E. Patterson, Commissioner

By: *JEP*

MF - 95350
RECEIVED
96 NOV -6 AM 11:37
ENERGY RESOURCES

REFORMATION OF UNIT
SOWELL UNIT NO. 1

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

Recitals

A. Valid and subsisting oil, gas, and mineral leases have heretofore been pooled, or some portion thereof, as evidenced by that certain Designation of Unit, recorded in Volume 2104, Page 29, Official Records of Brazos County, Texas, for the SOWELL NO. 1.

B. It is the desire of the owners of said leases to reform the SOWELL UNIT NO. 1 by deleting therefrom certain acreage for the purpose of including such deleted acreage, as described below, in a certain new unit to be formed to drill a horizontal well which shall be designated as the IRONSIDE UNIT NO. 1.

NOW, THEREFORE, in consideration of the premises, the receipt and sufficiency of which are hereby acknowledged, the undersigned owners of the leases hereby reform, as applicable, the Original Unit formed by the Designation of Unit listed in Paragraph A above and hereby pool, consolidate, combine, and unitize the oil, gas, and mineral leases listed on Exhibit "A" attached hereto (the "Leases") the leasehold rights, overriding royalty and royalty interests therein and thereunder for the purpose of drilling for, developing, and producing oil, gas, and liquid hydrocarbons (including condensate, distillate, and other liquids). Said reformed unit ("Unit") shall be comprised of the land as depicted on the Plat attached hereto as Exhibit "B".

The undersigned owners of non-working interests (royalty) lying within the Original Unit described in Paragraph A above and within the Reformed Unit hereby join in the execution of this instrument for the purpose of evidencing, as applicable, their consent to and ratification of the acts accomplished by this instrument, and hereby ratify and consent to the reformation of the Original Unit and the deletion of any of their lands that may have been deleted from the Original Unit, and the inclusion of that portion of their interests that lies within said reformed Unit as more particularly described on Exhibit "B".

If, at any time, any tract of land or interest within the Unit is not properly pooled or unitized hereby or is not otherwise committed to the Unit, such fact shall not affect, terminate, impair, or invalidate such Unit as to any interest properly pooled or unitized hereby or otherwise.

The Unit covers all production from the land described on the attached Exhibit "B" and depths described on the attached Exhibit "A" which is produced from any well drilled to the unitized interval(s) underlying such Unit area. Production from the Unit shall be allocated proportionately among all of the tracts within the Unit in the proportion which the number of surface acres in each of such tracts bears to the total number of surface acres in such Unit.

The undersigned reserve the right to amend the Unit, including any modification or reduction in the size of such Unit, from time to time, and at any time, in order to (i) conform this reformation to reflect the final configuration of the Unit based upon the location and the length of the lateral component of the well drilled thereon; (ii) correct any error herein; (iii) include in the Unit any newly acquired interests within such Unit boundaries; or (iv) enlarge the Unit area in accordance with the applicable rules and regulations of any governmental regulatory body or agency having jurisdiction.

By execution of this instrument, the undersigned owners of the Leases do not exhaust their right to pool the Leases and lands covered thereby with other leases and lands as to any other minerals, horizon, or strata covered thereby, and they expressly reserve the right and power to pool or unitize the above described Leases and lands with any other leases, lands, horizons, or strata in the

vicinity and insofar as the power, right, and authority to do so is granted in the Leases and so long as such power and authority is exercised in accordance with applicable rules and regulations of any governmental regulatory body or agency having jurisdiction.

The reformation of the Unit shall be effective as of the filing of the Designation of Unit, Ironside Unit No. 1 in the Official Records of Brazos County, Texas, and shall remain in force as long as the pooled minerals are being produced from the Unit or so long as the Leases comprising the Unit are maintained in force and effect by payment or tender of shut-in royalties or delay rentals, if applicable, or by other means, as provided by the terms of the Leases, or until dissolution of such Unit in accordance with the terms of the Leases.

This instrument may be executed as one document signed by all parties, or parties named herein may join herein by execution of a counterpart or ratification with the same effect as if all parties had executed one instrument. Failure of any one person owning an interest in the Unit to execute this instrument or a counterpart shall not in any manner effect the validity hereof as to the parties who do execute the instrument.

UNION PACIFIC RESOURCES COMPANY

By: _____
Its: Attorney-in-Fact

STATE OF TEXAS §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the _____ day of _____, 1996, by _____, Attorney-in-Fact of UNION PACIFIC RESOURCES COMPANY, a Delaware corporation, on behalf of said corporation.

Signature

Name (Print)
My commission expires _____

COMMISSIONER OF GENERAL LAND OFFICE

STATE OF TEXAS
GENERAL LAND OFFICE
STEPHEN F. AUSTIN BUILDING
AUSTIN, TEXAS 78701
TAX LD. [REDACTED]

By: _____
Title: _____

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me on ____ day of _____,
1996, by _____

Name (Print)
My Commission Expires: _____

EXHIBIT "A"

Attached to and made a part of that certain Reformation of Unit, Sowell Unit No.1.

Lease #: TX1-46265(1)
Lessor: Norma Sawyer Ptacek
Lessee: Union Pacific Resources Company
Date: December 14, 1992
Filed: Official Records, Brazos County, Texas
Recorded: Volume 1711, Page 103

Lease #: TX1-46265(2)
Lessor: Milton J. Sawyer
Lessee: Union Pacific Resources Company
Date: December 14, 1992
Filed: Official Records, Brazos County, Texas
Recorded: Volume 1726, Page 293

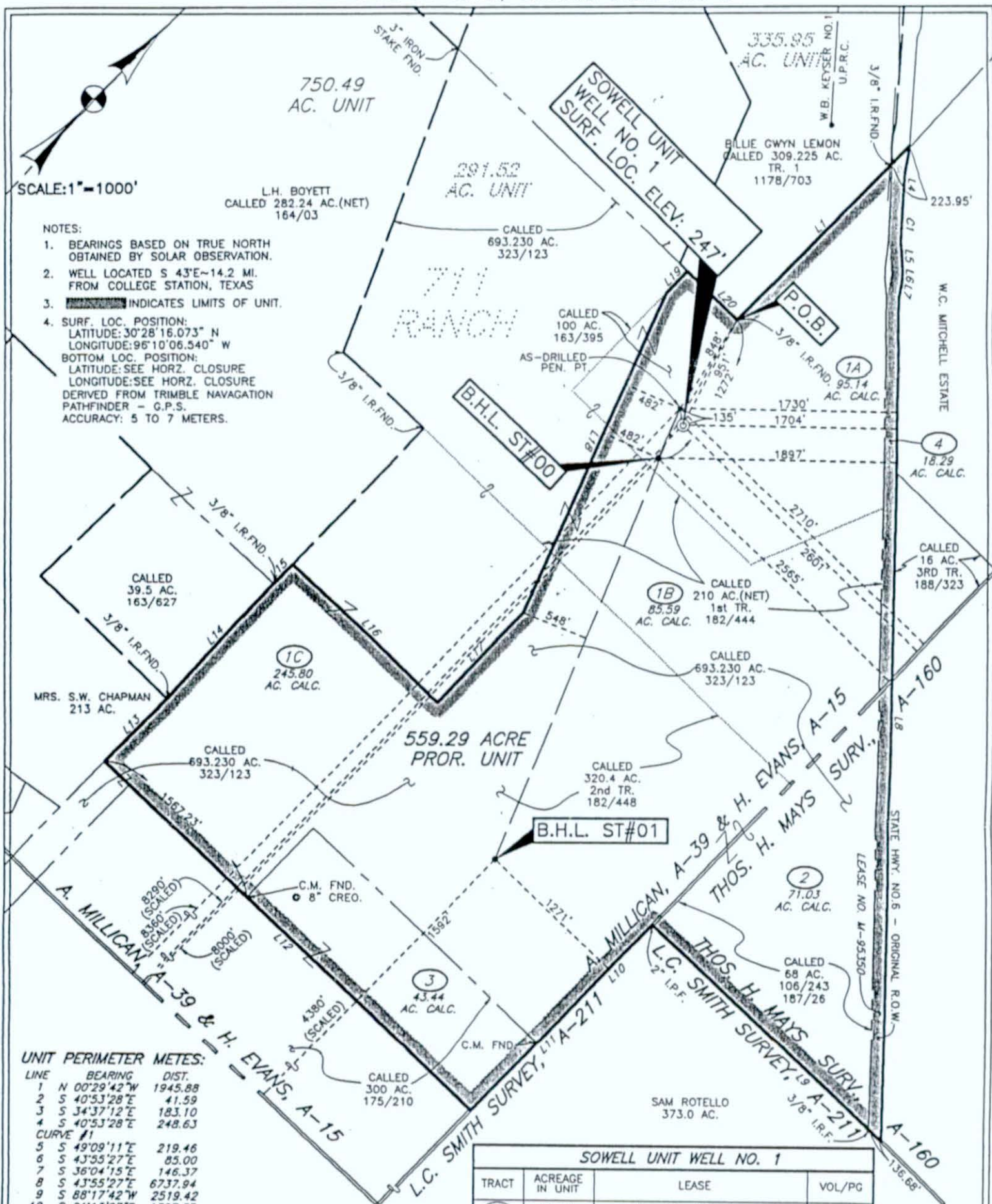
Lease #: TX1-46265(3)
Lessor: Sowell 693, Ltd.
Lessee: Union Pacific Resources Company
Date: February 26, 1993
Filed: Official Records, Brazos County, Texas
Recorded: Volume 1774, Page 40

Lease #: TX1-47012
Lessor: O'Jay Fuchs, et ux
Lessee: Union Pacific Resources Company
Date: January 21, 1993
Filed: Official Records, Brazos County, Texas
Recorded: Volume 1734, Page 104

Lease #: TX2-60051
Lessor: State of Texas
Lessee: Union Pacific Resources Company
Date: September 7, 1993
Filed: Official Records, Brazos County, Texas
Recorded: Volume 1916, Page 291

LIMITED TO THE AUSTIN CHALK FORMATION, as found between 11,730 feet and 12,272 feet in the Union Pacific Resources Company Keyser-Boyett Unit No. 1 Well, which is located 1,000 feet from the south line and 8,600 feet from the east line of the Holden Evans Survey, A-15, Brazos County, Texas.

Reformation of Unit, Sowell Unit No. 1



- NOTES:
1. BEARINGS BASED ON TRUE NORTH OBTAINED BY SOLAR OBSERVATION.
 2. WELL LOCATED S 43°E~14.2 MI. FROM COLLEGE STATION, TEXAS
 3. [Hatched Area] INDICATES LIMITS OF UNIT.
 4. SURF. LOC. POSITION:
 LATITUDE: 30°28'16.073" N
 LONGITUDE: 95°10'06.540" W
 BOTTOM LOC. POSITION:
 LATITUDE: SEE HORIZ. CLOSURE
 LONGITUDE: SEE HORIZ. CLOSURE
 DERIVED FROM TRIMBLE NAVIGATION PATHFINDER - G.P.S.
 ACCURACY: 5 TO 7 METERS.

UNIT PERIMETER METES:

LINE	BEARING	DIST.
1	N 00°29'42"W	1945.88
2	S 40°53'28"E	41.59
3	S 34°37'12"E	183.10
4	S 40°53'28"E	248.63
CURVE #1		
5	S 49°09'11"E	219.46
6	S 43°55'27"E	85.00
7	S 36°04'15"E	146.37
8	S 43°55'27"E	6737.94
9	S 88°17'42"W	2519.42
10	S 01°13'07"E	1327.37
11	S 01°10'26"E	762.83
12	S 88°51'52"W	4050.77
13	N 00°56'05"W	712.84
14	N 02°49'15"W	1241.73
15	N 01°14'16"W	221.73
16	N 88°45'44"E	1600.00
17	N 01°14'16"W	989.90
18	N 20°51'41"W	2803.32
19	N 01°01'35"W	238.90
20	N 88°58'25"E	561.11
CURVE		
1	DELTA 3°01'59"	RADIUS 5679.58
	ARC 300.66	CHORD 300.62
	TANGENT 150.36	CHORD BRG 42°24'28"E

HORIZONTAL CLOSURES:
 B.H.L. ST#00: S20°51'41"E~428'
 B.H.L. ST#01: S22°45'06"E~3896'

SOWELL UNIT WELL NO. 1			
TRACT	ACREAGE IN UNIT	LEASE	VOL/PG
(1A)	95.14	SOWELL 693, LTD. (100 Ac.)	1774/40
(1B)	85.59	SOWELL 693, LTD. (210 Ac.)	1774/40
(1C)	245.80	SOWELL 693, LTD. (320.4 Ac.)	1774/40
(2)	71.03	SOWELL 693, LTD. (68 Ac.) MILTON J. SAWYER NORMA SAWYER PTACEK	1774/40 1726/293 1711/103
(3)	43.44	O'JAY FUCHS, etux	1734/104
(4)	18.29	THE STATE OF TEXAS (HWY NO. 6) LEASE NO. M-95350	1916/291
559.29 TOTAL ACREAGE IN UNIT.			

REVISED: 10/25/98
 REDUCED TO 559.29 AC. UNIT
 PRORATION PLAT
 PREPARED: 05/24/94
 A.P.I.# 42-041-31804



"AS-DRILLED"
 PRORATION UNIT PLAT
 SOWELL UNIT WELL NO. 1
 UNION PACIFIC RESOURCES COMPANY
 ANDREW MILLICAN SURVEY, A-39 &
 H. EVANS SURVEY, A-15
 THOS. H. MAYS SURVEY, A-160
 BRAZOS COUNTY, TEXAS

SURVEYED: FEBRUARY, 1994

BY: S.M. KLING R.P.L.S. NO. 2003

SCALE: 1"=1000' MAY, 1994



October 31, 1996

COMMISSIONER OF GENERAL LAND OFFICE
1700 N CONGRESS AVENUE
AUSTIN, TX 78701

RE: Reformation of Unit
Sowell No. 1
Brazos County, Texas

MF-095350

Union Pacific Resources Company (UPRC), desires to further develop the acreage associated with the Sowell Unit No. 1. UPRC proposes to drill an additional horizontal well, the **Ironside No. 1**, on acreage contributed from the Sowell Unit No. 1 and the W.B. Keyser No. 1 Proration Unit, also operated by UPRC.

The Sowell Unit No. 1 and the W.B. Keyser No. 1 Proration Unit will have to be reformed and reduced in size. I have enclosed plats of the existing wells for your review. The proposed revised unit boundary for the Sowell No. 1 is the Exhibit "B" to the enclosed **Reformation of Unit, Sowell Unit No. 1**.

To the extent that your interest in the existing Sowell Unit No. 1 lies primarily within the area that is to be retained in that unit, your proportionate share of that unit should increase. To the extent that your interest in the existing Sowell Unit No. 1 lies primarily within the area that is to be deleted from the Sowell Unit No. 1, such interest shall be included in the new Ironside No. 1 Unit. Without the approval of the Reformation of Unit, it is unlikely that the Ironside No. 1 will be drilled.

UPRC request your approval of the proposed project by executing the enclosed **Reformation of Unit, Sowell Unit No. 1** before a notary public and return to my attention at mail station 3307 as soon as possible.

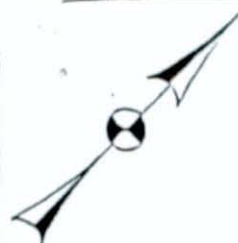
Your prompt attention to this matter is appreciated. Should you have any questions, please call me at (817) 877-6198.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brett Austin".

Brett Austin
Landman

enclosure



SCALE: 1" = 1000'

NOTES:

1. BEARINGS BASED ON TRUE NORTH OBTAINED BY SOLAR OBSERVATION.
2. WELL LOCATED S 43°E-14.2 MI. FROM COLLEGE STATION, TEXAS
3. INDICATES LIMITS OF UNIT.
4. SURF. LOC. POSITION:
 LATITUDE: 30°28'16.073" N
 LONGITUDE: 96°10'06.540" W
 BOTTOM LOC. POSITION:
 LATITUDE: 30°27'35.394" N
 LONGITUDE: 96°09'47.916" W
 DERIVED FROM TRIMBLE NAVIGATION PATHFINDER - G.P.S.
 ACCURACY: 5 TO 7 METERS.

L.H. BOYETT
CALLED 282.24 AC. (NET)
164/03

750.49
AC. UNIT

443.29
AC. UNIT

SOWELL UNIT
WELL NO. 1
SURF. LOC. ELEV: 247'

BILLIE GWYN LEMON
CALLED 309.225 AC.
TR. 1
1178/703

1B
210.91
AC. SURV.
CALLED
693.230 AC.
323/123

100 AC.
163/395

1A
100.05
AC. SURV.

PEN. PT.

4
16.29
AC. SURV.

743.47
AC. UNIT

39.5 AC.
163/627

1C
299.75
AC. SURV.

210 AC. (NET)
1st TR.
182/444

MRS. S.W. CHAPMAN
213 AC.

693.230 AC.
323/123

320.4 AC.
2nd TR.
182/448

2
71.03
AC. SURV.

68 AC.
106/243
187/26

UNIT PERIMETER METES:

LINE	BEARING	DIST.
1	N 00°29'42"W	1945.68
2	S 40°53'28"E	41.59
3	S 34°37'12"E	183.10
4	S 40°53'28"E	246.63
CURVE #1		
5	S 49°09'11"E	219.46
6	S 43°55'27"E	85.00
7	S 36°04'15"E	146.37
8	S 43°55'27"E	6737.94
9	S 88°17'42"W	2519.42
10	S 01°13'07"E	1327.37
11	S 01°10'26"E	762.83
12	S 88°51'52"W	4050.77
13	N 00°56'05"W	712.84
14	N 02°49'15"W	1241.73
15	N 01°14'16"W	1721.73
16	S 88°45'11"W	885.99
17	N 24°10'59"W	2583.25
18	N 88°58'25"E	3113.62
CURVE #2		
1	RADIUS 5679.58	ARC 300.66
		CHORD BRG S 42°24'26"E-300.62'

EXHIBIT "C"
Attached to and
made a part of that
certain "Designation
of Unit - Sowell Unit
No. 1" dated APRIL 4,
1994.

SOWELL UNIT WELL NO. 1			
TRACT	ACREAGE IN UNIT	LEASE	VOL/PG
1A	100.05	SOWELL 693. LTD. (100 Ac.)	1774/40
1B	210.91	SOWELL 693. LTD. (210 Ac.)	1774/40
1C	299.75	SOWELL 693. LTD. (320.4 Ac.)	1774/40
2	71.03	SOWELL 693. LTD. (68 Ac.) MILTON J. SAWYER NORMA SAWYER PLACEK	1774/40 1726/293 1711/103
3	43.44	O'JAY FUCHS, et ux	1734/104
4	16.29	THE STATE OF TEXAS (HWY NO. 6) LEASE NO. M-95350	1916/291
743.47 TOTAL ACREAGE IN UNIT.			

WELL LOCATION

SOWELL UNIT WELL NO. 1

UNION PACIFIC RESOURCES COMPANY
ANDREW MILLICAN SURVEY, A-39 &
H. EVANS SURVEY, A-15
THOS. H. MAYS SURVEY, A-160
BRAZOS COUNTY, TEXAS

SCALE: 1" = 1000'

FEB., 1994

SURVEYED: FEBRUARY, 1994

S.M.K.

BY: S.M. KLING R.P.L.S. NO. 2003



SCALE: 1"=1000'



W.B. KEYSER
NO. 1 - UPRC

CALLED 739.9 AC.
(624.314 AC. WEST OF HWY 6)
147/247

335.95
AC. UNIT

1
107.34
AC. CALC.

5300' SCALED TO S.L.

STATE HIGHWAY NO. 6
AS-DRILLED LATERAL

7-11
RANCH

CALLED
100 AC.
163/395

IRONSIDE UNIT
WELL NO. 1
BOTTOM LOCATION

291.52
AC. UNIT

2A
4.91
AC. CALC.

SOWELL
NO. 1-UPRC

2B
125.32
AC. CALC.

CALLED
210 AC. (NET)
1st TRACT
182/444

L.H. BOYETT
CALLED 282.24 AC. (NET)
164/03

3/8" IRON ROD
FOUND @ 10'
CREO. POST

P.P.T.
SURF.

3654' TO S.L.

E. M. MILLICAN SURVEY, A-40
HOLDEN EVANS SURVEY, A-15
& A. MILLICAN SURVEY, A-39

750.48
AC. UNIT

P.O.B.

IRONSIDE UNIT
WELL NO. 1
SURF. LOC. ELEV: 291

2C
53.95
AC. CALC.

559
AC. UNIT

CALLED
320.4 AC.
2nd TRACT
182/448

CALLED
693.230 AC.
323/123

UNIT PERIMETER METES:

LINE	BEARING	DIST.
1	S 88°45'11"W	885.99
2	N 24°10'59"W	5183.25
3	S 71°24'10"E	3200.00
4	S 20°51'41"E	1398.82
5	N 88°58'25"E	86.17
6	S 01°01'35"E	238.90
7	S 20°51'41"E	2803.32
8	S 01°14'16"E	989.90
9	S 88°45'44"W	1600.00
10	N 01°14'16"W	1500.00

39.5 AC.
163/627

NOTES:

- BEARINGS BASED ON TRUE NORTH OBTAINED BY SOLAR OBSERVATION.
- WELL LOCATED S 41'E~14.2 MILES FROM COLLEGE STATION, TEXAS.
- INDICATES LIMITS OF UNIT.
- SURF. LOC. POSITION:
LATITUDE: 30°28'05.202"N
LONGITUDE: 96°10'18.102"W
BOTTOM LOC. POSITION:
LATITUDE: 30°28'33.918"N
LONGITUDE: 96°10'30.331"W
DERIVED FROM TRIMBLE NAVIGATION PATHFINDER - G.P.S.
ACCURACY: 5 TO 7 METERS.



IRONSIDE UNIT WELL NO. 1			
TRACT	ACREAGE IN UNIT	LEASE	VOL/PG
1	107.34	BILLIE GWEN KEYSER LEMON, etvir GLADYS MILO JOHNSON, etvir NEELY KEYSER NICKLE, etlux MINNIE MILO	1219/648 1220/319 1218/013 1219/780
2A	4.91	SOWELL 693, LTD. (100 AC.)	1774/40
2B	125.32	SOWELL 693, LTD. (210 AC.)	1774/40
2C	53.95	SOWELL 693, LTD. (320.4 AC.)	1774/40
291.52 ACRE UNIT			

WELL LOCATION

IRONSIDE UNIT WELL NO. 1

UNION PACIFIC RESOURCES COMPANY
A. MILLICAN SURVEY, A-39 &
H. EVANS SURVEY, A-15
BRAZOS COUNTY, TEXAS

SCALE: 1"=1000' OCTOBER, 1996

S.M. Kling
BY: S.M. KLING R.P.L.S. NO. 2003

17.

File No. MF-095350

Reformation of Unit

Date Filed: 11/6/96

Jerry E. Patterson, Commissioner

By J. E. Patterson



Oil & Gas Data Query

Query Menu Help

- Results exceed the maximum records allowed for viewing all records. Partial results displayed.

Specific Lease Query Results

Query Path: [Search Criteria](#) > District: 03
 Date Range: Nov 2004 to Oct 2022

Related Links
[O&G Directory](#)
[O&G Proration Schedule](#)
[Offshore County Map](#)

[Production and Total Disposition](#) [Disposition Details](#) [County Production](#)

Search Criteria:

Lease Name: ROTELLO UNIT , Lease No.: 198634 , Well No.: 1

Well Type: Gas

District: 03

Lease Production and Disposition

Date Range: Nov 2004 - Oct 2022

216 results

Page: 1 of 1

Page Size: View All

Date	GW Gas (MCF)		Condensate (BBL)		Operator Name	Operator No.	Field Name	Field No.
	Production	Disposition	Production	Disposition				
Nov 2004	15,080	15,080	0	0	ANADARKO E&P COMPANY LP	020542	NAVASOTA RIVER (CRETACEOUS LWR.)	64616300
Dec 2004	11,859	11,859	0	0				
Jan 2005	11,317	11,317	0	0				
Feb 2005	10,432	10,432	0	0				
Mar 2005	8,101	8,101	0	0				
Apr 2005	9,269	9,269	0	0				
May 2005	8,732	8,732	0	0				
Jun 2005	6,832	6,832	0	0				
Jul 2005	7,470	7,470	0	0				
Aug 2005	5,063	5,063	0	0				
Sep 2005	3,814	3,814	0	0				
Oct 2005	78	78	7	7				
Nov 2005	187	187	0	0				
Dec 2005	58	58	0	0				
Jan 2006	5	5	0	0				
Feb 2006	17	17	0	0				
Mar 2006	29	29	0	0				
Apr 2006	14	14	0	0				
May 2006	19	19	0	0				
Jun 2006	15	15	1	1				
Jul 2006	14	14	1	1				
Aug 2006	12	12	0	0				
Sep 2006	3	3	0	0				
Oct 2006	2	2	0	0				
Nov 2006	3	3	0	0				
Dec 2006	3	3	0	0				
Jan 2007	0	0	0	0				
Feb 2007	0	0	0	0				
Mar 2007	0	0	0	0				
Apr 2007	0	0	0	0				
May 2007	0	0	0	0				
Jun 2007	0	0	0	0				
Jul 2007	0	0	0	0				
Aug 2007	0	0	0	0	ENERVEST OPERATING, L.L.C.	252131	NAVASOTA RIVER (CRETACEOUS LWR.)	64616300
Sep 2007	0	0	0	0				
Oct 2007	0	0	0	0				
Nov 2007	0	0	0	0				
Dec 2007	0	0	0	0				
Jan 2008	0	0	0	0				
Feb 2008	0	0	0	0				
Mar 2008	0	0	0	0				
Apr 2008	0	0	0	0				
May 2008	0	0	0	0				
Jun 2008	0	0	0	0				

Jul 2008	0	0	0	0				
Aug 2008	0	0	0	0				
Sep 2008	0	0	0	0				
Oct 2008	0	0	0	0				
Nov 2008	0	0	0	0				
Dec 2008	0	0	0	0				
Jan 2009	0	0	0	0				
Feb 2009	0	0	0	0				
Mar 2009	0	0	0	0				
Apr 2009	0	0	0	0				
May 2009	0	0	0	0				
Jun 2009	0	0	0	0				
Jul 2009	0	0	0	0				
Aug 2009	0	0	0	0				
Sep 2009	0	0	0	0				
Oct 2009	0	0	0	0				
Nov 2009	0	0	0	0				
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Sep 2018	NO RPT	NO RPT	NO RPT	NO RPT				
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Apr 2021	NO RPT	NO RPT	NO RPT	NO RPT				
May 2021	NO RPT	NO RPT	NO RPT	NO RPT				
Jun 2021	NO RPT	NO RPT	NO RPT	NO RPT				

Download

Return

File No. MF 095'35'0

Brazos County

Unit # 3406 Termination Packet

Date Filed: 1/3/2023

By MB
George P. Bush, Commissioner

Matt Bruns

From: Matt Bruns
Sent: Tuesday, August 15, 2023 1:20 PM
To: Magnolia Owner Relations
Subject: RE: [EXTERNAL] [mgyoil] Re: Sowell Unit No. 1 GLO Unit No. 2268, Brazos County, TX MF095350

Martha,
I'm following up on my request below. I have not had anyone reach out to me. Can you please send me the contact info for the Landman covering this area?

Thanks,

Matt Bruns, CPL

Texas General Land Office
1700 North Congress Ave. Ste.840
Austin, Texas 78701

From: Matt Bruns
Sent: Wednesday, August 2, 2023 7:29 AM
To: Magnolia Owner Relations <ownerrelations@mgyoil.com>
Subject: RE: [EXTERNAL] [mgyoil] Re: Sowell Unit No. 1 GLO Unit No. 2268, Brazos County, TX MF095350

Martha,
Thank you for the quick response. Here is some additional detail: I am requesting that Magnolia execute an amended HROW Unit Designation form (see link below) so that we can update our records to the current NRI. Pooled Unit No. 2268 (Sowell Unit No. 1) in Brazos County was created in 1994 (see attached). One of the tracts within the unit (GLO Lease No. MF095350) was a HROW (Highway Right-of-Way) owned by the Texas General Land Office). The unit was reduced in size in 1996 from 743.47 acres to 559.29 acres) (also attached). The GLO's acreage within the unit remained 18.29 acres, which means that our NRI increased. Our internal records still reflect the old/lower unit NRI. I need Magnolia to execute the amended HROW Unit Designation so that the GLO can properly account for our royalty interest.

<https://www.glo.texas.gov/energy-business/oil-gas/mineral-leasing/pooling-psa/forms/Application-For-Pooling-State-Leases.pdf>

Note that the \$500 application fee will be waived due to the age of this HROW lease. The Landman can scan and email this form along with the required attachments to me and we can take things from there.

Thank you,

Matt Bruns, CPL

Texas General Land Office
1700 North Congress Ave. Ste.840
Austin, Texas 78701

From: Magnolia Owner Relations <ownerrelations@mgyoil.com>
Sent: Tuesday, August 1, 2023 3:29 PM
To: Matt Bruns <Matt.Bruns@glo.texas.gov>
Subject: [EXTERNAL] [mgyoil] Re: Sowell Unit No. 1 GLO Unit No. 2268, Brazos County, TX MF095350

Hello Mr. Bruns.

So that we can direct your concern to the right landman, would you please be more specific as to what your

questions are. We appreciate your assistance.

Thank you.

Magnolia Oil & Gas
Owner Relations
ownerrelations@mgyoil.com
Martha Cook

This email is a service from Magnolia Oil & Gas. Delivered by [Zendesk](#)

On July 31, 2023 at 7:18:01 PM UTC, Matt Bruns matt.bruns@glo.texas.gov wrote:

Hello,

I am trying to reach the Landman that covers Brazos County, TX regarding the Sowell Unit in which the Texas General Land Office owns an interest.

Thank you,

Matt Bruns, CPL

Texas General Land Office
1700 North Congress Ave. Ste.840
Austin, Texas 78701

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The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

CAUTION: This email originated from OUTSIDE of the Texas General Land Office. Links or attachments may be dangerous. Please be careful clicking on any links or opening any attachments.

Blake Barnett?

Matt Bruns

From: Mary Barnstone
Sent: Tuesday, January 10, 2023 1:53 PM
To: Matt Bruns
Cc: Jesse Arellano
Subject: RE: Unit 2268 Changes

Magnolia Oil & Gas Operating LLC
713-842-9050

See items #13 & #17 in MF095350

Hi Matt.

Joy is correct, but I need any/all recorded Amendment(s)/Corrections and new HROW form to update our records.

Please reach out to Magnolia Oil & Gas Company, the current operator, and request an amended HROW Unit Designation form and required attachments. Please note that this form has not yet been updated with Commissioner Buckingham's letterhead on the website.

[Application for Pooling State Leases \(texas.gov\)](https://www.texas.gov)

Due to the age of the HROW lease, the \$500 fee is not required. Operator can scan and email form and required attachments to me and I will get our records updated.

Thank you,

mb

Mary Beth Barnstone
Landman/GeoTech
Energy Resources
Texas General Land Office
1700 North Congress Ave. Ste.840
Austin, Texas 78701
(512)463-6818

From: Matt Bruns <Matt.Bruns@glo.texas.gov>
Sent: Tuesday, January 10, 2023 1:43 PM
To: Mary Barnstone <Mary.Barnstone@GLO.TEXAS.GOV>
Cc: Jesse Arellano <Jesse.Arellano@glo.texas.gov>
Subject: Unit 2268 Changes

Mary Beth,
Pooled Unit No. 2268 in Brazos County has a HROW involving MF095350. This unit was created in 1994 and reduced in size in 1996 (from 743.47 ac to 559.29 ac). The State acreage in the unit remained 18.29 acres, but Alamo has the old/outdated/incorrect tract participation, acreage and NRI. After talking with Joy, it sounds like a new unit number must be created to reflect the changes that need to be made in Alamo. Also, since our NRI will be increasing, we could be due additional royalties from the operator.

GIS has the unit mapped as the old/outdated/incorrect size, but Jesse will update GIS so that it can match the reformation of the Sowell Unit (item #17 in MF095350) Please let me know how to proceed with this process of getting the new unit number/new Buckslip/updating Alamo.

Thank you,

Matt Bruns

From: Matt Bruns
Sent: Tuesday, January 10, 2023 1:43 PM
To: Mary Barnstone
Cc: Jesse Arellano
Subject: Unit 2268 Changes

Mary Beth,

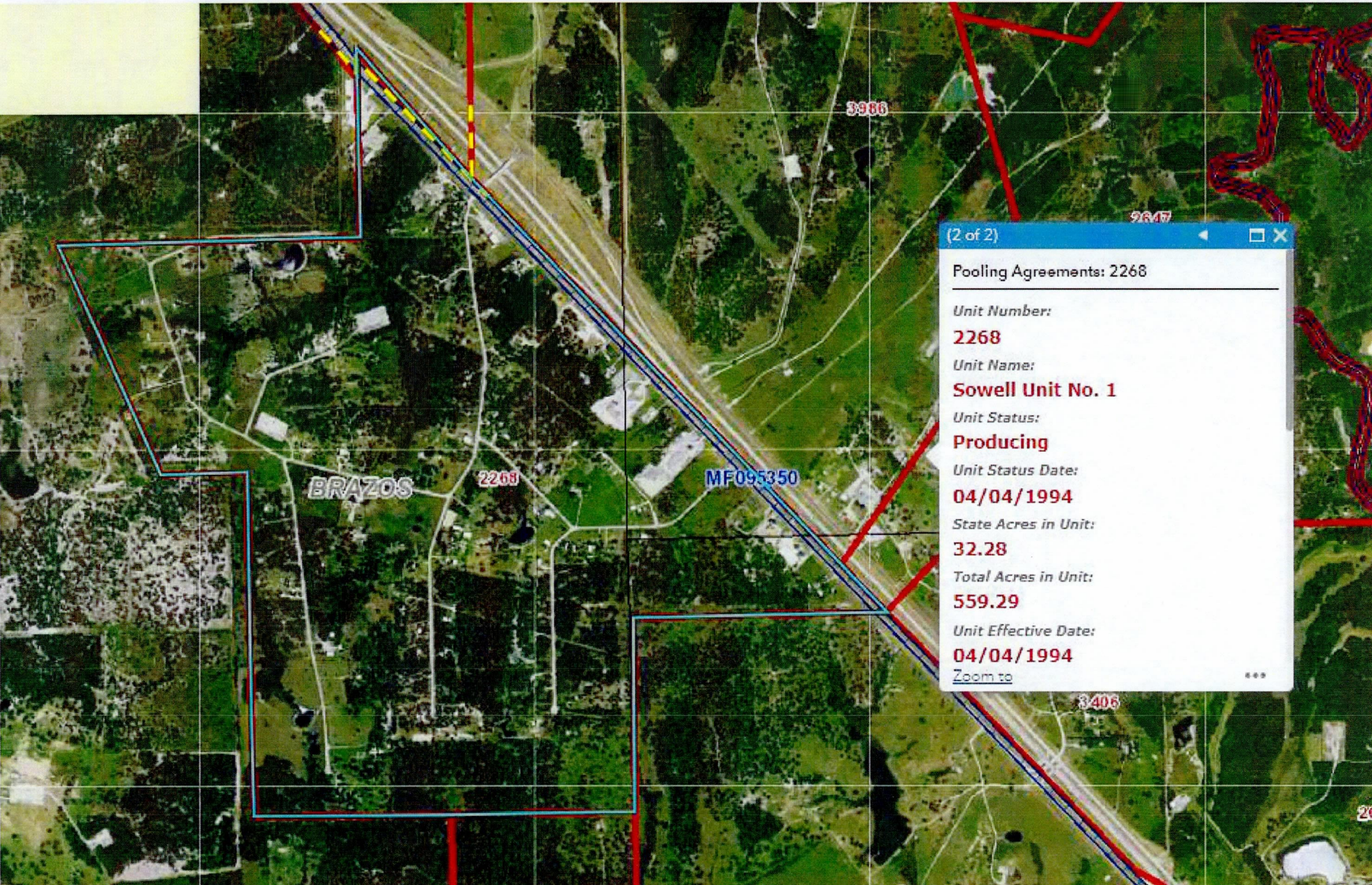
Pooled Unit No. 2268 in Brazos County has a HROW involving MF095350. This unit was created in 1994 and reduced in size in 1996 (from 743.47 ac to 559.29 ac). The State acreage in the unit remained 18.29 acres, but Alamo has the old/outdated/incorrect tract participation, acreage and NRI. After talking with Joy, it sounds like a new unit number must be created to reflect the changes that need to be made in Alamo. Also, since our NRI will be increasing, we could be due additional royalties from the operator.

GIS has the unit mapped as the old/outdated/incorrect size, but Jesse will update GIS so that it can match the reformation of the Sowell Unit (item #17 in MF095350) Please let me know how to proceed with this process of getting the new unit number/new Buckslip/updating Alamo.

Thank you,

Matt Bruns, CPL

Texas General Land Office
1700 North Congress Ave. Ste.840
Austin, Texas 78701



(2 of 2)

Pooling Agreements: 2268

Unit Number:
2268

Unit Name:
Sowell Unit No. 1

Unit Status:
Producing

Unit Status Date:
04/04/1994

State Acres in Unit:
32.28

Total Acres in Unit:
559.29

Unit Effective Date:
04/04/1994

Zoom to

By: W. J. [unclear]
 Commissioner, Texas Department of Transportation
 Date: 07/16/2012

11

File No. MF095350

Brazos County

Correspondence

Date Filed: 08/15/2023

Commissioner Dawn Buckingham, M.D.

By: MSB