MF097511

~~Unit 8707~~

TERMINATION
DATE 9/1/2016
LEASING MB
MAPS RL
GIS MC

Leasing: MB
Maps: RL
GIS: MC
Scanlab:

Lease Type	Control	Basefile	County
HROW 65 [Cou	65-902394		WASHINGTON
	Survey	Washington County Roads	
	Block		
	Block Name		
	Township		
	Section/Tract		
	Land Part	Green Oak Rd.	
	Acres	Net: 0.700000	Gross: 0.950000
	Depth Below	Depth Above	Depth Other
			Allow All Depths
	Name	UNION PACIFIC RESOURCES	
	Lease Date	9/3/1996	
	Primary Term	3 years	
	Bonus	$667.50	
	Lease Royalty	0.20000000	
	Paid Up	NA	



CAUTION

Documents in this file have been placed in Table of Contents order and scanned.
Please help keep documents in content order and let the ScanLab know when new documents are added to this file.

Thank you for your assistance.

Archives and Records Staff

-M-
F
F293155
UNION PACIFIC RESOURCES COMPANY

#2667

4.20 UNIT ACRES
0.25 NON-UNIT ACRES

STATE LEASE PAID-UP MF097511

CONTROL	BASEFILE	COUNTY
65-902394	000 -	WASHINGTON /239

SURVEY : WASHINGTON COUNTY ROADS
BLOCK :
TOWNSHIP : 00
SECTION/TRACT:
PART :
ACRES : 4.45
DEPTH LIMITS : NO

Rentals: M.T.

Lease Admin: DR.

Mineral Maps:

LESSEE : UNION PACIFIC RESOURCES COMPAN
LEASE DATE : Sep 03 1996
PRIMARY TERM : 3 yrs
BONUS ($) : 667.50
RENTAL ($) : 0.00
ROYALTY : 0.20000000
VAR ROYALTY :

CONTENTS OF FILE NO. M-97511

1. Lease	9-3-96	
2. Application	8-28-96	
3. Letter	8-5-96	
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5. Plat	—	
6. Deed	2-4-1970	
7. Lease	—	
8. Assignment	9/5/97	
9. Title Opinions.	5/14/98	
10. Designation of Unit.	9/25/00	
11. Assignment	2/20/03	
scanned sm 11/17/15		
12. Plat showing separation of State & County roads	9/18/17 1	
13. Revised Schwickert Unit memo (Unit 8707) replaces Unit 2667	9/20/17 1 1	
Scanned sm 9/27/2019		
14. Zero Production Report Unit 8707	4/28/23 1	
scanned pf 5-18-2023		

GLO-S-08-(1-82)

HROW Lease
Revised 10

The State of Texas

Austin, Texas

PAID-UP

OIL AND GAS LEASE NO. M-97511
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 Co., whose address is , P.O. Box 7, Fort Worth, Texas 76101-0007 hereinafter called "Lessee".

1. Lessor, in consideration of Six Hundred Sixty Seven and 50/100 Dollars ($667.50), 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 Washington, State of Texas, and is described as follows:

4.45 acres of land, more or less, situated in said Washington 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 4.45 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 3, 1996, 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 $25.00. 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 $50.00, 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 3, 1996.

Garry Mauro

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

Approved:
Energy: RH
Executive: _____

Texas General Land Office
Garry Mauro, Commissioner

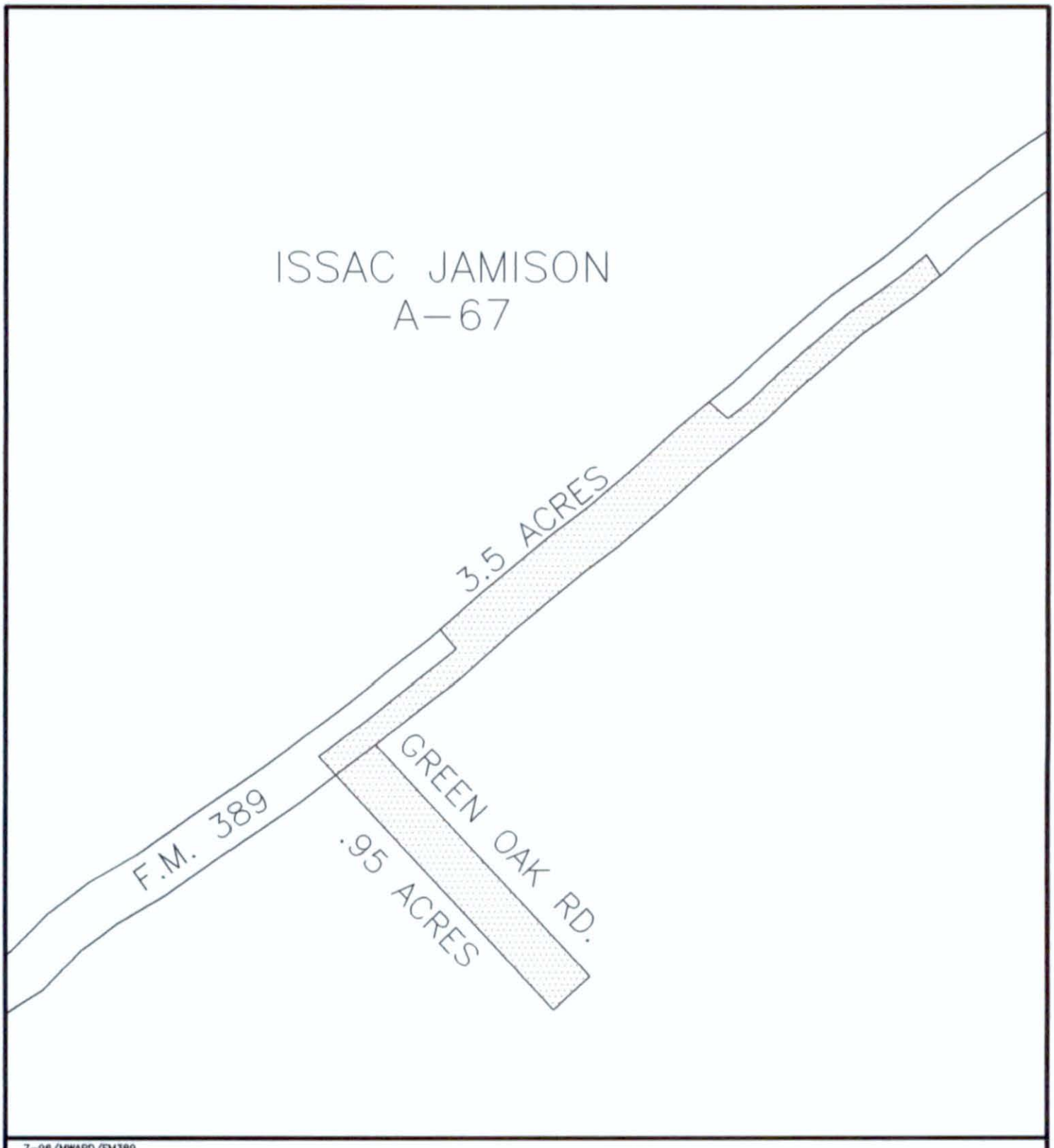
Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701-1495
(512) 463-5001

Exhibit "A"

Acreage to be Leased from the State of Texas in Washington County, Texas, being part of F.M. 389 and Green Oak Rd.

4.45 acres of land, more or less, situated in the Issac Jamison Sur., A-67 in Washington County, Texas and being the same land described in the following Deeds to Washington County, Texas, Dated 2/4/20 recorded in V. 75, P. 515, Dated 2/14/27 recorded in V. 91, P. 223 thur 225, Dated 1/22/38 recorded in V. 117, P. 355 Deed Records of Wsahington County, Texas.

Printed on recycled paper with soybean ink



7-96/MWARD/FM389

MAP SHOWING

PORTION OF F.M. RD. 389 & GREEN OAK RD.

APPROXIMATELY 4.45 TOTAL ACRES

3 MILES WEST OF BRENHAM

WASHINGTON COUNTY

(1)
NAF 97511
ITEM Lease
TO
FROM
DATE 9-3-96

GENERAL LAND OFFICE

GARRY MAURO
COMMISSIONER

MEMORANDUM

Docket # 281

DATE: August 28, 1996

TO: Linda Fisher / School Land Board

From: Drew Reid / Minerals Leasing

RE: Application To Lease Highway Right-of-Way

A) Applicant - Scott Oils, Inc.
Description - 7.764 ac. along St. Hwy. 183, situated in the Town of Gonzales Sur., A-25 in Gonzales Co.
Terms - $30.00/Ac. Bonus, 1/6 Royalty, 2 Years Paid-up



Applicant - Union Pacific Resources Co.
Description - 4.45 ac. along F.M. 389, situated in the Issac Jamison Sur., A-67 in Washington Co.
Terms- $150/Ac. Bonus, 1/5 Roualty, 3 Years Paid-up

C) Applicant - Union Pacific Resources Co.
Description - .47 ac. along Co. Rd. 47, situated in the James Cox Sur., A-36 in Washington Co.
Terms - $65.00/Ac. Bonus, 17.667% Royalty, 2 Years Paid-up

D) Applicant - Exxon Co., U.S.A.
Description - 36.81 ac. along U.S. 385, situated in Sec. 15, 16, 21, 22, 27, 28, Blk. 42, TWP-1-S, T&P RR. Co. Sur., in Ector Co.
Terms - $17.50/Ac. Bonus, 1/8 Royalty, 5 Years Paid-up

E) Applicant - Ecco Petroleum, Inc.
Description - 3.25 ac. along OSR Hwy., situated in the D. Harvey Sur., A-125 in Brazos Co.
Terms - $10.00/Ac. Bonus, 1/8 Royalty, 3 Years Paid-up

F) Applicant - Calyton Williams Energy, Inc.
Description - 23.16 ac. along St. Hwy. 21, situated in the Geo. Green Sur., A-126 and in the David Clark Sur., A-11 in Burleson Co.
Terms - $50.00/Ac. Bonus, 1/6 Royalty, 3 Years Paid-up

G) Applicant - JAMEX, Inc.
Description - 16.08 ac. along St. Hwy. 90A, situated in the James Earl Sur., A-189 in Colorado Co.
Terms - $75.00/Ac. Bonus, 3/16 Royalty, 3 Years paid-up

These applications have been reviewed by the Minerals Leasing Division and approved by the Department of Transportation. These applications comply with Subchapter F, Chapter 32 of the Texas Natural Resources Code.

Texas Department of Transportation

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

August 27, 1996

Mr. Garry Mauro
Commissioner
General Land Office
Petroleum and Mineral Division
1700 North Congress Avenue
Austin, Texas 78701

Contact: ROW

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.

County	Nominator	Bonus	Royalty	Primary Term	Delay Rental
Gonzales	Scott Oils, Inc.	$ 30.00	1/6	2 years	Paid-up
Washington	Union Pacific Resources Company	$150.00	1/5	3 years	Paid-up
Ector	Exxon	$ 17.50	1/8	5 years	Paid-up
Brazos	Ecco Petroleum, Inc.	$ 10.00	1/8	3 years	Paid-up
Burleson	Clayton Williams Energy	$ 50.00	1/6	3 years	Paid-up
Colorado	JAMEX, Inc.	$ 75.00	3/16	3 years	Paid-up

If additional information is needed, please contact Carlton Bernhard at 416-2879.

Sincerely,

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

(2.)

MF 97511

ITEM Application to Level

TO

FROM

DATE 8-28-96

JIM BURGIN & ASSOCIATES, INC.

Professionals In Land Services
P. O. Box 395
Fulshear, Texas 77441-0395
(713) 346-1584
(713) 346-2307 Fax

August 05, 1996

Texas General Land Office
Mr. Drew Ried
Lease Administration
1700 N. Congress Ave. Rm 640
Austin, Texas 78701

X 110.01 97004484

X 667.50 97004485

Re: Acquisition of Oil, Gas and Mineral Lease under Roads within the Issac Jamison Survey, A-67 Washington County, Texas.

170

Dear Mr. Reid:

Please find enclosed a check in the amount of $667.50 for the bonus consideration plus a check in the amount of $110.01 for the ($100.00 processing fee plus 10.01 for 1.5% of bonus for sales fee).

If you have any questions or need more information, please do not hesitate to give me a call at the above telephone number.

RECEIVED
96 SEP 25 PM 1:23
ENERGY RESOURCES

UPRC
4.45 Ac
Tom. 389 - 3.5 Ac
Green Oak .95 Ac

Sincerely yours,

Jim Burgin

Enclosures:

3708448C

3708448C

3708448C

JIM BURGIN & ASSOCIATES, INC.

Mail to

Professionals In Land Services
P. O. Box 395
Fulshear, Texas 77441-0395
(713) 346-1584
(713) 346-2307 Fax

281
B

August 05, 1996

9/3/96
M-97511

Texas General Land Office
Mr. Drew Ried
Lease Administration
1700 N. Congress Ave. Rm 640
Austin, Texas 78701

Re: Acquisition of Oil, Gas and Mineral Lease under Roads within the Issac Jamison Survey, A-67 Washington County, Texas.

Dear Mr. Reid:

Please find enclosed a check in the amount of $667.50 for the bonus consideration plus a check in the amount of $110.01 for the ($100.00 processing fee plus 10.01 for 1.5% of bonus for sales fee).

If you have any questions or need more information, please do not hesitate to give me a call at the above telephone number.

UPRC

4.45 Ac
Tom. 389 - 3.5 Ac
Green Oak .95 Ac

Sincerely yours,

Jim Burgin

Enclosures:

150.00 75
1/5 1/6
3yr paid-up
shut in 25.00 flat

(3.)

NF 97511

ITEM Letter

TO

FROM

DATE 8-5-96

JIM BURGIN & ASSOCIATES, INC.

Professionals In Land Services
P. O. Box 395
Fulshear, Texas 77441-0395
(713) 346-1584
(713) 346-2307 Fax

August 05, 1996

Texas General Land Office
Mr. Drew Ried
Lease Administration
1700 N. Congress Ave. Rm 640
Austin, Texas 78701

Re: Acquisition of Oil, Gas and Mineral Lease under Roads within the Issac Jamison Survey, A-67 Washington County, Texas.

Dear Mr. Reid:

The following Oil, Gas and Minerals leases adjacent to the road are now owned by Union Pacific Resources Company. I am also encloseing a numbered plat showing the location of each Oil, Gas and Mineal Lease.

1, 2 & 3

Lessor	Patricia I. Ryan
	Rt. 1 Box 291 Blanco, Texas 78606
Lessee	Union Pacific Resources Company
Volume/Page	830, Page 440
Bonus/NMA	$100.00
Royalty:	1/6
Rentals	None Paid Up

Tracts 1, 2 & 3

Lessor	Mary E. Low
	609 South Austin, Brenham, Texas 77833
Lesssee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 734/389
Bonus/NMAe	$75.00
Royalty	1/6
Rentals	None Paid Up

Tracts 1, 2 & 3

Lessor:	Sallie M. Smith 98 Grove Street, Rockville, Ct 06066
Lessee:	Union Pacific Resources Company
Volume/Page	830, Page 443
Bonus/NMAe	$100.00
Royalty:	1/6

Tracts 1, 2 & 3

Lessor:	Cecilia M. Batchelor 109 Montford Road, Savannah, Ga. 31410
Lessee:	Union Pacific Resources Company
Volume/Page	830 Page 437
Bonus/NMA	$100.00
Royalty	1/6

Tracts 1, 2 & 3

Lessor:	John Barnhill Rte 7, Box 7176 Brenham, Texas
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 734/393
Bonus/NMA	$75.00
Royalty	1/6
Rentals:	None, Paid Up

Tracts 1, 2, & 3

Lessor:	Nancy Green Scheffler, A-I-F for Bershie B. Green 1045 Roaring Springs Road Fort Worth, Texas 76114
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 734/391
Bonus/NMA	$75.00
Royalty	1/6
Rentals:	None Paid Up

Tract 1.

Lessor:	Henry Neumann, Jr. et ux Lou Mae Neumann Rte. 3, Box 151 Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	793/833
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 2.

Lessor:	Edmund J. Malak
	7239 Cottage Street, Philadelphia, Pa. 19135
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 833/40
Bonus/NMA	$150.00
Royalty	1/5
Rentals	None Paid Up

Tracts 2 & 3

Lessor:	Georgia Ellen Malek
	304 Hillcrest Lane, Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 730/310
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

3.

Lessor:	Randall L. Patterson Individually and as Trustee et uux Linda S. Patterson
	23 Spanish Oaks, Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	830/561
Bonus/NMA	$100.00
Royalty	1/6
Rentals	None Paid Up

Tracts 4.

Lessor:	Joe C. Orsak, Jr. et ux Debra J. Orsak
	Rte 3, Box 156 Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 730/305
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 5.

Lessor:	Willie Meneweather et ux Cedella Meneweather Rte 3 Box 150 Brenham, Texas 77833
Lessee:	Union Pacific Resources Companyu
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 819/652
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 6

Lessor:	Reinhardt Henry Zwahr et ux Esther Zwahr 24231 Shellbrook, Huffman, Texas 77336
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease731/742
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 7.

Lessor:	Herbert O. Zhahr, et ux Gloria Zwahr; Allyne Sillivan; Evelyn Harmel 3011 V0llmer, Houston, Texas 77092
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 734/386
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 8.

Lessor:	Albert Zwahr and Kathleen Zwahr Reneau P. O. Box 103, Damon, Texas 77430
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 730/386
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 9.

Lessor:	Emburto Enrico Erculiani Agent and Attorney-In-Fact for Erculiani Interbau Luzern AG, Inc. Rte. 4, Box 186 Brenham, Texas 77833
Volume/Page	Memorandum of Oil, Gas and Mineral Lease 833/280
Bonus/NMA	$100.00
Royalty	1/6 BPO 1/5 APO
Rentals	None Paid Up

Tracts 10 & 11

Lessor:	Bruno Zwahr et ux An Nell Zwahr Rte. 3, Box 145 Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tracts12.

Lessor:	Neil Campbell et ux Cheryl Campbell Rte 3, Box 142 Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	Memorandum of Oil, Gas and Mineral Lease
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 13.

Lessor:	Paul J. Hightower et ux Mary G. Hightower Rte 3, Box 144 Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	719/262
Bonus/NMA	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 14.

Lessor:	Johnny P. Hightower et ux Delories Hightower 904 Geney Street Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	719/160
Bonus/NMa	$75.00
Royalty	1/6
Rentals	None Paid Up

Tract 15

Lessor:	Dorothy Brending, et al 5850 FM 389, Brenham, Texas
Lessee:	Union Pacific Resources Company
Volume/Page	830/446
Bonus/NMA	$100.00
Royalty	1/6
Rentals	None Paid Up

Tract 16.

Lessor:	Roger Brending 5850 FM 389 Brenham, Texas 77833
Lessee:	Union Pacific Resources Company
Volume/Page	830/453
Bonus/NMA	$100.00
Royalty	1/6
Rentals	None Paid Up

I am enclosing copies of the above Oil, Gas and Minerals Leases and recorded copies of Memorandum of Oil, Gas and Mineral Leases for your files.

Sincerely yours,

Jim Burgin

Enclosures

(4)

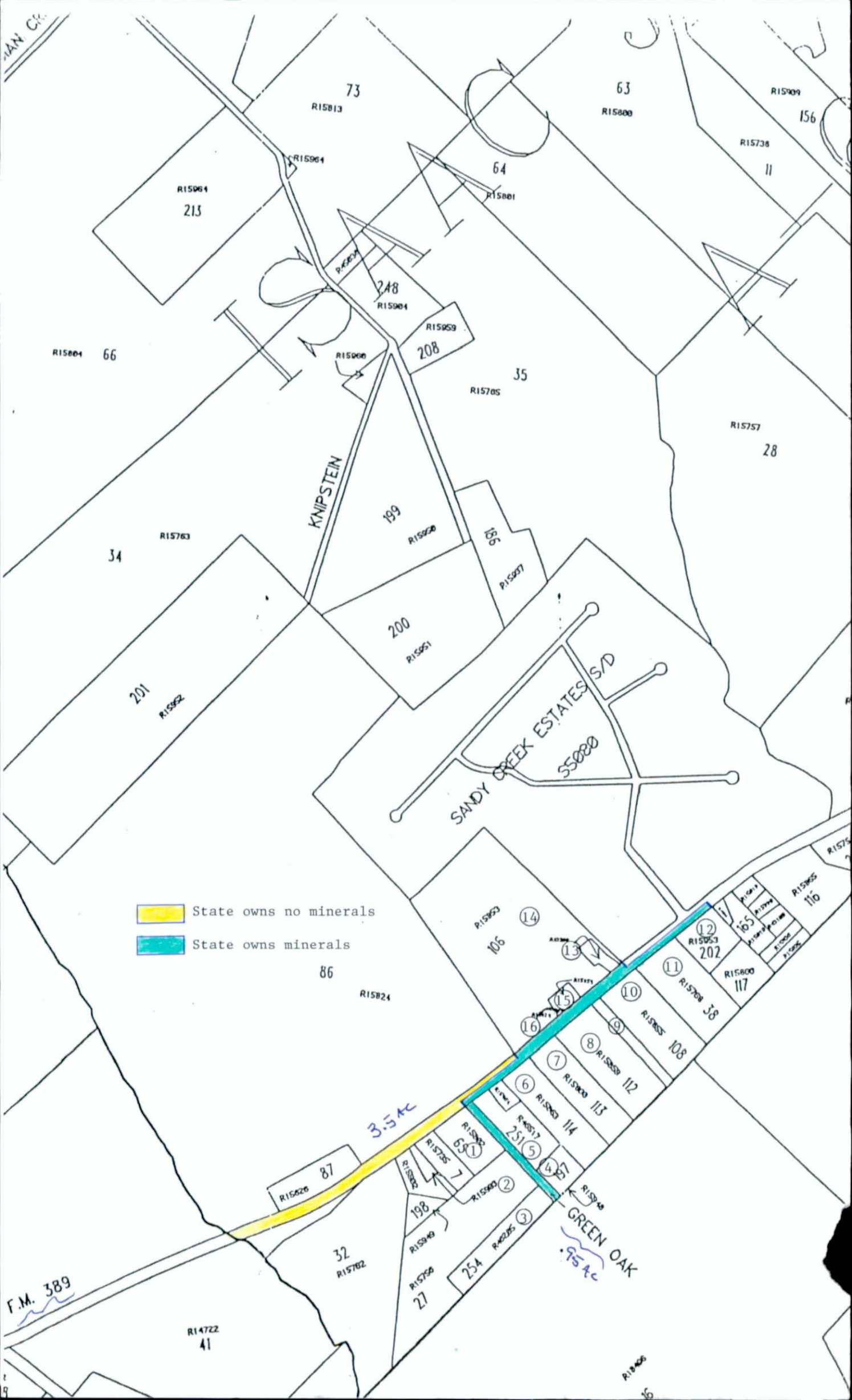
M.F 97511

ITEM Letter

TO

FROM

DATE 8-5-96


State owns no minerals
State owns minerals
KNIPSTEIN
SANDY CREEK ESTATES S/D
55080
GREEN OAK
F.M. 389
3.5 Ac
.95 Ac
73
R15813
63
R15800
R15909
156
R15738
11
R15964
213
64
R15801
R15964
R15957
248
R15904
R15959
208
R15804
66
R15900
35
R15705
R15757
28
34
R15763
199
R15930
155
R15937
200
R15951
201
R15952
106
R15953
14
13
12
202
165
116
R15955
R15800
117
11
R15708
38
10
R15805
108
9
8
R15809
112
7
R15800
113
6
R15800
114
251
R15817
5
4
87
R15800
63
1
R15800
R15755
7
R15800
2
198
R15949
R15756
27
254
R15805
3
R15826
87
32
R15782
R14722
41
R15824
86

(5)

RE: 97511

ITEM: Plat

TO:

FROM:

DATE: —

GIVEN under my hand and the seal of said Court, at office in Brenham this the 8th day of December A.D. 1890.

H.M.Lewis Clerk.

By W.K. Lewis. Deputy.

Filed for record this 7th day of Oct, A.D. 1920, atl O'clock P.M. Green Morgan, County Clk
Recorded Oct.8, A.D. 1920 at 2:30 P.M.Green Morgan,County Clk,by, Bertha Wigand Deputy.

DEED--BESSIE CLEVELAND TO W.R. EWING CO. JUDGE WASHINGTON COUNTY,TEXAS.

THE STATE OF TEXAS,)
COUNTY OF WASHINGTON,) Know all men by these presents: That I, Bessie Cleveland, a feme sole, of Portland, Oregon, for and in consideration of the sum of Thirty Nine Dollars to me paid by W.R. Ewing, County Judge of Washington County, Texas, the receipt of which is hereby acknowledged, have Granted, Sold, and Conveyed, and by these presents do Grant, Sell, and Convey unto the said W.R. Ewing, County Judge of Washington County, Texas, and to his successors in office, all of that certain parcel or tract of land, situated in Washington County, Texas, being a part of the Isaac Jamison League, and having metes and bounds as follows: Beginning at a stake in the east line of the Brenham- Greenvine road, this being the joint corner of the Cleveland and Zwahr tracts. Then N. 47 W. 452 1/4 vrs to stake for corner, being the joint corner of the Ware and Cleveland tracts. Then N 43 E 10 4/5 vrs to stake for corner in the dividing line between the Ware and Cleveland tracts also the corner of a tract of land sold to Washington County by L.L. Ware and wife for road purposes. Then S. 47 E. 452 1/4 vrs to stake for corner in the east line of aforesaid road. Then S. 43 W. 10 4/5 vrs to the place of beginning, containing an area of 86/100 acres of land.

To Have and to Hold the above described premises together with all and singular the rights and appurtenances thereto in anywise belonging unto the said W.R. Ewing, County Judge of Washington County, Texas, and to his successors in office, forever. And I do hereby bind myself, my heirs, executors, and administrator to Warrant and forever Defend, all and singular the said premises unto the said W.R. Ewing, County Judge of Washington County, Texas, and to his successors in office, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Witness my hand, this the 4 day of Feby, A.D. 1920.

Bessie Cleveland.

THE STATE OF OREGON)
COUNTY OF MULTNOMAH) Before me, the undersigned authority, in and for Multnomah County, Oregon, on this day personally appeared Bessie Cleveland, 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 purpose and consideration therein expressed.

Given under my hand and seal of office, this the 4 day of Feby, A.D. 1920.

J.J. Cedes
Notary Public For State of Oregon.

(SEAL)

My commission expires Sept.17,1923

Warrant No. 2)
Oct. 9- 1920.)

Filed for record this 9th day of Oct. A.D. 1920,at 10 O'clock A.M. Green Morgan CCC WC.

Recorded Oct. 9, A.D. 1920 ,at 1 O'clock P.M. Green Morgan,CCC WC,by Bertha Wigand Deputy

hereinabove described would increase the value of our property; therefore,

KNOW ALL MEN BY THESE PRESENTS: That Hermann Wehmeyer & wife of the County of Washington and the State of Texas, in consideration of the prospective increase in the value of our property by the construction of said road, and for the further consideration of the sum of $1.00 to me in hand paid by said County, the receipt of which is hereby acknowledged, have Granted, Sold and Conveyed, and by these presents do Grant, Sell, and Convey unto Washington County, Texas all of the land hereinabove described.

TO HAVE AND TO HOLD the above described land, together with all and singular the rights and appurtenances thereto in anywise belonging unto Washington County, Texas, forever.

It is expressly agreed and understood, however, that should said road not be constructed over and upon the land hereinabove described, this conveyance shall become n ll and void, and the title to said land shall revert to us or our heirs or assigns,

Witness our hands this the 12 day of Sept. A. D. 1927.

Her. Wehmeyer.
Emma Wehmeyer.

THE STATE OF TEXAS)
)
COUNTY OF WASHINGTON) Before me the undersigned authority, on this day personally appeared Herman Wehmeyer, 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 12 day of September A. D. 1927.

(Seal)

G. A. Bracher. Deputy Dist. Clerk,
Washington County, Texas.

THE STATE OF TEXAS)
)
COUNTY OF WASHINGTON) Before me, the undersigned authority, on this day personally appeared Emma Wehmeyer, wife of Herman Wehmeyer, 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 Emma Wehmeyer, 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 12 day of September A. D. 1927.

(Seal)

G. A. Bracher. Deputy Dist. Clerk,
Washington County, Texas.

Filed for record at 8 o'clock A. M. June 1, 1929. C. B. Thompson C&WC

Recorded at 4:20 o'clock P. M. June 1, 1929. By Deputy.

****

DEED: KURT ZWAHR TO WASHINGTON COUNTY.

THE STATE OF TEXAS)
)
COUNTY OF WASHINGTON) WHEREAS, Washington County, Texas, is desirous of constructing an improved road leading from Brenham to Latium known as the Brenham Latium Rd.; and,

WHEREAS, it is desired by said county to construct said road through and upon certain land now owned by us and to include in said road or the right of way therefore that part of such land so owned by us viz:

Fr. 295/82 to 307 / 42 of Meander Survey. A strip of land along the South side of my 53 acre place between Spring Branch & Mill Creek and along the above road, of such a width that there will be 40 ft. between the center line of the above road as it will be established by the County Engr. and the South line of my place said strip of land being in ___League in Wash. County, Texas.

WHEREAS, it is thought by us that the construction of said road upon that part of our land hereinabove described would increase the value of our property; therefore,

KNOW ALL MEN BY THESE PRESENTS: That Kurt Jwahr and wife of the County of Washington and the State of Texas, in consideration of the prospective increase in the value of ___property by the construction of said road, and for the further consideration of the sum of $1.00 to me in hand paid by said count, the receipt of which is hereby acknowledged; have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto Washington County, Texas, all of the land hereinabove described.

TO HAVE AND TO HOLD the above described land, together with all and singular the rights and appurtenances thereto in anywise belonging unto said Washington County, Texas, forever.

It is expressly agreed and understood, however, that should said road not be constructed over and upon the land hereinabove described, this conveyance shall become null and vdd and the title to said land shall revert to ___or ___ heirs or assigns.

Witness our hands this the 14 day of Feb. A. D. 1927.

Kurt Zwahr.

THE STATE OF TEXAS)
COUNTY OF WASHINGTON) Before me, the undersigned authority, on this day personally appeared Kurt Zwahr, known to me to be the person whose name __subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this the 14 day of February A. D. 1927.

G. A. Brecher. Deputy Dist. Clerk.
Washington County, Texas.

(Seal)

Filed for record at 8 o'clock A. M. June 1, 1929 C. B. Thompson CCCWC.

Recorded at 4:40 o'clock P. M. June 1, 1929. By Deputy.

****

DEED: KURT ZWAHR TO WASHINGTON COUNTY.

THE STATE OF TEXAS)
COUNTY OF WASHINGTON) WHEREAS, Washington County, Texas, is desirous of constructing an improved road leading from Brenham to Latium, known as the Brenham, Latium Rd; and,

WHEREAS, it is desired by said county to construct said road through and upon certain land now owned by us and to include in said road or the right of way therefore that part of such land so owned by us viz:

A strip of land along the north side of my 70 acre place on Spring Branch, and along the above road of such a width that there will be 40 ft. between the center line of said road as it will be laid out by the county Engr. and the new north line of my place, said strip of land being in __league in Washington County, Texas.

WHEREAS, it is thought by us that the construction of said road upon that part of our land hereinabove described would increase the value of our property; therefore,

KNOW ALL MEN BY THESE PRESENTS: That Kurt Zwahr & wife of the County of Washington and the State of Texas, in consideration of the prospective increase in the value of our property by the construction of said road, and for the further consideration of the sum of $1.00 to me in hand paid by said count, the receipt of which is hereby acknowledged; have Granted, Sold and Conveyed and by these presents do Grant, Sell, and Convey unto Washington County, Texas, alll of the land hereinabove described.

TO HAVE AND TO HOLD the above described land, together with all and singular the rights and appurtenances thereto in anywise belonging unto said Washington County, Texas, forever.

It is expressly agreed and understood, however, that should said road not be constructed over and upon the land hereinabove described, this conveyance shall becomme null and void and the title to said land shall revert to us or our heirs or assigns.

Witness our hands this the 14 day of Feb. A. D. 1927.

Kurt Zwahr.

THE STATE OF TEXAS)
COUNTY OF WASHINGTON) Before me the undersigned authority, on this day personally appeared Kurt Zwahr known to me to be theperson 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 14 day of February A. D. 1927.

(Seal) G. A. Bracher. Deputy Dist. Clerk, Washington County, Texas.

Filed for record at 8 o'clock A. M. June 1, 1929. C. B. Thompson CCCWC.

Recorded at 4:50 o'clock P. M. June 1, 1929. By [signature] Deputy.

****

DEED: MRS. METTA ZIESEMER TO WASHINGTON COUNTY.

THE STATE OF TEXAS)
COUNTY OF WASHINGTON) WHEREAS, Washington County, Texas, is desirous of constructing an improved road known as the Independence Road.

WHEREAS, it is desired by said county to construct said road through and upon certain land now owned by me and to include in said road or the right-of-way therefore that part of such land so owned by me viz:

A strip of land 40 ft. on each side of the center as it will be located about 270 ft. west of Herman Ziesemer's house thru my place about 6 miles north of Brenham. The field notes will be added later; and,

WHEREAS, it is thought by me that the construction of said road upon that part of my land above described would increase the value of my property; therefore,

KNOW ALL MEN BY THESE PRESENTS: That Mrs. Metta Ziesemer of the County of Washington and the State of Texas, in consideration of the prospective increase in the value of my property by the construction of said road, and for the further consideration of the sum of $1.00 to me in hand paid by said county, the receipt of which is hereby acknowledged; have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto Washington County, Texas, all of the land hereinabove described.

TO HAVE AND TO HOLD the above described land, together with all and singular the rights and appurtenances thereto in anywise belonging unto said Washington County, Texas, forever.

It is expressly agreed and understood, however, that should said road not be constructed over and upon the land herebinabove described, this conveyance shall become null and void and the title to said land shall revert to me or my heirs or assigns.

Witness our hands this the 15day of May A. D. 1923.

Metta Ziesemer.

THE STATE OF TEXAS)
COUNTY OF WASHINGTON) Before me, the undersigned authority, on this day personally appeared Mrs. Metta Ziesemer 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 the15 day of May A. D. 1923.

(Seal) G. A. Bracher. Deputy Dist. Clerk, Washington County.

Filed for record at 8 o'clock A. M. June 1, 1929. C. B. Thompson CCCWC.

Recorded at 5 o'clock P. M. June 1, 1929. By [signature] Deputy.

****

EASEMENT: MRS. ALMA HOSEA WOOD ET AL TO CITY OF BRENHAM:

THE STATE OF TEXAS)
COUNTY OF WASHINGTON) WHEREAS, the undersigned are the owners of the lands and lots lying

THE STATE OF TEXAS

COUNTY OF WASHINGTON () Before me, W.H.Morriss, A Notary Public in and for Washington County, Texas, on this day personally appeared Mrs.Erna Neumann, wife of Henry Neumann, 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 Mrs. Erna Neumann 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 15 day of January A.D. 1938.

(seal). W.H.Morriss Notary Public, Washington County,Texas.

Filed for record January 22,A.D.1938 at 9;30 Oclock A.M. Travis Phillips C.C.W.C.

Recored January 22nd A.D.1938 at 10;30 Oclock A.M. BY A.J.Wendt Deputy.

DEED-- W.F. HASSKARL TO WASHINGTON COUNTY.

THE STATE OF TEXAS

COUNTY OF WASHINGTON () KNOW ALL MEN BY THESE PRESENTS:

That I, W.F. Hasskarl , of the County of Washington,State of Texas, for and in consideration of the sum of One Dollar to me in hand paid by S.D.W. Low, County Judge of Washington County,Texas, and recognizing the advantage of having a good road running into my property. Have Granted, Sold and Conveyed, and by these presents do Grant,Sell and Convey unto the said S.D.W. Low, County Judge of WashingtonCounty,Texas, and his successors in office , of the County of Washington,State of Texas, all that certain tract or parcel of land situated in Washington County, Texas, out of theIsaac Jameson League, and a part of a 75 acre tract sold H.F. Jurries by Mrs. C.T. Low, and out of the North East side of a 36 acre tract conveyed Henry Neumann by Wilhelmina Neumann, et al, and all of a 16foot right of way conveyed Hacker and Estes, on the North East side of the Neumann tract, and conveyed by Hacker and Estes to W.F. Hasskarl , and included in this deed to the County, with the tract conveyed him by Henry Neumann and wife, and described as follows:

Beginning at the East corner of the 16 foot right of way. Thence with the North East line of same, N.44, W 401-2/3 vas to a stake for corner in the South Eastline of the Brenham, and Greenvine public road, the North corner of the 16 foot right of way, Thence with the North West line of same, and the same of the tract from Henry Neumann S. 47-1/2 W at 5.75 varas pass the common corner of the said two tracts, at 12.8 vrs the West corner of the tract from Henry Neumann.Thence with the South West line of said tract, S 44 E 401-2/3 vas to a stake in the South East line of the Neumann tract and the North West line of the Hasskarl tract., and the North West line of the Hasskarl tract, for corner the South corner of the tract from Neumann. Thence with the Neumann aid Hasskarl lines, N.43 E.12.8 vas to the place of beginning containing an area of Nine- tenths (9/10) of an acre of land.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said S.D.W. Low, County Judge, of Washington County,Texas, and his successors in office forever, and we do hereby bind ourselves our heirs and assigns to Warrant and Forever Defend, all and singular the said premises unto the said S.D.W. Low, County Judge, and his successors in office against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

Witness my hand at Brenham,Texas, this the 22 day of January A.D.1938.

W.F. Hasskarl

THE STATE OF TEXAS

COUNTY OF WASHINGTON () Before me, W.M.Morriss, A Notary Public, in and for Washington County, Texas, on this day personally appeared W.F. Hasskarl, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he signed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 22 day of January A.D.1938.

(seal). W.M. Morriss, Notary Public, Washington County, Texas.

Filed for record January 22, A.D.1938 at 2;25 Oclock P.M. Travis Phillips C.C.W.C.

Recorded January A.D.1938 at 3;30 Oclock P.M. BY A. J. Kenneth Deputy.

POWER OF ATTORNEY-- CLAUDE C. RHODES ET AL TO M.B. HOLLEMAN

POWER OF ATTORNEY:

KNOW ALL MEN BY THESE PRESENTS, That We, Claude C. Rhodes, and A.F. Rhodes, City of Chicago, County of Cook, in the State of Illinois, and Russell S. Rhodes ,County of Los Angeles, Van Nuys,Calif. have made, constituted and appointed, and by these Presents, do make, constitute and appoint M.B. Holleman of the City of Brenham, County of Washington, and State of Texas, true and lawful attorney in fact for us, and in our names, place and stead to execute all papers, enter into all agreements in connection with the settlement of the Estate of our mother, Emma Rhodes, who died at Brenham, Texas, on November17, 1937, and we hereby specifically authorize said M.B. Holleman, as our attorney in fact, to receive in our behalf our shares of both the personal property and real estate from the above Estate of our mother, and to execute in our behalf all necessary receipts and releases pertaining thereto. We further specifically authorize said attorney in fact to enter into agreements in our behalf that said Estate shall not be probated, and we further give and grant unto said M.B.Holleman, said attorney in fact ,full power and authority to do and perform all and every act and thing whatsoever, requisite and necessary to be done in and about the premises, as fully,to all intent and purposes, as we might or could do if personally present at the doing thereof, with full power of substitution and revocation , hereby ratifying and confirming all that our said attorney in fact or his substitute shall lawfully do or cause to be done by virtue hereof.

IN TESTIMONY WHEREOF, We have hereunto set our hands and seals this 11th day of January A.D. 1938.

Claude C. Rhodes(seal)

A.F. Rhodes (seal).

Russell S. Rhodes.

STATE OF ILLINOIS

COUNTY OF COOK. ()I, Irwin A. Rose, Notary Public, in and for, and residing in the said County, in the State aforesaid, DO HEREBY CERTIFY , that CLAUDE C. RHODES AND A.F. RHODES, personally known to me to be the same persons whose names subscribed to the foregoing instrument appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said Instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 11th day ofJanuary A.D.1938.

(seal). Irwin A.Rose Notary Public.

(6.)

MF 97511
ITEM Deed
TO
FROM
DATE 2-4-1970

VOL 830 PAGE 440

~~[redacted]~~ TRACT 1, 2, 3

OIL, GAS & MINERAL LEASE

PROD 88 (REV 8/93)
PAID UP

4356

THIS LEASE AGREEMENT is made effective the 24 th day of June, 19 96,

between Patricia I. Ryan

as Lessor (whether one or more), whose address is Rt. 1, Box 291, Blanco, TX 78606

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed, portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of Ten Dollars And No Cents and other good and valuable consideration Dollars ($ 10.00 and other good and valuable consideration), in hand pa of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in WASHINGTON County, Texas, to-wit:

74.95 acres, more or less, out of the Harmon Hensley League, A-59 and Isaac Jamelson League, A-67, Washington, Texas and being more particularly described in that certain Deed dated December 2, 1919 from Mrs. C. T. Low to H F. Jurries and recorded in Volume 74 at Page 235 of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 74.9500 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be 1/6 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be 1/6 of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valor taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus if a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other strat or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the u and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool eith before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. **Ancillary Rights.** In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. **Ownership Changes.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. **Warranty of Title.** Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. **Release of Lease.** Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. **Regulation and Delay.** Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS# AND/OR TAX ID #

[redacted]

LESSOR:

Patricia I. Ryan

Patricia I. Ryan

STATE OF Texas)
) ss.
COUNTY Blanco)

This instrument was acknowledged before me this 28th day of June, 19 96, by Patricia I. Ryan

Notary Public

My Commission Expires:
1/9/99

J. A. LEONARD III
NOTARY PUBLIC
State of Texas
Comm. Exp. 01-09-99

STATE OF _____)
) ss.
COUNTY _____)

This instrument was acknowledged before me this _____ day of _____, 19 ____, by _____.

Notary Public

My Commission Expires:

_____

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Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 24, 1996 by and between Patricia I. Ryan, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

OIL & GAS ONLY/EXCLUDED MINERALS

Notwithstanding anything herein to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the leased premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

PUGH HORIZONTAL

Notwithstanding any provision herein to the contrary, upon the expiration of the primary term of this Lease (or the expiration of any extension or renewal thereof), or upon the expiration of ninety (90) days following the completion of the last well drilled on the leased premises or acreage pooled therewith (whether completed as a well capable of production in paying quantities or as a dry hole), whichever is the later date, this Lease shall terminate as to any lands not included in a pooled unit, proration unit or other unit from which any well located thereon is producing or may be capable of producing in paying quantities, or upon which drilling, reworking or other operations calculated to restore production are being pursued as herein provided. After the expiration of the primary term of this Lease, if production on any pooled, proration or other unit permanently ceases from any cause either voluntary or involuntary (and if this Lease is not otherwise being maintained), this Lease shall terminate as to such unit unless Lessee within ninety (90) days thereafter commences reworking operations or the actual drilling of a new well thereon. In such event, this Lease will continue in effect as to such unit so long as such drilling or reworking is prosecuted with no cessation of such operations for more than ninety (90) consecutive days until production is restored.

FILED
AT 1:00 P.M.
JUL 17 1996
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

JUL 18 1996

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

LESSOR INITIALS

TRACTS 1, 2 & 3

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3395

MEMORANDUM OF OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 5 day of April, 1994 by and between Mary E. Low, a widow, hereinafter called "LESSOR" whose address is 609 South Austin Street, Brenham, Texas 77833 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil and Gas lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) years, and so long thereafter as oil or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil and Gas Lease in possession of Lessor and Lessee, respectively, for all provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

Mary E. Low
Mary E. Low

STATE OF TEXAS
COUNTY OF Washington

This instrument was acknowledged before me on the 19th day of April 1994, by Mary E. Low.

Mary Lou Winkelmann
Notary Public
State Of Texas
My Comm. Exp. March 31, 1997
SEAL

Mary Lou Winkelmann
Notary Public, State of Texas

Commission expires: 3/31/97

TX1-61611 (4)

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated April 5, 1994 by and between Mary E. Low, a widow, as Lessor and Union Pacific Resources Company as Lessee.

WASHINGTON COUNTY, TEXAS

HARMON HENSLEY SURVEY, ABSTRACT 59: ISAAC JAMEISON SURVEY, ABSTRACT 67

75.36 acres of land, more or less, a portion of the above captioned County and Surveys, and being the same land more completely described in that certain Deed dated December 2, 1919, from Mrs. C.T. Low, to H.F. Jurries, said Deed recorded in Volume 74 at page 235, Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

Mary E. Low

FILED
AT 1:45 P M
MAY - 9 1994
GERTRUDE LEHRMANN
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

MAY 18 1994

Gertrude Lehrmann, County Clerk
Washington County, Texas

OIL, GAS & MINERAL LEASE

PROD 88 (REV 6/93)
PAID UP

[redacted] TRACTS 1, 2 + 3

THIS LEASE AGREEMENT is made effective the 5th day of April, 19 94

between MARY E. LOW, A WIDOW

as Lessor (whether one or more), whose address is 609 South Austin, Brenham, Texas, 77833

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas, 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********Ten and other valuable considerations********** Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

HARMON HENSLEY SURVEY, ABSTRACT 59: ISAAC JAMEISON SURVEY, ABSTRACT 67

75.36 acres of land, more or less, a portion of the above captioned Surveys, and being the same land more completely described in that certain Deed dated December 2, 1919, from Mrs. C.T. Low, to H.F. Jurries, said Deed recorded in Volume 74 at page 235 of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 75.36 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making ...n a revision, Lessee shall file of record a written decl ... describing the revised unit and the effectiv... date revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the le...ed premises is included in or excluded from the unit virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be ma effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effect date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization 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 sl nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separ 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. Pooling hereun shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhan recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tan water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, t and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire lea premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn n on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and ot improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expirat thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Less In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with resp to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royal hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any t mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral es in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the lea premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interes all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportiona reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilli reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, servi material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably wi Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of s prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or o operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained he 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 o part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor Lessee for any purpose. For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

[redacted]

LESSOR:

Mary E. Low

Mary E. Low

STATE OF TEXAS)
) ss.
COUNTY OF Washington)

This instrument was acknowledged before me this 13th day of April, 1994, by Mary E. Low

Mary Lou Winkelmann
Notary Public

My Commission Expires:
3/31/97

Mary Lou Winkelmann
Notary Public
State Of Texas
My Comm. Exp. March 31, 1997

STATE OF _____)
) ss.
COUNTY OF _____)

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

Notary Public

My Commission Expires:

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED April 5, 1994 FROM Mary E. Low TO UNION PACIFIC RESOURCES COMPANY.

11. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

12. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

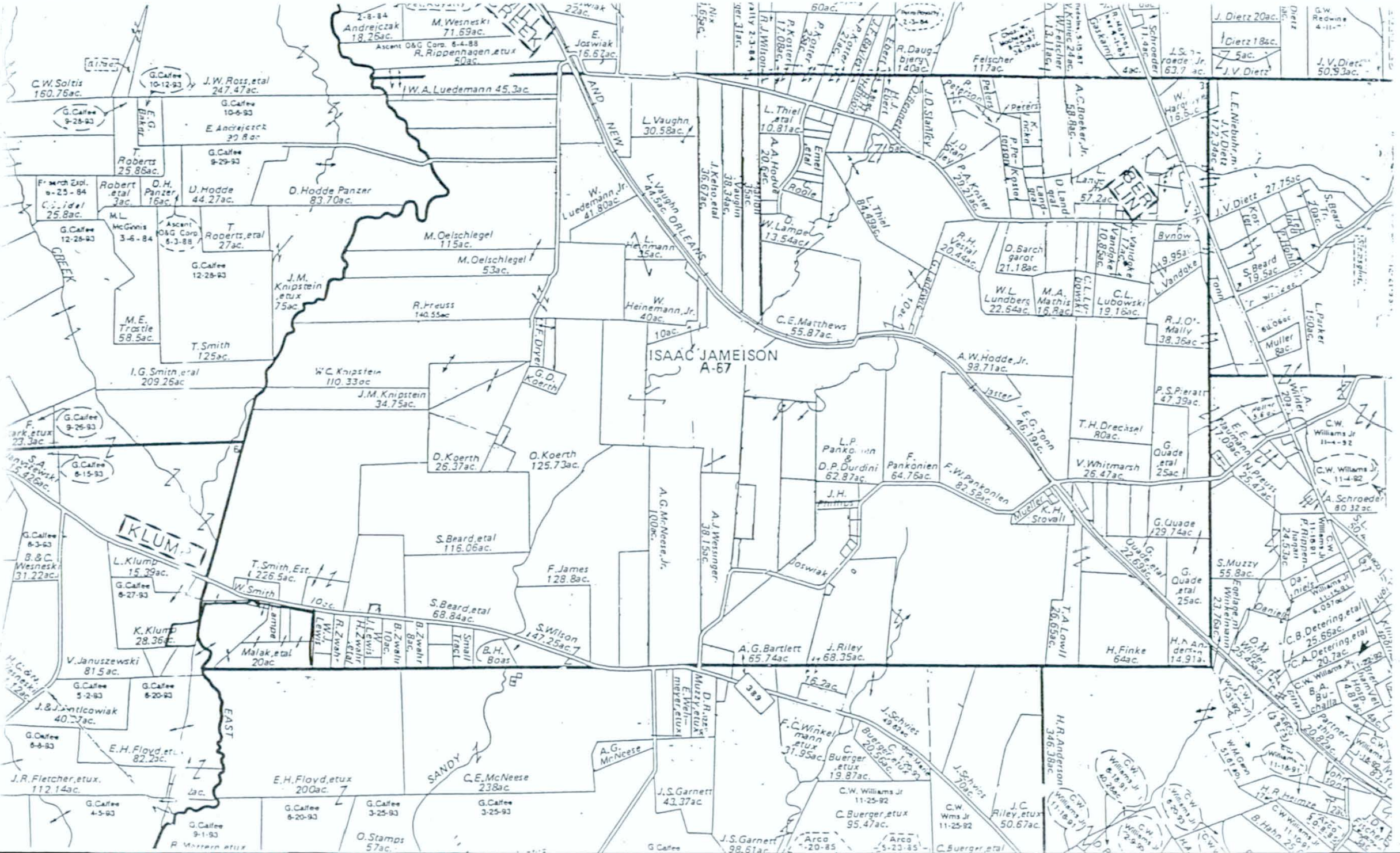
13. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

14. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of thirty dollars ($30.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

Mary E. Low — 4-13-94

Mary E. Low


ISAAC JAMEISON
A-67
KLUMP
BERLIN
GREEK
EAST
SANDY
AND NEW ORLEANS
C.W. Soltis 150.75ac.
J.W. Ross, etal 247.47ac.
W.A. Luedemann 45.3ac.
T. Roberts 25.86ac.
E. Andrejczak 20.8ac.
D. Hodde Panzer 83.70ac.
U. Hodde 44.27ac.
M. Oelschlegel 115ac.
M. Oelschlegel 53ac.
J.M. Knipstein, etux 75ac.
R. Kreuss 140.55ac.
M.E. Trostle 58.5ac.
T. Smith 125ac.
I.G. Smith, etal 209.26ac
W.C. Knipstein 110.33ac
J.M. Knipstein 34.75ac.
D. Koerth 26.37ac.
O. Koerth 125.73ac.
S. Beard, etal 116.06ac.
F. James 128.8ac.
S. Beard, etal 68.84ac.
S. Wilson 147.25ac.
T. Smith, Est. 226.5ac.
L. Klump 15.39ac.
K. Klump 28.36ac.
V. Januszewski 81.5ac.
J. & J. Antkowiak 40.17ac.
E.H. Floyd, etux 82.23ac.
J.R. Fletcher, etux. 112.14ac.
E.H. Floyd, etux 200ac.
C.E. McNeese 238ac.
O. Stamps 57ac.
A.G. McNeese, Jr. 100ac.
A.J. Wessinger 38.15ac.
A.G. Bartlett 65.74ac
J. Riley 68.35ac.
L.P. Pankonien & D.P. Durdini 62.87ac.
F. Pankonien 64.76ac.
F.W. Pankonien 82.52ac.
J.H. Pinnes
K.H. Stovall
A.W. Hodde, Jr. 98.71ac.
E.G. Tonn 46.19ac.
T.H. Drechsel 80ac.
V. Whitmarsh 26.47ac.
P.S. Pieratt 47.39ac.
G. Quade, etal 25ac.
G. Quade 29.74ac
G. Quade, etal 22.69ac.
G. Quade, etal 25ac.
T.A. Lowll 26.65ac.
H. Finke 64ac.
H.A. Anderson 14.91a.
S. Muzzy 55.8ac.
Cottage pl Winkelmann 23.76ac.
O.M. Wilder 25.45ac.
C.B. Detering, etal 25.65ac.
C.A. Detering, etal 20.7ac.
B.A. Buchalla
Partnership 20.82ac.
H.R. Anderson 346.38ac.
C. Buerger, etux 95.47ac.
C. Buerger, etux 19.87ac.
F.C. Winkelmann etux 31.95ac.
J. Schvies 49.82ac.
J. Schvies 70ac.
J.C. Riley, etux 50.67ac.
J.S. Garnett 43.37ac.
J.S. Garnett 98.61ac.
A.G. McNeese
D.R. Buerger, Muzzy, etux, E. Wellmeyer, etux
L. Thiel, etal 10.81ac.
A.A. Hodde 20.6ac.
L. Thiel 84.49ac.
D. W. Lampel 13.54ac.
L. Vaughn 30.58ac.
L. Vaughn 44.5ac.
J. Kelso, etal 36.67ac.
J. Vaughn 38.34ac.
W. Luedemann, Jr. 41.80ac.
L. Heinemann 15ac.
W. Heinemann, Jr. 40ac.
R.H. Vestal 20.44ac.
D. Sarchgarot 21.18ac.
W.L. Lundberg 22.54ac.
M.A. Mathis 16.8ac.
C.L. Lubowski 19.16ac.
R.J. O'Mally 38.36ac
Bynow 19.95ac.
L. Vandoke
J.V. Dietz 27.76ac
S. Beard 19.5ac.
L. Parker 15.08ac.
Muller 8ac.
L.E. Niebuhr, etux 172.34ac.
A.C. Boeker, Jr. 58.8ac.
Felscher 117ac.
R. Daugbjerg 140ac.
J. Dietz 20ac.
Dietz 18ac.
J.V. Dietz 50.93ac.
G.W. Redwine
Schroeder 63.7 ac.
Felscher 13.11ac.
W. Fletcher 24ac.
Gaskamp
Nix 1.65ac.
Rally 2-3-84
Andrejczak 18.25ac.
M. Wesneski 71.69ac.
Ascent O&G Corp. 6-4-88
R. Rippenhagen, etux 50ac.
E. Joswiak 16.67ac.
R.J. Wilson
R. Koster 17.08ac.
P. Koster 25ac.
A. Koster 25ac.
J.E. Hart
J.D. Stanley
P. Peterson
K. Nicken
Landgraf
D. Landgraf
Vandoke 10.88ac.
C.L. Lybowski
L. Vandoke
Toon
Joswiak
Jaster
Mueller
Daniels
Williams Jr 11-18-91
C.W. Williams Jr 11-4-92
C.W. Wms Jr 11-25-92
Arco 5-23-85
Arco 5-20-85
Partnership
Hop-4.81ac.
Ehrl
Harvel
Ohl
B. Hahn
H.R. Heimze
W.M. Green
B.C. Wesneski 31.22ac.
B. Zwahr 8ac.
B. Zwahr 10ac.
H.J. Zwahr, etal
W.J. Lewis
R. Zwahr
Small Tract
B.H. Boas
Malak, etal 20ac
Lane
W. Smith
S.A. Januszewski 15.42ac.
F. Clark, etux 23.3ac.
E.G. Baker
G.D. Koerth
E. Dryer
Ascent O&G Corp. 6-3-88
M.L. McGinnis 3-6-84
Robert, etal 3ac.
D.H. Panzer 16ac.
Frasch Expl. 6-25-84
Oil Field 25.8ac.
G.Calfee 10-12-93
G.Calfee 10-6-93
G.Calfee 9-29-93
G.Calfee 9-28-93
G.Calfee 12-28-93
G.Calfee 9-26-93
G.Calfee 8-15-93
G.Calfee 6-3-93
G.Calfee 6-27-93
G.Calfee 5-2-93
G.Calfee 6-20-93
G.Calfee 6-8-93
G.Calfee 4-5-93
G.Calfee 9-1-93
G.Calfee 6-20-93
G.Calfee 3-25-93
G.Calfee 3-25-93
G.Calfee
C.W. Williams Jr 11-25-92
C.W. Wms Jr 11-25-92
C.W. Williams Jr 11-18-91
C.W. Williams Jr 8-20-92
C.W. Williams Jr 8-18-92
C.W. Williams Jr 11-4-92
C.W. Williams Jr 11-18-91
C.W. Williams Jr 11-18-91
C.W. Williams Jr 11-18-91

TRACTS 1, 2, 3

VOL 830 PAGE 443

OIL, GAS & MINERAL LEASE

4357

PROD 88 (REV 8/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 24 th day of June, 19 96,

between Sallie M. Smith

as Lessor (whether one or more), whose address is 98 Grove Street, Rockville, CT 06066

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed, portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of Ten Dollars And No Cents and other good and valuable consideration Dollars ($ 10.00 and OGVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in WASHINGTON County, Texas, to-wit:

74.95 acres, more or less, out of the Harmon Hensley League, A-59 and Isaac Jameison League, A-67, Washington, Texas and being more particularly described in that certain Deed dated December 2, 1919 from Mrs. C. T. Low to H F. Jurries and recorded in Volume 74 at Page 235 of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 74.9500 acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term of three years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's held separator facilities, the royalty shall be 1/8 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be 1/8 of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus if a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lessee. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessee has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS# AND/OR TAX ID #

[redacted]

LESSOR:

Sallie M Smith

Sallie M. Smith

STATE OF CONNECTICUT)
) ss.
COUNTY TOLLAND)

This instrument was acknowledged before me this 28TH day of JUNE, 19 96, by Sallie M. Smith.

Janet M. Aldieland

Notary Public

My Commission Expires:

4/30/00

JANET M. ALDIELAND NOTARY PUBLIC CONNECTICUT

STATE OF _____)
) ss.
COUNTY _____)

This instrument was acknowledged before me this _____ day of _____, 19 ____, by _____.

Notary Public

My Commission Expires:

_____

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 24, 1996 by and between Sallie M. Smith, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

OIL & GAS ONLY/EXCLUDED MINERALS

Notwithstanding anything herein to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the leased premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

PUGH HORIZONTAL

Notwithstanding any provision herein to the contrary, upon the expiration of the primary term of this Lease (or the expiration of any extension or renewal thereof), or upon the expiration of ninety (90) days following the completion of the last well drilled on the leased premises or acreage pooled therewith (whether completed as a well capable of production in paying quantities or as a dry hole), whichever is the later date, this Lease shall terminate as to any lands not included in a pooled unit, proration unit or other unit from which any well located thereon is producing or may be capable of producing in paying quantities, or upon which drilling, reworking or other operations calculated to restore production are being pursued as herein provided. After the expiration of the primary term of this Lease, if production on any pooled, proration or other unit permanently ceases from any cause either voluntary or involuntary (and if this Lease is not otherwise being maintained), this Lease shall terminate as to such unit unless Lessee within ninety (90) days thereafter commences reworking operations or the actual drilling of a new well thereon. In such event, this Lease will continue in effect as to such unit so long as such drilling or reworking is prosecuted with no cessation of such operations for more than ninety (90) consecutive days until production is restored.

FILED
AT 1:00 P M.
JUL 17 1996
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

JUL 18 1996

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

VOL 850 PAGE 437

TRACTS 1, 2, 43

OIL, GAS & MINERAL LEASE

4355

PROD 88 (REV 8/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 24 th day of June, 19 96,

between Cecilia M. Batchelor

as Lessor (whether one or more), whose address is 109 Montford Road, Savannah, GA 31410

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of Ten Dollars And No Cents and other good and valuable consideration

Dollars ($ 10.00 and OGVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

WASHINGTON County, Texas, to-wit:

74.95 acres, more or less, out of the Harmon Hensley League, A-59 and Isaac Jameison League, A-67, Washington, Texas and being more particularly described in that certain Deed dated December 2, 1919 from Mrs. C. T. Low to H F. Jurries and recorded in Volume 74 at Page 235 of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 74.9500 acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term of three years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's held separator facilities, the royalty shall be 1/6 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be 1/6 of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus if a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expir thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulations and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained herein 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 part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS# AND/OR TAX ID #

[redacted]

LESSOR:

Cecilia M. Batchelor

Cecilia M. Batchelor

STATE OF Georgia)
) ss.
COUNTY Chatham)

This instrument was acknowledged before me this 28th day of June, 19 96, by Cecelia M. Batchelor.

Notary Public

Notary Public, Chatham County, Georgia
My Commission Expires July 24, 1999

STATE OF _____)
) ss.
COUNTY _____)

This instrument was acknowledged before me this _____ day of _____, 19 ____, by _____.

Notary Public

My Commission Expires:

_____

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 24, 1996 by and between Cecilia M. Batchelor, a married women dealing in her sole and separate property, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

OIL & GAS ONLY/EXCLUDED MINERALS

Notwithstanding anything herein to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the leased premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

PUGH HORIZONTAL

Notwithstanding any provision herein to the contrary, upon the expiration of the primary term of this Lease (or the expiration of any extension or renewal thereof), or upon the expiration of ninety (90) days following the completion of the last well drilled on the leased premises or acreage pooled therewith (whether completed as a well capable of production in paying quantities or as a dry hole), whichever is the later date, this Lease shall terminate as to any lands not included in a pooled unit, proration unit or other unit from which any well located thereon is producing or may be capable of producing in paying quantities, or upon which drilling, reworking or other operations calculated to restore production are being pursued as herein provided. After the expiration of the primary term of this Lease, if production on any pooled, proration or other unit permanently ceases from any cause either voluntary or involuntary (and if this Lease is not otherwise being maintained), this Lease shall terminate as to such unit unless Lessee within ninety (90) days thereafter commences reworking operations or the actual drilling of a new well thereon. In such event, this Lease will continue in effect as to such unit so long as such drilling or reworking is prosecuted with no cessation of such operations for more than ninety (90) consecutive days until production is restored.

FILED
AT 1:00 P.M.
JUL 17 1996
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

JUL 18 1996

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

TRACT 1; 2 & 3

OIL, GAS & MINERAL LEASE

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 6th day of April, 19 94

between JOHN BARNHILL, A MARRIED MAN DEALING HEREIN WITH HIS SEPARATE PROPERTY

as Lessor (whether one or more), whose address is Route 7, Box 7176, Brenham, Texas 77833

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas. 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********Ten and other valuable considerations**********

Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

Washington County, Texas, to-wit:

HARMON HENSLEY SURVEY, ABSTRACT 59: ISAAC JAMEISON SURVEY, ABSTRACT 67

75.36 acres of land, more or less, a portion of the above captioned County and Surveys, and being the same land more completely described in that certain Deed dated December 2, 1919 from Mrs. C.T. Low to H.F. Jurries, said Deed recorded in Volume 74 at page 235, Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 75.36 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose. For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

LESSOR:

X SS# [redacted]

X John Barnhill
John Barnhill

STATE OF TEXAS)
) ss.
COUNTY OF Washington)

This instrument was acknowledged before me this 7 day of April, 19 94, by John Barnhill.

Notary Public

My Commission Expires:
3-18-98

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 19 _____, by _____.

Notary Public

My Commission Expires:

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED April 6, 1994 FROM John Barnhill TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of thirty dollars ($30.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

John Barnhill

John Barnhill

TRACTS 1, 2 & 3

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3397

MEMORANDUM OF OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6 day of April, 1994 by and between John Barnhill, a married man dealing herein with his separate property hereinafter called "LESSOR" whose address is Route 7, Box 7176 Brenham, Texas. 77833 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil and Gas lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) years, and so long thereafter as oil or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil and Gas Lease in possession of Lessor and Lessee, respectively, for all provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

John Barnhill

John Barnhill

STATE OF TEXAS
COUNTY OF Washington

This instrument was acknowledged before me on the 7 day of April, 1994, by John Barnhill.

SEAL

Ruth Dodd

Notary Public, State of Texas

Commission expires: 3-18-98

TXI-61611 (5) car

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease, dated April 6, 1994, by and between John Barnhill, as Lessor and Union Pacific Resources Company, as Lessee.

WASHINGTON COUNTY, TEXAS

HARMON HENSLEY SURVEY, ABSTRACT 59: ISAAC JAMEISON SURVEY, ABSTRACT 67

75.36 acres of land, more or less, a portion of the above captioned County and Surveys, and being the same land more completely described in that certain Deed dated December 2, 1919 from Mrs. C.T. Low to H.F. Jurries, said Deed recorded in Volume 74 at page 235, Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

John Barnhill

John Barnhill

FILED
AT 1:45 P.M.
MAY - 8 1994

COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

MAY 18 1994

Gertrude Lehrmann

Gertrude Lehrmann, County Clerk
Washington County, Texas

TRACTS 1, 2, +3

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MEMORANDUM OF OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 6th day of April, 1994 by and between Nancy Green Scheffler, Attorney-in-Fact for Bershie B. Green, hereinafter called "LESSOR" whose address is 1045 Roaring Springs Road, Fort Worth, TX. 76114 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil and Gas lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) years, and so long thereafter as oil or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil and Gas Lease in possession of Lessor and Lessee, respectively, for all provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

× Nancy Green Scheffler

Nancy Green Scheffler, Attorney-in-Fact for
Bershie B. Green

STATE OF TEXAS
COUNTY OF

This instrument was acknowledged before me on the 11 day of April 1994, by Nancy Green Scheffler, Attorney-in-Fact for Bershie B. Green.

SEAL

BARBARA ARCAND
Notary Public, State of Texas
My Comm. Expires 03/03/96

Barbara Arcand

Notary Public, State of Texas

Commission expires: 3-3-96

TXI-61611 (6)

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated April 6, 1994, by and between Nancy Green Scheffler, Attorney-in-Fact for Bershie B. Green, as Lessor, and Union Pacific Resources Company, as Lessee.

HARMON HENSLEY SURVEY, ABSTRACT 59: ISAAC JAMEISON SURVEY, ABSTRACT 67

75.36 acres of land, more or less, a portion of the above captioned County and Surveys, and being the same land more completely described in that certain Deed dated December 2, 1919 from Mrs. C.T. Low to H.F. Jurries, said Deed recorded in Volume 74 at page 235, Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

Nancy Green Scheffler
Nancy Green Scheffler, Attorney-in-Fact
for Bershie B. Green

FILED
AT 1:45 P.M.
MAY - 9 1994
...
...COUNTY, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

MAY 18 1994

Gertrude Lehrmann
Gertrude Lehrmann, County Clerk
Washington County, Texas

OIL, GAS & MINERAL LEASE

PAID UP

: TRACTS 1, 2, +3

THIS LEASE AGREEMENT is made effective the 6th day of April, 19 94

between BERSHIE B. GREEN, A WIDOW, HEREIN REPRESENTED BY HER ATTORNEY-IN-FACT, NANCY GREEN SCHEFFLER

as Lessor (whether one or more), whose address is 1045 Roaring Springs Road, Fort Worth, Texas. 76114-4482

and Union Pacific Resources Company as Lessee

whose address is 801 Cherry Street, Fort Worth, Texas. 76102 All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********TEN AND OTHER VALUABLE CONSIDERATIONS********** Dollars ($ 10.00 & OVC), in hand paid of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

Washington County, Texas, to-wit:

HARMON HENSLEY SURVEY, ABSTRACT 59: ISAAC JAMEISON SURVEY, ABSTRACT 67

75.36 acres of land, more or less, a portion of the above captioned County and Surveys, and being the same land more completely described in that certain Deed dated December 2, 1919 from Mrs. C.T. Low to H.F. Jurries, said Deed recorded in Volume 74 at page 235, Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any bonus and shut-in royalties hereunder, said land shall be deemed to be comprised of 75.36 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price that is prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by the lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or the pool the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit, provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and the

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any taxes, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose. For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not this lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

SS # [redacted]

LESSOR:

Nancy Green Scheffler
Nancy Green Scheffler, Attorney-in-Fact
for Bershie B. Green

STATE OF TEXAS)
) ss.
COUNTY OF Tarrant)

This instrument was acknowledged before me this 11 day of April, 19 94 by Nancy Green Scheffler, Attorney-in-Fact for Bershie B. Green.

Barbara Arcano
Notary Public

My Commission Expires:
3-3-96

BARBARA ARCANO
Notary Public, State of Texas
My Comm. Expires 03/03/96

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 19 _____, by _____.

Notary Public

My Commission Expires:

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED April 6, 1994 FROM Nancy Green Scheffler, AIF/Bershie B. Green TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of thirty dollars ($30.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

Nancy Green Scheffler

Nancy Green Scheffler, Attorney-in-Fact
for Bershie B. Green

TRACT 1

OIL, GAS & MINERAL LEASE

VOL 793 PAGE 833
6363

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 1st day of June, 19 95,

between HENRY NEUMANN, JR., ALSO KNOWN AS HENRY NEUMANN AND WIFE, LOU MAE NEUMANN

as Lessor (whether one or more), whose address is Rt. 3, Box 151, Brenham, Texas 77833,

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is P. O. Box 7, Fort Worth, Texas 76101-0007. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of Ten and No/100 Dollars ($ 10.00), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

FOR LEGAL DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF FOR ALL PURPOSES

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 6.67 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of Three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one-sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one-sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proporionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remov fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the exp thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained her 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 part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessa given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. ... the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SEE ADDENDUM ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

SS # AND/OR TAX ID #

LESSOR:

SS# [redacted]

Henry Neumann JR

HENRY NEUMANN, JR., ALSO KNOWN AS HENRY NEUMANN

SS [redacted]

Lou Mae Neumann

LOU MAE NEUMANN

STATE OF TEXAS)
) ss.
COUNTY OF WASHINGTON)

This instrument was acknowledged before me this 1st day of JUNE 19 95, by HENRY NEUMANN, JR., ALSO KNOWN AS HENRY NEUMANN AND WIFE, LOU MAE NEUMANN.

D E Popham

Notary Public

My Commission Expires:
12-12-98

D.E. POPHAM
Notary Public, State of Texas
My Commission Expires
DECEMBER 12 1998

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 19 _____, by _____.

_____

Notary Public

My Commission Expires:

_____

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED JUNE 1, 1995, BY AND BETWEEN HENRY NEUMANN, JR., ALSO KNOWN AS HENRY NEUMANN, AND WIFE, LOU MAE NEUMANN, AS LESSOR AND UNION PACIFIC RESOURCES COMPANY, AS LESSEE, AND COVERING 6.67 ACRES, MORE OR LESS, OUT OF ISAAC JAMEISON SURVEY, A-67, WASHINGTON COUNTY, TEXAS.

6.67 ACRES OF LAND, MORE OR LESS, OUT OF ISAAC JAMEISON SURVEY, A-67, WASHINGTON COUNTY, TEXAS, AND BEING FURTHER DESCRIBED AS FOLLOWS:

TRACT 1: 36.00 acres of land, more or less, out of Isaac Jameison Survey, A-67, Washington County, Texas, and being that same land as described in Deed dated August 28, 1962, from Erna Z. Weckwerth to Henry Neumann, and recorded in Volume 243, Page 202, Deed Records, Washington County, Texas

TRACT 2: 0.67 acres of land, more or less, out of Isaac Jameison Survey, A-67, Washington County, Texas, and being that same land as described in Deed dated March 16, 1967, from LeRoy D. Klump to Henry Neumann, Jr., and recorded in Volume 270, Page 90, Deed Records, Washington County, Texas

LESS AND EXCEPT:

TRACT 1: 20.00 acres of land, more or less, out of Isaac Jameison Survey, A-67, Washington County, Texas, and being that same land as described in Deed dated March 17, 1967, from Henry Neumann to Paul Andrezczak, and recorded in Volume 270, Page 92, Deed Records, Washington County, Texas

TRACT 2: 10.00 acres of land, more or less, out of Isaac Jameison Survey, A-67, Washington County, Texas, and being that same land as described in Deed dated January 11, 1972, from Henry Neumann, Jr. et ux to Willie Lampe et ux, and recorded in Volume 309, Page 326, Deed Records, Washington County, Texas

Leaving a balance of 6.67 acres, more or less, herein leased.

SIGNED FOR IDENTIFICATION:

Henry Neumann Jr

HENRY NEUMANN, JR., ALSO KNOWN AS
HENRY NEUMANN

Lou Mae Neumann

LOU MAE NEUMANN

ADDENDUM

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED JUNE 1, 1995, BY AND BETWEEN HENRY NEUMANN, JR., ALSO KNOWN AS HENRY NEUMANN, AND WIFE, LOU MAE NEUMANN, AS LESSOR AND UNION PACIFIC RESOURCES COMPANY, AS LESSEE, COVERING 6.67 ACRES, MORE OR LESS, OUT OF THE ISAAC JAMEISON SURVEY, A-67, WASHINGTON COUNTY, TEXAS.

Notwithstanding any provision to the contrary in the foregoing Lease, it is understood and agreed by Lessor and Lessee that:

(1) It is understood and agreed by the parties hereto that this lease covers only oil and gas and associated liquid or liquefiable hydrocarbons. All coal, lignite, gravel and fissionable materials are reserved to the Lessors herein.

(2) Notwithstanding any provisions hereof to the contrary, if a part of the leased premises is included within a pool or proration units, drilling operations or production from the unitized premises shall maintain this lease only as to that portion of the leased premises within such pool or proration unit regardless of whether such unit is located totally within the acreage covered by this lease or not. As to that portion of the leased premises not included in a proration unit or pool, after expiration of the primary term, this lease may be maintained only by production or by operation of other provisions herein which pertain to reworking operations, drilling operations or additional drilling operations. After the expiration of the primary term, Lessee agrees to release in recordable form all acreage not held by production in paying quantities.

(3) Lessee shall inform Lessor before any road or roads are placed on the leased premises and all fences cut by Lessee shall be securely braced before cutting so as to prevent slack therein and all fence openings shall be closed by a permanent gate and/or cattle guard and to become the sole property of the Lessor upon termination of this lease.

(4) Should Lessor suffer damage to livestock, water wells, fences, roads, personal property, building or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of the said loss. Lessee further agrees to fill and level all slush pits, so as to return the surface to its original condition as nearly as practical, within a reasonable length of time after the abandonment of the use of such pits, and, upon written request from Lessor, Lessee will construct and maintain fences surrounding such pit or other excavations sufficient to turn cattle until such pits or other excavations are so leveled.

(5) Notwithstanding anything contained herein to the contrary, it is agreed and understood that the Lessee's right to maintain this lease in force after the primary term by shut-in gas well payments shall not continue for any one shut-in period of more than five (5) years or in reoccurring periods not to exceed five (5) years in the aggregate.

(6) In the event of conflict between the terms of this rider and the printed form of this lease, the terms of this rider shall supersede the terms of the printed form.

SIGNED FOR IDENTIFICATION:

Henry Neumann Jr
HENRY NEUMANN, JR., ALSO KNOWN AS HENRY NEUMANN

Lou Mae Neumann
LOU MAE NEUMANN

FILED
AT 11:00 A.M.
AUG 11 1995
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

AUG 14 1995

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

VOL 833 PAGE 40

TRACT 2

MEMORANDUM OF OIL AND GAS LEASE

4827

THIS AGREEMENT, made and entered into this 20th day of July, 1996 by and between EDMUND J. MALAK, hereinafter called "LESSOR" whose address is 7239 Cottage Street, Philadelphia, PA. 19135 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil and Gas lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date, and so long thereafter as oil or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil and Gas Lease in possession of Lessor and Lessee, respectively, for all provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein

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

Edmund J. Malak

Edmund J. Malak

ACKNOWLEDGMENT

STATE OF PENNSYLVANIA

COUNTY OF Philadelphia

On this, the 2 day of August, 1996 before me, DAVID E WATSON, the undersigned officer, personally appeared EDMUND J. MALAK, known to me to be the person whose name is subscribed to the within named instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

Notary Public, State of Pennsylvania

DAVID E WATSON

Printed Name

Commission Expires: May 22 1998

NOTARIAL SEAL
DAVID E WATSON, Notary Public
City of Philadelphia, Phila County
My Commission Expires May 22, 1998

EXHIBIT "A"

Attached to and made a part hereof of that certain Memorandum of Oil and Gas Lease dated July 20, 1996 by and between EDMUND J. MALAK, as Lessor, and UNION PACIFIC RESOURCES COMPANY, as Lessee.

15.0 acres of land, more or less, part of the Isaac Jameison Survey, A-67, Washington County, Texas, more fully described in Partition Deed dated September 5, 1995 from Randall L. Patterson, Individually and as Trustee to Georgia Malak and Edmund J. Malak, recorded in Volume 799, Page 797, Official Records, Washington County, Texas.

FILED

AT 3:35 P M.

AUG - 5 1996 DB

Beth A. Rothermel

BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

AUG 06 1996

Beth A. Rothermel

Beth Rothermel, County Clerk
Washington County, Texas

OIL, GAS & MINERAL LEASE (2) TRACT 2

PROD 88 (REV 8/93) PAID UP

THIS LEASE AGREEMENT is made effective the 20 th day of July 19 96

between Edmund J. Malak

as Lessor (whether one or more), whose address is 7239 Cottage Street, Philadelphia, PA 19135

and Union Pacific Resources Company, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of Ten Dollars And No Cents Dollars ($ 10.00), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

WASHINGTON County, Texas, to-wit:

15.00 acres of land, more or less, part of the Isaac Jamelson Survey, A-67, Washington County, Texas, more fully described in Partition Deed dated September 5, 1995 from Randall L. Patterson, Individually and as Trustee to Georgia Malak and Edmund J. Malak, recorded in Volume 799, Page 797, Official Records, Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 15.0000 acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term of three years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's held separator facilities, the royalty shall be 1/5 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be 1/5 of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered, provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus if a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS# AND/OR TAX ID #

[redacted]

LESSOR:

Edmund J. Malak

Edmund J. Malak

STATE OF _____)
) ss.
COUNTY _____)

This instrument was acknowledged before me this _____ day of _____, 19 ___, by _____.

_____
Notary Public

My Commission Expires:

_____

STATE OF _____)
) ss.
COUNTY _____)

This instrument was acknowledged before me this _____ day of _____, 19 ___, by _____.

_____
Notary Public

My Commission Expires:

_____

Attached hereto and made a part hereof that certain Oil and Gas Lease dated July 20, 1996 by and between Edmund J. Malak, as Lessor, and Union Pacific Resources Company as Lessee.

STATE OF Pennsylvania
COUNTY OF Philadelphia

On this the 2 day of August, 1996, before me, David E Watson, the undersigned officer, personally appeared Edmund J Malak, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

Notary Public, State of Pennsylvania
Printed Name: David E Watson
Commission Expires: May 22 1998

Attached hereto and made a part hereof that certain Oil and Gas Lease dated July 20, 1996 by and between Edmund J. Malak, as Lessor, and Union Pacific Resources Company as Lessee.

Exhibit A

OIL & GAS ONLY/EXCLUDED MINERALS

12. Notwithstanding anything herein to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the leased premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

PUGH HORIZONTAL

13. Notwithstanding any provision herein to the contrary, upon the expiration of the primary term of this Lease (or the expiration of any extension or renewal thereof), or upon the expiration of ninety (90) days following the completion of the last well drilled on the leased premises or acreage pooled therewith (whether completed as a well capable of production in paying quantities or as a dry hole), whichever is the later date, this Lease shall terminate as to any lands not included in a pooled unit, proration unit or other unit from which any well located thereon is producing or may be capable of producing in paying quantities, or upon which drilling, reworking or other operations calculated to restore production are being pursued as herein provided. After the expiration of the primary term of this Lease, if production on any pooled, proration or other unit permanently ceases from any cause either voluntary or involuntary (and if this Lease is not otherwise being maintained), this Lease shall terminate as to such unit unless Lessee within ninety (90) days thereafter commences reworking operations or the actual drilling of a new well thereon. In such event, this Lease will continue in effect as to such unit so long as such drilling or reworking is prosecuted with no cessation of such operations for more than ninety (90) consecutive days until production is restored.

TRACT 2 & 3

VOL 730 PAGE 310 **MEMORANDUM OF OIL, GAS AND MINERAL LEASE**

2134

THIS AGREEMENT, made and entered into this the 8th day of January, 1994, by and between Georgia Ellen Malak, hereinafter called "LESSOR", whose address is 304 Hillcrest Lane, Brenham, Texas. 77833 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE", whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil, Gas and Mineral Lease made and entered into this day by and between the parties hereto covering the land hereinafter being described, does hereby grant, lease and let exclusively unto Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows, to wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) additional years(s), and so long thereafter as oil and/or gas is being produced in paying quantities from the Leased Premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil and/or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil, Gas and Mineral Lease, in possession of Lessor and Lessee, respectively, for all of the provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

Georgia Ellen Malak
GEORGIA ELLEN MALAK

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Washington

This instrument was acknowledged before me the 16th day of March, 19 94 by Georgia Ellen Malak

Linda Tiemann
Notary Public, State of Texas

Notary's name printed or typed: Linda Tiemann.
My Commission Expires: 7-21-96.

LINDA TIEMANN
Notary Public, State of Texas
My Commission Expires 7-21-96

cac

TX1-61834(1)

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease, dated January 8, 1994, by and between Georgia Ellen Malak, as Lessor, and Union Pacific Resources Company, as Lessee.

COUNTY OF WASHINGTON

ISAAC JAMEISON SURVEY, ABSTRACT 67

20.00 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Warranty Deed dated December 16, 1970, from Paul Andrejczak and wife, Patsy Ann Andrejczak, to Stephen L. Malak, said Deed recorded in Volume 302 at page 564, Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

Georgia Ellen Malak
GEORGIA ELLEN MALAK

FILED
AT 3:30 P M.
APR - 8 1994
Gertrude Lehrmann
GERTRUDE LEHRMANN
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

APR 13 1994
Gertrude Lehrmann
Gertrude Lehrmann, County Clerk
Washington County, Texas

OIL, GAS & MINERAL LEASE ~~DRAFT~~ DRAFT 2+3 PROD 88 (REV 6/93) PAID UP

THIS LEASE AGREEMENT is made effective the 8th day of January, 19 94,

between GEORGIA ELLEN MALAK, A WIDOW

as Lessor (whether one or more), whose address is 304 Hillcrest Lane, Brenham, Texas. 77833,

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas. 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********Ten and other valuable considerations********** Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

ISAAC JAMEISON SURVEY, ABSTRACT 67

20.00 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Warranty Deed dated December 16, 1970, from Paul Andrejczak and wife, Patsy Ann Andrejczak, to Stephen L. Malak and M.C. Malak, said Deed recorded in Volume 302 at page 564, of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 20.00 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose. For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

LESSOR:

SS# [redacted]

Georgia Ellen Malak

GEORGIA ELLEN MALAK

STATE OF X TEXAS)
) ss.
COUNTY OF Washington)

This instrument was acknowledged before me this 16 day of ~~January~~ March, 19 94, by Georgia Ellen Malak

Linda Tiemann
Notary Public

My Commission Expires:
7-21-96

LINDA TIEMANN
Notary Public, State of Texas
My Commission Expires 7-21-96

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 19 _____, by _____.

_____
Notary Public

My Commission Expires:

_____

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED January 8, 1994 FROM Georgia Ellen Malak TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

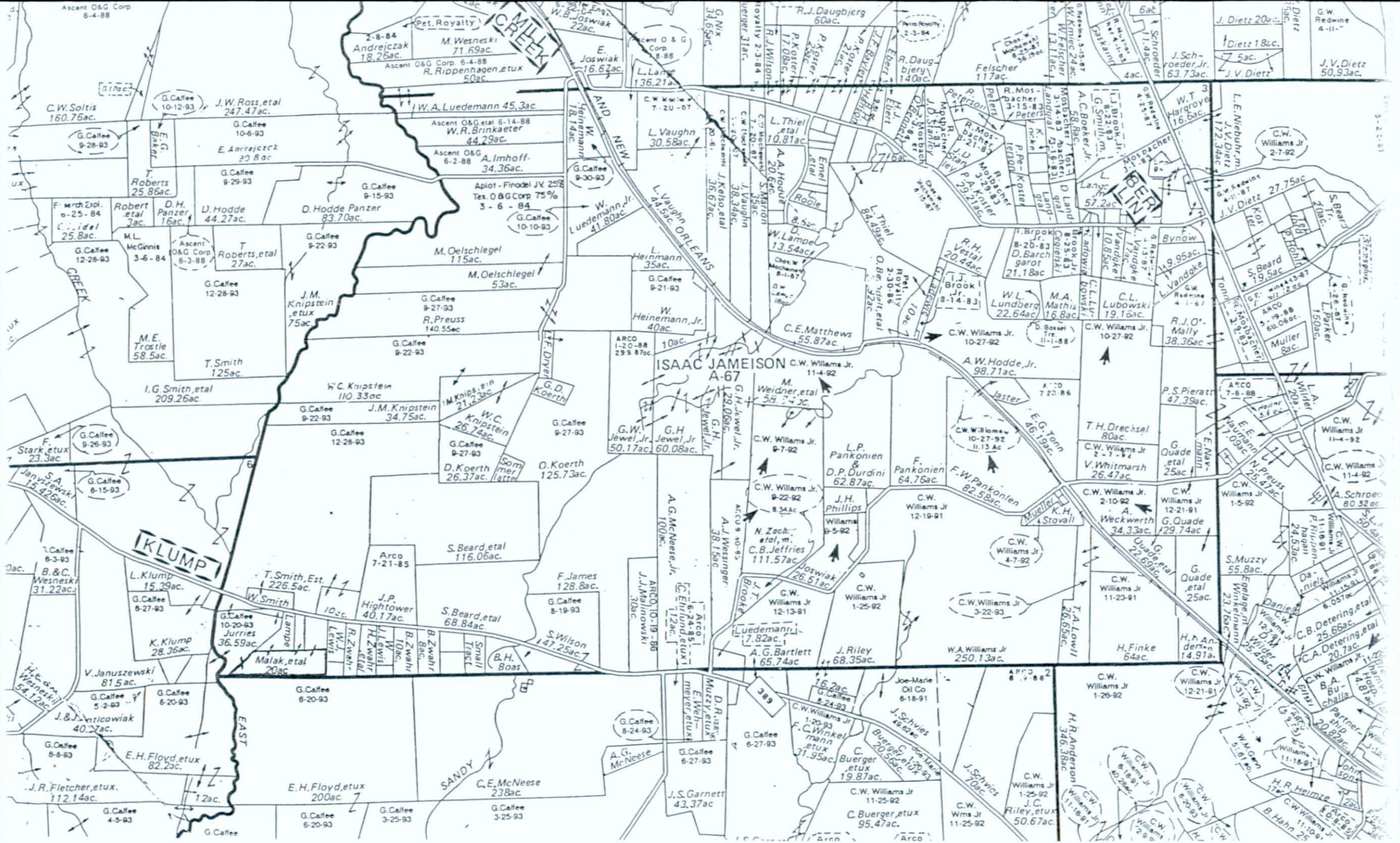
15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of thirty dollars ($30.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

Georgia Ellen Malak

Georgia Ellen Malak

_____


ISAAC JAMEISON
A-67
MILL CREEK
AND NEW ORLEANS
KLUMP
GREEK
EAST SANDY
BERLIN
C.W. Williams Jr 10-27-92
C.W. Williams Jr 11-4-92
C.W. Williams Jr 9-7-92
C.W. Williams Jr 9-22-92
C.W. Williams Jr 10-27-92 11.13 Ac
C.W. Williams Jr 2-10-92
C.W. Williams Jr 2-7-92
C.W. Williams Jr 11-4-92
C.W. Williams Jr 1-5-92
C.W. Williams Jr 12-19-91
C.W. Williams Jr 12-13-91
C.W. Williams Jr 1-25-92
C.W. Williams Jr 11-23-91
C.W. Williams Jr 12-21-91
C.W. Williams Jr 1-26-92
C.W. Williams Jr 11-25-92
C.W. Williams Jr 1-20-93
C.W. Williams Jr 3-22-93
C.W. Williams Jr 4-7-92
C.W. Williams Jr 11-18-91
C.W. Williams Jr 8-20-93
C.W. Williams Jr 8-18-91
C.W. Williams Jr 11-10-91
C.W. Williams Jr 1-25-92
C.W. Williams Jr 11-18-91
C.W. Williams Jr 11-10-91
C.W. Williams Jr 11-18-91
C.W. Williams Jr 11-18-91
C.W. Williams Jr 11-18

TRACT 3 VOL 830 PAGE 561

OIL, GAS & MINERAL LEASE

PROD 88 (REV 8/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 17 th day of July 4393, 19 96,

between Randall L. Patterson, Individually and as Trustee and wife, Linda S. Patterson

as Lessor (whether one or more), whose address is 23 Spanish Oaks, Brenham, TX 77833

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of Ten Dollars And No Cents and other good and valuable consideration Dollars ($ 10.00 and OGVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

WASHINGTON County, Texas, to-wit:

5.00 acres of land, more or less, out of the Isaac Jamseison League, A-67, Washington County, Texas and being the same land as described in Exhibit "A" of that certain Partition Deed from Georgia Malak and Edmund J. Malak to Randall L. Patterson, Individually and as Trustee, dated September 5, 1995 and recorded in Volume 799, Page 404, of the Offical Records of Washington County, Texas.

For additional provisions to this lease, see Exhibit "A" attached hereto and made a part hereof.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 5.0000 acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term of three years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's held separator facilities, the royalty shall be 1/6 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be 1/6 of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus if a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. **Ancillary Rights.** In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expirat thereof.

7. **Ownership Changes.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. **Warranty of Title.** Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. **Release of Lease.** Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. **Regulation and Delay.** Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained her 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 part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS# AND/OR TAX ID #

[redacted]

[redacted]

LESSOR:

Randall L. Patterson, Individually and as Trustee

Linda S. Patterson

STATE OF TEXAS)
) ss.
COUNTY WASHINGTON)

This instrument was acknowledged before me this 18TH day of July, 1996, by Randall L. Patterson.

Notary Public

My Commission Expires:
01/09/99

NOTARY PUBLIC
of Texas
Exp. 01-09-99

J. A. LEONARD III
NOTARY PUBLIC
State of Texas
Comm. Exp. 01-09-99

STATE OF TEXAS)
) ss.
COUNTY WASHINGTON)

This instrument was acknowledged before me this 18TH day of July, 1996, by Linda S. Patterson.

Notary Public

My Commission Expires:
01/09/99

J. A. LEONARD III
NOTARY PUBLIC
State of Texas
Comm. Exp. 01-09-99

Attached hereto and made a part hereof that certain Oil and Gas Lease dated July 17, 1996 by and between Randall L. Patterson, Individually and as Trustee and wife, Linda S. Patterson, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

1. PUGH HORIZONTAL

Notwithstanding any provision herein to the contrary, upon the expiration of the primary term of this Lease (or the expiration of any extension or renewal thereof), or upon the expiration of ninety (90) days following the completion of the last well drilled on the leased premises or acreage pooled therewith (whether completed as a well capable of production in paying quantities or as a dry hole), whichever is the later date, this Lease shall terminate as to any lands not included in a pooled unit, proration unit or other unit from which any well located thereon is producing or may be capable of producing in paying quantities, or upon which drilling, reworking or other operations calculated to restore production are being pursued as herein provided. After the expiration of the primary term of this Lease, if production on any pooled, proration or other unit permanently ceases from any cause either voluntary or involuntary (and if this Lease is not otherwise being maintained), this Lease shall terminate as to such unit unless Lessee within ninety (90) days thereafter commences reworking operations or the actual drilling of a new well thereon. In such event, this Lease will continue in effect as to such unit so long as such drilling or reworking is prosecuted with no cessation of such operations for more than ninety (90) consecutive days until production is restored.

2. OIL & GAS ONLY/EXCLUDED MINERALS

Notwithstanding anything herein to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the leased premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

3. SURFACE USE

It is understood and agreed by the parties hereto that Lessee hereby waives the right to conduct drilling operations upon the surface of the herein leased premises, unless permission for such use is provided by the expressed written consent of the Lessor.

FILED
AT 3:55 P M.
JUL 18 1996
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

JUL 19 1996

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

LESSOR INITIALS

TRACT 4

VOL 730 PAGE 305

2131

MEMORANDUM OF OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 10 day of March, 1994 by and between Joe C. Orsak, Jr. and Debra J. Orsak, husband and wife, hereinafter called "LESSOR" whose address is Route 3, Box 156, Brenham, Texas. 77833 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil and Gas lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) years, and so long thereafter as oil or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil and Gas Lease in possession of Lessor and Lessee, respectively, for all provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

Joe C. Orsak, Jr. Debra J. Orsak

STATE OF TEXAS
COUNTY OF Washington

This instrument was acknowledged before me on the 10th day of March 1994, by Joe C. Orsak, Jr. and Debra J. Orsak, husband and wife.

SEAL

Cheryl Gaskamp
Notary Public, State of Texas

Commission expires: 9-8-97

CHERYL GASKAMP
NOTARY PUBLIC
State of Texas
Comm. Exp. 09-08-97

cae

TXI-61833

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated March 10, 1994, by and between Joe C. Orsak, Jr. and Debra J. Orsak, as Lessors and Union Pacific Resources Company, as Lessee.

WASHINGTON COUNTY, TEXAS

ISAAC JAMEISON SURVEY, ABSTRACT 67

2.00 acres, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Warranty Deed dated August 20, 1977, from Elwood Schomberg et al, to Joe C. Orsak, Jr. said Deed recorded in Volume 356 at page 935 of the Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

Joe C. Orsak, Jr.

Debra J. Orsak

FILED
AT 3:30 P M.
APR - 4 1994
GERTRUDE LEHRMANN
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

APR 13 1994

Gertrude Lehrmann, County Clerk
Washington County, Texas

OIL, GAS & MINERAL LEASE

67 1 TRACT 4

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 10th day of March, 19 94,

between JOE C. ORSAK, JR. AND DEBRA J. ORSAK, HUSBAND AND WIFE

as Lessor (whether one or more), whose address is Route 3, Box 156, Brenham, Texas, 77833,

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas, 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********Ten and other valuable considerations**********

Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

Washington County, Texas, to-wit:

ISAAC JAMEISON SURVEY, ABSTRACT 67

2.00 acres, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Warranty Deed dated August 20, 1977, from Elwood Schomberg et al, to Joe C. Orsak, Jr., said Deed recorded in Volume 356 at page 935 of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 2.00 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proporionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose. For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

[redacted]

[redacted]

LESSOR:

x Joe C. Orsak, Jr.

Joe C. Orsak, Jr.

Debra J. Orsak

Debra J. Orsak

STATE OF TEXAS)
) ss.
COUNTY OF Washington)

This instrument was acknowledged before me this ____ day of March, 19 94, by Joe C. Orsak, Jr. and Debra J. Orsak, husband and wife.

Cheryl Gaskamp
Notary Public

My Commission Expires:
9-8-97

CHERYL GASKAMP
NOTARY PUBLIC
State of Texas
Comm. Exp. 09-08-97

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this ____ day of _____, 19 ____, by _____.

_____
Notary Public

My Commission Expires:

_____

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED March 10, 1994 FROM Joe C. Orsak,Jr. & Debra J. Orsak TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

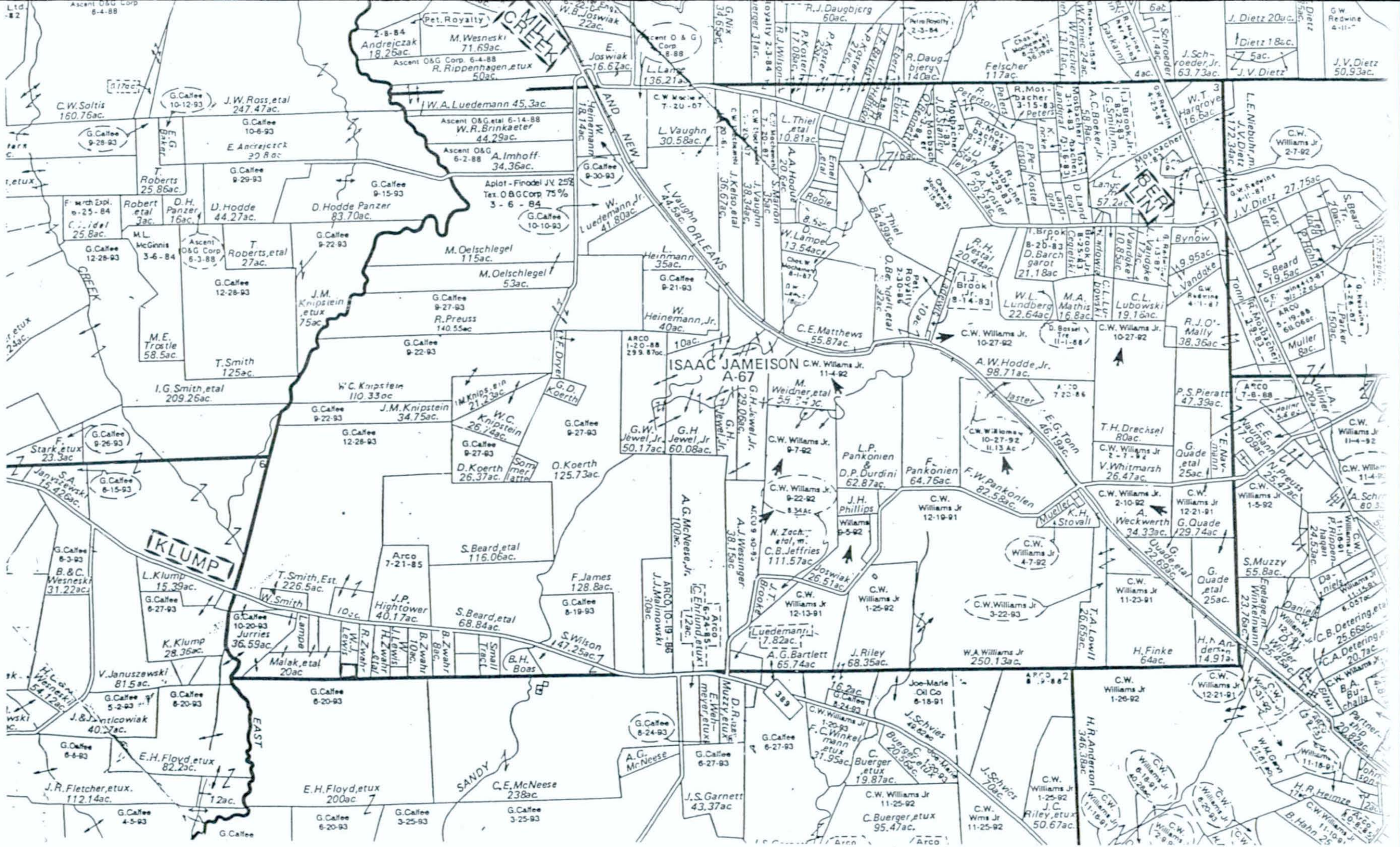
14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of thirty dollars ($30.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

Joe C. Orsak, Jr.

Debra J. Orsak


ISAAC JAMEISON
A-67
MILL CREEK
AND NEW ORLEANS
KLUMP
BERLIN
GREEK
EAST SANDY
C.W. Williams Jr 2-7-92
C.W. Williams Jr 10-27-92
C.W. Williams Jr 11-4-92
C.W. Williams Jr 9-7-92
C.W. Williams Jr 9-22-92
C.W. Williams Jr 12-19-91
C.W. Williams Jr 12-13-91
C.W. Williams Jr 1-25-92
C.W. Williams Jr 11-25-92
C.W. Williams Jr 1-26-92
C.W. Williams Jr 12-21-91
C.W. Williams Jr 11-23-91
C.W. Williams Jr 4-7-92
C.W. Williams Jr 3-22-93
C.W. Williams Jr 1-5-92
C.W. Williams Jr 2-10-92
C.W. Williams Jr 11-18-91
C.W. Williams Jr 11-10-91
C.W. Williams Jr 6-20-93
C.W. Williams Jr 1-20-93
C.W. Williams Jr 1-25-92
C.W. Williams Jr 11-25-92
C.W. Williams Jr 11-4-92
C.W. Williams Jr 2-7-92
C.W. Williams Jr 10-27-92
C.W. Williams Jr 11-4-92
C.W. Williams Jr 10-27-92 11.13 Ac
C.W. Williams Jr 2-7-92
C.W. Williams Jr 2-10-92
C.W. Williams Jr 11-18-91
C.W. Williams Jr 11-10-91
C.W. Williams Jr 6-20-93
C.W. Williams Jr 1-25-92
C.W. Williams Jr 11-25-92
C.W. Wms Jr 11-25-92
C.W. Williams Jr 12-21-91
C.W. Williams Jr 11-18-91
C.W. Williams Jr 11-10-91
C.W. Williams Jr 6-20-93
C.W. Williams Jr 6-18-91
C.W. Williams Jr 40.28ac

VOL 819 PAGE 652

TRACT 5

MEMORANDUM OF OIL AND GAS LEASE

2180

THIS AGREEMENT, made and entered into this 24 day of February, 1994 by and between Willie Meneweather and Cedella Meneweather, husband and wife, hereinafter called "LESSOR" whose address is Route 3, Box 150, Brenham, Texas. 77833 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil and Gas lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) years, and so long thereafter as oil or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil and Gas Lease in possession of Lessor and Lessee, respectively, for all provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

x Willie Meneweather
Willie Meneweather

x Cedella Meneweather
Cedella Meneweather

STATE OF TEXAS
COUNTY OF Washington

This instrument was acknowledged before me on the 2nd day of March 1994, by Willie Meneweather and Cedella Meneweather, husband and wife.

SEAL

GLADYS S. HOGAN
NOTARY PUBLIC
State of Texas
Comm. Exp. 10-31-96

Gladys S. Hogan
Notary Public, State of Texas

Commission expires: 10-31-96

cae

TXI-61694

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated February 24, 1994, by and between Willie Meneweather and Cedella Meneweather, as Lessors, and Union Pacific Resources Company, as Lessee.

WASHINGTON COUNTY, TEXAS

ISAAC JAMEISON SURVEY, ABSTRACT 67

5.968 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Warranty Deed dated May 30, 1986, from Willie J. Lewis et al, to Willie Meneweather and wife, Cedella Meneweather, said Deed recorded in Volume 537 at page 347, Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

X WILLIE MENEWEATHER
Willie Meneweather

X Cedella Meneweather
Cedella Meneweather

FILED
AT 11:20 a.m.
APR - 4 1996
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

APR 08 1996

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

TRACT 5 OIL, GAS & MINERAL LEASE (9) PROD 88 (REV 6-93) PAID UP

THIS LEASE AGREEMENT is made effective the 24 day of February, 19 94,

between WILLIE MENEWEATHER AND CEDELLA MENEWEATHER, HUSBAND AND WIFE

as Lessor (whether one or more), whose address is Route 3, Box 150, Brenham, Texas, 77833,

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas, 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********Ten and other valuable considerations********** Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

ISAAC JAMEISON SURVEY, ABSTRACT 67

5.968 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Warranty Deed dated May 30, 1986, from Willie J. Lewis et al, to Willie Meneweather and wife, Cedella Meneweather, said Deed recorded in Volume 537 at page 347, Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 5.968 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

be produced from the leased premises. In mak[illegible]ch a revision, Lessee shall file of record a written dec[illegible]tion describing the revised unit and the effective date of revision shall be the date of filing unless provided o[illegible]ise in such declaration. To the extent any portion of th[illegible]ed premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. **Ancillary Rights.** In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. **Ownership Changes.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. **Warranty of Title.** Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. **Release of Lease.** Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. **Regulation and Delay.** Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. **Breach or Default.** ~~An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or provision contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose.~~ For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

[redacted]

[redacted]

LESSOR:

Willie Meneweather
Willie Meneweather

Cedella Meneweather
Cedella Meneweather

STATE OF TEXAS)
) ss.
COUNTY OF Washington)

NOTARY PUBLIC
State of Texas
Comm. Exp. 10-31-96

This instrument was acknowledged before me this 2nd day of March, 19 94, by Willie Meneweather and Cedella Meneweather, husband and wife.

Gladys D. Hogan
Notary Public

My Commission Expires:
10-31-96

STATE OF Texas)
) ss.
COUNTY OF Washington)

This instrument was acknowledged before me this 2nd day of March, 19 94, by Cedella & Willie Menew

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED February 24, 1994 FROM Willie Meneweather and Cedella Meneweather TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

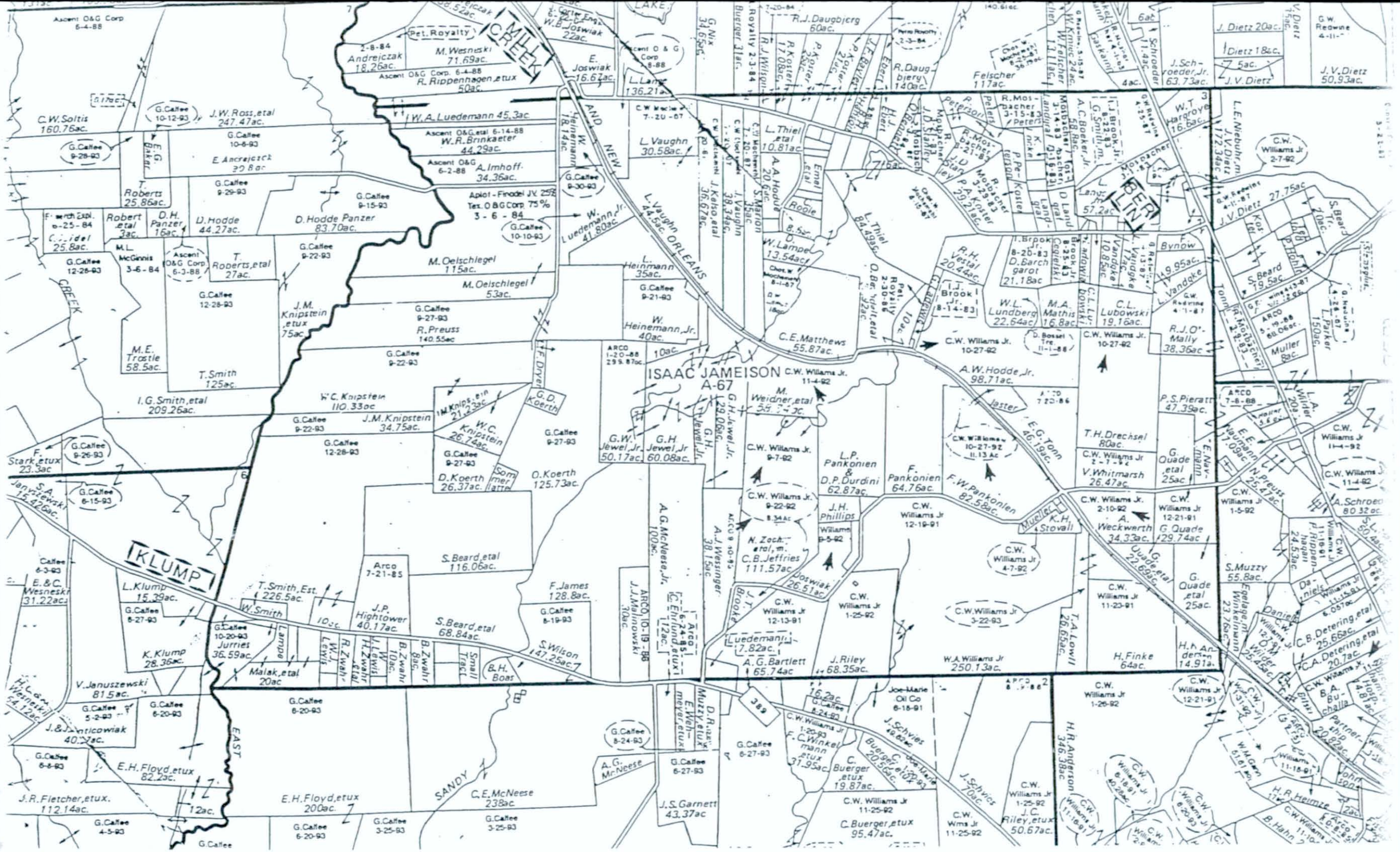
14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of thirty dollars ($30.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

X WILLIE MENEWEATHER
Willie Meneweather

X Cedilla Meneweather
Cedella Meneweather


ISAAC JAMEISON
A-67
KLUMP
MILL CREEK
NEW ORLEANS
BERLIN
EAST SANDY CREEK
Ascent O&G Corp 6-4-88
Pet. Royalty
M. Wesneski 71.69ac.
Andrejczak 18.26ac.
R. Rippenhagen, etux 50ac.
E. Joswiak 16.67ac.
L. Lamp 136.21ac.
C.W. Soltis 160.76ac.
J.W. Ross, etal 247.47ac.
W.A. Luedemann 45.3ac.
Ascent O&G, etal 6-14-88
W.R. Brinkaeter 44.29ac.
Ascent O&G 6-2-88
A. Imhoff 34.36ac.
L. Vaughn 30.58ac.
T. Roberts 25.86ac.
E. Andrejczak 30.8ac.
Aplot - Finodel JV
Tex. O&G Corp 75%
3 - 6 - 84
W. Luedemann, Jr. 41.80ac.
L. Vaughn 44.5ac.
D. Hodde 44.27ac.
D. Hodde Panzer 83.70ac.
M. Oelschlegel 115ac.
M. Oelschlegel 53ac.
L. Heinmann 35ac.
W. Heinemann, Jr. 40ac.
R. Preuss 140.55ac
J.M. Knipstein, etux 75ac.
M.E. Trostle 58.5ac.
T. Smith 125ac.
I.G. Smith, etal 209.26ac.
W.C. Knipstein 110.33ac
J.M. Knipstein 34.75ac.
W.C. Knipstein 26.74ac.
D. Koerth 26.37ac.
O. Koerth 125.73ac.
G.W. Jewel, Jr. 50.17ac.
G.H. Jewel, Jr. 60.08ac.
G.H. Jewel, Jr. 29.05ac.
M. Weidner, etal 54.7ac.
C.E. Matthews 55.87ac.
A.W. Hodde, Jr. 98.71ac.
L.P. Pankonien & D.P. Durdini 62.87ac.
F. Pankonien 64.76ac.
F.W. Pankonien 82.58ac.
T.H. Drechsel 80ac.
V. Whitmarsh 26.47ac.
G. Quade, etal 25ac.
P.S. Pieratt 47.39ac.
R.J. O'Mally 38.36ac.
C.L. Lubowski 19.16ac.
W.L. Lundberg 22.64ac
M.A. Mathis 16.8ac.
R.H. Vestal 20.44ac.
D. Barchgarot 21.18ac
L. Vandake 10.85ac.
F. Bynow 49.95ac.
S. Beard 19.5ac.
S. Beard Tr. 2.0ac.
L. Parker 150ac.
Muller 8ac.
J. Dietz 20ac.
Dietz 18ac.
5ac.
J.V. Dietz 50.93ac.
J.V. Dietz 27.75ac
L.E. Niebuhr, m. J.V. Dietz 172.34ac
W.T. Hargroye 16.6ac.
J. Schroeder, Jr. 63.73ac.
Schroeder 11.4ac.
Felscher 117ac.
R. Daugbjerg 140ac.
R. Daugbjerg 60ac.
L. Thiel, etal 10.81ac.
A.A. Hodde 20.6ac.
J.D. Stanley 29.21ac.
R. Mosbacher 3-15-83
A.C. Boeker, Jr. 58.8ac.
D. Landgraf 57.2ac.
J.J. Brook, Jr. 8-22-83
J. Brook, Jr. 8-14-83
D. Barchgarot 21.18ac
Arco 5-19-88 68.06ac.
Arco 1-20-88 299.87ac.
Arco 7-6-88
Arco 7-21-85
Arco 6-24-85, etux 12ac.
Arco 10-19-88 30ac.
A.G. McNeese, Jr. 100ac.
A.J. Wessinger 38.15ac.
S. Beard, etal 116.06ac.
S. Beard, etal 68.84ac.
J.P. Hightower 40.17ac.
T. Smith, Est. 226.5ac.
F. James 128.8ac.
S. Wilson 147.25ac.
L. Klump 15.39ac.
K. Klump 28.36ac.
V. Januszewski 81.5ac.
E. & C. Wesneski 31.22ac.
S.A. Januszewski 15.42ac.
E. & C. Wesneski 64.12ac.
J. & J. Janicowiak 40.27ac.
E.H. Floyd, etux 82.2ac.
J.R. Fletcher, etux. 112.14ac.
E.H. Floyd, etux 200ac.
C.E. McNeese 238ac.
J.S. Garnett 43.37ac.
A.G. McNeese
D.R. Muzzy, etux
E. Wehmeyer, etux
C.B. Jeffries 111.57ac.
N. Zoch, etal, m.
J.H. Phillips
A.G. Bartlett 65.74ac
J. Riley 68.35ac.
W.A. Williams Jr 250.13ac.
C. Buerger, etux 19.87ac.
C. Buerger, etux 95.47ac.
J. Schvies 70ac.
J. Schvies 40.62ac.
Joe-Marie Oil Co 6-18-91
C.C. Winkelmann, etux 31.95ac.
J.C. Riley, etux 50.67ac.
T.A. Lowell 26.65ac.
H. Finke 64ac.
H.H. Anderson 14.91a.
H.R. Anderson 346.38ac.
S. Muzzy 55.8ac.
Feelage, et Winkelmann 23.76ac.
C.B. Detering, etal 25.66ac.
C.A. Detering, etal 20.7ac.
B.A. Buchalla
Partnership 20.82ac.
H.R. Heimze
A. Schroeder 80.32ac.
N. Preuss 25.47ac.
J. Rippenhagen 24.53ac.
G. Quade 129.74ac
G. Quade, etal 22.69ac.
E.G. Tonn 46.19ac.
E. Neumann 11.09ac.
L.A. Wilder 20ac.
E. Navemann
Daniels
Muller
K.H. Stovall
Jaster
Joswiak 26.51ac.
Luedemann 7.82ac.
Small Tract
B.H. Boas
B. Zwahr 8ac.
B. Zwahr, etal
W.J. Lewis
R. Zwahr, etal
Lampe
Jurries 36.59ac.
Malak, etal 20ac
W. Smith
Mosbacher
Langgraf
Brook
Williams
Daniels
Partnership
Johnson
Hahn
Wilder
Muller
Stovall
Jaster
Tonn
Vandake
Bynow
Beard
Parker
Dietz
Schroeder
Felscher
Daugbjerg
Thiel
Hodde
Pankonien
Durdini
Matthews
Heinmann
Oelschlegel
Knipstein
Trostle
Smith
Roberts
Panzer
Soltis
Ross
Luedemann
Vaughn
Lamp
Joswiak
Andrejczak
Rippenhagen
Wesneski
Januszewski
Janicowiak
Floyd
Fletcher
McNeese
Garnett
Muzzy
Wehmeyer
Jeffries
Zoch
Phillips
Bartlett
Riley
Williams
Buerger
Schvies
Winkelmann
Riley
Lowell
Finke
Anderson
Muzzy
Feelage
Winkelmann
Detering
Buchalla
Partnership
Heimze
Schroeder
Preuss
Rippenhagen
Quade
Tonn
Neumann
Wilder
Navemann
Daniels
Muller
Stovall
Jaster
Joswiak
Luedemann
Small Tract
Boas
Zwahr
Lewis
Lampe
Jurries
Malak

VOL 731 PAGE 742

TRACT 6

2808

MEMORANDUM OF OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 2 day of March, 1994 by and between Reinhardt Henry Zwahr and Esther Zwahr, hereinafter called "LESSOR" whose address is 24231 Shellbrook, Huffman, Texas, 77336 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil and Gas lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) years, and so long thereafter as oil or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil and Gas Lease in possession of Lessor and Lessee, respectively, for all provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

Reinhardt Henry Zwahr
Reinhardt Henry Zwahr

Esther Zwahr
Esther Zwahr

STATE OF TEXAS
COUNTY OF Harris

This instrument was acknowledged before me on the 21 day of March 1994, by Reinhardt Henry Zwahr and Esther Zwahr.

SEAL

KAREN PEDDY
MY COMMISSION EXPIRES
October 15, 1997

Karen Peddy
Notary Public, State of Texas

Commission expires: 10-15-97

cer

TXI-62718

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated March 2, 1994, by and between Reinhardt Henry Zwahr and Esther Zwahr, as Lessors, and Union Pacific Resources Company, as Lessee.

WASHINGTON COUNTY, TEXAS

ISAAC JAMEISON SURVEY, ABSTRACT 67

7.968 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Warranty Deed dated November 2, 1988 from Kenhardt Alton Zwahr et al, to Reinhardt Henry Zwahr, said Deed recorded in Volume 595 at page 378, Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

Reinhardt Henry Zwahr
Reinhardt Henry Zwahr

Esther Zwahr
Esther Zwahr

FILED
AT 11:20 a AL
APR 18 1994
Gertrude Lehrmann
GERTRUDE LEHRMANN
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

APR 27 1994

Gertrude Lehrmann
Gertrude Lehrmann, County Clerk
Washington County, Texas

: TRACT 6

OIL, GAS & MINERAL LEASE (11)

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 2nd day of March, 19 94,

between REINHARDT HENRY ZWAHR AND ESTHER ZWAHR, HUSBAND AND WIFE

as Lessor (whether one or more), whose address is 24231 Shellbrook, Huffman, Texas. 77336

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas. 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********Ten and other valuable considerations********** Dollars ($ 10.00 &OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

ISAAC JAMEISON SURVEY, ABSTRACT 67

7.968 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Warranty Deed dated November 2, 1988, from Kenhardt Alton Zwahr et al, to Reinhardt Henry Zwahr, said Deed recorded in Volume 595 at page 378, Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 7.968 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED March 2, 1994 FROM Reinhardt Henry Zwahr & Esther Zwahr TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of twenty five dollars ($25.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

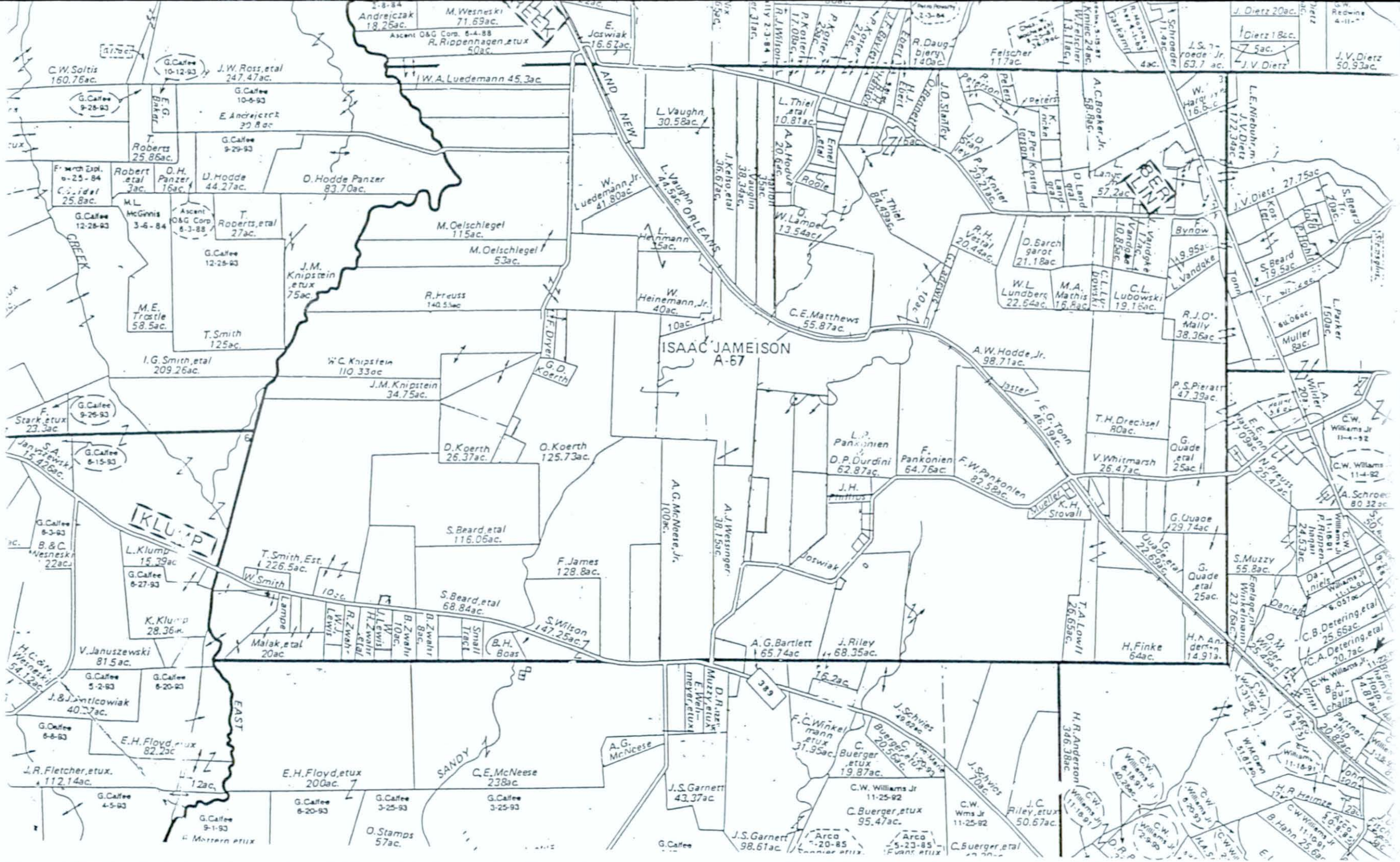
SIGNED FOR IDENTIFICATION:

Reinhardt Henry Zwahr

Reinhardt Henry Zwahr

Esther Zwahr

Esther Zwahr


ISAAC JAMEISON
A-67
KLUMP
BERLIN
GREEK
EAST
SANDY
AND NEW ORLEANS
C.W. Soltis 160.76ac.
J.W. Ross, etal 247.47ac.
T. Roberts 25.86ac.
E. Andrejczak 30.8ac
D. Hodde 44.27ac.
D. Hodde Panzer 83.70ac.
M. Oelschlegel 115ac.
M. Oelschlegel 53ac.
J.M. Knipstein, etux 75ac.
R. Preuss 140.5ac.
M.E. Trostle 58.5ac.
T. Smith 125ac.
I.G. Smith, etal 209.26ac.
W.C. Knipstein 110.33ac.
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W. Luedemann, Jr. 41.80ac.
L. Vaughn 44.5ac.
L. Vaughn 30.58ac.
W.A. Luedemann 45.3ac.
M. Wesneski 71.69ac.
R. Rippenhagen, etux 50ac.
E. Joswiak 16.67ac.
L. Thiel, etal 10.81ac.
A.A. Hodde 20.6ac.
J. Kelso, etal 36.62ac.
J. Vaughn 38.34ac.
W. Lampe 13.54ac.
L. Thiel 84.49ac.
L. Heinmann 15ac.
W. Heinemann, Jr. 40ac.
C.E. Matthews 55.87ac.
D. Koerth 26.37ac.
O. Koerth 125.73ac.
A.G. McNeese, Jr. 100ac.
A.J. Wessinger 38.15ac.
L.P. Pankonien & D.P. Durdini 62.87ac.
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A.W. Hodde, Jr. 98.71ac.
E.G. Tonn 46.19ac.
T.H. Drechsel 80ac.
V. Whitmarsh 26.47ac.
G. Quade, etal 25ac.
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G. Quade, etal 25ac.
T.A. Lowl 26.65ac.
H. Finke 64ac.
H.A. Anderson 14.91ac.
H.R. Anderson 346.38ac.
P.S. Pieratt 47.39ac.
L.A. Wilder 20ac.
E.E. Hausmann 7.09ac.
N. Preuss 25.47ac.
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Foreigen, Winkelmann 23.76ac.
O.H. Wilder 25.42ac.
C.B. Detering, etal 25.65ac.
C.A. Detering, etal 20.7ac.
B.A. Buchalla 4.8ac.
Partnership 20.82ac.
H.R. Helmke 12ac.
L.E. Niebuhr, etux 172.34ac.
J.V. Dietz 27.75ac.
J.V. Dietz 50.93ac.
J. Dietz 20ac.
J. Dietz 18ac.
J.V. Dietz 7ac.
S. Beard 10ac.
S. Beard 19.5ac.
L. Parker 150ac.
Muller 83ac.
Bynow 19.95ac.
L. Vandyke 17ac.
L. Vandyke 10.85ac.
D. Barchgarot 21.18ac.
W.L. Lundberg 22.54ac.
M.A. Mathis 16.8ac.
C.L. Lubowski 19.16ac.
R.J. O'Mally 38.36ac.
R.H. Vestal 20.4ac.
P.A. Knetter 39.21ac.
D. Landgraf 57.2ac.
A.C. Booker, Jr. 58.8ac.
R. Daugbjerg 140ac.
Felscher 117ac.
J.S. Schroeder 63.7ac.
J.O. Slattery
R. Peterson
Peters
Kosier
Landgraf
Roble
Emel, etal
Dreyer
Koerth
Jaster
Mueller
K.H. Stovall
J.H. Phillips
Joswiak
Lange
Malak, etal 20ac.
T. Smith, Est. 226.5ac.
W. Smith
L. Klump 15.39ac.
K. Klump 28.36ac.
S. Beard, etal 116.06ac.
S. Beard, etal 68.84ac.
F. James 128.8ac.
S. Wilson 147.25ac.
W.J. Lewis
R. Zwahr, etal
H. Zwahr
B. Zwahr 8ac.
B. Zwahr 10ac.
Small Tract
B.H. Boas
A.G. Bartlett 65.74ac
J. Riley 68.35ac.
16.2ac.
D.R. Izer, Muzzy, etux E. Wehmeyer, etux
F.C. Winkelmann, etux 31.95ac.
C. Buerger, etux 19.87ac.
C. Buerger, etux 20.55ac.
J. Schvies 49.62ac.
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C. Buerger, etux 95.47ac.
C.W. Williams Jr 11-25-92
C.W. Wms Jr 11-25-92
J.C. Riley, etux 50.67ac.
C. Buerger, etal
A.G. McNeese
J.S. Garnett 43.37ac.
J.S. Garnett 98.61ac.
C.E. McNeese 238ac.
E.H. Floyd, etux 200ac.
E.H. Floyd, etux 82.2ac.
J.R. Fletcher, etux. 112.14ac.
O. Stamps 57ac.
V. Januszewski 81.5ac.
J. & J. Sintkowiak 40.7ac.
H.C. & H. Wesneski 54.12ac.
S.A. Januszewski 15.42ac.
B. & C. Wesneski 22ac.
F. Stark, etux 23.3ac.
Ascent O&G Corp. 8-3-88
Ascent O&G Corp. 8-4-88
G.Calfee 10-12-93
G.Calfee 9-28-93
G.Calfee 10-6-93
G.Calfee 9-29-93
G.Calfee 12-28-93
G.Calfee 9-25-93
G.Calfee 8-15-93
G.Calfee 8-3-93
G.Calfee 8-27-93
G.Calfee 5-2-93
G.Calfee 8-20-93
G.Calfee 8-8-93
G.Calfee 4-5-93
G.Calfee 9-1-93
G.Calfee 8-20-93
G.Calfee 3-25-93
G.Calfee 3-25-93
G.Calfee
E.G. Baker
O.H. Panzer 16ac.
Robert, etal 3ac.
M.L. McGinnis 3-6-84
Arco 5-20-85
Arco 5-23-85
Evans, etux
Bonnier, etux
389

TRACT 7

VOL 734 PAGE 386

MEMORANDUM OF OIL, GAS AND MINERAL LEASE

3394

THIS AGREEMENT, made and entered into this the 13 day of January, 19 94, by and between Herbert O. Zwahr, et al, hereinafter called "LESSOR", whose address is 3011 Vollmer, Houston, Texas. 77092 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE", whose address is 801 Cherry Street, Fort Worth, Texas. 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil, Gas and Mineral Lease made and entered into this day by and between the parties hereto covering the land hereinafter being described, does hereby grant, lease and let exclusively unto Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows, to wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) additional years(s), and so long thereafter as oil and/or gas is being produced in paying quantities from the Leased Premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil and/or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil, Gas and Mineral Lease, in possession of Lessor and Lessee, respectively, for all of the provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

Herbert O. Zwahr

X Herbert O. Zwahr, Jr.

Gloria Zwahr

X Gloria Zwahr

Allyne Sillivan

X Allyne Sillivan

Evelyn Harmel

X Evelyn Harmel

ACKNOWLEDGMENT

STATE OF TEXAS

X COUNTY OF Harris

This instrument was acknowledged before me the 16th day of March January, 19 94, by Herbert O. Zwahr, Jr. and Gloria Zwahr, husband and wife.

SUZANNA G. AGUILAR
Notary Public, State of Texas
My Commission Expires 11-06-95

Suzanna G. Aguilar

Notary Public, State of Texas

Notary's name printed or typed: Suzanna G. Aguilar

My Commission Expires: 11-6-95

TXI-62947 cor

ACKNOWLEDGMENT

STATE OF TEXAS §
§ ss.
COUNTY OF HARRIS §

This instrument was acknowledged before me the 21st day of ~~January~~ March, 1994, by ALLYNE SILLIVAN.

ADA JOA TERRY
NOTARY PUBLIC
State of Texas
Comm. Exp. 04-01-97

Amanda Terry
Notary Public

My commission expires: 4/1/97.

ACKNOWLEDGMENT

STATE OF TEXAS §
§ ss.
COUNTY OF BRAZOS §

This instrument was acknowledged before me the 9th day of ~~January~~ March, 1994, by EVELYN HARMEL.

Notary Public

My commission expires: 6-7-95.

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated January 13, 1994, by and between Herbert O. Zwarh, Jr. et al as Lessors, and Union Pacific Resources Company, as Lessee.

COUNTY OF WASHINGTON

ISAAC JAMEISON SURVEY, ABSTRACT 67

7.967 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Partition Deed dated January 8, 1969, from Erna Zwahr Weckworth, et al, to Herbert Zwarh, said tract of land being called Tract 3, in the aforementioned Partition Deed, which is recorded in Volume 289 at page 300, of the Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

Herbert O. Zwahr, Jr.

Gloria Zwahr

Allyne Sillivan

Evelyn Harmel

FILED
AT 1:45 P M.
MAY - 9 1994
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

MAY 18 1994

Gertrude Lehrmann, County Clerk
Washington County, Texas

OIL, GAS & MINERAL LEASE

~~#2~~ TRACT 7

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 13 day of January, 19 94.

between HERBERT O. ZWAHR, JR. AND GLORIA ZWAHR, HUSBAND AND WIFE; ALLYNE SILLIVAN; EVELYN HARMEL

as Lessor (whether one or more), whose address is 3011 Vollmer, Houston, Texas. 77092.

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas. 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********Ten and other valuable considerations********** Dollars ($), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

ISAAC JAMEISON SURVEY, ABSTRACT 67

7.967 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Partition Deed dated January 8, 1969, from Erna Zwahr Weckworth, et al, to Herbert Zwarh, said tract of land being called Tract 3, in the aforementioned Partition Deed, which is recorded in Volume 289 at page 300 of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 7.967 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proporionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose. For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

STATE OF TEXAS)
) ss.
COUNTY OF Brazos)

This instrument was acknowledged before me this 9th day of ~~January~~ March, 1994, by Evelyn Harmel.

My commission expires: 6-7-95

Notary Public

COUNTY OF Harris)
) ss.

This instrument was acknowledged before me this 21st day of ~~January~~ March, 19 94, by Allyne Sillivan.

AMANDA TERRY
NOTARY PUBLIC
State of Texas
Comm. Exp. 04-01-97

Notary Public

My Commission Expires:
4/1/97

revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit productic which royalties are payable hereunder shall thereafter b isted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee n at any time dissolve any unit formed hereunder by filing itten declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-

SS # AND/OR TAX ID #

LESSOR:

Allyne Sillivan

× Allyne Sillivan SS# [redacted]

× Evelyn Harmel SS# Evelyn Harmel

[redacted]

Herbert O. Zwahr, Jr.

× Herbert O. Zwahr, Jr. SS# [redacted]

Gloria Zwahr

× Gloria Zwahr SS# [redacted]

STATE OF TEXAS)
) ss.
COUNTY OF Harris)

× This instrument was acknowledged before me this 16th day of ~~January~~ March, 19 94, by Herbert O. Zwahr, Jr. and Gloria Zwahr, husband and wife.

Suzanna G. Aguilar
Notary Public

SUZANNA G. AGUILAR
Notary Public, State of Texas
My Commission Expires 11-06-95

My Commission Expires:
11-6-95

× STATE OF TEXAS)
) ss.
COUNTY OF Harris)

This instrument was acknowledged before me this 21st day of ~~January~~ March, 19 94, by Allyne Sillivan.

Amanda Terry
Notary Public

AMANDA TERRY
NOTARY PUBLIC
State of Texas
Comm. Exp. 04-01-97

My Commission Expires:
4/1/97

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED January 13, 1994 FROM Herbert O. Zwahr, Jr. et al TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of $30.00 per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

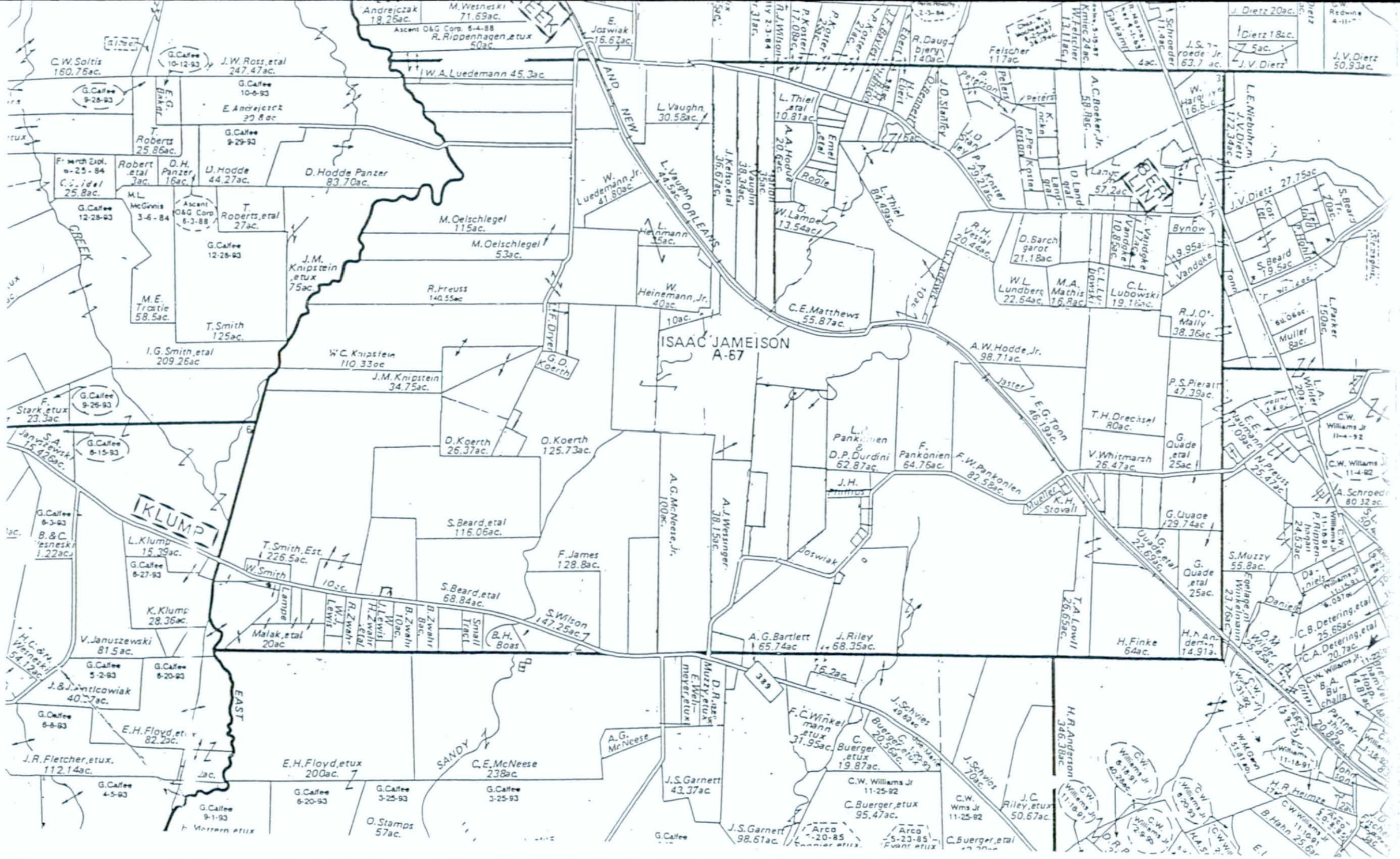
SIGNED FOR IDENTIFICATION:

Herbert O. Zwahr, Jr.

Gloria Zwahr

Allyne Sillivan

Evelyn Harmel


ISAAC JAMEISON
A-67
KLUMP
GREEK
EAST
SANDY
AND NEW ORLEANS
BERLIN
C.W. Soltis 160.76ac.
J.W. Ross, etal 247.47ac.
W.A. Luedemann 45.3ac
E. Andrejczak 30.8ac
T. Roberts 25.86ac.
D. Hodde Panzer 83.70ac.
M. Oelschlegel 115ac.
M. Oelschlegel 53ac.
J.M. Knipstein, etux 75ac.
R. Preuss 140.55ac
T. Smith 125ac.
I.G. Smith, etal 209.26ac
W.C. Knipstein 110.33ac
J.M. Knipstein 34.75ac.
D. Koerth 26.37ac.
O. Koerth 125.73ac.
S. Beard, etal 116.06ac.
T. Smith, Est. 226.5ac.
F. James 128.8ac.
S. Beard, etal 68.84ac.
S. Wilson 147.25ac.
A.G. McNeese, Jr. 100ac.
A.J. Wessinger 38.15ac.
L. Vaughn 30.58ac.
L. Vaughn 44.5ac.
J. Kelso, etal 36.67ac.
W. Luedemann, Jr. 41.90ac.
W. Heinemann, Jr. 40ac.
L. Thiel 84.49ac.
L. Thiel etal 10.81ac.
A.A. Hodde 20.6ac.
D. Lampe 13.54ac.
C.E. Matthews 55.87ac.
A.W. Hodde, Jr. 98.71ac.
L. Pankonien & D.P. Durdini 62.87ac.
F. Pankonien 64.76ac.
F.W. Pankonien 82.52ac.
J.H. Timms
K.H. Stovall
T.A. Lowll 26.65ac.
H. Finke 64ac.
A.G. Bartlett 65.74ac
J. Riley 68.35ac.
E.G. Tonn 46.19ac.
T.H. Drechsel 80ac.
V. Whitmarsh 26.47ac.
G. Quade, etal 25ac
G. Quade 129.74ac
G. Quade, etal 22.69ac.
P.S. Pieratt 47.39ac.
R.J. O'Mally 38.36ac
L.E. Niebuhr, m. 172.34ac.
J.V. Dietz 27.75ac
J.V. Dietz 50.93ac.
J. Dietz 20ac.
J.V. Dietz 18ac.
J.V. Dietz 7ac.
J.V. Dietz
J.S. Schroeder, Jr. 63.7 ac.
Felscher 117ac.
A.C. Booker, Jr. 58.8ac.
W. Harper 16.8ac.
J.O. Stanley
R. Daugbjerg 140ac.
P.A. Koster 29.21ac.
D. Landgraf 57.2ac
R.H. Vestal 20.44ac.
D. Barchgarot 21.18ac
W.L. Lundberg 22.64ac.
M.A. Mathis 16.8ac.
C.L. Lubowski 19.16ac.
L. Vandoke 17.2ac
Vandoke 10.85ac.
L. Vandoke
Bynow 19.95ac.
S. Beard 19.5ac.
Muller 8ac.
L. Parker 150ac.
L.A. Wilder 20ac.
E.E. Laurmann 17.09ac.
N. Preuss 25.47ac.
C.W. Williams Jr 11-4-92
A. Schroeder 80.32 ac.
P. Rippentrop 24.53ac.
S. Muzzy 55.8ac.
Daniels
C.B. Detering, etal 25.65ac.
C.A. Detering, etal 20.7ac.
O.H. Wilder 25.45ac.
B.A. Buchalla
Partnership 20.82ac.
H.R. Heimze 17ac.
B. Hahn 25.6ac.
H.R. Anderson 346.38ac.
F.C. Winkelmann, etux 31.95ac.
C. Buerger, etux 19.87ac.
C.W. Williams Jr 11-25-92
C. Buerger, etux 95.47ac.
J. Schvies 49.63ac.
J. Schvies 70ac.
J.C. Riley, etux 50.67ac.
C. Buerger, etal
J.S. Garnett 43.37ac.
J.S. Garnett 98.61ac.
A.G. McNeese
C.E. McNeese 238ac
E.H. Floyd, etux 200ac.
E.H. Floyd, etux 82.2ac.
J.R. Fletcher, etux. 112.14ac.
O. Stamps 57ac.
V. Januszewski 81.5ac.
J. & J. Antkowiak 40.27ac.
H.C. & A. Wesneski 54.12ac.
K. Klump 28.36ac.
L. Klump 15.39ac.
B. & C. Wesneski 1.22ac.
S.A. Januszewski 15.426ac.
F. Stark, etux 23.3ac.
M.E. Trostle 58.5ac.
Robert, etal 3ac.
D.H. Panzer 16ac.
Fairchild 25.8ac.
M.L. McGinnis 3-6-84
Ascent O&G Corp. 6-1-88
Malak, etal 20ac
Lampe
W.J. Lewis
R. Zwahr, etal
H. Zwahr, etal
B. Zwahr 10ac.
B. Zwahr Bac.
Small Tract
B.H. Boas
Muzzy, etux
E. Wehmeyer, etux
D.R. Izzo
Joswiak
Mueller
Tonn
Jaster
Langbehn
Langgrad
Peters
Petersen
Peterson
Kersten
Koerth
Koster
Roole
Emel, etal
Hart
Thiel
Frueh
Schroeder
Kniec 24ac.
Kniec 13.11ac.
Felscher 13.11ac.
Gaikard
Harper 4-1-84
Redwine 4-11-
Williams Jr 11-4-92
Williams Jr 11-18-91
Williams Jr 11-16-91
Williams Jr 6-20-93
Williams Jr 11-25-92
Williams Jr 11-16-91
Williams Jr 11-16-91
Williams Jr 11-16-91

TRACT 8

VOL 730 PAGE 317

MEMORANDUM OF OIL AND GAS LEASE

2138

THIS AGREEMENT, made and entered into this 3 day of March, 1994 by and between Albert Zwahr and Kathleen Zwahr Reneau, hereinafter called "LESSOR" whose address is P.O. BOX 103, Damon, Texas, 77430 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil and Gas lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) years, and so long thereafter as oil or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil and Gas Lease in possession of Lessor and Lessee, respectively, for all provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

Albert Zwahr
Albert Zwahr

Kathleen Zwahr Reneau
Kathleen Zwahr Reneau

STATE OF TEXAS
COUNTY OF FT. BEND

This instrument was acknowledged before me on the 7th day of March 1994, by Albert Zwahr and Kathleen Zwahr Reneau.

SEAL

MARY ANN BEZECNY
MY COMMISSION EXPIRES
May 22, 1997

Mary Ann Bezecny
Notary Public, State of Texas

Commission expires: 5-22-97

cm

TXI-61798

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated March 3, 1994, by and between Albert Zwahr and Kathleen Zwahr Reneau, as Lessors, and Union Pacific Resources Company, as Lessee.

WASHINGTON COUNTY, TEXAS

ISAAC JAMEISON SURVEY, ABSTRACT 67

7.967 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described as Tract 4, in that certain Partition Deed dated January 8, 1969, from Erna Zwahr Weckwerth et al, to Albert Zwahr, said Deed recorded in Volume 289 at page 300, Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

Albert Zwahr
Albert Zwahr

Kathleen Zwahr Reneau
Kathleen Zwahr Reneau

FILED
AT 3:30 P M.
APR - 4 1994
Gertrude Lehrmann
GERTRUDE LEHRMANN
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

APR 13 1994

Gertrude Lehrmann
Gertrude Lehrmann, County Clerk
Washington County, Texas

OIL, GAS & MINERAL LEASE

TRACT 8

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 3rd day of March, 19 94,

between ALBERT ZWAHR AND KATHLEEN ZWAHR RENEAU

as Lessor (whether one or more), whose address is P.O.Box 103, Damon, Texas. 77430,

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas. 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of **********Ten and other valuable considerations**********
Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

Washington County, Texas, to-wit:

ISAAC JAMEISON SURVEY, ABSTRACT 67

7.967 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described as Tract 4 in that certain Partition Deed dated January 8, 1969, from Erna Zwahr Weckwerth et al, to Albert Zwahr, said Deed recorded in Volume 289 at page 300, Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 7.967 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proporionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose. For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

[redacted]

[redacted]

LESSOR:

Albert Zwahr
Albert Zwahr

Kathleen Zwahr Reneau
Kathleen Zwahr Reneau

STATE OF TEXAS)
) ss.
COUNTY OF Ft. Bend)

This instrument was acknowledged before me this 7th day of March, 19 94, by Albert Zwahr and Kathleen Zwahr Reneau.

Mary Ann Bezecny
Notary Public

My Commission Expires:
5-22-97

MARY ANN BEZECNY
MY COMMISSION EXPIRES
May 22, 1997

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 19 _____, by _____.

_____
Notary Public

My Commission Expires:

_____

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED March 3, 1994 FROM Albert Zwahr & Kathleen Zwahr Reneau TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

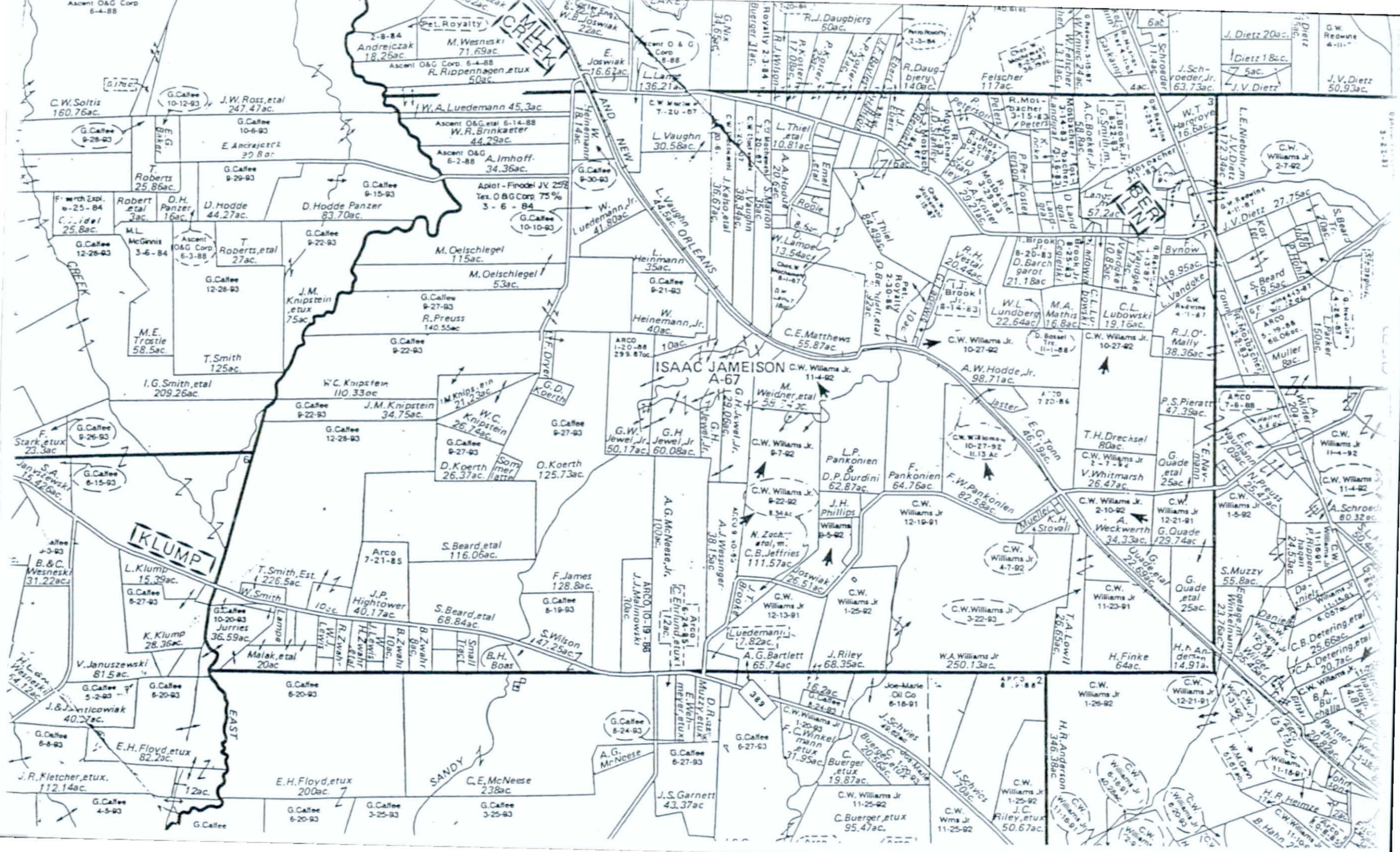
14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of twenty five ($25.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

Albert Zwahr
Albert Zwahr

Kathleen Zwahr Reneau
Kathleen Zwahr Reneau


ISAAC JAMEISON
A-67
MILL CREEK
NEW ORLEANS
BERLIN
KLUMP
EAST SANDY
CREEK
C.W. Williams Jr
Ascent O&G Corp
Pet. Royalty
Apiot - Finodel JV 25%
Tex. O&G Corp. 75%
3 - 6 - 84
ARCO
Joe-Marie Oil Co
Partnership

VOL 833 PAGE 280

TRACT 9

MEMORANDUM OF OIL AND GAS LEASE 4899

THE STATE OF TEXAS }

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF WASHINGTON }

THAT, **UMBERTO ENRICO ERCULIANI, AS AGENT AND ATTORNEY IN FACT FOR ERCULIANI INTERBAU LUZERN AG, INC.**, (hereinafter collectively referred to as "Lessors") whose address is Rt 4, Box 186, Brenham, Texas 77833 and **UNION PACIFIC RESOURCES COMPANY**, whose address is 801 Cherry Street, Fort Worth, Texas 77833(hereinafter referred to as "Lessee"), hereby acknowledge and give notice that Lessors have executed and delivered to Lessee an Oil and Gas Lease, dated June 19, 1996 (hereinafter referred to as the "Lease"), under the terms of which Lessors have granted, leased and let exclusively unto Lessee and Lessee's successors and assigns (subject to each and all of the other terms and provisions thereof), for the sole and only purpose of investigating, exploring, prospecting, drilling and operating for, developing and producing oil and gas, laying pipelines, building roads, tanks, utility lines and other necessary facilities and structures thereon to produce, save, take care of, treat , store, transport and own oil and gas, from the land situated in Washington County, Texas being more fully described as follows:

> 1.528 acres, more or less, out of the I. Jamieson Survey, A-67, of Washington County, Texas, being more fully descibed in that certain Deed, dated November 19, 1986, from Bruno Zwahr and wife, An Nell Zwahr, to Erculiani Interbau Lucern Ag, Inc., and being recorded in Volume 550, Page 459, of the Official Records of Washington County, Texas.

(hereinafter referred to as the "Leased Premises"). For the purpose of the Lease, the Leased Premises is estimated to contain 1.528 acres of land , more or less.

Subject to the other terms and provisions thereof, the Lease provides for a primary term of Six Months from and after the date thereof, and as long thereafter as oil and/or gas, together with any "Associated Minerals" (as defined therein), is produced from the Leased Premises in paying quantities, or so long as the Lease may be continued in force and effect under the other terms and provisions thereof.

Lessors and Lessee hereby refer to the Lease for all of its terms and provisions and incorporate the same herein by reference as fully as if it were copied at length herein. The original executed lease is in the possession of Lessee in their office located at 801 Cherry Street, Fort Worth, Texas.

This Memorandum of Oil and Gas Lease shall not be deemed to enlarge, restrict or change the rights of any of the parties to the Lease, but is for the purpose of giving record notice of the existence of the Lease in lieu of recording it at length. In the event of any conflict, the terms and provisions contained in the Lease shall control and prevail over the terms and provisions of this Memorandum of Oil and Gas Lease.

This instrument may be executed in any number of counterparts, each of equal dignity and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, this instrument is executed this 15th day of ~~June~~ July, 1996.

UMBERTO ENRICO ERCULIANI, AS AGENT AND ATTORNEY IN FACT FOR ERCULIANI INTERBAU LUZERN AG, INC.

State of Texas

County of WASHINGTON

This instrument was acknowledged before me on 15th day of JULY ~~JUNE~~ 1996 by UMBERTO ENRICO ERCULIANI, AS AGENT AND ATTORNEY IN FACT FOR ERCULIANI INTERBAU LUZERN AG, INC.

E. L. MIXON
NOTARY PUBLIC
State of Texas
Comm Exp 03-03-99

E. L. Mixon

Notary Public in and for the State of Texas

E.L. Mixon

Notary's Printed Name

My Commission Expires
3-3-99

FILED

AT 10:10 A.M.
AUG - 8 1996 DB

Beth A. Rothermel

BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

AUG 09 1996

Beth A. Rothermel

Beth Rothermel, County Clerk
Washington County, Texas

TRACT 9

OIL, GAS & MINERAL LEASE

PROD 88 (REV 8/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 19 th day of June, 19 96,

between UMBERTO ENRICO ERCULIANI, AS AGENT AND ATTORNEY IN FACT FOR ERCULIANI INTERBAU LUZERN AG, INC.

as Lessor (whether one or more), whose address is RT 4, BOX 186, BRENHAM, TX 77833

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed, portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of Ten Dollars And No Cents

Dollars ($ 10.00), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

WASHINGTON County, Texas, to-wit:

1.528 ACRES, MORE OR LESS, OUT OF THE I. JAMIESON SURVEY, A-67, OF WASHINGTON COUNTY, TEXAS, BEING MORE FULLY DESCRIBED IN THAT CERTAIN DEED, DATED NOVEMBER 19, 1986, FROM BRUNO ZWAHR AND WIFE, AN NELL ZWAHR, TO ERCULIANI INTERBAU LUCERN AG, INC., AND BEING RECORDED IN VOLUME 550, PAGE 459, OF THE OFFICIAL RECORDS OF WASHINGTON COUNTY, TEXAS.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 1.5280 acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term of Six Months from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's held separator facilities, the royalty shall be 1/6 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be 1/6 of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus if a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. **Ancillary Rights.** In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. **Ownership Changes.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. **Warranty of Title.** Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. **Release of Lease.** Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. **Regulation and Delay.** Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS# AND/OR TAX ID #

[redacted]

LESSOR:

UMBERTO ENRICO ERCULIANI, AS AGENT AND
ATTORNEY IN FACT FOR ERCULIANI INTERBAU

STATE OF Texas)
) ss.
COUNTY Washington)

This instrument was acknowledged before me this 15th day of JULY, 19 96, by Umberto Enrico Erculiani.

E. L. Mixon
Notary Public

E. L. MIXON
NOTARY PUBLIC
State of Texas
Comm. Exp. 03-03-99

My Commission Expires:
3-3-96

STATE OF _____)
) ss.
COUNTY _____)

This instrument was acknowledged before me this _____ day of _____, 19 ____, by _____.

Notary Public

My Commission Expires:

_____

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 19, 1996 by and between UMBERTO ENRICO ERCULIANI, AS AGENT AND ATTORNEY IN FACT FOR ERCULIANI INTERBAU LUZERN AG, INC., as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

DAMAGE/CLEAN UP

Lessee agrees and obligates itself to conduct its operations upon the leased premises as a reasonable and prudent operator. Lessee, its successors and/or assigns shall fill and level all pits and/or excavations made by it or them in connection with operations hereunder after termination of use thereof and shall construct and maintain fences surrounding such pits and/or excavations to turn livestock until such time as said pits and/or excavations are leveled. Lessee, its successors and/or assigns shall pay for all actual damage done or caused by Lessee, its successors and/or assigns in its operation hereunder to any buildings, fences, road, culverts, merchantable timber, growing crops, or any other improvements on said land, or to livestock on said land. Also, it is expressly agreed and provided that if any salt water or other deleterious substances shall come from or in any manner be extracted or produced from any well as the result of any drilling operations hereunder, Lessee, its successors and/or assigns shall not permit same to flow on and over Lessor's land, but shall confine same in pits or excavations adjacent to the drilling site. Lessee, its successors and/or assigns shall construct and maintain gates and/or cattle guards whereever Lessee enters said premises, so constructed as to turn livestock from the drilling site. Lessee, its successors and/or assigns shall bury all subsurface pipelines below plow depth.

MISCELLANEOUS

Notwithstanding anything to the contrary no well can be located closer than four hundred feet (400') of a residence or barn now on said land without Lessor's written permission.

NO HUNTING/FIREARMS

There shall be no hunting or fishing allowed on the leased premises, nor shall any firearms be brought on the leased premises by the Lessee or his assigns, or by any employee, agent, contractor or representative of the Lessee or Lessee's assigns without the prior written consent of the Lessor.

OIL & GAS ONLY/EXCLUDED MINERALS

Notwithstanding anything herein to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the leased premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

PUGH HORIZONTAL

Notwithstanding any provision herein to the contrary, upon the expiration of the primary term of this Lease (or the expiration of any extension or renewal thereof), or upon the expiration of ninety (90) days following the completion of the last well drilled on the leased premises or acreage pooled therewith (whether completed as a well capable of production in paying quantities or as a dry hole), whichever is the later date, this Lease shall terminate as to any lands not included in a pooled unit, proration unit or other unit from which any well located thereon is producing or may be capable of producing in paying quantities, or upon which drilling, reworking or other operations calculated to restore production are being pursued as herein provided. After the expiration of the primary term of this Lease, if production on any pooled, proration or other unit permanently ceases from any cause either voluntary or involuntary (and if this Lease is not otherwise being maintained), this Lease shall terminate as to such unit unless Lessee within ninety (90) days thereafter commences reworking operations or the actual drilling of a new well thereon. In such event, this Lease will continue in effect as to such unit so long as such drilling or reworking is prosecuted with no cessation of such operations for more than ninety (90) consecutive days until production is restored.

ROYALTY

Lessor and Lesse agree that the fractional or percentage royalty under this lease payable to Lessor on a well by well basis shall be one-sixth (1/6th) Before Payout and one-fifth (1/5th) After Payout.

SHUT-IN

After the end of the primary term, this Lease may not be maintained in force solely by reason of shut-in royalty payments, as provided heretofore, for any one period more than two (2) years, or from time to time, for shorter periods of which do not exceed three (3) cumulative years during any successive five (5) year period following the expiration of the primary term.



TRACT 10+11

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1548

MEMORANDUM OF OIL, GAS AND MINERAL LEASE

THIS AGREEMENT, made and entered into this 3rd day of February, 1994 by and between Bruno Zwahr and wife, An Nell Zwahr, hereinafter called "LESSOR", whose address is Route 3, Box 145, Brenham, Texas 77833 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102:

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil, Gas and Mineral Lease made and entered into this day by and between the parties hereto covering the land hereinafter described, does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR A DESCRIPTION OF SAID LEASED PREMISES.

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) additional years, and so long thereafter as oil and/or gas is being produced in paying quantities from the Leased premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil and/or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil, Gas and Mineral Lease in possession of Lessor and Lessee, respectively, for all of the provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

Bruno Zwahr
BRUNO ZWAHR
SS# [redacted]

An Nell Zwahr
AN NELL ZWAHR
SS#: [redacted]

ACKNOWLEDGEMENT

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on the 7th day of February, 1994, by Bruno Zwahr and wife, An Nell Zwahr.

My Commission Expires:

Notary Public, State of Texas

Notary's Printed Name:

SEAL

JAMES L. STARR
Notary Public
STATE OF TEXAS
My Comm. Exp. 11-30-95

TXI-61349 cac

EXHIBIT "A"

A description of lands attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated February 3, 1994 by and between Bruno Zwahr and wife, AnNell Zwahr, as Lessors and UNION PACIFIC RESOURCES COMPANY, as Lessee.

20.748 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, being described in three (3) tracts, as follows;

TRACT 1:

10.00 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described as the Fifth Tract in that certain Partition Deed dated January 8, 1969 from Erna Zwahr Weckwerth and husband, Erwin Weckwerth, et al to Bruno Zwahr recorded in Volume 289, Page 300 of the Deed Records of Washington County, Texas;

LESS AND EXCEPT:

1.528 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described in that certain Warranty Deed dated November 19, 1986 from Bruno Zwahr and wife, An Nell Zwahr to Erculiani Interbau Lucern Ag, Inc. recorded in Volume 550, Page 459 of the Official Records of Washington County, Texas;

LEAVING 8.472 ACRES OF LAND, MORE OR LESS.

TRACT 2:

8.138 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described in that certain Warranty Deed dated September 2, 1969 from Ella Zwahr Fleutge to Bruno Zwahr and wife, An Nell Zwahr recorded in Volume 295, Page 517 of the Deed Records of Washington County, Texas.

LESS AND EXCEPT:

4.00 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described in that certain Warranty Deed dated February 10, 1978 from Bruno Zwahr and wife, An Nell Zwahr to Cheryl Zwahr and Neil Campbell recorded in Volume 362, Page 38 of the Deed Records of Washington County, Texas;

LEAVING 4.138 ACRES OF LAND, MORE OR LESS.

TRACT 3:

8.138 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described in that certain Warranty Deed dated November 17, 1971 from Alwin Zwahr and wife, Hilda Zwahr to Bruno Zwahr and wife, An Nell Zwahr recorded in Volume 308, Page 469 of the Deed Records of Washington County, Texas.

SAID THREE (3) TRACTS CONTAIN IN THE AGGREGATE 20.748 ACRES OF LAND, MORE OR LESS.

SIGNED FOR IDENTIFICATION:

DATE: 2-7-94

Bruno Zwahr
BRUNO ZWAHR

An Nell Zwahr
AN NELL ZWAHR

11:00 pd - WRC

FILED
AT 11:15 a.m.
MAR - 3 1994
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

MAR 0 9 1994

Gertrude Lehrmann
Gertrude Lehrmann, County Clerk
Washington County, Texas

OIL, GAS & MINERAL LEASE 14445 TRACT 10+11

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 3rd day of February, 19 94,

between

BRUNO ZWAHR and wife, AN NELL ZWAHR

as Lessor (whether one or more), whose address is Route 3, Box 145, Brenham, Texas 77833,

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of Ten and Other Good and Valuable Consideration Dollars ($ 10.00 & OGVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

20.748 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, being more fully described on EXHIBIT "B" attached.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 20.748 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one-sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one-sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises, in making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. **Ancillary Rights.** In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. **Ownership Changes.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. **Warranty of Title.** Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. **Release of Lease.** Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. **Regulation and Delay.** Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose.

SEE ATTACHED ADDENDUM (EXHIBIT "A") FOR ADDITIONAL PROVISIONS.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID # [redacted]

LESSOR:

Bruno Zwahr
BRUNO ZWAHR

An Nell Zwahr
AN NELL ZWAHR
SS#: [redacted]

STATE OF TEXAS)
) ss.
COUNTY OF WASHINGTON)

This instrument was acknowledged before me this 7th day of February, 19 94, by BRUNO ZWAHR and wife, AN NELL ZWAHR.

Notary Public

My Commission Expires:

JAMES L. STARR
Notary Public
STATE OF TEXAS
My Comm. Exp. 11-30-95

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 19 _____, by _____.

Notary Public

My Commission Expires:

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED FEBRUARY 3, 1994 BY AND BETWEEN BRUNO ZWAHR AND WIFE, AN NELL ZWAHR, AS LESSOR(S) AND UNION PACIFIC RESOURCES COMPANY, AS LESSEE.

12. IT IS EXPRESSLY UNDERSTOOD THAT THERE IS EXCEPTED AND RESERVED FROM THE PROVISIONS OF THIS LEASE AND ACCORDINGLY NOT COVERED HEREBY, THE PRODUCTION OF COAL, LIGNITE AND OTHER SURFACE MINERALS IN AND UNDER SAID PROPERTY.

13. SHOULD LESSOR'S LAND SUFFER DAMAGES TO LIVESTOCK, TREES, WATER, FENCES, ROADS, BUILDINGS OR OTHER IMPROVEMENTS AS A RESULT OF OPERATIONS OF LESSEE UNDER THIS LEASE, LESSEE AGREES TO PAY LESSOR THE ACTUAL AMOUNT OF LOSS. LESSEE FURTHER AGREES TO FILL AND LEVEL ALL PITS SO AS TO RETURN THE SURFACE TO ITS ORIGINAL CONDITION AS NEARLY AS PRACTICAL, WITHIN A REASONABLE LENGTH OF TIME AFTER THE ABANDONMENT OF THE USE OF SUCH PITS.

14. IF AT THE END OF THE PRIMARY TERM OF THIS LEASE, A PORTION OR PORTIONS OF THE LAND HEREIN LEASED IS POOLED OR UNITIZED WITH OTHER LAND SO AS TO FORM A POOLED UNIT OR UNITS, OPERATIONS ON OR PRODUCTION FROM SUCH UNIT OR UNITS WILL MAINTAIN THIS LEASE IN FORCE ONLY AS TO LAND INCLUDED IN SUCH UNIT OR UNITS, ANY LAND NOT SO HELD BY PRODUCTION OR OPERATIONS AT THE END OF THE PRIMARY TERM OF THIS LEASE SHALL REVERT TO LESSOR FREE AND CLEAR OF THE TERMS OF THIS LEASE, WITH EXCEPTION THAT IN THE EVENT LESSEE IS, AT THE END OF THE PRIMARY TERM, ENGAGED IN DRILLING A WELL ON THE LAND HEREIN LEASED, THAT SUCH ENTIRE LEASE SHALL REMAIN IN FORCE AND EFFECT SO LONG AS CONTINUOUS DRILLING OPERATIONS ARE BEING CONDUCTED ON SAID PROPERTY, AND SUCH CONTINUOUS DRILLING OPERATIONS SHALL BE CONSTRUED TO MEAN THAT NO MORE THAN NINETY (90) DAYS SHALL ELAPSE BETWEEN THE COMPLETION OR ABANDONMENT AS A DRY HOLE OF ANY OIL AND/OR GAS WELL AND THE COMMENCEMENT OF OPERATIONS FOR THE DRILLING OF A SUBSEQUENT WELL ON SAID PROPERTY.

15. LESSEE IS HEREBY GIVEN THE OPTION TO EXTEND THE PRIMARY TERM OF THIS LEASE AS TO ALL OR A PORTION OF THE LEASED ACREAGE FOR AN ADDITIONAL TWO (2) YEARS FROM THE EXPIRATION OF THE ORIGINAL PRIMARY TERM. THIS OPTION MAY BE EXERCISED BY LESSEE AT ANY TIME DURING THE LAST YEAR OF THE ORIGINAL PRIMARY TERM BY PAYING THE SUM OF THIRTY DOLLARS ($30.00) PER NET MINERAL ACRE TO LESSOR OR TO LESSOR'S CREDIT IN ANY DEPOSITORY NAMED IN THIS LEASE. THIS PAYMENT SHALL BE BASED UPON THE NUMBER OF NET MINERAL ACRES ON WHICH LESSEE DESIRES TO EXERCISE THIS OPTION, AND ALL OF THE PROVISIONS OF THIS LEASE RELATING TO THE PAYMENT OF SHUT-IN ROYALTIES SHALL APPLY EQUALLY TO THIS PAYMENT INCLUDING, BUT NOT LIMITED TO, THE PROVISIONS REGARDING CHANGES IN OWNERSHIP. SHOULD THIS OPTION BE EXERCISED AS HEREIN PROVIDED, IT SHALL BE CONSIDERED FOR ALL PURPOSES AS THOUGH THIS LEASE ORIGINALLY PROVIDED FOR A PRIMARY TERM OF FIVE (5) YEARS. IN THE EVENT THIS LEASE IS BEING MAINTAINED BY ANY PROVISION HEREOF AT THE EXPIRATION OF THE ORIGINAL PRIMARY TERM, LESSEE SHALL HAVE A PERIOD OF THIRTY (30) DAYS FROM THE DATE THIS LEASE CEASES TO BE SO MAINTAINED WITHIN WHICH TO EXERCISE THIS OPTION.

SIGNED FOR IDENTIFICATION:

Bruno Zwahr
BRUNO ZWAHR

An Nell Zwahr
AN NELL ZWAHR

DATE: 2/7/94

EXHIBIT "B"

A description of lands attached to and made a part of that certain Oil, Gas and Mineral Lease dated February 3, 1994 by and between Bruno Zwahr and wife, AnNell Zwahr, as Lessors and UNION PACIFIC RESOURCES COMPANY, as Lessee.

20.748 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, being described in three (3) tracts, as follows;

TRACT 1:

10.00 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described as the Fifth Tract in that certain Partition Deed dated January 8, 1969 from Erna Zwahr Weckwerth and husband, Erwin Weckwerth, et al to Bruno Zwahr recorded in Volume 289, Page 300 of the Deed Records of Washington County, Texas;

LESS AND EXCEPT:

1.528 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described in that certain Warranty Deed dated November 19, 1986 from Bruno Zwahr and wife, An Nell Zwahr to Erculiani Interbau Lucern Ag, Inc. recorded in Volume 550, Page 459 of the Official Records of Washington County, Texas;

LEAVING 8.472 ACRES OF LAND, MORE OR LESS.

TRACT 2:

8.138 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described in that certain Warranty Deed dated September 2, 1969 from Ella Zwahr Fleutge to Bruno Zwahr and wife, An Nell Zwahr recorded in Volume 295, Page 517 of the Deed Records of Washington County, Texas.

LESS AND EXCEPT:

4.00 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described in that certain Warranty Deed dated February 10, 1978 from Bruno Zwahr and wife, An Nell Zwahr to Cheryl Zwahr and Neil Campbell recorded in Volume 362, Page 38 of the Deed Records of Washington County, Texas;

LEAVING 4.138 ACRES OF LAND, MORE OR LESS.

TRACT 3:

8.138 acres of land, more or less, located in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being more fully described in that certain Warranty Deed dated November 17, 1971 from Alwin Zwahr and wife, Hilda Zwahr to Bruno Zwahr and wife, An Nell Zwahr recorded in Volume 308, Page 469 of the Deed Records of Washington County, Texas.

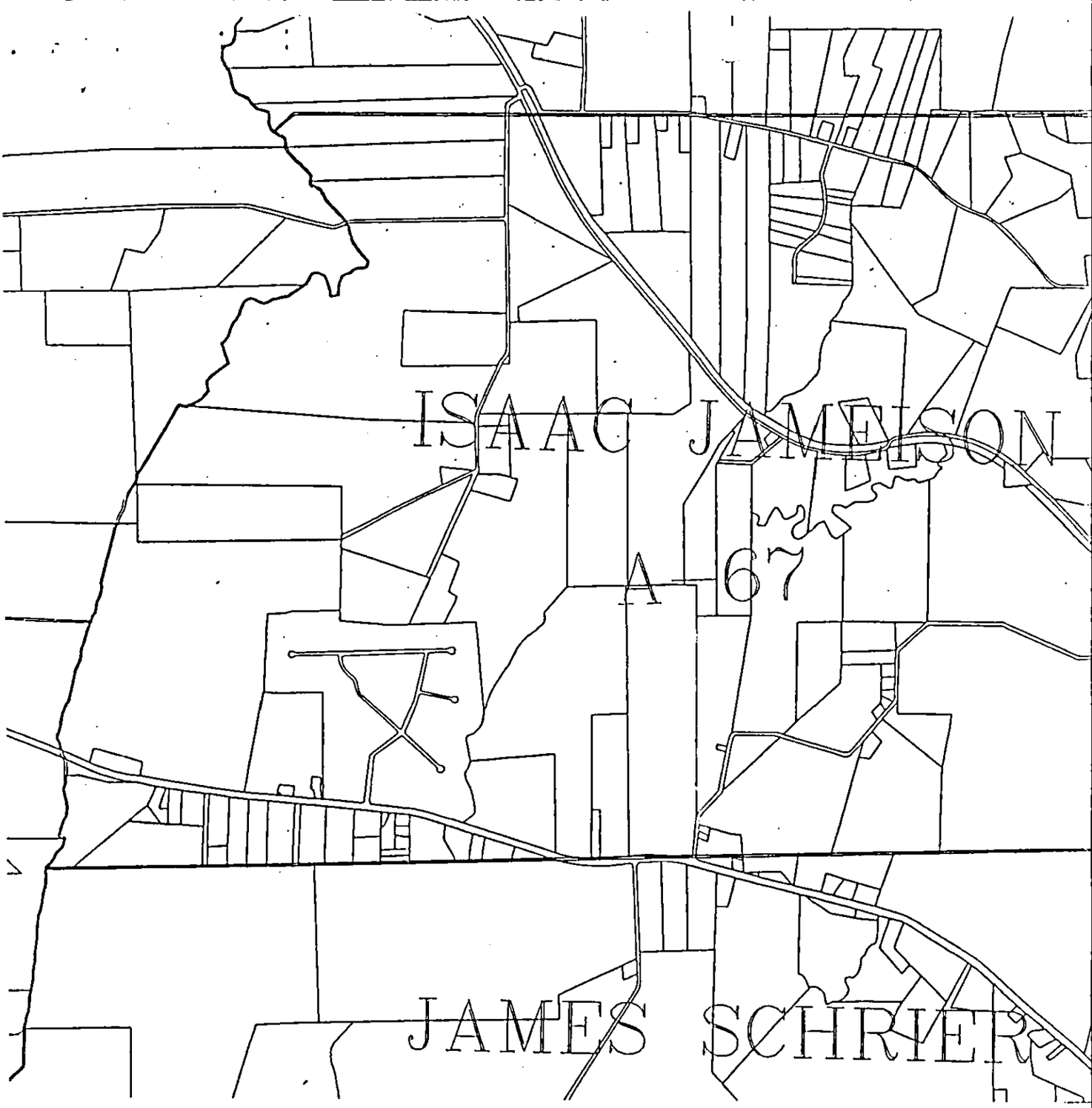
SAID THREE (3) TRACTS CONTAIN IN THE AGGREGATE 20.748 ACRES OF LAND, MORE OR LESS.

SIGNED FOR IDENTIFICATION:

DATE: 2/7/94

Bruno Zwahr
BRUNO ZWAHR

An Nell Zwahr
AN NELL ZWAHR

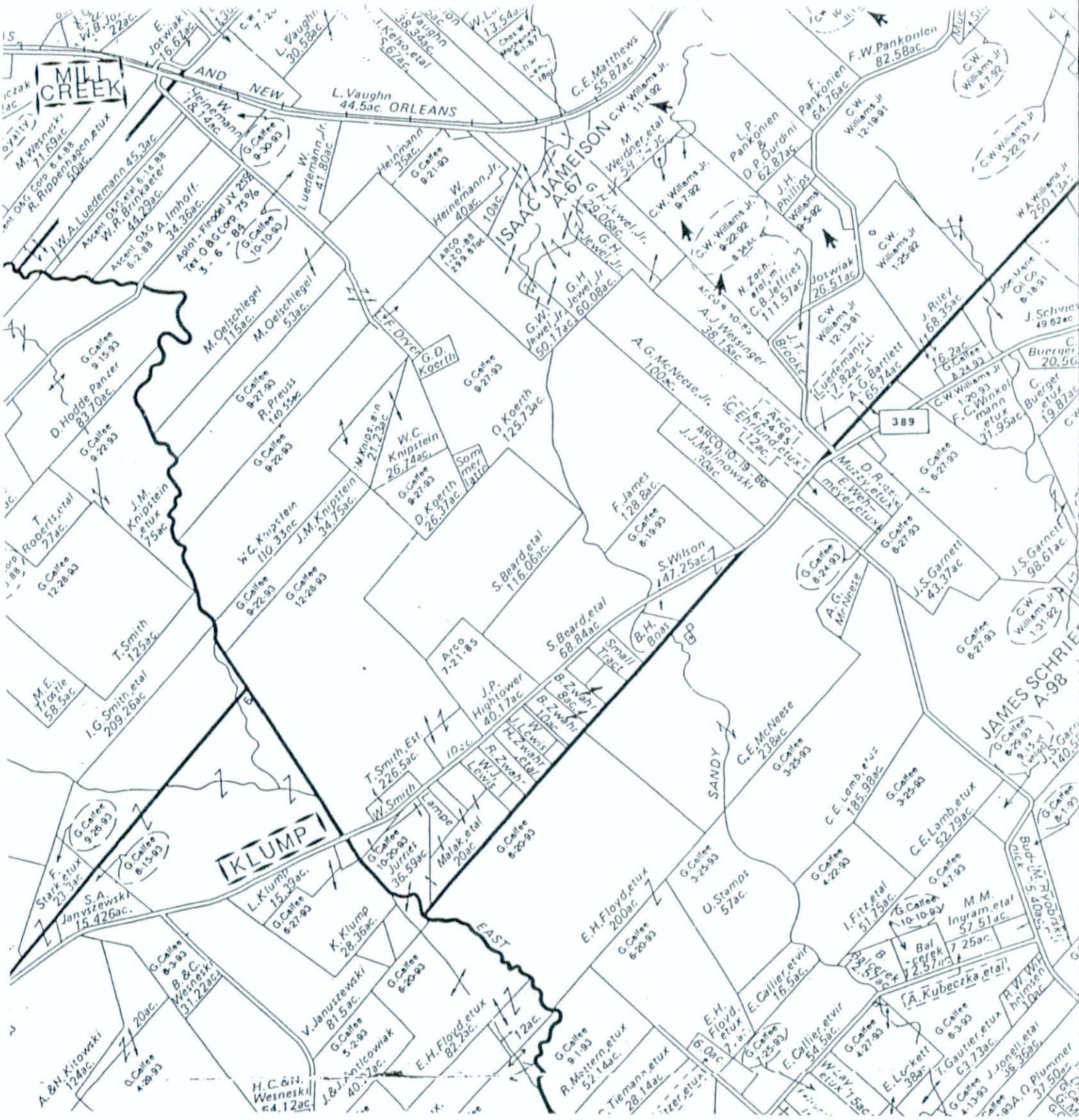


DEEP WASHINGTON PROSPECT

Tract 67-65

Bruno Zwahr, etux An Nell Zwahr
20.748 acres, m/l, I. Jameison League, A-67
Washington County, Texas

Scale: 1" = 2000'



Tract 67-65

DEEP WASHINGTON PROSPECT

Bruno Zwahr, etux An Nell Zwahr
20.748 acres, m/l, I. Jameison League, A-67
Washington County, Texas

Scale: 1" = 2000'

TRACT 12

VOL 735 PAGE 357

MEMORANDUM OF OIL, GAS AND MINERAL LEASE

3614

THIS AGREEMENT, made and entered into this the 23 day of February, 1994, by and between Neil Campbell and Cheryl Campbell, hereinafter called "LESSOR", whose address is Route 3, Box 142, Brenham, Texas. 77833 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE", whose address is 801 Cherry Street, Fort Worth, Texas. 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain Oil, Gas and Mineral Lease made and entered into this day by and between the parties hereto covering the land hereinafter being described, does hereby grant, lease and let exclusively unto Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from all that certain land (Leased Premises) situated in the County of Washington, State of Texas, and more particularly described as follows, to wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The lease is for a term of three (3) years from the above date with an option to extend said lease for two (2) additional years(s), and so long thereafter as oil and/or gas is being produced in paying quantities from the Leased Premises, or land pooled therewith, or so long thereafter as drilling, deepening or reworking operations for the production of oil and/or gas are being conducted thereon, as therein provided.

Reference is hereby made to executed copies of said Oil, Gas and Mineral Lease, in possession of Lessor and Lessee, respectively, for all of the provisions thereof, and by this reference same are incorporated herein and made a part hereof in all respects as though fully set forth herein.

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

Neil Campbell
Neil Campbell

Cheryl Campbell
Cheryl Campbell

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Washington

This instrument was acknowledged before me the 19th day of April, 19 94, by Neil Campbell and Cheryl Campbell, husband and wife.

Tammy L. Hajek
Notary Public, State of Texas

Notary's name printed or typed: Tammy L. Hajek.
My Commission Expires: 4/2/95.

TAMMY L. HAJEK
NOTARY PUBLIC
State of Texas
Comm. Exp. 04-02-95

TXL 62961

EXHIBIT "A"

Attached to and made a part of that certain Memorandum of Oil, Gas and Mineral Lease dated February 23, 1994 by and between Neil Campbell and Cheryl Campbell as Lessors, and Union Pacific Resources Company, as Lessee.

WASHINGTON COUNTY, TEXAS

ISAAC JAMEISON SURVEY, ABSTRACT 67

4.00 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Deed dated February 10, 1978, from Bruno Zwahr and wife, AnNell Zwahr to Cheryl Zwahr and Neil Campbell, said Deed recorded in Volume 362 at page 38, Deed Records of Washington County, Texas.

SIGNED FOR IDENTIFICATION:

Neil Campbell
Neil Campbell

Cheryl Campbell
Cheryl Campbell

FILED
AT 11:05 A.M.
MAY 18 1994
Gertrude Lehrmann
COUNTY CLERK
WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

MAY 25 1994

Gertrude Lehrmann
Gertrude Lehrmann, County Clerk
Washington County, Texas

TRACT 12

OIL, GAS & MINERAL LEASE

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 23 day of February, 19 94

between NEIL CAMPBELL AND CHERYL CAMPBELL, HUSBAND AND WIFE

as Lessor (whether one or more), whose address is Route 3, Box 142, Brenham, Texas, 77833

and Union Pacific Resources Company, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas, 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of **********TEN AND OTHER VALUABLE CONSIDERATIONS********** Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

ISAAC JAMEISON SURVEY, ABSTRACT 67

4.00 acres of land, more or less, a portion of the above captioned County and Survey, and being the same land more completely described in that certain Deed dated February 10, 1978, from Bruno Zwahr and wife, AnNell Zwahr, to Cheryl Zwahr and Neil Campbell, said Deed recorded in Volume 362 at page 38, Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 4.00 acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the d premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately. in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any taxes, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose. For additional covenants of this lease, see Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

[redacted]

[redacted]

LESSOR:

Neil Campbell

Neil Campbell

Cheryl K Campbell

Cheryl Campbell

STATE OF TEXAS)
) ss.
COUNTY OF Washington)

This instrument was acknowledged before me this 19th day of April, 19 94, by Neil Campbell and Cheryl Campbell, husband and wife.

Tammy L. Hajek
Notary Public

My Commission Expires:
4/2/95

TAMMY L. HAJEK
NOTARY PUBLIC
State of Texas
Comm. Exp. 04-02-95

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 19 _____, by _____.

_____
Notary Public

My Commission Expires:

_____

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED February 23, 1994 FROM Neil Campbell and Cheryl Campbell TO UNION PACIFIC RESOURCES COMPANY.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

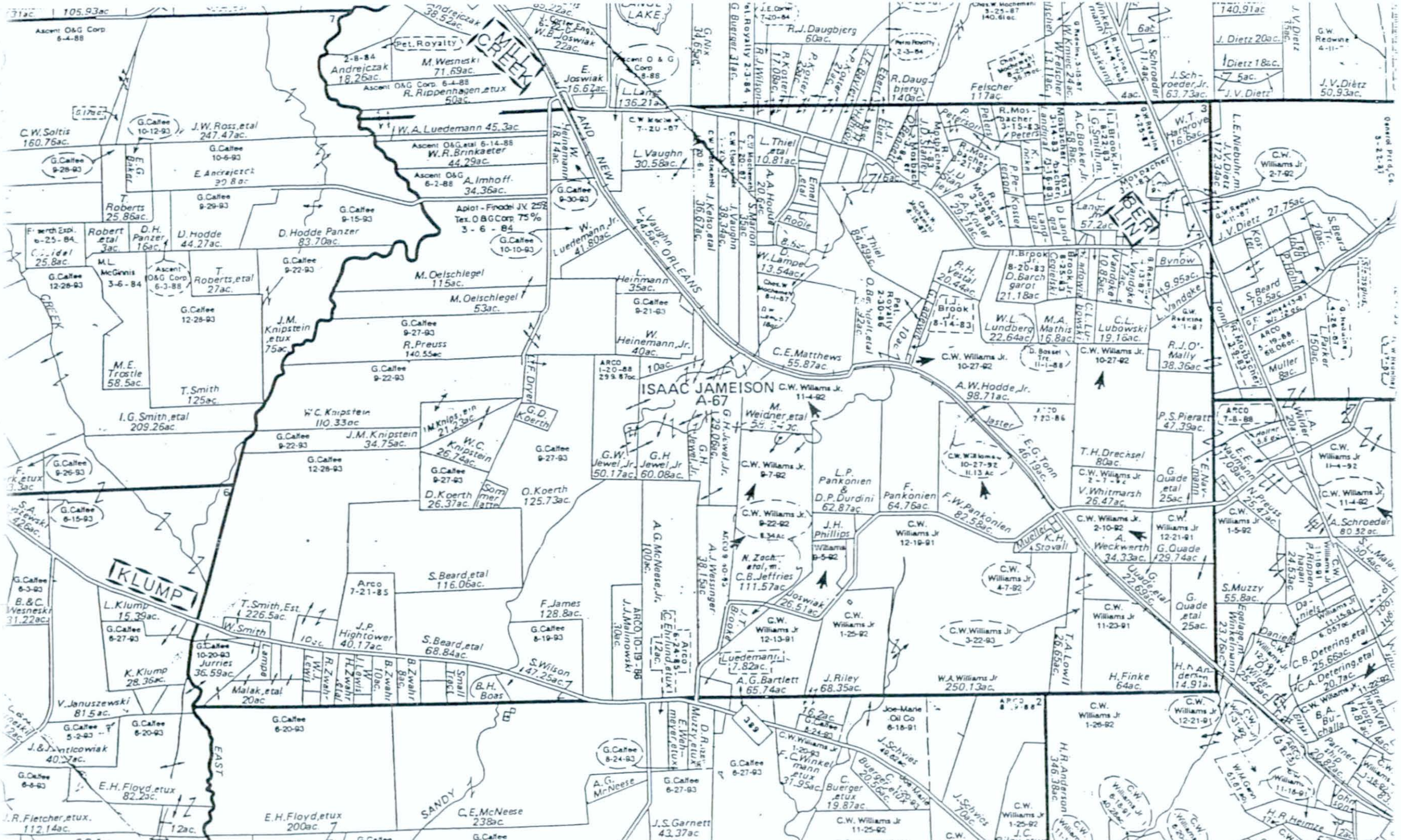
14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of thirty dollars ($30.00) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

Neil Campbell
Neil Campbell

Cheryl Campbell
Cheryl Campbell


ISAAC JAMEISON
A-67
KLUMP
MILL CREEK
NEW BERLIN
ORLEANS
SANDY
EAST
CREEK
Ascent O&G Corp 6-4-88
Pet. Royalty
Andrejczak 38.52ac.
M. Wesneski 71.69ac.
Ascent O&G Corp. 6-4-88 R. Rippenhagen, etux 50ac.
Andrejczak 18.26ac.
W. A. Luedemann 45.3ac
Ascent O&G, etal 6-14-88 W.R. Brinkaeter 44.29ac.
Ascent O&G 6-2-88 A. Imhoff 34.36ac.
Aplot - Finodel JV 25% Tex. O&G Corp 75% 3 - 6 - 84
C.W. Soltis 160.76ac.
J.W. Ross, etal 247.47ac.
E. Andrejczak 30.8ac
T. Roberts 25.86ac.
Robert, etal 3ac.
D.H. Panzer 16ac.
D. Hodde 44.27ac.
D. Hodde Panzer 83.70ac.
M.L. McGinnis 3-6-84
T. Roberts, etal 27ac.
M. Oelschlegel 115ac.
M. Oelschlegel 53ac.
J.M. Knipstein, etux 75ac.
M.E. Trostle 58.5ac.
T. Smith 125ac.
I.G. Smith, etal 209.26ac.
W.C. Knipstein 110.33ac
J.M. Knipstein 34.75ac.
W.C. Knipstein 26.14ac.
D. Koerth 26.37ac.
O. Koerth 125.73ac.
L. Klump 15.39ac.
K. Klump 28.36ac.
V. Januszewski 81.5ac.
J. & ... Wiatkowiak 40.27ac.
E.H. Floyd, etux 82.23ac.
E.H. Floyd, etux 200ac.
C.E. McNeese 238ac.
J.S. Garnett 43.37ac
S. Beard, etal 116.06ac.
S. Beard, etal 68.84ac.
T. Smith, Est. 226.5ac.
J.P. Hightower 40.17ac.
Jurries 36.59ac.
Malak, etal 20ac
F. James 128.8ac.
S. Wilson 147.25ac.
B.H. Boas
A.G. McNeese, Jr. 100ac.
J.J. Malinowski 30ac.
L. Vaughn 30.58ac.
L. Vaughn 44.5ac.
L. Vaughn 36.67ac.
L. Vaughn 38.34ac.
L. Heinemann 35ac.
W. Heinemann, Jr. 40ac.
R. Preuss 140.55ac
W. Luedemann, Jr. 41.80ac.
W. Heinemann 18.14ac.
L. Thiel, etal 10.81ac.
A.A. Hodde 20.6ac.
D. W. Lampe 13.54ac.
L. Thiel 84.49ac.
C.E. Matthews 55.87ac.
M. Weidner, etal 54.7ac.
G.H. Jewel, Jr. 29.06ac.
G.W. Jewel, Jr. 50.17ac.
G.H. Jewel, Jr. 60.08ac.
L.P. Pankonien & D.P. Durdini 62.87ac.
F. Pankonien 64.76ac.
F.W. Pankonien 82.58ac.
J.H. Phillips
N. Zoch, etal, et al C.B. Jeffries 111.57ac.
A.J. Wessinger 38.15ac.
A.G. Bartlett 65.74ac
J. Riley 68.35ac.
W.A. Williams Jr 250.13ac.
A.W. Hodde, Jr. 98.71ac.
E.G. Tonn 46.19ac.
P.S. Pieratt 47.39ac.
T.H. Drechsel 80ac.
V. Whitmarsh 26.47ac.
A. Weckwerth 34.33ac.
G. Quade, etal 25ac
G. Quade, etal 29.74ac
G. Quade, etal 22.69ac.
T.A. Lowell 26.65ac.
H. Finke 64ac.
H. Anderson 14.91ac.
S. Muzzy 55.8ac.
C.B. Detering, etal 25.66ac.
C.A. Detering, etal 20.7ac.
B.A. Buchalla
H.R. Anderson 346.38ac.
H.R. Heimze
L.E. Niebuhr, etux 172.34ac.
J.V. Dietz 27.75ac.
S. Beard Tr. 2 10ac.
S. Beard 79.5ac.
Muller 8ac.
L. Parker 150ac.
Bynow 19.95ac.
L. Vandyke
C.L. Lubowski 19.16ac.
R.J. O'Mally 38.36ac.
L.A. Wilder 20ac.
E.E. Naumann 17.09ac.
N. Preuss 25.47ac.
A. Schroeder 80.32ac.
S.L. Malak 30.45ac.
P. Rippenhagen 24.53ac.
Daniels
Eggelage, et al Winkelmann 23.76ac.
C.B. Detering, etal 6.057ac.
Partnership 20.82ac.
W.L. Lundberg 22.64ac.
M.A. Mathis 16.8ac.
D. Barchgarot 21.18ac
W.T. Hargrove 16.6ac.
J. Dietz 20ac.
Dietz 18ac.
J.V. Dietz 50.93ac.
Schroeder, Jr. 63.73ac.
Felscher 117ac.
R. Daugbjerg 140ac.
R.J. Daugbjerg 60ac.
Petersen
Peters
Mosbacher
Kosteriski
Landgraf
Brookhart
Vandyke
Brook, Jr.
Gegielski
Barchgarot
Bossel Tr.
Parker
Muller
Knipstein
Jewel
Weidner
Williams
Pankonien
Durdini
Phillips
Weckwerth
Quade
Lowell
Finke
Anderson
Detering
Buchalla
Partnership
Heimze
Niebuhr
Dietz
Beard
Lubowski
Mathis
Lundberg
O'Mally
Wilder
Naumann
Preuss
Schroeder
Malak
Rippenhagen
Daniels
Eggelage
Winkelmann
Muzzy
Quade
Lowell
Whitmarsh
Drechsel
Pieratt
Tonn
Hodde
Matthews
Vaughn
Heinemann
Oelschlegel
Lampe
Thiel
Hodde
Vaughn
Nix
Andrejczak
Wesneski
Rippenhagen
Imhoff
Brinkaeter
Luedemann
Ross
Soltis
Roberts
Panzer
Knipstein
Trostle
Smith
Klump
Januszewski
Floyd
McNeese
Garnett
Beard
Hightower
Jurries
Malak
James
Wilson
Boas
Zoch
Jeffries
Wessinger
Bartlett
Riley
Williams
Pankonien
Durdini
Phillips
Tonn
Hodde
Pieratt
Drechsel
Whitmarsh

TRACT 13.

VOL 719 PAGE 262

OIL, GAS & MINERAL LEASE

15.00 PROD 88 (REV 6/93) PAID UP

THIS LEASE AGREEMENT is made effective the 12 day of October, 1993,

between Paul J. Hightower and wife Mary G. Hightower

7440

as Lessor (whether one or more), whose address is RT. 3, Box 144, Brenham, Texas 77833,

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 Cherry Street, Fort Worth, Texas 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of TEN AND NO/100's Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

1.03 acres of land, more or less, in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas and being the same tract of land described in a Warranty Deed from Johnny P. Hightower and wife Delorise to Paul J. Hightower and wife Mary G. Hightower dated March 21, 1990 and recorded in Volume 623, Page 76 of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 1.03 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of Three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be One-Sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be One-Sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any or all other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

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may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

LESSOR:

Paul J. Hightower S.S. [redacted]

Mary G. Hightower S.S.# [redacted]

STATE OF TEXAS)
) ss.
COUNTY OF WASHINGTON)

This instrument was acknowledged before me this 22 day of November, 19 93, by Paul J. Hightower and wife Mary G. Hightower.

Jo Ann Reichle
Notary Public

My Commission Expires:
3-16-94

JO ANN REICHLE NOTARY PUBLIC STATE OF TEXAS 3-16-94

STATE OF Texas)
COUNTY OF Washington) ss.

This instrument was acknowledged before me this 22 day of November, 19 93, by _____.

_____
Notary Public

My Commission Expires:

_____

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EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED October 12, 1993 FROM Paul J. Hightower and wife Mary G. Hightower.
AS LESSOR(S) TO UNION PACIFIC RESOURCES COMPANY, AS LESSEE.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of $25.00 (Twenty-Five) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

Paul J. Hightower
PAUL J. HIGHTOWER

Mary G. Hightower
MARY G. HIGHTOWER

"A"

FILED
AT 11:30 A M.
DEC 20 1993
Gertrude Lehrmann
GERTRUDE LEHRMANN
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

DEC 29 1993

Gertrude Lehrmann
Gertrude Lehrmann, County Clerk
Washington County, Texas

15.00 UREC

(17) TRACT 14

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OIL, GAS & MINERAL LEASE

15.00

PROD 88 (REV 6/93)
PAID UP

THIS LEASE AGREEMENT is made effective the 12 day of OCTOBER, 19 93,

between Johnny P. Hightower and wife Dolories Hightower 7410

as Lessor (whether one or more), whose address is 904 Geney Street, Brenham, Texas 77833,

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TEXAS 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of TEN DOLLARS AND NO/100'S Dollars ($ 10.00 & OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith (including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in Washington County, Texas, to-wit:

40.17 acres of land, more or less, in the ISAAC JAMEISON LEAGUE, A-67, Washington County, Texas, and being the same tract of land described in a Deed from Alvina Hodde to Johnny P. Hightower and wife Dolories Hightower dated October 11, 1966 and recorded in Volume 267, Page 513 of the Deed Records of Washington County, Texas. SAVE & EXCEPT: 1.03 acres more or less in a Deed from Johnny P. Hightower and wife Dolories Hightower to Paul J. Hightower and wife Mary G. Hightower dated March 23, 1990 and recorded in Volume 623, Page 76 of the Deed Records of Washington county, Texas, leaving 39.14 acres of land, more or less.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 39.14 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be one-sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes. (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be one-sixth (1/6) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

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may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS # AND/OR TAX ID #

LESSOR:

Johnny P. Hightower S.S. [redacted]

Johnny P. Hightower

Dolories Hightower S.S [redacted]

Dolories Hightower

STATE OF TEXAS)
) ss.
COUNTY OF WASHINGTON)

This instrument was acknowledged before me this 22nd day of November, 1993, by Johnny P. Hightower and wife Dolories Hightower.

Lois Holle
Notary Public

My Commission Expires:

LOIS HOLLE
MY COMMISSION EXPIRES
October 31, 1996

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 19____, by _____.

Notary Public

My Commission Expires:

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EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED October 12, 1993 FROM JOHNY P. HIGHTOWER AND WIFE DELORISE HIGHTOWER.,
AS LESSOR(S) TO UNION PACIFIC RESOURCES COMPANY, AS LESSEE.

12. Should Lessor's land suffer damages to livestock, trees, water, fences, roads, buildings, or other improvements as a result of operations of Lessee under this lease, Lessee agrees to pay Lessor the actual amount of said loss. Lessee further agrees to fill and level all pits so as to return the surface to its original condition as nearly as practical within a reasonable length of time after the abandonment of the use of said pits.

13. If at the end of the primary term of this lease, a portion or portions of the land herein leased is pooled or unitized with other land so as to form a pooled unit or units, operations on or production from such unit or units will maintain this lease in force only as to land included in such unit or units. Any land not so held by production or operations at the end of the primary term of this lease shall revert to Lessor free and clear of the terms of this lease, with the exception that in the event Lessee is, at the end of the primary term, engaged in drilling a well on the land herein leased, that such entire lease shall remain in force and effect so long as continuous drilling operations are being conducted on said property, and such continuous drilling operations shall be construed to mean that no more than ninety (90) days shall elapse between the completion or abandonment as a dry hole of any oil and/or gas well and the commencement of operations for the drilling of a subsequent well on said property.

14. It is agreed and understood that this lease is limited to oil, gas and other hydrocarbons and substances normally associated with the production of oil and gas. Minerals not covered by this lease included (but are not limited to) sand, clay, gravel, iron ore, coal, lignite and uranium.

15. Lessee is hereby given the option to extend the primary term of this lease as to all or a portion of the leased acreage for an additional two (2) years from the expiration of the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying the sum of $25.00 (Twenty-Five) per net mineral acre to Lessor or to Lessor's credit in any depository named in this lease. This payment shall be based upon the number of net mineral acres on which Lessee desires to exercise this option, and all of the provisions of this lease relating to the payment of shut-in royalties shall apply equally to this payment including, but not limited to, the provisions regarding changes in ownership. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years. In the event this lease is being maintained by any provision hereof at the expiration of the original primary term, Lessee shall have a period of thirty (30) days from the date this lease ceases to be so maintained within which to exercise this option.

SIGNED FOR IDENTIFICATION:

Johnny P. Hightower
JOHNY P. HIGHTOWER

Delories Hightower
DELORISE HIGHTOWER
DOLORIES

RECORDER'S MEMORANDUM
ALL OR PART OF THE TEXT ON THIS PAGE WAS BLURRED, DEFACED, CUT OFF OR NOT LEGIBLE FOR SATISFACTORY RECORDATION.

VOL 719 PAGE 163

FILED
AT 11:38 A M.
DEC 20 1993
Gertrude Lehmann
GERTRUDE LEHMANN
COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

DEC 29 1993

Gertrude Lehmann
Gertrude Lahrmann, County Clerk
Washington County, Texas

due
15.00
UREC

VOL 830 PAGE 446

TRACT 16

OIL, GAS & MINERAL LEASE

4358

PROD 88 (REV 8-93)
PAID UP

THIS LEASE AGREEMENT is made effective the 13 th day of June, 19 96,

between DOROTHY BRENDING, FREDDIE BRENDING, JEANETTE BRENDING CARSON, ROGER BRENDING, JAMES BRENDING, ROSALIE BRENDING, LEROY BRENDING, HERMAN BRENDING, CLARA BRENDING, GLENN D. BRENDING, GARY BRENDING, BEATRICE BRENDING GASKAMP, JUDY BRENDING SAVELLE G.D.B

as Lessor (whether one or more), whose address is 5850 FM 389, BRENHAM, TX 77833

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of Ten Dollars And No Cents

Dollars ($ 10.00), in hand pa
of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

WASHINGTON County, Texas, to-wit:

0.938 ACRES, MORE OR LESS, OUT OF THE I. JAMIESON SURVEY, A-67, OF WASHINGTON COUNTY, TEXAS, BEING DESCRIBED AS 1.0 ACRE IN THAT CERTAIN WARRANTY DEED, DATED OCTOBER 22, 1960, FROM ED HODDE AND WIFE, ALVINA HODDE TO JIM BRENDING AND WIFE, DOROTHY BRENDING, AND BEING RECORDED IN VOLUME 232, PAGE 26, OF THE DEED RECORDS OF WASHINGTON COUNTY, TEXAS;
LESS ANS EXCEPT: 0.062 ACRES, MORE OR LESS, OUT OF THE I. JAMIESON SURVEY, A-67, OF WASHINGTON COUNTY, TEXAS, BEING MORE FULLY DESCRIBED IN THAT CERTAIN DEED, DATED AUGUST 30, 1975, FROM JIM BRENDING AND WIFE, DOROTHY BRENDING, TO ROGER BRENDING, AND BEING RECORDED IN VOLUME 339, PAGE 259, OF THE DEED RECORDS OF WASHINGTON COUNTY, TEXAS.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of .9380 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's held separator facilities, the royalty shall be 1/6 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all oth covered minerals, the royalty shall be 1/6 of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valo taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered, provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. Operations. If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. Pooling. Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus if a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or m strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other str or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. Ancillary Rights. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. Ownership Changes. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. Release of Lease. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. Regulation and Delay. Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained herein 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, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS# AND/OR TAX ID #

~~000-00-0000~~ [redacted]

~~000-00-0000~~ [redacted]

LESSOR:

Dorothy Brending
DOROTHY BRENDING

Freddie Brending
FREDDIE BRENDING

STATE OF TEXAS)
) ss.
COUNTY WASHINGTON)

This instrument was acknowledged before me this 18th day of June, 1996, by DOROTHY BRENDING

Notary Public John Renaud

My Commission Expires:
8-7-99

JOHN RENAUD
MY COMMISSION EXPIRES
August 7, 1999

STATE OF TEXAS)
) ss.
COUNTY WASHINGTON)

This instrument was acknowledged before me this 18th day of June, 1996, by FREDDIE BRENDING

Notary Public John Renaud

My Commission Expires:
8-7-99

JOHN RENAUD
MY COMMISSION EXPIRES
August 7, 1999

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 13, 1996 by and between DOROTHY BRENDING, et. al., as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

WITNESSES:	LESSOR:	SS # OR TAX ID #
_____	JEANETTE BRENDING CARSON	000-00-0000
_____	ROGER BRENDING	[redacted]
_____	JAMES BRENDING	[redacted]
_____	ROSALIE BRENDING	~~000-00-0000~~ [redacted]
_____	LEROY BRENDING	000-00-0000
_____	HERMAN BRENDING	000-00-0000
_____	CLARA BRENDING	~~000-00-0000~~ [redacted]
_____	GLEN BRENDING	000-00-0000 [redacted]
_____	GARY BRENDING	000-00-0000
_____	BEATRICE BRENDING GASKAMP	000-00-0000
_____	JUDY BRENDING SAVELLE	000-00-0000

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 13, 1996 by and between DOROTHY BRENDING, et. al., as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

WITNESSES:	LESSOR:	SS # OR TAX ID #
	Jeanette Brending Carson JEANETTE BRENDING CARSON	[redacted] 000-00-0000
	ROGER BRENDING	[redacted]
	JAMES BRENDING	[redacted]
	ROSALIE BRENDING	000-00-0000
	Leroy Brending LEROY BRENDING	[redacted] 000-00-0000
	Herman Brending HERMAN BRENDING	[redacted] 000-00-0000
	Clara Brending CLARA BRENDING	[redacted] 000-00-0000
	Glenn D. Brending GLEN BRENDING GLENN D.	[redacted] 000-00-0000
	Gary Brending GARY BRENDING	[redacted] 000-00-0000
	Beatrice Brending Gaskamp BEATRICE BRENDING GASKAMP	[redacted] 000-00-0000
	Judy Brending Savelle JUDY BRENDING SAVELLE	[redacted] 000-00-0000

LESSOR INITIALS

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 13, 1996 by and between DOROTHY BRENDING, et. al., as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 9th of July, 1996, by JEANNETTE BRENDING CARSON

Mary Kay Smedstad
Notary Public, State of TEXAS
Printed Name: MARY KAY SMEDSTAD
Commission Expires: 11-30-99

MARY KAY SMEDSTAD
Notary Public, State of Texas
My Commission Expires 11-30-99

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 18th of June, 1996, by ROGER BRENDING

John Renaud
Notary Public, State of TEXAS
Printed Name: John Renaud
Commission Expires: 8-1-99

JOHN RENAUD
MY COMMISSION EXPIRES
August 7, 1999

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 18th of June, 1996, by JAMES BRENDING

John Renaud
Notary Public, State of TEXAS
Printed Name: JOHN RENAUD
Commission Expires: 8-1-99

JOHN RENAUD
MY COMMISSION EXPIRES
August 7, 1999

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 18th of June, 1996, by ROSALIE BRENDING

John Renaud
Notary Public, State of TEXAS
Printed Name: JOHN RENAUD
Commission Expires: 8-1-99

JOHN RENAUD
MY COMMISSION EXPIRES
August 7, 1999

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 9th of July, 1996, by LEROY BRENDING

Mary Kay Smedstad
Notary Public, State of TEXAS
Printed Name: MARY KAY SMEDSTAD
Commission Expires: 11-30-99

MARY KAY SMEDSTAD
Notary Public, State of Texas
My Commission Expires 11-30-99

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 9th of July, 1996, by HERMAN BRENDING

Mary Kay Smedstad
Notary Public, State of TEXAS
Printed Name: MARY KAY SMEDSTAD
Commission Expires: 11-30-99

MARY KAY SMEDSTAD
Notary Public, State of Texas
My Commission Expires 11-30-99

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 13, 1996 by and between DOROTHY BRENDING, et. al., as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 9th of JULY, 1996, by CLARA BRENDING.

Mary Kay Smedstad
Notary Public, State of TEXAS
Printed Name: MARY KAY SMEDSTAD
Commission Expires: 11-30-99

MARY KAY SMEDSTAD
Notary Public, State of Texas
My Commission Expires 11-30-99

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 9th of JULY, 1996, by GLENN D. ~~GLEN~~ BRENDING.

Mary Kay Smedstad
Notary Public, State of TEXAS
Printed Name: MARY KAY SMEDSTAD
Commission Expires: 11-30-99

MARY KAY SMEDSTAD
Notary Public, State of Texas
My Commission Expires 11-30-99

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 9th of JULY, 1996, by GARY BRENDING.

Mary Kay Smedstad
Notary Public, State of TEXAS
Printed Name: MARY KAY SMEDSTAD
Commission Expires: 11-30-99

MARY KAY SMEDSTAD
Notary Public, State of Texas
My Commission Expires 11-30-99

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 9th of JULY, 1996, by BEATRICE BRENDING GASKAMP.

Mary Kay Smedstad
Notary Public, State of TEXAS
Printed Name: MARY KAY SMEDSTAD
Commission Expires: 11-30-99

MARY KAY SMEDSTAD
Notary Public, State of Texas
My Commission Expires 11-30-99

STATE OF TEXAS
COUNTY OF WASHINGTON

This instrument was acknowledged before me on this 9th of JULY, 1996, by JUDY BRENDING SAVELLE.

Mary Kay Smedstad
Notary Public, State of TEXAS
Printed Name: MARY KAY SMEDSTAD
Commission Expires: 11-3099

MARY KAY SMEDSTAD
Notary Public, State of Texas
My Commission Expires 11-30-99

STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on this _____ of _____, 199___, by _____.

_____
Notary Public, State of _____
Printed Name: _____
Commission Expires: _____

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 13, 1996 by and between DOROTHY BRENDING, et. al., as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

DAMAGE/CLEAN UP

Lessee agrees and obligates itself to conduct its operations upon the leased premises as a reasonable and prudent operator. Lessee, its successors and/or assigns shall fill and level all pits and/or excavations made by it or them in connection with operations hereunder after termination of use thereof and shall construct and maintain fences surrounding such pits and/or excavations to turn livestock until such time as said pits and/or excavations are leveled. Lessee, its successors and/or assigns shall pay for all actual damage done or caused by Lessee, its successors and/or assigns in its operation hereunder to any buildings, fences, road, culverts, merchantable timber, growing crops, or a other improvements on said land, or to livestock on said land. Also, it is expressly agreed and provided that if any sa water or other deleterious substances shall come from or in any manner be extracted or produced from any well as the result of any drilling operations hereunder, Lessee, its successors and/or assigns shall not permit same to flow on and over Lessor's land, but shall confine same in pits or excavations adjacent to the drilling site. Lessee, its successors and/or assigns shall construct and maintain gates and/or cattle guards whereever Lessee enters said premises, so constructed as to turn livestock from the drilling site. Lessee, its successors and/or assigns shall bury all subsurface pipelines below plow depth.

MISCELLANEOUS

This instrument may be executed in one or more counterparts or in multiple originals, either one of which is as valid as the other and when taken together shall constitute one agreement. All additions, changes, deletions, insertions or attachments to this instruments to this instrument are recognized by Lessors as having been made prior to the executions and acknowledgments hereof.

MISCELLANEOUS

It is expressly understood and agreed that the bonus consideration, royalties, rentals and any other monies which may be paid under the terms of this lease shall be paid to DOROTHY BRENDING. Payment to DOROTHY BRENDING shall constitute the full payment of said bonus consideration, royalties, rentals, and any other monies paid under the Lease as though the same had been paid to the above named Lessors for their respective interest herein, and for the execution and delivery of this lease, and the undersigned hereby acknowledges the same.

NO HUNTING/FIREARMS

There shall be no hunting or fishing allowed on the leased premises, nor shall any firearms be brought on the lease premises by the Lessee or his assigns, or by any employee, agent, contractor or representative of the Lessee or Lessee assigns without the prior written consent of the Lessor.

OIL & GAS ONLY/EXCLUDED MINERALS

Notwithstanding anything herein to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the leased premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

PUGH HORIZONTAL

Notwithstanding any provision herein to the contrary, upon the expiration of the primary term of this Lease (or the expiration of any extension or renewal thereof), or upon the expiration of ninety (90) days following the completion of the last well drilled on the leased premises or acreage pooled therewith (whether completed as a well capable of production in paying quantities or as a dry hole), whichever is the later date, this Lease shall terminate as to any lands not included in a pooled unit, proration unit or other unit from which any well located thereon is producing or may be capable of producing in paying quantities, or upon which drilling, reworking or other operations calculated to restore production are being pursued as herein provided. After the expiration of the primary term of this Lease, if production on any pooled, proration or other unit permanently ceases from any cause either voluntary or involuntary (and if this Lease is not otherwise being maintained), this Lease shall terminate as to such unit unless Lessee within ninety (90) days thereafter commences reworking operations or the actual drilling of a new well thereon. In such event, this Lease will continue in effect as to such unit so long as such drilling or reworking is prosecuted with no cessation of such operations for more than ninety (90) consecutive days until production is restored.

SHUT-IN

After the end of the primary term, this Lease may not be maintained in force solely by reason of shut-in royalty payments, as provided heretofore, for any one period more than two (2) years, or from time to time, for shorter periods of which do not exceed three (3) cumulative years during any successive five (5) year period following the expiration of the primary term.

FILED
AT 1:00 P M.
JUL 17 1996
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

JUL 18 1996

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

VOL 830 PAGE 453

TRACT 16

OIL, GAS & MINERAL LEASE

(20)

4359

PROD 88 (REV 8-93)
PAID UP

THIS LEASE AGREEMENT is made effective the 12 th day of June, 19 96,

between ROGER BRENDING

as Lessor (whether one or more), whose address is 5850 FM 389, BRENHAM, TX 77833

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed, portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of Ten Dollars And No Cents

Dollars ($ 10.00), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

WASHINGTON County, Texas, to-wit:

0.062 ACRES, MORE OR LESS, OUT OF THE I. JAMIESON SURVEY, A-67, OF WASHINGTON COUNTY, TEXAS, BEING MORE FULLY DESCRIBED IN THAT CERTAIN DEED, DATED AUGUST 30, 1975, FROM JIM BRENDING AND WIFE, DOROTHY BRENDING, TO ROGER BRENDING, AND BEING RECORDED IN VOLUME 339, PAGE 259, OF THE DEED RECORDS OF WASHINGTON COUNTY, TEXAS.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of .0620 acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term of three years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's hold separator facilities, the royalty shall be 1/6 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be 1/8 of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for an oil well which is a horizontal completion or a gas well shall not exceed 640 acres plus if a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if they were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of Lessee, promote the conservation of covered minerals in and under and that

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. 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 with consequent allocation of production as herein provided. As used herein 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. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. **Ancillary Rights.** In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remo fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expir. thereof.

7. **Ownership Changes.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. **Warranty of Title.** Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. **Release of Lease.** Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. **Regulation and Delay.** Lessee's obligations under the lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained her 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 part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not the lease has been executed by all parties named herein as Lessor.

SS# AND/OR TAX ID #

~~000-00-0000~~ [redacted]

LESSOR:

Roger Brending
ROGER BRENDING

STATE OF TEXAS)
COUNTY WASHINGTON) ss.

This instrument was acknowledged before me this 12th day of June, 1996, by Roger Brending.

Notary Public

My Commission Expires:
8-7-99

JOHN RENAUD
MY COMMISSION EXPIRES
August 7, 1999

STATE OF _____)
COUNTY _____) ss.

This instrument was acknowledged before me this _____ day of _____, 19____, by _____.

Notary Public

My Commission Expires:

Attached hereto and made a part hereof that certain Oil and Gas Lease dated June 12, 1996 by and between ROGER BRENDING, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

DAMAGE/CLEAN UP

Lessee agrees and obligates itself to conduct its operations upon the leased premises as a reasonable and prudent operator. Lessee, its successors and/or assigns shall fill and level all pits and/or excavations made by it or them in connection with operations hereunder after termination of use thereof and shall construct and maintain fences surrounding such pits and/or excavations to turn livestock until such time as said pits and/or excavations are leveled. Lessee, its successors and/or assigns shall pay for all actual damage done or caused by Lessee, its successors and/or assigns in its operation hereunder to any buildings, fences, road, culverts, merchantable timber, growing crops, or any other improvements on said land, or to livestock on said land. Also, it is expressly agreed and provided that if any salt water or other deleterious substances shall come from or in any manner be extracted or produced from any well as the result of any drilling operations hereunder, Lessee, its successors and/or assigns shall not permit same to flow on and over Lessor's land, but shall confine same in pits or excavations adjacent to the drilling site. Lessee, its successors and/or assigns shall construct and maintain gates and/or cattle guards whereever Lessee enters said premises, so constructed as to turn livestock from the drilling site. Lessee, its successors and/or assigns shall bury all subsurface pipelines below plow depth.

NO HUNTING/FIREARMS

There shall be no hunting or fishing allowed on the leased premises, nor shall any firearms be brought on the leased premises by the Lessee or his assigns, or by any employee, agent, contractor or representative of the Lessee or Lessee's assigns without the prior written consent of the Lessor.

OIL & GAS ONLY/EXCLUDED MINERALS

Notwithstanding anything herein to the contrary, this Lease covers only oil and gas, including other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, but this lease does not cover gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the leased premises separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

PUGH HORIZONTAL

Notwithstanding any provision herein to the contrary, upon the expiration of the primary term of this Lease (or the expiration of any extension or renewal thereof), or upon the expiration of ninety (90) days following the completion of the last well drilled on the leased premises or acreage pooled therewith (whether completed as a well capable of production in paying quantities or as a dry hole), whichever is the later date, this Lease shall terminate as to any lands not included in a pooled unit, proration unit or other unit from which any well located thereon is producing or may be capable of producing in paying quantities, or upon which drilling, reworking or other operations calculated to restore production are being pursued as herein provided. After the expiration of the primary term of this Lease, if production on any pooled, proration or other unit permanently ceases from any cause either voluntary or involuntary (and if this Lease is not otherwise being maintained), this Lease shall terminate as to such unit unless Lessee within ninety (90) days thereafter commences reworking operations or the actual drilling of a new well thereon. In such event, this Lease will continue in effect as to such unit so long as such drilling or reworking is prosecuted with no cessation of such operations for more than ninety (90) consecutive days until production is restored.

SHUT-IN

After the end of the primary term, this Lease may not be maintained in force solely by reason of shut-in royalty payments, as provided heretofore, for any one period more than two (2) years, or from time to time, for shorter periods of which do not exceed three (3) cumulative years during any successive five (5) year period following the expiration of the primary term.

FILED
AT 1:00 P.M.
JUL 17 1996
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on JUL 18 1996

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

R. B.
LESSOR INITIALS

(7.)
MF 97511
ITEM Leases
DATE

NSNF

Texas General Land Office
Garry Mauro, Commissioner

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

July 22, 1997

Ms. Carrol Petrakos
Swift Energy Company
16825 Northchase Drive, Suite 400
Houston, Texas 77060

Dear Ms. Petrakos:

The General Land Office received the following assignment on June 27, 1997, and has filed it in M-97511.

Assignment of Oil and Gas Lease effective date November 1, 1997, from Union Pacific Resources Company to Swift Energy Company, recorded in Washington County, Texas.

Filing fees of $25.00 were received in connection with the above assignment. If you have any questions, please feel free to call me.

Sincerely,

Bridget Hennig

Bridget Hennig
Energy Resources
Royalty Management
(512) 463-5261

:bh

Printed on recycled paper with soybean ink

7612

PARTIAL ASSIGNMENT OF OIL, GAS AND MINERAL LEASES

STATE OF TEXAS }
}
COUNTY OF WASHINGTON }

KNOW ALL MEN BY THESE PRESENTS, THAT:

For and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, UNION PACIFIC RESOURCES COMPANY, whose address is P. O. Box 7, Fort Worth, Texas 76101-0007 (hereinafter called "Assignor") does hereby assign, transfer, sell and convey unto SWIFT ENERGY COMPANY, whose address is 16825 Northchase Drive, Ste. 400, Houston, Texas 77060 (hereinafter called "Assignee") and Assignee's successors and assigns, an undivided Twenty-Five Percent (25.0%) of Assignor's interest in and to the Oil, Gas and Mineral Leases (hereinafter called "said Leases") described on Exhibit "A" hereof, attached hereto and by reference made a part hereof, subject, however to any reservation, exception, limitation or encumbrance described below or on Exhibit "A".

Assignor hereby reserves unto itself, its successors and assigns, an overriding royalty interest equal to the positive difference, if any, between lease burdens and 20.0% of all oil and gas produced, saved and marketed from the lands covered by said Leases. Said overriding royalty interest shall be reduced proportionately to the extent that (i) Assignor owns or conveys to Assignee less than 100% of a lease, (ii) a lease covers less than the full mineral interest in the lands covered thereby, or (iii) the lands covered by a lease are pooled with other lands.

This Partial Assignment is granted without warranty of title of any kind, either express or implied, except Assignor specially warrants and agrees to defend the title to the interests assigned against the lawful claims and demands of all persons claiming the same or any part thereof by, through or under Assignor, but not otherwise. Assignor also hereby grants and transfers to Assignee, its successors and assigns, to the extent so transferable, the benefit of and the right to enforce the covenants and warranties, if any, which Assignor is entitled to enforce with respect to the interests assigned against Assignor's predecessors in title.

This Partial Assignment is made subject to that certain Letter Agreement dated December 5, 1996, between Assignor and Assignee.

TO HAVE AND TO HOLD said right, title and interest unto Assignee, its successors and assigns forever, subject to the terms, covenants and provisions hereof and of said Leases.

Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. The provisions hereof run with the land and inure to the benefit of and bind the respective successors and assigns of the parties.

A CERTIFIED COPY issued JUN 17 1997
Beth Rothermel, County Clerk
Washington County, TX. CR Deputy
Carli Koehne

Executed this 9th day of December, 1996, but effective the 1st day of November, 1996.

UNION PACIFIC RESOURCES COMPANY

By: Carolyn J. David
Attorney-in-Fact

STATE OF TEXAS }
}
COUNTY OF TARRANT }

This instrument was acknowledged before me on the 9TH day of DECEMBER, 1996, by CAROLYN J. DAVID, Attorney-in-Fact for UNION PACIFIC RESOURCES COMPANY, a Delaware corporation, on behalf of said corporation.

BETTY S. ABSHIRE
Notary Public
STATE OF TEXAS
My Comm Exp. 12/28/98

Betty S. Abshire
Signature

BETTY S. ABSHIRE
Name (Print)
My commission expires 12-28-98

A CERTIFIED COPY issued JUN 17 1997
Beth Rothermel, County Clerk
Washington County, TX. Deputy
Carli Koehne

LEASE #	SUB	LESSOR	LESSEE	LSE. DATE	VOL/PG.
TX1-00049366	001	TIEMANN CLAMENS ET UX	WESTERN STATES LAND SER	08/12/1993	V715 P484
TX1-00060061	001	RANDLE DANIEL B ET UX	WESTERN STATES LAND SER	08/18/1993	V715 P515
TX1-00060061	002	CALLIER SAMUEL H ETUX	WESTERN STATES LAND SER	08/18/1993	V715 P518
TX1-00060061	003	RANDLE STEPHEN B ETAL	WESTERN STATES LAND SER	08/18/1993	V715 P531
TX1-00060061	004	RANDLE FELIX S ET UX	WESTERN STATES LAND SER	08/18/1993	V715 P524
TX1-00060110		BOLCEREK BRUNO ET AL	WESTERN STATES LAND SER	08/30/1993	V715 P501
TX1-00060111		BOLCEREK FLORIAN ETAL	WESTERN STATES LAND SER	08/30/1993	V715 P596
TX1-00060138		ANTKOWIAK JULIA	WESTERN STATES LAND SER	10/15/1993	V717 P713
TX1-00060212		SOLTIS WANDA S	WESTERN STATES LAND SER	09/24/1993	V722 P387
TX1-00060215		KLUMP RAYMOND L ETUX	WESTERN STATES LAND SER	09/22/1993	V717 P741
TX1-00060294	001	WILSON CONNIE L	WESTERN STATES LAND SER	09/24/1993	V717 P807
TX1-00060294	002	WILSON EDWIN	WESTERN STATES LAND SER	09/15/1993	V717 P804
TX1-00060294	003	WILSON LONNIE	WESTERN STATES LAND SER	09/24/1993	V722 P372
TX1-00060296		BENDER HERBERT ETUX	WESTERN STATES LAND SER	10/13/1993	V715 P395
TX1-00060314		JANUSZEWSKI S A ETUX	WESTERN STATES LAND SER	09/27/1993	V715 P368
TX1-00060316		PLUMMER A Q IND & TRE	WESTERN STATES LAND SER	09/27/1993	V715 P371
TX1-00060318		WESNESKI HAROLD ET UX	WESTERN STATES LAND SER	09/17/1993	V715 P379
TX1-00060320		INGRAM MARY A MCLEAN	WESTERN STATES LAND SER	09/04/1993	V715 P382
TX1-00060369		FORMAN JONELL ET VIR	WESTERN STATES LAND SER	10/15/1993	V722 P379
TX1-00060370		WESNESKI CLARA	WESTERN STATES LAND SER	09/27/1993	V722 P375
TX1-00060371		SOMMERFELD ERVIN H	UNION PACIFIC RESOURCES	10/20/1993	V717 P717
TX1-00060497		ADAMEK AMOS	UNION PACIFIC RESOURCES	11/10/1993	V719 P202
TX1-00060499		KITOWSKI ALBERT ET AL	WESTERN STATES LAND SER	09/27/1993	V719 P212
TX1-00060500	001	LAMB BRIAN D ET AL	WESTERN STATES LAND SER	10/20/1993	V719 P220
TX1-00060500	002	MILLER PETE L ETUX	UNION PACIFIC RESOURCES	11/29/1993	V721 P428
TX1-00060503		JANUSZEWSKI A ETUX	WESTERN STATES LAND SER	09/27/1993	V719 P142
TX1-00060506	001	FRITZ EUGENE ET UX	WESTERN STATES LAND SER	10/22/1993	V719 P225
TX1-00060506	002	LAUTER MARY LEE	WESTERN STATES LAND SER	10/22/1993	V719 P228
TX1-00060506	003	FRITZ ANNIE MARIE	WESTERN STATES LAND SER	10/22/1993	V719 P232
TX1-00060530		STREATER BETTYE T	UNION PACIFIC RESOURCES	10/07/1993	V714 P551
TX1-00060532		THORNHILL HOMER ETUX	UNION PACIFIC RESOURCES	10/07/1993	V714 P548
TX1-00060536		HENKHAUS EVELYN A, TR	UNION PACIFIC RESOURCES	10/18/1993	V714 P911
TX1-00060540		SCHULTE MELVIN ETUX	UNION PACIFIC RESOURCES	10/18/1993	V714 P919
TX1-00060542		JASTER ERICH F ETAL	UNION PACIFIC RESOURCES	10/12/1993	V714 P904
TX1-00060584	002	FLOYD E H ET UX	UNION PACIFIC RESOURCES	12/18/1993	V722 P890
TX1-00060584	003	ERCULIANI INTERBAU LUZERN AG INC	UNION PACIFIC RESOURCES	12/10/1995	V815 P95
TX1-00060584	004	TEXAS OSAGE ROYALTY POOL INC	UNION PACIFIC RESOURCES	07/03/1996	V833 P249
TX1-00060584	005	KERR MCGEE CORPORATION	UNION PACIFIC RESOURCES	08/01/1996	V834 P255
TX1-00060586		HEINEMAN JR W ETUX	WESTERN STATES LAND SER	10/12/1993	V726 P531
TX1-00060587		STEEN RUTH	UNION PACIFIC RESOURCES	10/20/1993	V719 P501
TX1-00060600		HIGHTOWER PAUL J ETUX	UNION PACIFIC RESOURCES	10/12/1993	V719 P262
TX1-00060606		KNIPSTEIN JAMES ETUX	UNION PACIFIC RESOURCES	11/19/1993	V721 P362
TX1-00060608		KNIPSTEIN WILLIE C	UNION PACIFIC RESOURCES	11/18/1993	V722 P328
TX1-00060609		HIGHTOWER J P ETUX	UNION PACIFIC RESOURCES	10/12/1993	V719 P160
TX1-00060611	001	TONN HERVEY W	UNION PACIFIC RESOURCES	10/19/1993	V717 P559
TX1-00060611	002	REICHLE NELDA T	UNION PACIFIC RESOURCES	10/19/1993	V714 P696
TX1-00060694		JEFFERIES C B ET AL	UNION PACIFIC RESOURCES	11/04/1993	V721 P294
TX1-00060695	001	JEFFERIES CHRIS ALAN	UNION PACIFIC RESOURCES	11/04/1993	V721 P323
TX1-00060695	002	JEFFERIES ANNALEE	UNION PACIFIC RESOURCES	11/04/1993	V721 P289
TX1-00060703	001	GRIMM KATHRYN	UNION PACIFIC RESOURCES	11/02/1993	V721 P352
TX1-00060703	002	FARMER LAWRENCE	UNION PACIFIC RESOURCES	11/02/1993	V722 P870
TX1-00060703	003	PEZOULAS RENEE	UNION PACIFIC RESOURCES	01/08/1994	V725 P658
TX1-00060703	004	WILSON DEBORAH	UNION PACIFIC RESOURCES	01/08/1994	V725 P660
TX1-00060704		ZACHRY NELLIE L	UNION PACIFIC RESOURCES	11/04/1993	V721 P307
TX1-00060710		RANKIN ROBT ET AL	UNION PACIFIC RESOURCES	10/28/1993	V721 P319
TX1-00060721		ZINNANTE MARIE V	UNION PACIFIC RESOURCES	10/25/1993	V714 P704
TX1-00060731		HERZOG ALLAN W ET UX	WESTERN STATES LAND SER	09/09/1993	V726 P542
		SEIDEL LORENZ A ET AL	UNION PACIFIC RESOURCES		V843 P617
TX1-00060879		HODDE DIANE LEE	UNION PACIFIC RESOURCES	12/15/1993	V721 P405
TX1-00060880		KOERTH GARY DALE	UNION PACIFIC RESOURCES	11/24/1993	V722 P857
TX1-00060881		KOERTH ELLA MAE	UNION PACIFIC RESOURCES	11/23/1993	V721 P417
TX1-00060882		JASTER MELVIN E ETUX	UNION PACIFIC RESOURCES	11/03/1993	V721 P373
TX1-00060884		HERMES GERALDINE L	UNION PACIFIC RESOURCES	11/24/1993	V721 P435
TX1-00060885	001	BRUHN BARBARA J ETVIR	UNION PACIFIC RESOURCES	10/27/1993	V721 P431
TX1-00060885	002	BOECKER PEGGY ETVIR	UNION PACIFIC RESOURCES	10/28/1993	V721 P409
TX1-00060885	003	LUEDEMANN W ETUX	UNION PACIFIC RESOURCES	10/26/1993	V721 P386
TX1-00060887		HODDE DAVID MARVIN	UNION PACIFIC RESOURCES	12/15/1993	V721 P403
TX1-00060892		JOSWIAK PATRICK ETUX	UNION PACIFIC RESOURCES	11/24/1993	V721 P396
TX1-00060893		JOSWIAK JAMES A	UNION PACIFIC RESOURCES	11/24/1993	V721 P393
TX1-00060894		JOSWIAK DANNY V	UNION PACIFIC RESOURCES	11/24/1993	V721 P390
TX1-00060896		LUEDEMANN WILLIAM ETU	UNION PACIFIC RESOURCES	10/26/1993	V721 P413
TX1-00060905		JOSWIAK ARTHUR ET AL	UNION PACIFIC RESOURCES	11/24/1993	V721 P421

A CERTIFIED COPY issued JUN 17 1997
Beth Rothermel, County Clerk
Washington County, TX. CR Deputy
Carli Koehne

EXHIBIT "A"

LEASE #	SUB	LESSOR	LESSEE	LSE. DATE	VOL./PG.
TX1-00060906		JOSWIAK LOUISE	UNION PACIFIC RESOURCES	11/24/1993	V721 P424
TX1-00060914		STORK O F TRE ETAL	UNION PACIFIC RESOURCES	12/03/1993	V722 P336
TX1-00060921	001	SMITH WILLIAM W ETUX	UNION PACIFIC RESOURCES	12/03/1993	V722 P338
TX1-00061003		ARNIE LARRY J	UNION PACIFIC RESOURCES	11/30/1993	V722 P361
TX1-00061005		LUECKEMEYER ENTERPRIS	UNION PACIFIC RESOURCES	11/04/1993	V722 P358
TX1-00061006		TROSTLE MAURICE E	UNION PACIFIC RESOURCES	12/06/1993	V722 P321
TX1-00061009		CORMACK PATRICK ET UX	WESTERN STATES LAND SER	10/19/1993	V726 P561
TX1-00061047		DRAEHN STACIE ET VIR	UNION PACIFIC RESOURCES	12/10/1993	V722 P861
TX1-00061053		BAKER EUGENE ETUX	UNION PACIFIC RESOURCES	12/30/1993	V722 P876
TX1-00061054	001	PETROSKI JR F ET UX	UNION PACIFIC RESOURCES	11/29/1993	V725 P212
TX1-00061062		JANUSZEWSKI IRENE	UNION PACIFIC RESOURCES	12/17/1993	V722 P863
TX1-00061063		LAY WILLIAM H ETUX	UNION PACIFIC RESOURCES	11/30/1993	V722 P887
TX1-00061084		STEELE MICHELLE ETVIR	UNION PACIFIC RESOURCES	12/01/1993	V722 P903
TX1-00061152		SEIDEL WILLIE MAE	UNION PACIFIC RESOURCES	01/18/1994	V723 P869
TX1-00061153		SKWERES HATTIE	UNION PACIFIC RESOURCES	01/06/1994	V723 P867
TX1-00061260		KLUMP LEROY D ETUX	UNION PACIFIC RESOURCES	12/22/1993	V725 P673
TX1-00061263	001	MCNEESE MARGARET ETAL	WESTERN STATES LAND SER	12/10/1993	V812 P314
TX1-00061263	002	VOLLMER CECELIA L	UNION PACIFIC RESOURCES	02/10/1994	V727 P466
TX1-00061263	003	MATTERN PHILIP	UNION PACIFIC RESOURCES	02/10/1994	V727 P452
TX1-00061268		MALOTA JANET ETVIR	UNION PACIFIC RESOURCES	01/11/1994	V725 P669
TX1-00061271		DREYER KENNETH ET UX	UNION PACIFIC RESOURCES	12/03/1993	V725 P678
TX1-00061291		WESSINGER A J ETUX	UNION PACIFIC RESOURCES	01/20/1994	V726 P517
TX1-00061293		KUBECZKA MARY A ETVIR	UNION PACIFIC RESOURCES	01/11/1994	V726 P513
TX1-00061294		MESCHWITZ ANNA M	UNION PACIFIC RESOURCES	01/01/1994	V725 P659
TX1-00061304		HOOPER JOHN T ETUX	UNION PACIFIC RESOURCES	01/05/1994	V725 P667
TX1-00061307		BOLCEREK ALBIN ET UX	UNION PACIFIC RESOURCES	01/05/1994	V725 P661
TX1-00061309		HOOPER JOHN T ETUX	UNION PACIFIC RESOURCES	01/05/1994	V725 P663
TX1-00061347	001	FITCH PEARLIE L	UNION PACIFIC RESOURCES	02/04/1994	V726 P581
TX1-00061349		ZWAHR BRUNO ET UX	UNION PACIFIC RESOURCES	02/03/1994	V726 P573
TX1-00061351		KNIPSTEIN DELORES E	UNION PACIFIC RESOURCES	12/10/1993	V722 P853
TX1-00061405	001	SKWERES CHERYL	UNION PACIFIC RESOURCES	01/13/1994	V727 P467
TX1-00061609		PETERS GLEN E	UNION PACIFIC RESOURCES	02/10/1994	V728 P86
TX1-00061610		PETERS HERMAN ETUX	UNION PACIFIC RESOURCES	02/17/1994	V728 P87
TX1-00061611	001	JURRIES ARCHIE ETUX	UNION PACIFIC RESOURCES	01/09/1994	V728 P88
TX1-00061611	002	JURRIES LEROY ET UX	UNION PACIFIC RESOURCES	03/01/1994	V730 P315
TX1-00061611	003	MALAK GEORGIA ELLEN	UNION PACIFIC RESOURCES	01/08/1994	V730 P310
TX1-00061611	004	LOW MARY E	UNION PACIFIC RESOURCES	04/05/1994	V734 P389
TX1-00061611	005	BARNHILL JOHN	UNION PACIFIC RESOURCES	04/06/1994	V734 P393
TX1-00061611	006	SCHEFFLER NANCY GREEN	UNION PACIFIC RESOURCES	04/06/1994	V734 P391
TX1-00061611	007	NEUMANN JR HENRY ETUX	UNION PACIFIC RESOURCES	06/01/1995	V793 P833
TX1-00061611	008	PATRICIA I RYAN	UNION PACIFIC RESOURCES	06/24/1996	V830 P440
TX1-00061611	009	SALLIE M SMITH	UNION PACIFIC RESOURCES	06/24/1996	V830 P443
TX1-00061611	010	RANDALL L. PATTERSON, IND. &	UNION PACIFIC RESOURCES	07/17/1996	V830 P561
TX1-00061611	011	LOUIS GRIFFIN ALBRIGHT, ET UX	UNION PACIFIC RESOURCES	07/17/1996	V830 P588
TX1-00061611	012	BETTY BRENDING , ET VIR	UNION PACIFIC RESOURCES	07/19/1996	V831 P479
TX1-00061611	013	EDMUND J. MALAK	UNION PACIFIC RESOURCES	07/20/1996	V833 P40
TX1-00061611	014	CLEM J. BARANOWSKI	UNION PACIFIC RESOURCES	07/24/1996	V831 P779
TX1-00061611	015	CECILIA M. BATCHELOR	UNION PACIFIC RESOURCES	06/24/1996	V830 P437
TX1-00061694		MENEWEATHER W ETUX	UNION PACIFIC RESOURCES	02/24/1994	V819 P652
TX1-00061695		JURRIES MARVIN ETAL	UNION PACIFIC RESOURCES	02/16/1994	V844 P182
TX1-00061798		ZWAHR ALBERT ETAL	UNION PACIFIC RESOURCES	03/03/1994	V730 P317
TX1-00061800	001	BEARD STANLEY ET UX	UNION PACIFIC RESOURCES	03/02/1994	V730 P303
TX1-00061800	002	STORK RICKIE ET UX	UNION PACIFIC RESOURCES	03/23/1995	V783 P783
TX1-00061800	003	KNEBEL GARY ET UX	UNION PACIFIC RESOURCES	05/05/1995	V794 P691
TX1-00061800	004	HYATT MARK ET UX	UNION PACIFIC RESOURCES	05/05/1995	V793 P858
TX1-00061800	006	OLDHAM RONALD E ET UX	UNION PACIFIC RESOURCES	07/11/1995	V844 P184
TX1-00061803		SANDERS ROBERT C	UNION PACIFIC RESOURCES	02/24/1994	V730 P314
TX1-00061833		ORSAK JR JOE C ETUX	UNION PACIFIC RESOURCES	03/10/1994	V730 P305
TX1-00061835		WEIDNER HAROLD ET UX	UNION PACIFIC RESOURCES	02/04/1994	V730 P312
TX1-00061840		WEIDNER MAXWELL ETUX	UNION PACIFIC RESOURCES	02/04/1994	V730 P302
TX1-00062712		MERTEN JERRY H ET UX	UNION PACIFIC RESOURCES	02/08/1994	V731 P740
TX1-00062717		BRINKOETER W R ETUX	UNION PACIFIC RESOURCES	03/10/1994	V731 P744
TX1-00062718		ZWAHR REINHARDT H ETU	UNION PACIFIC RESOURCES	03/02/1994	V731 P742
TX1-00062719		WRIGHT WAYNE C ETUX	UNION PACIFIC RESOURCES	02/23/1994	V733 P124
TX1-00062736		BROOKE ELIZABETH ETAL	UNION PACIFIC RESOURCES	02/11/1994	V816 P481
TX1-00062831		WRIGHT CECIL W ETUX	UNION PACIFIC RESOURCES	03/15/1994	V733 P499
TX1-00062836		RYBARSKI GENEVIEVE	UNION PACIFIC RESOURCES	03/07/1994	V733 P492
TX1-00062946		ROBERTS JR G ET AL	UNION PACIFIC RESOURCES	01/20/1994	V734 P395
TX1-00062947		ZWAHR JR HERBERT ETAL	UNION PACIFIC RESOURCES	01/13/1994	V734 P386
TX1-00062961		CAMPBELL NEIL ETUX	UNION PACIFIC RESOURCES	02/23/1994	V735 P357
TX1-00063233		SOMMERLATTE MIKE ETUX	UNION PACIFIC RESOURCES	12/03/1993	V727 P485
TX1-00072226		MCLEAN JEAN M	UNION PACIFIC RESOURCES	11/22/1994	V762 P431
TX1-00072238		JARMON EDDIE MAE	UNION PACIFIC RESOURCES	11/15/1994	V762 P453
TX1-00072418		DRAEHN WILLIAM BOYD	UNION PACIFIC RESOURCES	12/02/1994	V844 P180
TX1-00072421		PRENZLER DON ET UX	UNION PACIFIC RESOURCES	12/09/1994	V773 P233

A CERTIFIED COPY issued JUN 17 1997
Beth Rothermel, County Clerk
Washington County, TX. Deputy
Carli Koehne

EXHIBIT "A"

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LEASE #	SUB	LESSOR	LESSEE	LSE. DATE	VOL./PG.
TX1-00072430		ANDREJCZAK DOROTHY A	UNION PACIFIC RESOURCES	11/18/1994	V773 P230
TX1-00072469		DOBBS JANIE D	UNION PACIFIC RESOURCES	11/30/1994	V772 P357
TX1-00072482	001	DAVIS JR LEE E ETUX	UNION PACIFIC RESOURCES	12/08/1994	V770 P580
TX1-00072482	002	JEWELL JR GEORGE H ET	UNION PACIFIC RESOURCES	12/02/1994	V816 P695
TX1-00072515		WILHELMSEN TRUST	UNION PACIFIC RESOURCES	12/14/1994	V772 P417
TX1-00072521		WILKES PEGGY W	UNION PACIFIC RESOURCES	12/28/1994	V772 P379
TX1-00072557		CASE LESTER ET UX	UNION PACIFIC RESOURCES	12/09/1994	V772 P419
TX1-00072572		PRZYBORSKI TOMMY	UNION PACIFIC RESOURCES	12/30/1994	V773 P287
TX1-00072577		JEFFRESS JAMES ET UX	UNION PACIFIC RESOURCES	12/09/1994	V773 P285
TX1-00072578		BOENKER ROBERIAL ETUX	UNION PACIFIC RESOURCES	12/09/1994	V773 P289
TX1-00072579		KUBECZKA JOHNNIE ETUX	UNION PACIFIC RESOURCES	12/07/1994	V844 P178
TX1-00072655	001	MCLENNAN MIKE ET UX	ASCENT OIL & GAS CORP	01/30/1995	V776 P660
TX1-00072655	002	JACKSON GERALD B ETUX	UNION PACIFIC RESOURCES	04/19/1995	V794 P863
TX1-00072680		SCHAER JR JOHN B ETUX	UNION PACIFIC RESOURCES	01/16/1995	V776 P726
TX1-00072682	001	TONN ELSWORTH	UNION PACIFIC RESOURCES	01/09/1995	V776 P690
TX1-00072682	002	TONN MELISSA DAWN	UNION PACIFIC RESOURCES	01/09/1995	V776 P693
TX1-00072682	003	TONN KELTON C	UNION PACIFIC RESOURCES	01/09/1995	V776 P696
TX1-00072682	004	BECHDOLT DORIS	UNION PACIFIC RESOURCES	01/09/1995	V794 P633
TX1-00072685		DUNCAN BARRY LEE ETUX	UNION PACIFIC RESOURCES	11/11/1994	V776 P717
TX1-00072686		DIETZ JOHN V ET UX	UNION PACIFIC RESOURCES	02/15/1995	V776 P721
TX1-00072690		BROOKS LARRY E ET UX	UNION PACIFIC RESOURCES	01/17/1995	V776 P710
TX1-00072691		POHL GARY LYNN ET UX	UNION PACIFIC RESOURCES	01/16/1995	V776 P707
TX1-00072710		ADAMEK KINCH J ET UX	UNION PACIFIC RESOURCES	01/25/1995	V776 P668
TX1-00072863		KEETON DOY EDWARD ETU	UNION PACIFIC RESOURCES	03/02/1995	V781 P408
TX1-00072864		JANNER DOYLE WADE ETU	UNION PACIFIC RESOURCES	03/02/1995	V781 P406
TX1-00072887		DRAEHN PATRICK KELLY	UNION PACIFIC RESOURCES	12/02/1994	V777 P516
TX1-00073066		THOMPSON JESSIE ET UX	UNION PACIFIC RESOURCES	03/08/1995	V781 P425
TX1-00073074		HUEBNER DONALD ET UX	UNION PACIFIC RESOURCES	03/23/1995	V781 P443
TX1-00073076		STUDER JOHN LEO ET UX	UNION PACIFIC RESOURCES	03/23/1995	V781 P446
TX1-00073191		GALLE EDWARD W ET UX	UNION PACIFIC RESOURCES	03/23/1995	V783 P792
TX1-00073192		STEFFEN ELTON ET UX	UNION PACIFIC RESOURCES	04/04/1995	V783 P789
TX1-00073193		EDWARDS GEORGE A ETUX	UNION PACIFIC RESOURCES	01/16/1995	V783 V786
TX1-00073194	001	ANTKOWIAK MICHAEL J	UNION PACIFIC RESOURCES	03/02/1995	V786 P350
TX1-00073195		STANFORD ROBERT ETUX	UNION PACIFIC RESOURCES	04/04/1995	V783 P780
TX1-00073236		STEVENSON MARY RUTH	UNION PACIFIC RESOURCES	05/05/1995	V844 P190
TX1-00073353		LONG MARGARET	UNION PACIFIC RESOURCES	03/23/1995	V794 P703
TX1-00073355	001	DRAEHN DONALD ET UX	UNION PACIFIC RESOURCES	05/05/1995	V794 P700
TX1-00073358		JENSEN MARK HENRY	UNION PACIFIC RESOURCES	05/05/1995	V794 P685
TX1-00073360		MESCHWITZ GLEN ET UX	UNION PACIFIC RESOURCES	05/05/1995	V794 P688
TX1-00073362		WENSEL EDWARD ET UX	UNION PACIFIC RESOURCES	04/26/1995	V794 P694
TX1-00073363		POEHLMANN MARK E ET U	UNION PACIFIC RESOURCES	05/05/1995	V794 P697
TX1-00073445		GEBHARD JR Q ETUX	UNION PACIFIC RESOURCES	05/05/1995	V793 P855
TX1-00073446		CHAPMAN R E ET UX	UNION PACIFIC RESOURCES	05/05/1995	V793 P849
TX1-00073447	001	SCHULZE ROGER D	UNION PACIFIC RESOURCES	05/05/1995	V793 P852
TX1-00073449		RUDLOFF RICKY LEE ETU	UNION PACIFIC RESOURCES	05/05/1995	V793 P846
TX1-00073450		HOHLT GARY ET UX	UNION PACIFIC RESOURCES	05/05/1995	V793 P843
TX1-00073455		WOLFE JOHN ARTHUR ETU	UNION PACIFIC RESOURCES	06/15/1995	V793 P837
TX1-00075952		STEVENSON GARY M ET A	UNION PACIFIC RESOURCES	04/19/1995	V794 P624
TX1-00076068		ZWAHR PATSY ET AL	UNION PACIFIC RESOURCES	06/20/1995	V796 P411
TX1-00076069		NOVOSAD THOMAS L	UNION PACIFIC RESOURCES	04/07/1995	V796 P416
TX1-00076130		CAROLYN ZWAHR	UNION PACIFIC RESOURCES	07/19/1995	V802 P477
TX1-00076131		ZWAHR CAROLYN LIFE ES	UNION PACIFIC RESOURCES	07/19/1995	V802 P480
TX1-00076261		COLLIER WILLIAM P ET	UNION PACIFIC RESOURCES	07/19/1995	V844 P193
TX1-00076306		JURICA JR GEORGE J ET	UNION PACIFIC RESOURCES	07/19/1995	V802 P494
TX1-00076430		SOMMERLATTE MICHAEL R	UNION PACIFIC RESOURCES	03/02/1995	V804 P833
TX1-00076526	001	TANKSLEY SPENCER ET U	UNION PACIFIC RESOURCES	07/11/1995	V844 P187
TX1-00079857		GARY G HAACK ET UX	UNION PACIFIC RESOURCES	08/28/1995	V820 P244
TX1-00081466	001	DOROTHY BRENDING, ET AL	UNION PACIFIC RESOURCES	06/13/1996	V830 P446
TX1-00081566		ROGER BRENDING	UNION PACIFIC RESOURCES	06/12/1996	V830 P453
TX1-00081581		ERCULIANI INTERBAU LUZERN AG	UNION PACIFIC RESOURCES	06/19/1996	V833 P280
TX1-00081595		WILLIAM WALDO SMITH, ET UX	UNION PACIFIC RESOURCES	06/03/1996	V830 P498
TX2-00081831		ST OF TX M-97511	UNION PACIFIC RESOURCES	09/03/1996	V838 P12

FILED

AT 8:30 A M

DEC 23 1996

Beth A. Rothermel

BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

DEC 26 1996

Beth A. Rothermel

Beth Rothermel, County Clerk
Washington County, Texas

M- 97511 (8)
Assignment
File Dated 9/5/97

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON

The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the OFFICIAL RECORDS in my office with volume and page number stamped thereon. I hereby certify on

JUN 17 1997

BETH ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS
By Carli Koehne Deputy

Union Pacific Resources

May 11, 1998

Ernest Garza, Accounts Examiner 512-463-5261
Texas General Land Office
1700 N Congress Ave Ste 600
Austin 78701-1495

RE: Schwickert Unit Well No. 1 [4190301] Washington Co., TX

Dear Mr. Garza,

Enclosed are portions of title opinions for State of Texas acreage in the Schwickert Unit Well No. 1 [4190301] Washington Co., TX. The State of Texas owns interests in Tracts 4, 16A and 16B.

Tract 16 is a road.

- At the time UPR requested a survey of the unit, UPR thought the State of Texas owned 100% of the minerals under the road [Tract 16].
- At the time UPR requested a lease from the State of Texas, UPR thought the State of Texas owned 100% of the minerals under the road. [Tract 16].
- Title opinions later revealed the State of Texas owns 100% interest as to one side of the road [Tract 16A] and 50% interest as to the other side of the road [Tract 16B].

Here is a summary for the State of Texas, using "called acreage"

Tract	MI	Roy	Tr Acres	Unit Acres	Unit Interest
4	1.0	0.2	3.50	615.82	0.00113670
16A	1.0	0.2	0.41*	615.82	0.00013316
16B	0.5	0.2	0.50	615.82	0.00008119
Total					0.00135105

* = 0.41 "called acres," as noted in title opinion

Here is a summary for the State of Texas, accommodating "surveyed acreage" rather than "called acreage"

Tract	MI	Roy	Tr Acres	Unit Acres	Unit Interest
4	1.0	0.2	3.50	615.82	0.00113670
16A	1.0	0.2	0.45**	615.82	0.00014615
16B	0.5	0.2	0.50	615.82	0.00008119
Total					0.00136404, *accredited on Division Order*

** = 0.45 acres to accommodate surveyor calculations [The benefit of the doubt given to State of Texas].

If you have further questions, please call me at 817-877-6192. In all written correspondence, please include your UPR Owner Number and the UPR Property Name and Property Number on all correspondence. Internet correspondence can be sent to me at doug_potter@uprc.com. Fax transmittals can be sent to 817-877-6659.

sincerely,

Doug Potter

Union Pacific Resources Company
Land Administration
Mail Station 3110
PO Box 7
Fort Worth, TX 76101

cc: Suzanne Naylor

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†COMMERCIAL & RESIDENTIAL REAL ESTATE LAW
**CIVIL TRIAL & APPELLATE LAW
TEXAS BOARD OF LEGAL SPECIALIZATION

TRY

August 28, 1996

Union Pacific Resources Company
P.O. Box 7
Fort Worth, Texas 76101-0007

Attn: Mr. Clay Blum

Re: State of Texas tract, 3.5 acres of land, more or less, out of the Isaac Jameison League, A-67, Washington County, Texas (Hightower Unit No. 1 - 196-1134-8).

Pursuant to your request, title has been examined for the following tract of land, located in Washington County, Texas, more particularly described on Exhibit "B" and depicted on Exhibit "C" attached to this Opinion.

ORIGINAL DRILLING TITLE OPINION

DESCRIPTION OF LANDS

3.5 acres of land, more or less, out of the Isaac Jameison League, A-67, Washington County, Texas, being two tracts of land, part of Farm to Market Road 389, more particularly described as follows:

1) Being the same land described in a Deed, dated February 14, 1927, from Kurt Zwahr to Washington County, recorded at Volume 91, Page 223, Deed Records, Washington County, Texas; and

2) Being the same land described in a Deed, dated February 14, 1927, from Kurt Zwahr to Washington County, recorded at Volume 91, Page 224, Deed Records, Washington County, Texas.

TX2-61611(18)

MATERIALS EXAMINED

For this Opinion, the following records and documents of title have been examined:

1. Index of Transactions prepared by Jim Burgin & Associates, Inc., covering the captioned land for the period of time from August 3, 1878, through August 1, 1996.

2. The records and documents of title contained in the offices of the county and district clerks of Washington County, Texas, as referenced in the above-described Index of Transactions.

3. Plat of the captioned land.

OWNERSHIP

Surface Ownership

State of Texas (100%)		1.00000000
	Total Ownership	1.00000000

Executive Rights & Mineral Fee

State of Texas (100%)		1.00000000
	Total Ownership	1.00000000

Oil & Gas Royalty Interest

Examiner's Note:

None.

Working Interest

Examiner's Note:

	Expense	Revenue	Source
State of Texas (100%)	1.00000000	1.00000000	Unleased
Total Working Interest	1.00000000	1.00000000	

COMMENTS AND REQUIREMENTS

PATENT

Number: 1

Comment: The captioned land is a part of the Isaac Jameison League, A-67, Washington County, Texas, which was patented by the State of Coahuila and Texas to Isaac Jameison on April 7, 1831 (Volume 153, Page 274). Based upon the date of said patent and the fact that same appears regular on its face, it is our opinion that the sovereign retained no mineral interest in the captioned land.

Requirement: Advisory only.

TITLE HISTORY

Number: 2

Comment: Title to the captioned land subsequent to August 3, 1878, is fairly regular, with record title in the surface and minerals being held as credited herein, subject to the comments and requirements made below.

By Deed dated December 10, 1925 (Volume 83, Page 61), Rudolph Zwahr (as heir of his deceased mother, Emma Zwahr) et ux conveyed all right, title and interest in 131.8 acres, including the captioned land, to Kurt Zwahr and Alma Zwahr. By Deed dated December 10, 1925 (Volume 83, Page 80), G. A. Zwahr, a widower, conveyed a one-half interest in 131.8 acres, including the captioned

land, to Kurt Zwahr and Alma Zwahr. Prior to these conveyances, title was vested in G. A. Zwahr. Emma Zwahr, the wife of G. A. Zwahr, died on December 1, 1920. A landman's note indicates that there is no probate, affidavit or other document of record to evidence the death and/or heirship of Emma Zwahr. We have presumed that the 131.8 acres was community property and that the sole heirs of Emma Zwahr are G. A. Zwahr, Rudolph Zwahr and Kurt Zwahr.

By Deeds dated December 14, 1927 (Volume 91, Page 223 and Volume 91, Page 224), Kurt Zwahr conveyed the captioned land to Washington County, Texas. We have presumed that the captioned land was not a part of the homestead of Kurt Zwahr and Alma Zwahr, and that, therefore, Kurt Zwahr had authority to convey same. As a matter of business judgment, you may wish to accept our presumption as correct, since it would be difficult if not impossible to determine homestead status after the passage of nearly 70 years.

Title to roadways in the State of Texas belongs to the State, even if the conveyance was made in the name of the county. Robbins v. Limestone County, 114 Tex. 345, 268 S.W. 915 (1925).

Requirement: Advisory only.

UNLEASED INTEREST

Number: 3

Comment: The interest of the State of Texas in the captioned land is unleased.

Requirement: You should secure a lease from the State of Texas and file same of record in Washington County, Texas, with a copy furnished to this office for examination.

LIMITATIONS

This Title Opinion is based solely upon those items listed in the inventory section of this Opinion, and has been prepared in reliance upon the validity, accuracy and completeness of the instruments, documents and materials examined as herein described. We cannot accept responsibility for any documents or materials not furnished to or examined by this firm. No examination has been made and no opinion is expressed with regard to matters not included in such material including but not limited to: forgeries, bankruptcies; liens for taxes not yet due; capacity-competency of parties; matters as would be shown by survey of the property including, but not limited to, area, overlaps, encroachments and conflicts in boundary lines; unrecorded liens, claims or contracts; homestead rights; delivery and alteration after delivery; fraud, duress or undue influence; and the jurisdiction of any governmental agency, Federal, State, County, Municipal or otherwise, including, without limitation, the Federal Energy Regulatory Commission and/or the Department of Energy.

Unless noted otherwise herein, we have presumed that all documents executed by non-individual entities, such as corporations, partnerships, trusts, and the like, were executed by the proper parties and were duly authorized. We have presumed that the captioned land is not subject to any gas purchase contracts or other commitments as to production unless noted herein. We do not purport to address any environmental matters, including wetlands, toxic wastes, endangered species, or past or present pollution, and you should satisfy yourself as to such matters.

This Opinion covers only the surface and oil, gas and other minerals produced in association therewith. Specifically, we do not pass upon ownership of coal, lignite, uranium or other minerals generally classified as hard minerals.

This Opinion has been prepared using the Chain of Title (COT) software system as furnished to us by Union Pacific Resources Company. Due to the interdependent nature of the data entered into said system, it is possible for third parties to change the text or to inadvertently alter this Opinion by altering the data upon which it is based. Furthermore, we have been specifically instructed by Union Pacific Resources Company not to correct minor or now-moot errors in the database. Accordingly, we assume no responsibility for errors introduced by the COT software, including but not limited to alterations of this Opinion caused by the entry or modification of material in the database by third parties. We believe this Opinion to be correct as to the time that the initial hard copy was printed out, but we assume no responsibility for subsequent alterations of the stored document by third parties, whether intentional or unintentional.

This Title Opinion is rendered solely and exclusively for the benefit of UNION PACIFIC RESOURCES COMPANY.

LABANOWSKI & ASSOCIATES

Labanowski & Associates

PAL:AA:gz

EXHIBIT A - CERTIFICATION OF BURDEN RELATIONSHIPS

State of Texas	1.00000000	UNLEASED
Total Ownership	1.00000000	

EXHIBIT B

(196-1134-8)

METES AND BOUNDS

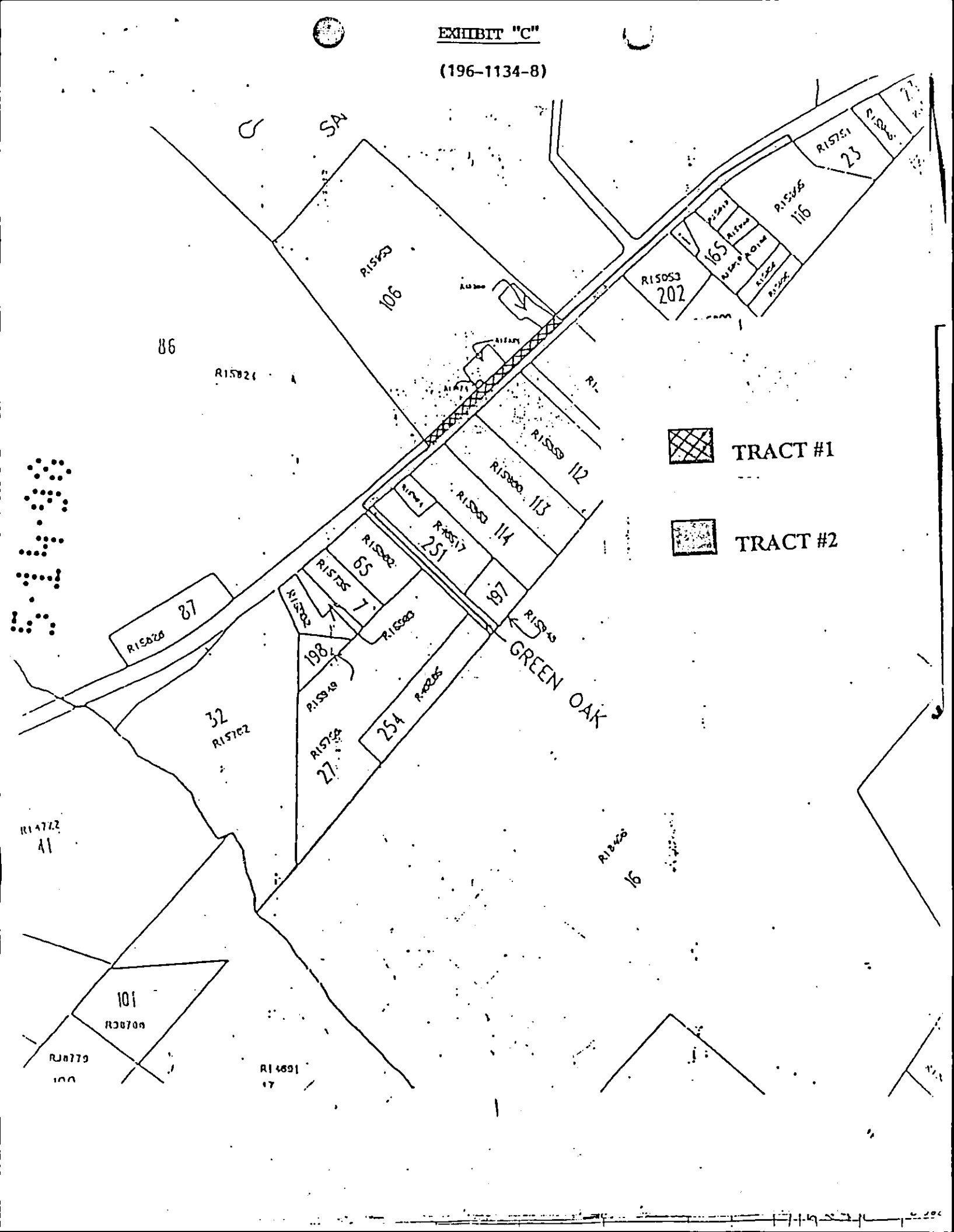
Being 3.50 acres of land, more or less, out of the Isaac Jameison League, A-67, Washington County, Texas, being more particularly described in the following two tracts:

A strip of land along the north side of my 70 acre place on Spring Branch, and along the above road of such a width that there will be 40 ft. between the center line of said road as it will be laid out by the county Engr. and the new north line of my place, said strip of land being in __ _league in Washington County, Texas.

Fr. 295/82 to 307 / 42 of Meander Survey. A strip of land along the South side of my 53 acre place between Spring Branch & Mill Creek and along the above road, of such a width that there will be 40 ft. between the center line of the above road as it will be established by the County Engr. and the South line of my place said strip of land being in ____League in Wash. County, Texas.

EXHIBIT "C"

(196-1134-8)



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**CIVIL TRIAL & APPELLATE LAW
TEXAS BOARD OF LEGAL SPECIALIZATION

TR 164

August 28, 1996

Union Pacific Resources Company
P.O. Box 7
Fort Worth, Texas 76101-0007

Attn: Mr. Clay Blum

Re: State of Texas tract, 0.4100 acres of land, more or less, out of the Isaac Jameison League, A-67, Washington County, Texas (Hightower Unit No. 1 - 196-1129-8).

Pursuant to your request, title has been examined for the following tract of land, located in Washington County, Texas, more particularly described on Exhibit "B" and depicted on Exhibit "C" attached to this Opinion.

ORIGINAL DRILLING TITLE OPINION

DESCRIPTION OF LANDS

0.4100 acres of land, more or less, out of the Isaac Jameison League A-67, Washington County, Texas, being the same land described in that certain Deed dated November 30, 1909, from T. A. Low to A. A. Hacker and T. S. Estes, recorded at Volume 61, Page 410 of the Deed Records of Washington County, Texas.

MATERIALS EXAMINED

For this Opinion, the following records and documents of title have been examined:

1. Index of Transactions prepared by Jim Burgin & Associates, Inc.,

TX2-6/611 (15)

covering the captioned land for the period of time from March 3, 1886, through August 1, 1996, at 5:00 p.m.

2. The records and documents of title contained in the offices of the county and district clerks of Washington County, Texas, as referenced in the above-described Index of Transactions.

3. Abstractor's note regarding limits of examination.

4. Plats of the captioned land.

OWNERSHIP

Surface Ownership

State of Texas
(100%) 1.00000000

MINERAL ESTATE:

State of Texas
(100%) 1.00000000

NONPARTICIPATING ROYALTY ESTATE:

None.

LEASEHOLD ROYALTY ESTATE:

None.

OVERRIDING ROYALTY ESTATE:

None.

OIL, GAS AND MINERAL LEASEHOLD ESTATE:

	Working Interest	Net Revenue Interest	Source
State of Texas (1005)	1.00000000	1.00000000	Fee Unleased

COMMENTS AND REQUIREMENTS

PATENT

Number: 1

Comment: The captioned land is a part of the Isaac Jameison League, A-67, Washington County, Texas, which was patented by the State of Coahuila and Texas to Isaac Jameison on April 7, 1831 (Volume 153, Page 274). Based upon the date of said patent and the fact that same appears regular on its face, it is our opinion that the sovereign retained no mineral interest in the captioned land.

Requirement: Advisory only.

TITLE HISTORY

Number: 2

Comment: Title to the captioned land subsequent to March 3, 1886, is irregular, with record title in the surface and minerals being held as credited herein, subject to the comments and requirements made below.

By Deed dated January 22, 1938 (Volume 117, Page 355), W. F. Hasskarl conveyed to S. D.W. Low, County Judge, a 0.5 acre tract covered by another opinion (File No. 196-1130-8), along with "all of the 16 foot right-of-way...conveyed by Hacker and Estes to W. F. Hasskarl, describing both tracts together by metes and bounds, and stating that said fee conveyance in recognition of the advantage of having a good road running into my property."

By Deed dated November 30, 1909 (Volume 61, Page 410), T. A. Low conveyed a 16 foot wide strip of land, being the captioned land, to A. A. Hacker and T. S. Estes, said fee conveyance, stating

that it is intended to convey said land to said parties as a right-of-way. Although referenced in the conveyance recorded at Volume 117, Page 355, no conveyance appears of record of said 16 foot wide tract from A.A. Hacker and T. S. Estes. Since the tract conveyed in that instrument has been used as a county road known as Green Oak, we have presumed that said conveyance, although not of record, did occur and conveyed all of grantors' interest in said 16 foot tract, and have credited the interest hereunder accordingly. Since that tract has been utilized as a county road, no further requirements are being made.

Requirement: Advisory only.

UNLEASED ACREAGE

Number: 3

Comment: The captioned land is unleased at the present time.

Requirement: You should obtain a lease from the State of Texas and file same of record in Washington County, Texas, with a copy furnished to this office for examination.

LIMITATIONS

This Title Opinion is based solely upon those items listed in the inventory section of this Opinion, and has been prepared in reliance upon the validity, accuracy and completeness of the instruments, documents and materials examined as herein described. We cannot accept responsibility for any documents or materials not furnished to or examined by this firm. No examination has been made and no opinion is expressed with regard to matters not included in such material including but not limited to: forgeries, bankruptcies; liens for taxes not yet due; capacity-competency of parties; matters as would be shown by survey of the property including, but not limited to, area, overlaps, encroachments and conflicts in boundary lines; unrecorded liens, claims or contracts; homestead rights; delivery and alteration after delivery; fraud, duress or undue influence; and the jurisdiction of any governmental agency, Federal, State, County, Municipal or otherwise, including, without limitation, the Federal Energy Regulatory Commission and/or the Department of Energy.

Unless noted otherwise herein, we have presumed that all documents executed by non-individual entities, such as corporations, partnerships, trusts, and the like, were executed by the proper parties and were duly authorized. We have presumed that the captioned land is not subject to any gas purchase contracts or other commitments as to production unless noted herein. We do not purport to address any environmental matters, including wetlands, toxic wastes, endangered species, or past or present pollution, and you should satisfy yourself as to such matters.

This Opinion covers only the surface and oil, gas and other minerals produced in association therewith. Specifically, we do not pass upon ownership of coal, lignite, uranium or other minerals generally classified as hard minerals.

This Opinion has been prepared using the Chain of Title (COT) software system as furnished to us by Union Pacific Resources Company. Due to the interdependent nature of the data entered into said system, it is possible for third parties to change the text or to inadvertently alter this Opinion by altering the data upon which it is based. Furthermore, we have been specifically instructed by Union Pacific Resources Company not to correct minor or now-moot errors in the database. Accordingly, we assume no responsibility for errors introduced by the COT software, including but not limited to alterations of this Opinion caused by the entry or modification of material in the database by third parties. We believe this Opinion to be correct as to the time that the initial hard copy was printed out, but we assume no responsibility for subsequent alterations of the stored document by third parties, whether intentional or unintentional.

This Title Opinion is rendered solely and exclusively for the benefit of UNION PACIFIC RESOURCES COMPANY.

LABANOWSKI & ASSOCIATES

Labanowski & Associates

PAL:AA:gz

EXHIBIT "A"

(196-1129-8)

CERTIFICATE OF BURDEN RELATIONSHIPS

State of Texas	1.00000000	Unleased
Total Ownership:	1.00000000	

EXHIBIT B

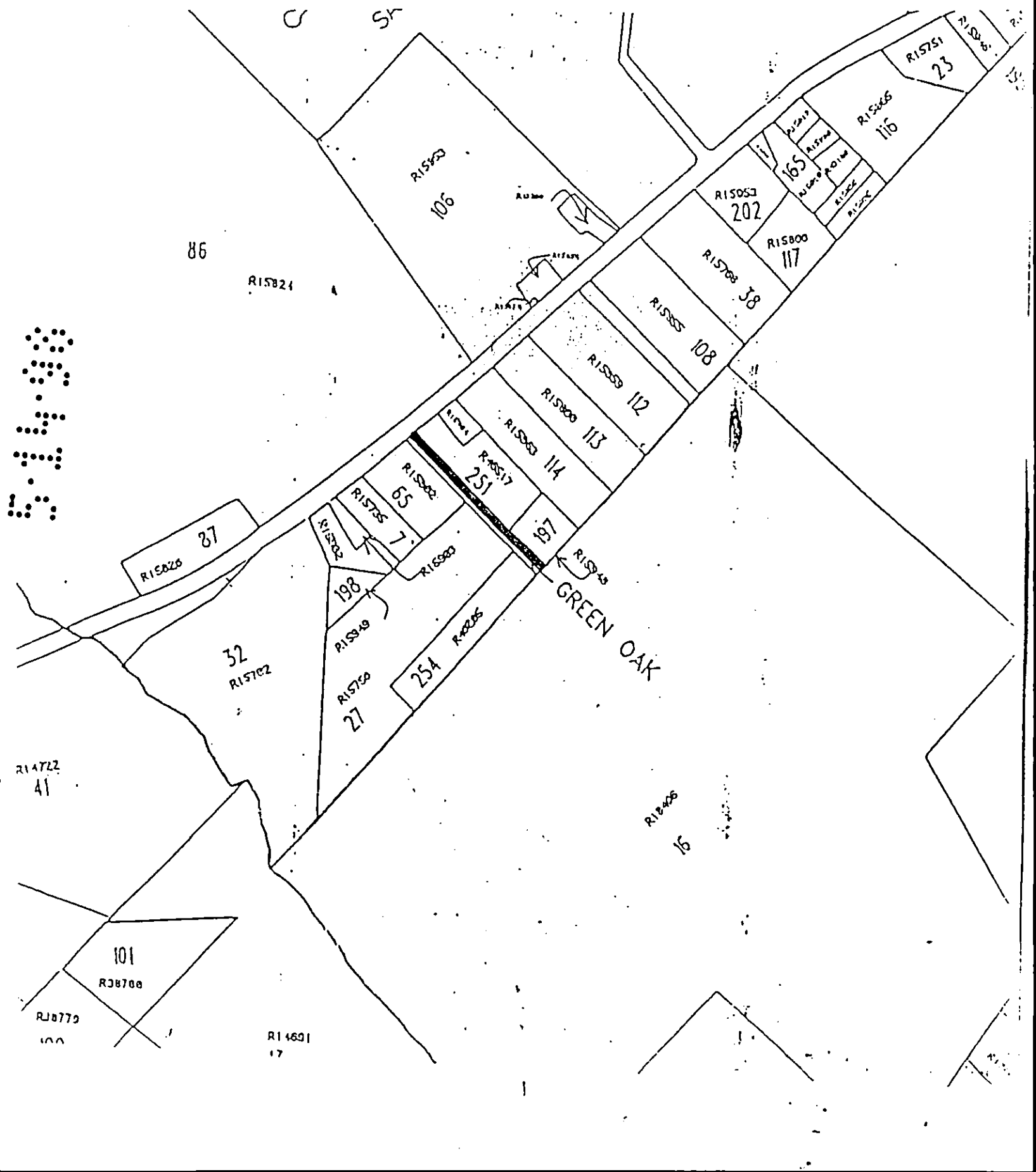
(196-1129-8)

METES AND BOUNDS

being a part of the Isaac Jamison League and on the north side of E.Hill Creek and being part of the same tract of land deeded to Wood and Low by W.F.Crenshaw on March 3,1876,with color and bounds as follows:- Beginning at the N.E. corner of said survey, thence in S. direction along the line between said survey and a 200 acre tract owned by Hacker and Bates, 16 feetthencein a N.E. direction parallel with N.E. bdy. line of the said survey to the Brenham and Greenvine public road, thence in a N. direction with said road to the N. line of said survey formerly owned by Wood" Low,now owned by T.A.Low, thence in an easterly direction with the north line of said survey to the place of beginning.

EXHIBIT "C"

(196-1129-8)



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**CIVIL TRIAL & APPELLATE LAW
TEXAS BOARD OF LEGAL SPECIALIZATION

TR 16 B

August 28, 1996

Union Pacific Resources Company
P.O. Box 7
Fort Worth, Texas 76101-0007

Attn: Mr. Clay Blum

Re: State of Texas tract, 0.50 acres of land, more or less, out of the Isaac Jameison League, A-67, Washington County, Texas (Hightower Unit No. 1 - 196-1130-8).

Pursuant to your request, title has been examined for the following tract of land, located in Washington County, Texas, more particularly described on Exhibit "B" and depicted on Exhibit "C" attached to this Opinion.

ORIGINAL DRILLING TITLE OPINION

DESCRIPTION OF LANDS

0.50 acres, more or less, out of the Isaac Jameison League A-67, Washington County, Texas, being the same land described in that certain Deed dated January 15, 1938, from Henry Neumann et ux, Lou Mae Neumann, to W. F. Hasskarl, recorded at Volume 117, Page 354 of the Deed Records of Washington County, Texas.

MATERIALS EXAMINED

For this Opinion, the following records and documents of title have been examined:

1. Index of Transactions prepared by Jim Burgin & Associates, Inc.,

TX7-6/1611 (18)

covering the captioned land for the period of time from March 3, 1886, through August 1, 1996, at 5:00 p.m.

2. The records and documents of title contained in the offices of the county and district clerks of Washington County, Texas, as referenced in the above-described Index of Transactions.

3. Abstractor's note regarding limits of examination.

4. Plats of the captioned land.

OWNERSHIP

Please see Exhibit "D" attached.

caution because of the overly broad generalizations found in the universal power of attorney form, you should obtain ratifications of Lease No. 3 of this Opinion from Brent A. Barker and William S. Bell. Said instruments should be filed of record in Washington County, Texas, with copies furnished to this office for examination.

CURRENT LEASES

Number: 7

Comment: The captioned leases contain certain special provisions which affect your rights and obligations under said leases. At your request, we have not analyzed same in this Opinion. Reference should be made to the instruments themselves for the complete text of all their provisions.

Requirement: You should thoroughly familiarize yourself with all of the terms and provisions of the captioned leases, and fully comply with same.

PRIOR LEASES:

Number: 8

Comment: As noted in the Unreleased Leases section of this Opinion, there is one prior oil and gas lease affecting the captioned land which has not been released of record, although it is beyond its primary term.

Requirement: You should fully satisfy yourself that the oil, gas and mineral lease outlined in the Encumbrances section of this Opinion has expired by its own terms, or in lieu thereof, you should secure a release of same and file said release of record in Washington County, Texas.

STATE OF TEXAS INTEREST

Number: 9

Comment: The interest of the State of Texas is unleased.

Requirement: You should obtain a lease from the State of Texas and file same of record in Washington County, Texas, with a copy furnished to this office for examination.

LIMITATIONS

This Title Opinion is based solely upon those items listed in the inventory section of this Opinion, and has been prepared in reliance upon the validity, accuracy and completeness of the instruments, documents and materials examined as herein described. We cannot accept responsibility for any documents or materials not furnished to or examined by this firm. No examination has been made and no opinion is expressed with regard to matters not included in such material including but not limited to: forgeries, bankruptcies; liens for taxes not yet due; capacity-competency of parties; matters as would be shown by survey of the property including, but not limited to, area, overlaps, encroachments and conflicts in boundary lines; unrecorded liens, claims or contracts; homestead rights; delivery and alteration after delivery; fraud, duress or undue influence; and the jurisdiction of any governmental agency, Federal, State, County, Municipal or otherwise, including, without limitation, the Federal Energy Regulatory Commission and/or the Department of Energy.

Unless noted otherwise herein, we have presumed that all documents executed by non-individual entities, such as corporations, partnerships, trusts, and the like, were executed by the proper parties and were duly authorized. We have presumed that the captioned land is not subject to any gas purchase contracts or other commitments as to production unless noted herein. We do not purport to address any environmental matters, including wetlands, toxic wastes, endangered species, or past or present pollution, and you should satisfy yourself as to such matters.

This Opinion covers only the surface and oil, gas and other minerals produced in association therewith. Specifically, we do not pass upon ownership of coal, lignite, uranium or other minerals generally classified as hard minerals.

This Opinion has been prepared using the Chain of Title (COT) software system as furnished to us by Union Pacific Resources Company. Due to the interdependent nature of the data entered into said system, it is possible for third parties to change the text or to inadvertently alter this Opinion by altering the data upon which it is based. Furthermore, we have been specifically instructed by Union Pacific Resources Company not to correct minor or now-moot errors in the database. Accordingly, we assume no responsibility for errors introduced by the COT software, including but not limited to alterations of this Opinion caused by the entry or modification of material in the database by third parties. We believe this Opinion to be correct as to the time that the initial hard copy was printed out, but we assume no responsibility for subsequent alterations of the stored document by third parties, whether intentional or unintentional.

This Title Opinion is rendered solely and exclusively for the benefit of UNION PACIFIC RESOURCES COMPANY.

LABANOWSKI & ASSOCIATES

Labanowski & Associates

PAL:AA:gz

EXHIBIT "A"

(196-1130-8)

CERTIFICATE OF BURDEN RELATIONSHIPS

Union Pacific Resources Company	.50000000	WI
State of Texas	.50000000	WI
Patricia Irene Ryan	.02777778	ROY
Union Pacific Resources Company	-.02777778	WI
Mary E. Low	.01388889	ROY
Union Pacific Resources Company	-.01388889	WI
William S. Bell	.01299652	ROY
Union Pacific Resources Company	-.01299652	WI
Brent A. Barker	.00089236	ROY
Union Pacific Resources Company	-.00089236	WI
Sallie M. Smith	.00925926	ROY
Union Pacific Resources Company	-.00925926	WI
Cecilia M. Batchelor	.00925926	ROY
Union Pacific Resources Company	-.00925926	WI
John Williamson Barnhill Jr.	.00925926	ROY
Union Pacific Resources Company	-.00925926	WI
Total Ownership:	1.00000000	

EXHIBIT B

(196-1130-8)

METES AND BOUNDS

all that certain tract or parcel of land situated in Washington County,Texas, out ofthe Isaac Jameson League, and a part of a 75 acre tract of land sold H.F. Jurries by Mrs. C.T. Low,and recorded in Deed Records of Washington County,Texas, in Vol.74, page 235, and out of the North East side of a 36 acre tract conveyed Henry Neumann by Mrs, Wilhelmina Neumann, et al, and recorded in Deed Records of Washington County,Texas, in Vol. 111, page 409, and described as follows:

Beginning at the East corner of the tract, in the South East line of the League, and corner of a 16 foot right of way sold Hacker and Bates, and by them sold Dr.W.F. Hasskorl.Thence with the South West line of said 16 footright of way and the North East line of the 36 acre tract. of which this tract is a part N.44,W.401-2/3 vas. to a stake in the South East line of the Brenham-Greenvine public road for corner, .Thence with said road line , S.47-1/2 W7.03 vas to a stake for corner. Thence S. 44 E.40-2/3 vas. to a stake for corner in the South East line of the 36 acre tract and the North West line of Dr. W.F. Hasskarl's tract. Thence with said line N. 43 E.7.03 vas to the place of beginning, containing an area of one half (1/2) of an acre of land.

EXHIBIT "C"

(196-1130-8)

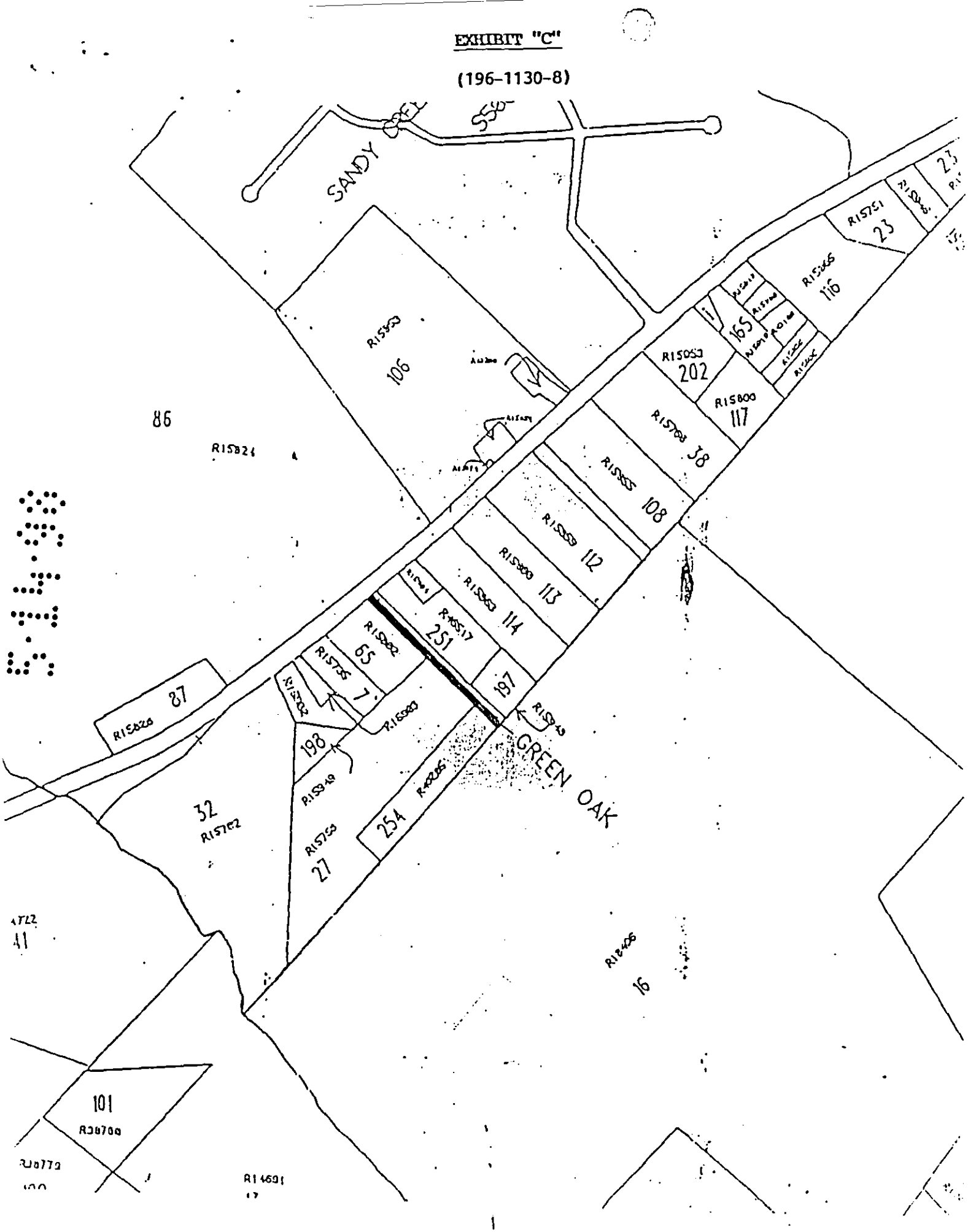


EXHIBIT "D"

(196-1130-8)

OWNERSHIP

SURFACE ESTATE:

State of Texas (100%)	1.00000000

MINERAL ESTATE:

State of Texas (1/2)	.50000000
Patricia Irene Ryan (1/3 x 1/2)	.16666667
Mary E. Low (1/2 x 1/3 x 1/2)	.08333333
*William S. Bell [(98.5% x 1/2 x 1/3 x 1/2) less (5% x 98.5% x 1/2 x 1/3 x 1/2)]	.07797916
*Brent A. Barker [(1.5% x 1/2 x 1/3 x 1/2) plus (5% x 98.5% x 1/2 x 1/3 x 1/2)]	.00535417
Sallie M. Smith (1/3 x 1/3 x 1/2)	.05555556
Cecilia M. Batchelor (1/3 x 1/3 x 1/2)	.05555556
John Williamson Barnhill Jr. (1/3 x 1/3 x 1/2)	.05555555
Total:	1.00000000

NONPARTICIPATING ROYALTY ESTATE:

None.

LEASEHOLD ROYALTY ESTATE:		Source
Patricia Irene Ryan (1/3 x 1/2 x 1/6)	.02777778	L4

*Please see Requirement No. 6.

Mary E. Low (1/2 x 1/3 x 1/2 x 1/6)	.01388889	L1
*William S. Bell {[(98.5% x 1/2 x 1/3 x 1/2) less (5% x 98.5% x 1/2 x 1/3 x 1/2)] x 1/6}	.01299652	L3
*Brent A. Barker {[(1.5% x 1/2 x 1/3 x 1/2) plus (5% x 98.5% x 1/2 x 1/3 x 1/2)] x 1/6}	.00089236	L3
Sallie M. Smith (1/3 x 1/3 x 1/2 x 1/6)	.00925926	L5
Cecilia M. Batchelor (1/3 x 1/3 x 1/2 x 1/6)	.00925926	L6
John Williamson Barnhill Jr. (1/3 x 1/3 x 1/2 x 1/6)	.00925926	L2
Total RI:	.08333333	

OVERRIDING ROYALTY ESTATE:

None.

OIL, GAS AND MINERAL LEASEHOLD ESTATE:

	Working Interest	Net Revenue Interest	Source
Union Pacific Resources Company (1/2 x 5/6)	.50000000	.41666667	L1-6
State of Texas (1/2)	.50000000	.50000000	Fee Unleased
Total WI/NRI:	1.00000000	.91666667	
Total RI + NRI:		1.00000000	

*Please see Requirement No. 6.

File No. MF097511

Title Opinions

Date Filed: 5/14/98

David Dewhurst, Commissioner

By

2-17-99

DO NOT DESTROY

UNIT AGREEMENT MEMO
Unit No. 2667

Operator Union Pacific Resources Company
Unit Name Schwickert Unit Well No. 1
County Washington
Effective Date _____
Unitized for: Oil ___ Gas ___ Oil & Gas ✓

1. M.F. No. 97511
Area Washington County Roads Tr. 4
Sec. ___ Blk. ___ Survey _____
4.20 / 615.82 x 1/5 .1364 %
.006820 .2000 .001364

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:
LEASE NEED TO REFLECT MINERALS ACRES

Prepared by: E. GARZA	Date 04-30-98
Map & GIS updated by:	Date 5/9/02
Keyed into database by: M. Sims	Date 9-25-00

GLO-36-11-97

7121

MF 97511

DESIGNATION OF UNIT

SCHWICKERT UNIT, WELL NO. 1

STATE OF TEXAS

COUNTY OF WASHINGTON

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, being the owner 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 "A", 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 lying within the outline depicted on the Plat attached hereto as Exhibit "B" and shall include the leases, or portions thereof, and the interval (if any), as described on Exhibit "A".

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 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 does not exhaust its 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 it expressly reserves to itself, its 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 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.

91210-96A

IN WITNESS WHEREOF, this Designation of Unit is executed on this 13th day of November, 1996.

UNION PACIFIC RESOURCES COMPANY

By: Kathleen E. Bone
Its: Attorney-in-Fact

STATE OF TEXAS
COUNTY OF TARRANT

This instrument was acknowledged before me on the 13th day of November, 1996, by Kathleen E. Bone, Attorney-in-Fact of UNION PACIFIC RESOURCES COMPANY, a Delaware corporation, on behalf of said corporation.

Melody Phinney
Notary Public in and for the
State of Texas
My commission expires: 06/28/2000

MELODY PHINNEY
Notary Public
STATE OF TEXAS
My Comm. Exp. 06/28/2000

Law Department Approved
DESUNIT.2A

EXHIBIT "A"

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

LEASE NO. :	TX1-61798
DATE:	March 3, 1994
LESSOR:	Albert Zwahr and Kathleen Zwahr Reneau
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 730, Page 317, Official Records of Washington County, Texas

LEASE NO. :	TX1-62961
DATE:	February 23, 1994
LESSOR:	Neil Campbell and Cheryl Campbell, husband and wife
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 735, Page 357, Official Records of Washington County, Texas

LEASE NO. :	TX1-62947
DATE:	January 13, 1994
LESSOR:	Herbert O. Zwahr, Jr. and Gloria Zwahr, husband and wife; Allyne Sillivan; Evelyn Harmel
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 734, Page 386, Official Records of Washington County, Texas

LEASE NO. :	TX1-61349
DATE:	February 3, 1994
LESSOR:	Bruno Zwahr and wife, An Nell Zwahr
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 726, Page 573, Official Records of Washington County, Texas

LEASE NO. :	TX1-60600
DATE:	October 12, 1993
LESSOR:	Paul J. Hightower and wife, Mary G. Hightower
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 719, Page 262, Official Records of Washington County, Texas

LEASE NO. :	TX1-60609
DATE:	October 12, 1993
LESSOR:	Johnny P. Hightower and wife, Dolories Hightower
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 719, Page 160, Official Records of Washington County, Texas

LEASE NO. :	TX1-81466(1)
DATE:	June 13, 1996
LESSOR:	Dorothy Brending, Freddie Brending, Jeanette Brending Carson, Roger Brending, James Brending, Rosalie Brending, Leroy Brending, Herman Brending, Clara Brending, Glenn D. Brending, Gary Brending, Beatrice Brending Gaskamp, Judy Brending Savelle
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 830, Page 446, Official Records of Washington County, Texas

LEASE NO. :	TX1-81581
DATE:	June 19, 1996
LESSOR:	Umberto Enrico Erculiani, as Agent and Attorney In Fact for Erculiani Interbau Luzern AG, Inc.
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 833, Page 280, Official Records of Washington County, Texas

LEASE NO. :	TX1-81566
DATE:	June 12, 1996
LESSOR:	Roger Brending
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 830, Page 453, Official Records of Washington County, Texas

LEASE NO. :	TX1-61833
DATE:	March 10, 1994
LESSOR:	Joe C. Orsak, Jr. and Debra J. Orsak, husband and wife
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 730, Page 305, Official Records of Washington County, Texas

LEASE NO. :	TX1-62718
DATE:	March 2, 1994
LESSOR:	Reinhardt Henry Zwahr and Esther Zwahr, husband and wife
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 731, Page 742, Official Records of Washington County, Texas

LEASE NO. :	TX1-61694
DATE:	February 24, 1994
LESSOR:	Willie Meneweather and Cedella Meneweather, husband and wife
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 819, Page 652, Official Records of Washington County, Texas

LEASE NO. :	TX1-61611(1)
DATE:	January 9, 1994
LESSOR:	Archie Jurries and Juanita Jurries, husband and wife
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 728, Page 88, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 26.89 acres being more particularly described on "Exhibit A-1" attached hereto and made a part hereof and 4.0 acres being more particularly described on "Exhibit A-2" attached hereto and made a part hereof

LEASE NO. :	TX1-61611(2)
DATE:	March 1, 1994
LESSOR:	LeRoy Jurries and Bonnie Ruth Jurries, husband and wife
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 730, Page 315, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 26.89 acres being more particularly described on "Exhibit A-1" attached hereto and made a part hereof and 4.0 acres being more particularly described on "Exhibit A-2" attached hereto and made a part hereof

LEASE NO. :	TX1-81595
DATE:	June 3, 1996
LESSOR:	William Waldo Smith,a.k.a. Waldo Smith and wife, Patricia Ann Smith
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 830, Page 498, Official Records of Washington County, Texas

LEASE NO. :	TX1-60921(1)
DATE:	December 3, 1993
LESSOR:	William Waldo Smith and wife, Patricia Ann Smith
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 722, Page 338, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 127.31 acres being more particularly described on "Exhibit A-3" attached hereto and made a part hereof and 1.58 acres being more particularly described on "Exhibit A-4" attached hereto and made a part hereof

LEASE NO. :	TX1-61611(3)
DATE:	January 8, 1994
LESSOR:	Georgia Ellen Malak
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 730, Page 310, Official Records of Washington County, Texas

LEASE NO. :	TX1-61611(4)
DATE:	April 5, 1994
LESSOR:	Mary E. Low, a widow
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 734, Page 389, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 66.23 acres being more particularly described on "Exhibit A-5" attached hereto and made a part hereof

LEASE NO. :	TX1-61611(5)
DATE:	April 6, 1994
LESSOR:	John Barnhill, a married man dealing herein with his separate property
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 734, Page 393, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 66.23 acres being more particularly described on "Exhibit A-5" attached hereto and made a part hereof

LEASE NO. :	TX1-61611(6)
DATE:	April 6, 1994
LESSOR:	Nancy Green Schefller, Attorney-in-Fact for Bershie B. Green
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 734, Page 391, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 66.23 acres being more particularly described on "Exhibit A-5" attached hereto and made a part hereof

LEASE NO. :	TX1-61611(7)
DATE:	June 1, 1995
LESSOR:	Henry Neumann, Jr., also known as Henry Neumann and wife, Lou Mae Neumann
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 793, Page 833, Official Records of Washington County, Texas

LEASE NO. :	TX1-61611(8)
DATE:	June 24, 1996
LESSOR:	Patricia I. Ryan
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 830, Page 440, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 66.23 acres being more particularly described on "Exhibit A-5" attached hereto and made a part hereof

LEASE NO. :	TX1-61611(9)
DATE:	June 24, 1996
LESSOR:	Sallie M. Smith
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 830, Page 443, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 66.23 acres being more particularly described on "Exhibit A-5" attached hereto and made a part hereof

LEASE NO. :	TX1-61611(10)
DATE:	July 17, 1996
LESSOR:	Randall L. Patterson, Individually and as Trustee and wife, Linda S. Patterson
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 830, Page 561, Official Records of Washington County, Texas

LEASE NO. :	TX1-61611(11)
DATE:	July 17, 1996
LESSOR:	Louis Griffin Albright et ux, Lois Elaine Albright
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 830, Page 588, Official Records of Washington County, Texas

LEASE NO. :	TX1-61611(12)
DATE:	July 19, 1996
LESSOR:	Betty Brending and husband, Glenn D. Brending
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 831, Page 479, Official Records of Washington County, Texas

LEASE NO. :	TX1-61611(13)
DATE:	July 20, 1996
LESSOR:	Edmund J. Malak
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 833, Page 40, Official Records of Washington County, Texas

LEASE NO. :	TX1-61611(14)
DATE:	July 24, 1996
LESSOR:	Clem J. Baranowski, a single man
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 831, Page 779, Official Records of Washington County, Texas

LEASE NO. :	TX1-61611(15)
DATE:	June 24, 1996
LESSOR:	Cecilia M. Batchelor
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 830, Page 437, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 66.23 acres being more particularly described on "Exhibit A-5" attached hereto and made a part hereof

LEASE NO. :	TX1-60584(2)
DATE:	December 18, 1993
LESSOR:	E. H. Floyd and wife, Louise Floyd
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 722, Page 890, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 190.81 acres being more particularly described on "Exhibit A-6" attached hereto and made a part hereof

LEASE NO. :	TX1-60584(3)
DATE:	December 10, 1995
LESSOR:	Umberto Enrico Erculiani, Agent and Attorney-In-Fact for Erculiani Interbau Luzern Ag, Inc.
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 815, Page 95, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 190.81 acres being more particularly described on "Exhibit A-6" attached hereto and made a part hereof

LEASE NO. :	TX1-60584(4)
DATE:	July 3, 1996
LESSOR:	Texas Osage Royalty Pool, Inc.
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 833, Page 249, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 190.81 acres being more particularly described on "Exhibit A-6" attached hereto and made a part hereof

LEASE NO. :	TX1-60584(5)
DATE:	August 1, 1996
LESSOR:	Kerr-McGee Corporation
LESSEE:	Union Pacific Resources Company
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 834, Page 255, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 190.81 acres being more particularly described on "Exhibit A-6" attached hereto and made a part hereof

LEASE NO. :	TX1-61263(1)
DATE:	December 10, 1993
LESSOR:	Margaret Carter McNeese and Thomas Dwyer McNeese
LESSEE:	Western States Land Services, Inc.
RECORDED:	Memorandum of Oil, Gas and Mineral Lease Volume 728, Page 110, Official Records of Washington County, Texas
LIMITATION:	INSOFAR AND ONLY INSOFAR as said lease covers 120.0 acres being more particularly described on "Exhibit A-7" attached hereto and made a part hereof

LEASE NO. :	TX2-81831
DATE:	September 3, 1996
LESSOR:	Commissioner of the General Land Office of the State of Texas
LESSEE:	Union Pacific Resources Company
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 838, Page 12, Official Records of Washington County, Texas

LEASE NO. :	Chesapeake Operating, Inc.
DATE:	December 16, 1994
LESSOR:	Adolph Schaefer and wife, Marilyn J. Schaefer
LESSEE:	Chesapeake Operating, Inc.
RECORDED:	Oil, Gas and Mineral Lease filed in Volume 774, Page 498, Official Records of Washington County, Texas

LIMITED to the production of Oil and/or Gas from the Austin Chalk formation, as such formation is found in the wellbore of the Clayton W. Williams, Jr., Inc. T. A. Low IV, Unit No. 1 located in the Isaac Jameison Survey, Abstract A-67, Washington County, Texas, between the depths of 14,405' and 14,723' K.B.

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

THE STATE OF TEXAS

COUNTY OF WASHINGTON

ARCHIE JURRIES, ET AL
TRACT 24 (SCHWICKERT UNIT)
26.89 ACRES

All that certain tract or parcel of land, lying and being situated in Washington County, Texas, part of the Isaac Jameison Survey, A-67, being part of the same land called 75 36/100 acres as described in the deed from LeRoy Jurries, et ux, to Archie Jurries, et ux, dated November 14, 1986, as recorded in Vol. 549, Page 872, in the Deed Records of Washington County, Texas, and being more fully described by metes and bounds as follows, To-Wit:

BEGINNING at the East corner hereof, being on or near the division line of said Jameison Survey and the James Schrier Survey, A-98, being S 41°53'02" W 2033.60 feet from the East corner of said original tract called 75 36/100 acres;

THENCE along a division line of said surveys, S 41°53'02" W 128.68 feet to a South corner hereof;

THENCE along the South and Southwest lines hereof, N 72°34'48" W 92.72 feet, and N 54°44'48" W 82.95 feet to corner on the Northeast bank of Mill Creek;

THENCE along the Northeast bank of said Mill Creek, as follows: N 31°00'55" W 163.46 feet, N 43°42'14" W 142.90 feet, N 53°34'12" W 97.22 feet, N 38°58'16" W 81.32 feet, N 27°15'49" W 196.42 feet, M 39°43'21" W 121.12 feet, N 50°54'29" W 111.84 feet, N 40°37'27" W 113.09 feet, and N 30°43'12" W 188.47 feet to the West corner hereof, being on the Northeast bank of said Mill Creek;

THENCE along the Northwest lines hereof, N 42°13'37" E 346.64 feet, N 45°45'22" E 62.23 feet, and N 58°24'17" E 14.88 feet, and N 43°01'02" E 689.83 feet to corner in the centerline of F. M. Highway No. 389;

THENCE along the centerline of said highway, N 51°24'34" E 175.77 feet to the North corner hereof;

THENCE along the Northeast and East lines hereof, S 33°05'30" E 116.67 feet to a 3/8 inch iron rod found, S 32°08'10" E 209.52 feet and S 03°39'37" W 769.71 feet to a 3/8 inch iron rod found and S 03°13'59" W 810.22 feet to the place of beginning and containing 26.89 acres of land.

Exhibit "A-2"

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

THE STATE OF TEXAS

COUNTY OF WASHINGTON

ARCHIE JURRIES, ET AL
TRACT 26 (SCHWICKERT UNIT)
4.00 ACRES

All that certain tract or parcel of land, lying and being situated in Washington County, Texas, part of the Isaac Jameison Survey, A-67, being part of the same land called 4.149 acres as described in the deed from LeRoy D. Klump, et ux, to Archie Jurries, et al, dated February 19, 1979, as recorded in Vol. 375, Page 617, in the Deed Records of Washington County, Texas, and being more fully described by metes and bounds as follows, To-Wit:

BEGINNING at the Northeast or most Eastern corner hereof, being in the centerline of F. M. Highway No. 389, a 3/8 inch iron rod found for the East corner of said original tract bears N 86°36'53" E 201.44 feet;

THENCE along the Southeast lines hereof, being along a portion of the Southeast lines of said original tract as follows: S 43°01'02" W 689.83 feet, S 58°24'17" W [illegible] feet, S 45°45'22" W 62.23 feet, and S 42°13'37" W 346.64 feet to corner on the Northeast bank of Mill Creek for the South corner hereof, being on the Southeast line of said original tract;

THENCE along the Northeast bank of said Mill Creek as follows: N 30°43'12" W 52.22 feet, N 44°04'22" W 160.91 feet, N 36°28'04" W 58.31 feet and N 53°57'13" W 107.29 feet to the West corner hereof, being in the centerline of said F. M. Highway No. 389 at its intersection with the Northeast bank of said Mill Creek;

THENCE along the centerline of said F. M. Highway for a Northwest line hereof, N 65°27'34" E 728.47 feet to corner in centerline of said highway at the beginning of a curve of same;

THENCE along the centerline of said highway, being a curve to the left, through a central angle of 14°03'00", having a radius of 1219.06 feet, a chord of N 58°26'04" E 298.19 feet, for an arc distance of 298.94 feet, to the end of said curved portion of same;

THENCE along a straight portion of said highway, being along the centerline of same, N 51°24'34" E 133.20 feet to the place of beginning and containing 4.00 acres of land.

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

THE STATE OF TEXAS

COUNTY OF WASHINGTON

WILLIAM WALDO SMITH, ET UX
TRACT 1 (SCHWICKERT UNIT)
127.31 ACRES

All that certain tract or parcel of land, lying and being situated in Washington County, Texas, part of the Isaac Jameison Survey, A-67, being part of the same land called 162 1/2 acres, the same land called 3 acres, and the same land called 20.16 acres, in the deed from Ivy G. Smith, to William Waldo Smith, dated July 27, 1993, as recorded in Vol. 704, Page 761, in the Official Records of Washington County, Texas, and being more fully described by metes and bounds as follows, To-Wit:

BEGINNING at the North corner hereof, being on the Northeast line of said original tract called 162 1/2 acres, being S 49°26'26" E 299.13 feet from the apparent North corner of said original tract called 162 1/2 acres;

THENCE along a Northeast line hereof, S 49°26'26" E 88.85 feet, and S 48°31'26" E 938.57 feet to a 1/2 inch iron rod found near the base of a 9 inch treated fence corner post for an exterior ell corner hereof;

THENCE S 44°34'01" W 16.52 feet to a 3/8 inch iron rod found at the base of a 9 inch treated fence corner post for an interior ell corner hereof;

THENCE along a Northeast line hereof, S 37°21'54" E 1309.63 feet, and S 43°27'50" E 208.36 feet to the East corner hereof, being in the centerline of said F. M. Highway No. 389;

THENCE along the centerline of said highway, S 48°24'20" W 213.55 feet, S 51°24'34" W 431.89 feet to an exterior corner hereof;

THENCE N 44°58'58" W 142.35 feet to an interior corner hereof;

THENCE S 43°01'02" W 568.98 feet to exterior corner hereof;

THENCE N 38°10'26" W 348.76 feet to an interior corner hereof;

THENCE S 54°09'34" W 944.44 feet to an interior corner hereof;

THENCE S 38°10'26" E 386.37 feet to an exterior corner in the centerline of said highway;

THENCE along the centerline of said highway, S 65°27'34" W 606.33 feet to the South corner hereof, being situated in the centerline of said highway at its intersection with the Northeast bank of Mill Creek;

THENCE along the Northeast bank of said Mill Creek as follows: N 53°57'13" W 39.85 feet, N 31°04'06" W 785.65 feet, N 31°23'59" W 174.02 feet, N 33°54'46" W 231.40 feet, N 28°29'31" W 298.50 feet, N 33°09'32" W 154.27 feet, and N 30°08'18" W 207.87 feet, to the West corner hereof;

THENCE along the Northwest line hereof, N 40°33'34" E 2416.54 feet to the place of beginning and containing 127.31 acres of land.

Exhibit"A-4"

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

THE STATE OF TEXAS

COUNTY OF WASHINGTON

WILLIAM WALDO SMITH, ET AL
TRACT 27 (SCHWICKERT UNIT)
1.58 ACRES

All that certain tract or parcel of land, lying and being situated in Washington County, Texas, part of the Isaac Jameison Survey, A-67, being part of the same land called 75 36/100 acres as described in the deed from LeRoy Jurries, et ux, to Archie Jurries, et ux, dated November 14, 1986, as recorded in Vol. 549, Page 872, in the Deed Records of Washington County, Texas, and being more fully described by metes and bounds as follows, To-Wit:

BEGINNING at the apparent North corner of said original tract, being the North corner hereof;

THENCE S 44°58'58" E 142.35 feet to the East corner hereof, being in the centerline of F. M. Highway No. 389;

THENCE along the centerline of said F. M. Highway for the Southeast line hereof, S 51°24'34" W 974.72 feet to the South corner hereof, being in the center of said highway;

THENCE along the Northwest line hereof, N 43°01'02" E 969.25 feet to the place of beginning and containing 1.58 acres of land.

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

THE STATE OF TEXAS

COUNTY OF WASHINGTON

ARCHIE JURRIES, ET AL
(SCHWICKERT UNIT)
TRACTS 17 THRU 24, TRACT 27 AND
PART OF TRACT 16
66.23 ACRES

All that certain tract or parcel of land, lying and being situated in Washington County, Texas, part of the Isaac Jameison Survey, A-67, being part of the same land called 75 36/100 acres as described in the deed from LeRoy Jurries, et ux, to Archie Jurries, et ux, dated November 14, 1986, as recorded in Vol. 549, Page 872, in the Deed Records of Washington County, Texas, also including a portion of Green Oak Road, and being more fully described by metes and bounds as follows, To-Wit:

BEGINNING at the East corner hereof, being on or near the division line of said Jameison Survey and the James Schrier Survey, A-98, being in the centerline of Green Oak Road at the end of same, a 3/8 inch iron rod found for the apparent East corner of said original tract called 75 36/100 acres bears S 42°46'30" W 17.82 feet;

THENCE along a division line of said surveys, S 42°46'30" W 17.82 feet to said 3/8 inch iron rod found for the apparent East corner of said original tract, and S 41°53'02" W 2162.28 feet to a South corner hereof;

THENCE along the South and Southwest lines hereof, N 72°34'48" W 92.72 feet, and N 54°44'48" W 82.95 feet to corner on the Northeast bank of Mill Creek;

THENCE along the Northeast bank of said Mill Creek, as follows: N 31°00'55" W 163.46 feet, N 43°42'14" W 142.90 feet, N 53°34'12" W 97.22 feet, N 38°58'15" W 81.32 feet, N 27°15'49" W 196.42 feet, N 39°43'21" W 121.12 feet, N 50°54'29" W 111.84 feet, N 40°37'27" W 113.09 feet, and N 30°43'12" W 188.47 feet to the West corner hereof, being on the Northeast bank of said Mill Creek;

THENCE along the Northwest lines hereof, N 42°13'37" E 346.64 feet, N 45°45'22" E 62.23 feet, N 58°24'17" E 14.88 feet, and N 43°01'02" E at 689.83 feet passing the centerline of F. M. Highway No. 389 and at a total distance of 1659.08 feet to the apparent North corner of said original tract, being the North corner hereof;

THENCE along a Northeast line hereof, S 44°58'58' E 142.35 feet to corner in the centerline of said highway;

THENCE along a portion of the centerline of said highway, N 51°24'34" E 1.86 feet to corner in the centerline of said highway at its intersection with the projected centerline of said Green Oak Road;

THENCE along the centerline of said Green Oak Road for the Northeast line hereof, S 44°58'58" E 1165.88 feet to the place of beginning and containing 66.23 acres of land.

Exhibit "A-6"

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

THE STATE OF TEXAS

COUNTY OF WASHINGTON

E. H. FLOYD, ET AL
TRACT NO. 8 (SCHWICKERT UNIT)
190.81 ACRES TOTAL

All those certain tracts or parcels of land, lying and being situated in Washington County, Texas, part of the James Schrier Survey, A-98, and part of the Issac Jameison Survey, A-67,being part of the same land called 351.198 acres as described in the deed from E. H. Floyd, et ux, to Umberto Erculiani, dated July 13, 1981, as recorded in Vol. 419, Page 702, in the Deed Records of Washington County, Texas, also being the same land called 3.000 acres as described in the deed from E. H. Floyd, et ux, to Umberto Erculiani, dated July 13, 1981, as recorded in Vol. 419, Page 698, in the Deed Records of Washington County, Texas, and being more fully described by metes and bounds as follows, To-Wit:

FIRST TRACT:

BEGINNING at a 5/8 inch iron rod found at the base of a 6 inch Cedar fence corner post for the North corner of said original tract called 351.198 acres, being the North corner hereof, being on or near the division line of said Schrier Survey and said Jameison Survey;

THENCE along the Northeast line hereof, S 48°57'49" E 2396.82 feet to a 1/2 inch iron rod found at the base of a 5 inch Cedar fence corner post for the East corner hereof, being the East corner of said original tract called 351.198 acres;

THENCE along the Southeast lines hereof, being along Southeast lines of said original tract called 351.198 acres, as follows: S 41°44'09" W 984.22 feet to a 1/2 inch iron rod found, S 41°42'03" W 1739.26 feet to a 1/2 inch iron rod found at the base of a 7 inch treated fence corner post, and S 42°30'09" W at 812.06 feet passing a 3/8 inch iron rod found at the base of a 13 inch Tree for reference and at a total distance of 823.74 feet to corner on the Northeast bank of Mill Creek for the South corner hereof;

THENCE along the Northeast bank of said Mill Creek with its meanders as follows: N 53°22'35" W 28.22 feet, S 75°07'07" W 112.54 feet, N 32°35'52" W 37.34 feet, N 57°15'59" W 39.95 feet, N 08°29'38" W 141.22 feet, N 11°09'08" E 36.86 feet, N 33°25'32" E 54.03 feet, N 82°20'52" E 96.06 feet, N 36°22'54" E 76.44 feet, N 20°58'30" W 52.09 feet, N 82°20'21" W 178.18 feet, N 43°19'43" W 45.97 feet, N 10°04'33" W 37.39 feet, N 52°35'36" W 75.19 feet, S 75°15'50" W 62.69 feet, N 70°39'15" W 96.12 feet, S 83°48'29 W 53.74 feet, S 64°50'41" W 95.29 feet, N 57°18'34" W 54.53 feet, N 13°22'24" E 117.96 feet, N 17°47'27" W 30.90 feet, N 40°56'53" W 29.35 feet, N 81°05'22" W 126.70 feet, N 51°03'37" W 241.75 feet, N 05°47'19" E 77.02 feet, N 01°07'03" W 57.50 feet, N 51°08'17" W 53.73 feet, N 24°42'53" W 47.92 feet, N 50°17'33" W 58.07 feet, N 42°44'51" W 218.51 feet, N 50°39'36" W 147.14 feet, N 52°33'49" W 170.19 feet, N 42°04'57" W 68.11 feet, N 07°54'14" E 44.38 feet, N 57°04'11" W 25.51 feet, N 83°43'12" W 115.76 feet, S 84°16'40" W 72.23 feet, S 67°06'22" W 29.06 feet, N 60°30'56" W 22.50 feet, and N 73°42'02" W 36.43 feet to the West corner hereof, being on or near the division line of said Schrier Survey and said Jameison Survey;

THENCE along or near the division line of said surveys for the Northwest lines hereof, as follows: N 41°53'02" E 1810.64 feet to a 3/8 inch iron rod found, N 42°46'30" E 35.63 feet to a 2 inch iron pipe found at the base of a dead tree stump, N 42°05'58" E 305.48 feet to a 3/8 inch iron rod found at the base of a 4 inch Cedar fence corner post, and N 42°10'37" E 684.90 feet to a 3/8 inch iron rod found at the base of a 6 inch Cedar fence corner post, and N 41°57'33" E 691.91 feet to the place of beginning and containing 190.66 acres of land.

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

SECOND TRACT:

BEGINNING at the South corner hereof, being on the East bank of Mill Creek, being S 41°58'20" W 3965.40 feet from a 5/8 inch iron rod found at the base of a 6 inch Cedar fence corner post for the North corner of said original tract;

THENCE along the Northeast bank of said Mill Creek, N 38°00'30" W 110.61 feet and N 31°00'55" W 60.58 feet to West corner hereof;

THENCE along the North and Northeast lines hereof as follows: S 54°44'48" E 82.95 feet, and S 72°34'48" E 92.72 feet to the East corner hereof, being on or near the division line of said Jameison and Schrier Surveys;

THENCE along a portion of the division line of said surveys, S 41°53'02" W 85.20 feet to the place of beginning and containing 0.15 acres of land.

VOL 842 PAGE 810

Exhibit "A-7"

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.

THE STATE OF TEXAS

COUNTY OF WASHINGTON

MARGARET CARTER MCNEESE, ET AL
TRACT 7 (SCHWICKERT UNIT)
120.000 ACRES

All that certain tract or parcel of land, lying and being situated in Washington County, Texas, part of the James Schrier Survey, A-98, being part of the same land called 236 acres as conveyed in the deed from Margaret Kiber McBride, et vir to Catherine E. McNeese, dated February 11, 1954, as recorded in Vol. 197, Page 386, in the Deed Records of Washington County, Texas, and being more fully described by metes and bounds as follows, To-Wit:

BEGINNING at a 5/8 inch iron rod found at the base of a 6 inch Cedar fence corner post for the West corner of said original tract, being on or near the division line of said Schrier Survey, and the Isaac Jameison Survey, A-67;

THENCE along or near the division line of said surveys for the Northwest line hereof, being along a portion of the Northwest line of said original tract, N 42°04'17" E 2142.42 feet to a 1/2 inch iron rod found at the base of an 8 inch treated fence corner post for the North corner hereof, being on or near the division line of said surveys;

THENCE along the Northeast line hereof, S 50°28'03" E 2407.43 feet to the East corner hereof;

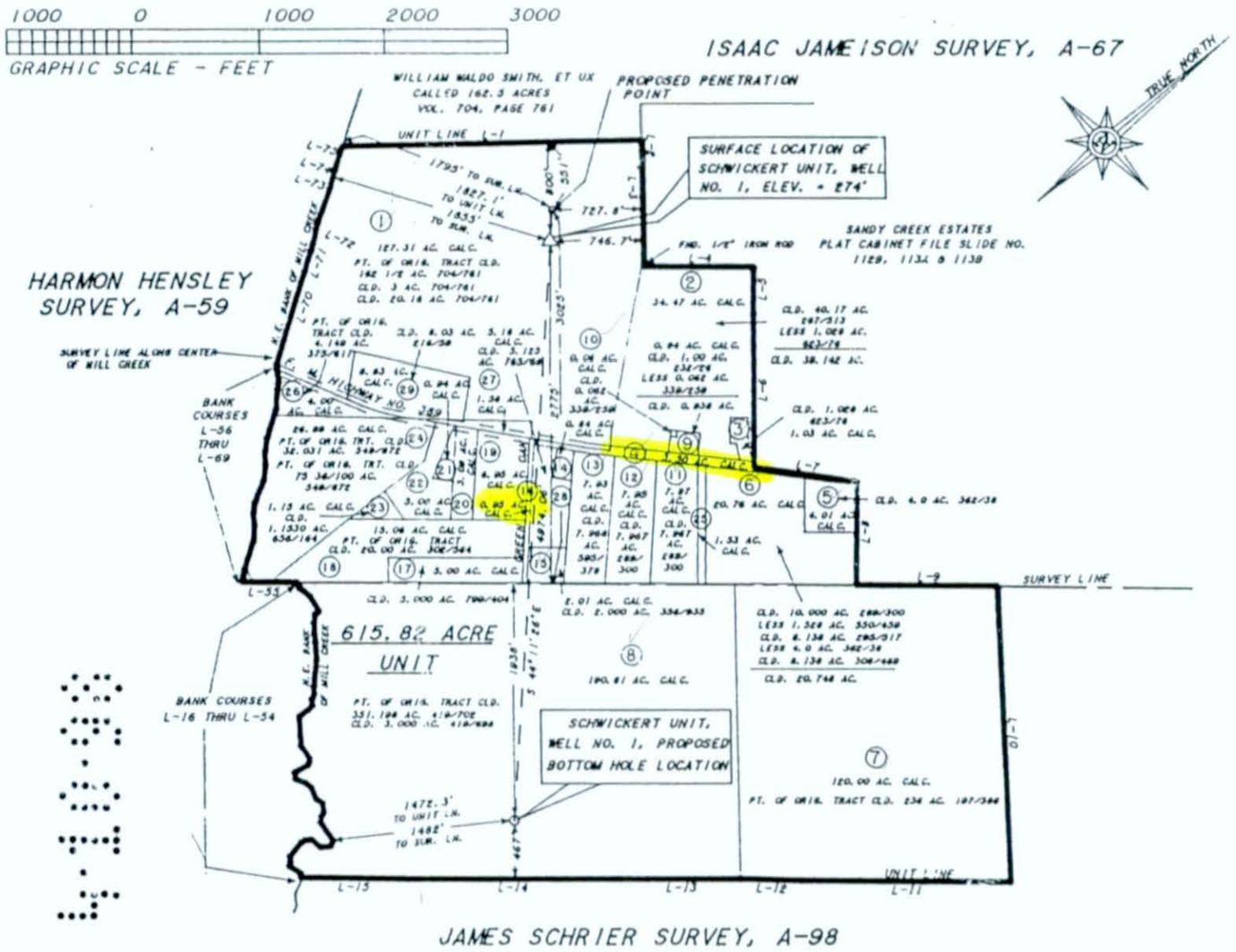
THENCE along the Southeast line hereof, S 42°03'05" W 1714.45 feet to a 1/2 inch iron rod found, S 43°08'54" W 491.41 feet to a 1/2 inch iron rod found at the base of a 5 inch Cedar fence corner post for the South corner hereof and of said original tract;

THENCE along the Southwest line hereof and of said original tract, N 48°57'49" W 2396.82 feet to the place of beginning and containing 120.000 acres of land.

"Exhibit "B"

VOL 842 PAGE 611

Attached to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT UNIT, WELL NO. 1" dated November 13, 1996.



UNIT PERIMETER BEARINGS & DISTANCES

COURSE	BEARING	DISTANCE
L-1	N 40°33' 34"E	2416.34'
L-2	S 49°26' 26"E	88.85'
L-3	S 48°31' 26"E	938.37'
L-4	N 42°04' 08"E	893.07'
L-5	S 47°19' 32"E	382.42'
L-6	S 48°02' 07"E	1241.32'
L-7	N 49°13' 25"E	841.46'
L-8	S 47°55' 02"E	837.29'
L-9	N 42°04' 17"E	1147.12'
L-10	S 30°28' 03"E	2407.43'
L-11	S 42°03' 06"W	1714.45'
L-12	S 43°08' 34"W	491.41'
L-13	S 41°44' 09"W	944.22'
L-14	S 41°42' 03"W	1739.26'
L-15	S 42°30' 09"W	823.74'
L-16	N 53°22' 35"W	28.22'
L-17	S 75°07' 07"W	112.34'
L-18	N 32°35' 32"W	37.34'
L-19	N 37°15' 39"W	39.95'
L-20	N 08°29' 38"W	141.22'
L-21	N 11°09' 08"E	36.86'
L-22	N 33°25' 32"E	34.03'
L-23	N 82°20' 32"E	96.06'
L-24	N 36°22' 34"E	76.44'
L-25	N 20°58' 30"W	32.09'
L-26	N 82°20' 21"W	178.18'
L-27	N 43°19' 43"W	45.97'
L-28	N 10°04' 33"W	37.39'
L-29	N 32°35' 36"W	75.19'
L-30	S 73°15' 30"W	62.69'
L-31	N 70°39' 15"W	96.12'
L-32	S 83°48' 29"W	53.74'
L-33	S 64°30' 41"W	95.29'
L-34	N 57°18' 34"W	54.53'
L-35	N 13°22' 24"E	117.96'
L-36	N 17°47' 27"W	30.90'
L-37	N 40°56' 33"W	29.33'
L-38	N 81°05' 22"W	126.70'
L-39	N 51°03' 37"W	241.73'
L-40	N 03°47' 19"E	77.02'
L-41	N 01°07' 03"W	57.50'
L-42	N 31°08' 17"W	53.73'
L-43	N 24°42' 53"W	47.92'
L-44	N 30°17' 33"W	58.07'
L-45	N 42°44' 31"W	218.31'
L-46	N 30°39' 36"W	147.14'
L-47	N 32°33' 49"W	170.19'
L-48	N 42°04' 57"W	68.11'
L-49	N 07°54' 14"E	44.38'
L-50	N 78°59' 59"W	139.03'
L-51	S 84°18' 40"W	72.23'
L-52	S 67°08' 22"W	29.06'
L-53	N 60°30' 36"W	22.30'
L-54	N 73°42' 02"W	36.43'
L-55	S 41°33' 02"W	438.44'
L-56	N 38°00' 30"W	110.61'
L-57	N 31°00' 33"W	224.04'
L-58	N 43°42' 14"W	142.30'
L-59	N 53°34' 12"W	97.22'
L-60	N 38°38' 16"W	81.32'
L-61	N 27°15' 49"W	196.42'
L-62	N 36°43' 21"W	121.12'
L-63	N 50°34' 29"W	111.84'
L-64	N 40°37' 27"W	113.09'
L-65	N 30°43' 12"W	240.69'
L-66	N 44°04' 22"W	160.91'
L-67	N 36°28' 04"W	38.31'
L-68	N 53°37' 13"W	107.29'
L-69	N 53°37' 13"W	38.85'
L-70	N 31°04' 08"W	785.65'
L-71	N 31°23' 59"W	174.02'
L-72	N 33°34' 48"W	231.40'
L-73	N 28°29' 31"W	298.30'
L-74	N 33°09' 32"W	154.27'
L-75	N 30°08' 18"W	207.87'

NOTES

1. SURFACE LOCATION:
   LATITUDE: 30°07' 48" N
   LONGITUDE: 96°28' 38" W
2. PROPOSED BOTTOM HOLE LOCATION:
   LATITUDE: 30°07' 13" N
   LONGITUDE: 96°28' 22" W
3. BEARINGS ARE BASED ON TRUE NORTH OBTAINED BY SOLAR OBSERVATION.
4. SURFACE LOCATION IS 3.7 MILES SOUTHWEST OF BRENHAM, TEXAS
5. PROPOSED PENETRATION POINT IS LOCATED N 44°11' 26"W 250.0' FROM THE SURFACE LOCATION

SCHWICKERT UNIT, WELL NO. 1

1.	127.31 ACRES	WILLIAM WALDO SMITH, ET UX
2.	34.47 ACRES	JOHNNY P. HIGHTOWER, ET UX
3.	1.03 ACRES	PAUL J. HIGHTOWER, ET UX
4.	3.50 ACRES	STATE OF TEXAS
5.	4.01 ACRES	NEIL CAMPBELL, ET UX
6.	20.76 ACRES	BRUNO ZWAHR, ET UX
7.	120.00 ACRES	MARGARET CARTER MCNEESE, ET AL
8.	190.81 ACRES	E. H. FLOYD, ET AL
9.	0.94 ACRES	DOROTHY BRENDING, ET AL
10.	0.08 ACRES	ROGER BRENDING
11.	7.97 ACRES	ALBERT ZWAHR, ET AL
12.	7.93 ACRES	HERBERT O. ZWAHR, ET AL
13.	7.93 ACRES	REINHARDT HENRY ZWAHR, ET UX
14.	0.84 ACRES	WILLIE MENEWEATHER, ET UX
15.	2.01 ACRES	JOE C. ORSAK, JR., ET UX
16.	0.95 ACRES	STATE OF TEXAS
17.	3.00 ACRES	RANDALL L. PATTERSON, ET AL
18.	15.06 ACRES	GEORGIA ELLEN MALAK, ET AL
19.	6.93 ACRES	HENRY NEUMANN, JR., ET AL
20.	3.00 ACRES	LOUIS GRIFFIN ALBRIGHT, ET AL
21.	0.94 ACRES	BETTY BRENDING, ET AL
22.	5.08 ACRES	ADOLPH SCHAEFER, ET AL
23.	1.13 ACRES	CLEM J. BARANOWSKI, ET AL
24.	26.09 ACRES	ARCHIE JURRIES, ET AL
25.	1.33 ACRES	ERCULIANI INTERBAU LUZERN AG, INC.
26.	4.00 ACRES	ARCHIE JURRIES, ET AL
27.	1.38 ACRES	WILLIAM WALDO SMITH, ET AL
28.	3.18 ACRES	REINHARDT HENRY ZWAHR, ET UX
29.	8.83 ACRES	WILLIAM WALDO SMITH, ET UX

615.82 ACRE UNIT

(14)	PT. OF OR16. TRACT CLD. 3.948 AC. 337/347
(19)	CLD. 36 AC. 243/508 CLD. 0.47 AC. 270/90 LESS 20.00 AC. 270/96 LESS 10.00 AC. 308/328 CLD. 6.47 AC.
(20)	CLD. 2.918 AC. 363/633
(21)	CLD. 0.918 AC. 341/131
(22)	CLD. 3.908 AC. 632/864 LESS 0.918 AC. 341/131 CLD. 4.841 AC.
(25)	CLD. 1.328 AC. 330/638
(27)	PT. OF OR16. TRACT CLD. 73 34/100 AC. 348/872

I, A. A. HODDE, REGISTERED PROFESSIONAL LAND SURVEYOR NO. 1492 OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM A PARTIAL SURVEY MADE ON THE GROUND AND FROM DEED RECORD INFORMATION AND DO HEREBY CERTIFY THAT THE RULES OF THE TEXAS BOARD OF PROFESSIONAL LAND SURVEYING HAVE BEEN COMPLIED WITH REGARDING THE TIES SHOWN FROM THE SURFACE LOCATION TO THE UNIT LINES.

DATED THIS THE 6TH DAY OF AUGUST, 1996, A. D.
REVISED: SEPTEMBER 6, 1996

STATE OF TEXAS REGISTERED A. A. HODDE 1492 PROFESSIONAL LAND SURVEYOR

A. A. HODDE
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 1492
HODDE & HODDE LAND SURVEYING, INC.
613 EAST HORTON STREET
BRENHAM, TEXAS 77833
(409)-836-3681

WELL LOCATION PLAT
UNION PACIFIC RESOURCES COMPANY
SCHWICKERT UNIT, WELL NO. 1
WASHINGTON COUNTY, TEXAS
SCALE: 1" = 1000'

File No. MF-092511

~~Designation of Unit~~

Date Filed: 9/25/09

By _____
David Dewhurst, Commissioner

4-30-09

TEXAS GENERAL LAND OFFICE
JERRY PATTERSON, COMMISSIONER

February 20, 2003

Terrell Gerard
The Oil & Gas Clearing House
P.O. Box 671787
Houston, Texas 77267

RE: Assignment filing; GLO ID 3646

Dear Mr. Gerard,

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

Assignment and Bill of Sale, executed November 15th, 2002, from Swift Energy Company, as Assignor, to American Fluorite, Inc. as Assignee. MF097583, MF097987,MF098476, MF098477 MF097511.

Filing fees of $125.00 were received in connection with the above lease. If you have any questions, please feel free to call me at (800) 998-4GLO, or at my direct number at (512) 463-6521.

Sincerely,

Beverly Boyd
Mineral Leasing
Energy Resources
512-463-6521

Exhibit "A"

GLO ID	*County*	*Lease*
3646		
	Washington	MF097511
	Washington	MF097583
	Washington	MF097987
	Washington	MF098476
	Washington	MF098477

The Oil & Gas Asset
CLEARINGHOUSE
A Petroleum Place Company

3646

February 14, 2003

Texas General Land Office
Stephen F. Austin Bldg.
1700 North Congress Ave., Room 600
Austin, TX 78701-1495

RE: Filing of Enclosed Documents

Gentlemen:

Enclosed for your records is one (1) certified copy of an Assignment and Bill of Sale covering certain state lands located in Washington County, Texas. I have also enclosed a check totaling $125.00 to cover the filing fees.

Please contact our office at (281) 873-4600 if you have any questions or require anything further in this regard.

Sincerely,

THE OIL & GAS ASSET CLEARINGHOUSE, INC.

Terrell Gerard
Land Department

Enclosures

For CLEARINGHOUSE Purpose Only:

Sale #:180c - 368

P.O. Box 671787 Houston, TX 77267-1787
281/873-4600 Fax 281/873-0055
www.petroleumplace.com

20.61.2

RECEIVED
03 FEB 19 PM 4:20
0302541

129

X 125.00

The Oil & Gas Asset
CLEARINGHOUSE
A Petroleum Place Company

SALE SETTLEMENT ACCOUNT
P.O. BOX 671787
HOUSTON, TEXAS 77267-1787

COMPASS BANK - HOUSTON
RIVER OAKS
P.O. Box 4444
HOUSTON, TEXAS 77210-4444

400328

DATE 2/14/03

PAY TO THE ORDER OF Texas General Land Office $ 125.00

One Hundred twenty-five 00/100

180c-368

BY: [redacted]

⑈400328⑈ [redacted]

EB.ST.3

3646

Brenham Dome 1-H and 2-H, et al.

ASSIGNMENT AND BILL OF SALE

0813

STATE OF TEXAS §
§ **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF WASHINGTON §

PLEASE RETURN TO:
THE OIL & GAS ASSET
CLEARING HOUSE, INC.
P.O. BOX 671787
HOUSTON, TX 77267-1787

I.

THAT, **SWIFT ENERGY COMPANY**, a Texas corporation, whose address is 16825 Northchase Drive, Suite 400, Houston, Texas 77060 (hereinafter called "**ASSIGNOR**"), for and in consideration of the sum of ONE HUNDRED DOLLARS AND NO CENTS ($100.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has SOLD, TRANSFERRED AND CONVEYED and, subject to the terms and provisions contained herein, does hereby SELL, TRANSFER, ASSIGN, AND CONVEY unto

American Fluorite Inc.
1425 Lake Front Cir. #200
The Woodlands, TX 77380

(hereinafter called "**ASSIGNEE**"), effective as of January 1, 2003, at 7:00 o'clock, A.M., at the location of the Assets, (the "Effective Date"), all of **ASSIGNOR'S** right, title and interest in and to the following (collectively called the "Assets"):

A. All of **ASSIGNOR'S** right, title and interest in and to oil and gas and associated hydrocarbons in, on, under and that may be produced from the lands and depths described on Exhibit "A" (the "Lands"), including, without limitation, (i) all oil and gas leases described on Exhibit "A" (the "Leases"), (ii) all rights, privileges, benefits, and powers conferred upon the holder of the Leases with respect to the use and occupation of the surface of the Lands that may be necessary, convenient, or incidental to the possession and enjoyment of the Leases, (iii) all rights in respect to any pooled or unitized acreage located in whole or in part within the Lands by virtue of the Leases, including rights to production from the pool or unit allocated to any Lease being a part thereof, regardless of whether such production is from the Lands, (iv) all rights, options, titles, and interests of **ASSIGNOR** granting **ASSIGNOR** the right to obtain, or otherwise earn interests within the Lands, no matter how earned, and (v) all tenements, hereditaments, and appurtenances belonging to any of the foregoing (herein collectively called the "Properties");

B. All of **ASSIGNOR'S** right, title and interest in and to all permits, licenses, servitudes, rights-of-way, division orders, gas purchase and sale agreements (wherein **ASSIGNOR** is a selling party), crude oil purchase and sale agreements (wherein **ASSIGNOR** is a selling party), surface leases, farmin agreements, farmout agreements, bottom hole agreements, acreage contribution agreements, operating agreements, unit agreements, processing agreements, options, leases of equipment or facilities, and all other contracts and agreements that are appurtenant to the Properties or used or held for use in connection with the ownership or operation of the Properties ("the Related Agreements"); and

Sale No. 180C
Lot No. 368

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pg. 1 of 16
Beth Rothermel, County Clerk
Washington County, TX BR Deputy

C. All of **ASSIGNOR'S** right, title and interest in and to all of the real, personal and mixed property used in the operation of the Properties (whether located on or off the Properties, but excluding all vehicles used in operating the Properties), including, but not limited to (i) all wells plugged or unplugged, including, but not limited to those ("Wells") described on Exhibit "B" hereto, all wellhead equipment, fixtures (including, but not limited to, field separators and liquid extractors), pipe, casing, and tubing, (ii) all production, gathering, treating, processing, compression, dehydration, salt water disposal and injection equipment, pipelines, right-of-ways, easements and facilities, (iii) all tanks, machines, equipment, vessels and other facilities (collectively called "the Facilities").

D. All of the files, records, documents, correspondence and data now in the possession or control of Seller that relates to the items described in sub-paragraphs A., B. and C. above, including, without limitation, all computer-generated disks, diskettes and access codes and tapes; provided, however, **ASSIGNOR** shall have no obligation to provide **ASSIGNEE** access to any information or interpretative or proprietary data which **ASSIGNOR** considers privileged, confidential or proprietary to it or which **ASSIGNOR** cannot lawfully provide due to third party restrictions.

II.

A. As of the Effective Date, **ASSIGNEE**, covenants and agrees to assume, pay for, perform and comply with all of the duties, liabilities, and obligations (express or implied) which are binding upon **ASSIGNOR** that relate to or are attributable to the Assets, from and after the Effective Date, including, but not limited to, lease terms, other leasehold burdens, applicable governmental orders, statutes, regulations and ordinances, and all other valid recorded and unrecorded agreements, contracts and instruments affecting the Assets. Without limiting the generality of the foregoing, **ASSIGNEE** covenants and agrees, as of the Effective Date, to assume **ASSIGNOR'S** obligations, if any, to properly and timely plug and abandon any and all wells now or hereafter located on or appurtenant to the Assets regardless of the date such wells were abandoned, except to the extent such liabilities result from the gross negligence or willful misconduct of **ASSIGNOR**. Furthermore, **ASSIGNEE** agrees to RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS **ASSIGNOR**, and its officers, directors, employees, partnerships, affiliate and subsidiary corporations, from and against any and all claims, demands, liabilities, losses, damages or penalties directly or indirectly relating to or arising from the obligations, liabilities and duties assumed by **ASSIGNEE** in this Section II(A) from and after the Effective Date, except to the extent caused by **ASSIGNOR'S** gross negligence or intentional misconduct.

B. Notwithstanding any other provision contained herein, **ASSIGNEE** acknowledges that some oil field production equipment may contain asbestos and/or naturally-occurring radioactive material (NORM). In this regard, **ASSIGNEE** expressly understands that NORM may affix or attach itself to inside of wells, materials and equipment as scale or in other forms, and that wells, materials and equipment located on the Assets described herein may contain NORM and that NORM-containing materials may be buried or have been otherwise disposed of on the Assets. **ASSIGNEE** also expressly understands that special procedures may be required for the removal and disposal of asbestos and NORM from the Assets where it may be found, and that **ASSIGNEE** assumes all liability when such activities are performed. Therefore, **ASSIGNEE** assumes full responsibility for, and agrees to indemnify, hold harmless and defend **ASSIGNOR** from and against all loss, liability, claims, fines, expenses, costs (including attorney's fees and expenses) and causes of action caused by or arising out of any federal, state or local laws, rules, orders and regulations applicable to NORM on, in or included with the Assets or the presence or disposal of all NORM from the Assets, except to the extent caused by **ASSIGNOR'S** gross negligence or intentional misconduct.

C. In addition, **ASSIGNEE** agrees to RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS **ASSIGNOR**, its partnerships, affiliate and subsidiary corporations, as well as its and their respective officers, directors, partners, shareholders and employees, from and against any and all claims, demands, liabilities, costs fines, civil penalties, judgments, expenses (including, without limitation, court costs and reasonable attorneys' fees), damages and losses of

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Beth Rothermel, County Clerk
Washington County, TX 28 Deputy

whatsoever kind or nature (hereinafter collectively and individually the "Claims"), that relate to or are attributable to the Assets including, without limitation, by enumeration, all Claims in respect to all of the following: (i) damage to or loss of property, natural resources or the environment, or bodily injury to, illness of or death of any persons, no matter the cause; and (ii) any conditions(s) of or upon the Assets (including, without limitation, any condition which may be considered to be a nuisance and/or which affects or threatens to affect the environment), *insofar and insofar only as the Claims occur or arise on or after the* Effective Date. Similarly, except for environmental claims which are expressly assumed by **ASSIGNEE, ASSIGNOR** will defend and indemnify **ASSIGNEE** from and against all such Claims *which occur or arise out of **ASSIGNOR'S** operations prior to the* Effective Date.

III.

Notwithstanding anything to the contrary contained in this Assignment, **ASSIGNEE** acknowledges and agrees it has made an independent investigation into any production imbalances (including any underproduced or overproduced volumes), and has taken such imbalances into consideration in calculating the Purchase Price and accepts the Assets subject to any obligations created by such imbalance. **ASSIGNEE** agrees not to hold **ASSIGNOR** liable for any such imbalance and **ASSIGNOR** assigns all such imbalances (whether over or under) to **ASSIGNEE. ASSIGNEE** agrees that its share of production from any overproduced well(s) may at some point be curtailed by underproduced working interest owner(s) and **ASSIGNOR** shall not be liable to the **ASSIGNEE** in the event such curtailment occurs.

IV.

A. **ASSIGNEE** acknowledges and agrees that, prior to its acceptance of this Assignment, it has been given adequate and timely access to and has had access to the Assets, **ASSIGNOR'S** records relating to the Assets, and public records regarding the Assets, and that **ASSIGNOR** has encouraged **ASSIGNEE** to conduct an Environmental Assessment of the Assets (including a physical inspection of the Assets) and to review **ASSIGNOR'S** records and public records regarding the Assets. **ASSIGNEE** HAS RELIED SOLELY ON THE BASIS OF ITS OWN INDEPENDENT INVESTIGATION OF THE ASSETS. ACCORDINGLY, NOTWITHSTANDING ANYTHING THAT MAY BE CONTAINED HEREIN TO THE CONTRARY, **ASSIGNEE** AGREES AND ACKNOWLEDGES THAT **ASSIGNOR** HAS NOT MADE, AND **ASSIGNOR** HEREBY EXPRESSLY DISCLAIMS ANY WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AT COMMON LAW, BY STATUTE, OR OTHERWISE RELATING TO THE ASSETS, INCLUDING, BUT NOT LIMITED TO: (i) ANY REPRESENTATION OR WARRANTY CONCERNING THE CONDITION OF THE ASSETS (INCLUDING WITHOUT LIMITATION, ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, OF FITNESS FOR ANY PARTICULAR PURPOSE, OR OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS); AND (ii) ANY REPRESENTATION OR WARRANTY CONCERNING ANY INFORMATION, DATA OR OTHER WRITTEN MATERIALS) FURNISHED TO **ASSIGNEE** BY OR ON BEHALF OF **ASSIGNOR.** THIS CONVEYANCE OF THE **ASSETS** IS MADE ON AN **"AS IS"** AND **"WHERE IS"** BASIS, AND IS ACCEPTED BY **ASSIGNEE** ON SUCH BASIS.

B. THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF TITLE, EXPRESS OR IMPLIED. Any covenants implied by statute or law by the use of the words "transfer", "grant", "bargain", "sell", "convey", "assign", or "deliver", or other similar words appearing in this instrument, are hereby expressly restrained, disclaimed, waived, and negated. The parties hereto agree that, to the extent required by applicable law to be operative, the disclaimers of certain warranties contained in this Section are "conspicuous" disclaimers for the purposes of any applicable law, rule or order.

V.

This Assignment and the terms and obligations contained herein shall be binding upon and shall inure to the benefit of **ASSIGNOR** and **ASSIGNEE** and their respective heirs, successors and assigns, and shall constitute covenants running with the land. All provisions herein are solely and exclusively for the benefit of **ASSIGNOR** and **ASSIGNEE** and their

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Beth Rothermel, County Clerk
Washington County, TX ____ Deputy

successors and assigns, and no other person shall be deemed a beneficiary or have standing to require the satisfaction of their terms.

VI.

This instrument has been executed by **ASSIGNOR** and **ASSIGNEE** in duplicate originals, but they shall constitute but one Assignment.

VII.

This instrument may be executed in multiple counterparts and each of which as so executed shall be given the effect of the execution of an original instrument. Such executed counterparts may be consolidated into a single instrument by combining the signature pages and acknowledgments thereto and the executing parties hereto acknowledge and agree that such instrument shall be treated and given effect for all purposes as a single instrument.

EXECUTED on the dates contained in the acknowledgments of this instrument, but to be effective for all purposes as of the Effective Date.

"ASSIGNOR"

SWIFT ENERGY COMPANY

BY: _____
Joseph A. D'Amico
Executive Vice President and
Chief Operating Officer

STATE OF TEXAS §

COUNTY OF HARRIS §

Personally appeared before me, the undersigned authority in and for the said county and state, on this 15th day of November, 2002, within my jurisdiction, the within named JOSEPH A. D'AMICO, who acknowledged that he is Executive Vice President and Chief Operating Officer of SWIFT ENERGY COMPANY, a Texas corporation, and that for and on behalf of said corporation, and as the act and deed of said corporation, he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Given under my hand and seal this day and year last above written.



_____
Notary Public in and for the
State of Texas

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pg. 4 of 16
Beth Rothermel, County Clerk
Washington County, TX _____ Deputy

"ASSIGNEE" American Fluorite Inc.

NAME: [signature]

BY: George Bishop

TITLE: President

Corporate Acknowledgment

STATE OF Texas §

COUNTY/PARISH OF Harris §

Personally appeared before me, the undersigned authority in and for the said county and state, on this 11 day of December, 2002, within my jurisdiction, the within named George Bishop, who acknowledged that he/she is President of American Fluorite Inc. a _____ corporation, and for and on behalf of and as the act and deed of said corporation, he/she executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Given under my hand and seal this day and year last above written.

KRISTEN N. BURK
MY COMMISSION EXPIRES
July 26, 2006

Kristen N. Burk
Notary Public in and for the
State of Texas

Sale No. 180C
Lot No. 368

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pg. 5 of 16
Beth Rothermel, County Clerk
Washington County, TX BR Deputy

ENCS

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Bill of Sale effective January 1, 2003, from Swift Energy Company to American Fluorite, Inc.

WELL NAME : COBB UNIT #1
PROSPECT : WEST BRENHAM
STATE : TEXAS
COUNTY/PARISH : WASHINGTON

LEASE NUMBER: TX-2254 LEASE-DT: 09/04/1993 EXPIRATION-DT: 09/04/1998
LESSOR: MARYA MCLEAN INGRAM
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 715 PAGE: 382
RECORDED: ENTRY:

LEASE NUMBER: TX-2264 -001 LEASE-DT: 10/22/1993 EXPIRATION-DT: 10/22/1998
LESSOR: EUGENE FRITZ ET UX
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 225
RECORDED: ENTRY:

LEASE NUMBER: TX-2264 -002 LEASE-DT: 10/22/1993 EXPIRATION-DT: 10/22/1998
LESSOR: MARY LEE LAUTER
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 228
RECORDED: ENTRY:

LEASE NUMBER: TX-2264 -003 LEASE-DT: 10/22/1993 EXPIRATION-DT: 10/22/1998
LESSOR: ANNIE MARIE FRITZ
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 232
RECORDED: ENTRY:

LEASE NUMBER: TX-2269 -001 LEASE-DT: 10/20/1993 EXPIRATION-DT: 10/20/1998
LESSOR: BRIAN D LAMB ET AL
LESSEE: WESTERN STATES LAND SVC
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 220
RECORDED: ENTRY:

LEASE NUMBER: TX-2269 -002 LEASE-DT: 11/29/1993 EXPIRATION-DT: 11/29/1998
LESSOR: PETE L MILLER ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 721 PAGE: 428
RECORDED: ENTRY:

LEASE NUMBER: TX-2269 -003 LEASE-DT: 10/02/1997 EXPIRATION-DT: 10/02/2000
LESSOR: JUNE C HOFFMAN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 873 PAGE: 63
RECORDED: ENTRY:

LEASE NUMBER: TX-2385 LEASE-DT: 12/30/1994 EXPIRATION-DT: 12/30/1999
LESSOR: TOMMY PRZYBORSKI
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 773 PAGE: 287
RECORDED: ENTRY:

LEASE NUMBER: TX-3749 LEASE-DT: 10/02/1997 EXPIRATION-DT: 10/02/2000
LESSOR: LARRY NEUMANN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 871 PAGE: 598
RECORDED: ENTRY:

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pg. 12 of 16
Beth Rothermel, County Clerk
Washington County, TX ____ Deputy

WELL NAME : **HAHN #1-H AND HAHN #2-H**
PROSPECT : **WEST BRENHAM**
STATE : **TEXAS**
COUNTY/PARISH : **WASHINGTON**

LEASE NUMBER: TX-5187 LEASE-DT: 07/16/1998 EXPIRATION-DT: 08/12/1999
LESSOR: CLAMENS TIEMANN ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 899 PAGE: 493
RECORDED: ENTRY:

WELL NAME : **JARMON UNIT #1**
PROSPECT : **WEST BRENHAM**
STATE : **TEXAS**
COUNTY/PARISH : **WASHINGTON**

LEASE NUMBER: TX-2246 -001 LEASE-DT: 08/12/1993 EXPIRATION-DT: 08/12/1998
LESSOR: CLAMENS TIEMANN ET UX
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 715 PAGE: 484
RECORDED: ENTRY:

LEASE NUMBER: TX-2255 LEASE-DT: 10/15/1993 EXPIRATION-DT: 10/15/1998
LESSOR: JONELL FORMAN ET VIR
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 722 PAGE: 379
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -001 LEASE-DT: 08/18/1993 EXPIRATION-DT: 08/18/1998
LESSOR: FELIX S RANDLE ET UX
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 715 PAGE: 524
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -002 LEASE-DT: 08/18/1993 EXPIRATION-DT: 08/18/1998
LESSOR: SAMUEL H CALLIER ET UX
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 715 PAGE: 518
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -003 LEASE-DT: 08/18/1993 EXPIRATION-DT: 08/18/1998
LESSOR: STEPHEN B RANDLE ET AL
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 715 PAGE: 531
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -004 LEASE-DT: 08/18/1993 EXPIRATION-DT: 08/18/1998
LESSOR: DANIEL B RANDLE ET UX
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 715 PAGE: 515
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -005 LEASE-DT: 03/13/1997 EXPIRATION-DT: 03/13/2000
LESSOR: LOWELL S FINK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 859 PAGE: 229
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -006 LEASE-DT: 04/18/1997 EXPIRATION-DT: 04/18/2000
LESSOR: MARK KAMIN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 858 PAGE: 36
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -008 LEASE-DT: 04/18/1997 EXPIRATION-DT: 04/18/2000
LESSOR: LINDA GOODMAN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 856 PAGE: 145
RECORDED: ENTRY:

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pg. 7 of 16
Beth Rothermel, County Clerk
Washington County, TX BR Deputy

LEASE NUMBER: TX-2257 -009 LEASE-DT: 04/18/1997 EXPIRATION-DT: 04/18/2000
LESSOR: ANN MASEL
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 858 PAGE: 790
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -010 LEASE-DT: 03/17/1997 EXPIRATION-DT: 03/17/2000
LESSOR: EVELYN ROSENTHAL
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 855 PAGE: 77
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -011 LEASE-DT: 04/18/1997 EXPIRATION-DT: 04/18/2000
LESSOR: GLORIA FRIEDMAN ALTMAN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 861 PAGE: 83
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -012 LEASE-DT: 03/17/1997 EXPIRATION-DT: 03/17/2000
LESSOR: HESTER PERL GREENBERG TRUST ET AL
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 852 PAGE: 820
RECORDED: ENTRY:

LEASE NUMBER: TX-2257 -013 LEASE-DT: 02/04/1994 EXPIRATION-DT: 02/04/1999
LESSOR: PEARLIE L FITCH
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 726 PAGE: 581
RECORDED: ENTRY:

LEASE NUMBER: TX-2259 LEASE-DT: 09/27/1993 EXPIRATION-DT: 09/27/1998
LESSOR: A Q PLUMMER, IND/IND EXEC
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 715 PAGE: 371
RECORDED: ENTRY:

LEASE NUMBER: TX-2264 -001 LEASE-DT: 10/22/1993 EXPIRATION-DT: 10/22/1998
LESSOR: EUGENE FRITZ ET UX
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 225
RECORDED: ENTRY:

LEASE NUMBER: TX-2264 -002 LEASE-DT: 10/22/1993 EXPIRATION-DT: 10/22/1998
LESSOR: MARY LEE LAUTER
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 228
RECORDED: ENTRY:

LEASE NUMBER: TX-2264 -003 LEASE-DT: 10/22/1993 EXPIRATION-DT: 10/22/1998
LESSOR: ANNIE MARIE FRITZ
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 232
RECORDED: ENTRY:

LEASE NUMBER: TX-2301 LEASE-DT: 11/30/1993 EXPIRATION-DT: 11/30/1998
LESSOR: LARRY J ARNIE
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 722 PAGE: 361
RECORDED: ENTRY:

LEASE NUMBER: TX-2302 LEASE-DT: 11/04/1993 EXPIRATION-DT: 11/04/1998
LESSOR: LUECKEMEYER ENTERPRISES INC
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 722 PAGE: 358
RECORDED: ENTRY:

LEASE NUMBER: TX-2341 LEASE-DT: 10/19/1993 EXPIRATION-DT: 10/19/1998
LESSOR: PATRICK CORMACK ET UX
LESSEE: WESTERN LAND SERVICES IN
COUNTY: WASHINGTON TX BOOK : 726 PAGE: 561
RECORDED: ENTRY:

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pg. 8 of 16
Beth Rothermel, County Clerk
Washington County, TX 88 Deputy

LEASE NUMBER: TX-2344 -001 LEASE-DT: 11/29/1993 EXPIRATION-DT: 11/29/1998
LESSOR: FRANK B PETROSKI JR ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 725 PAGE: 212
RECORDED: ENTRY:

LEASE NUMBER: TX-2344 -002 LEASE-DT: 03/25/1997 EXPIRATION-DT: 03/25/1998
LESSOR: JACK ATKINSON ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 859 PAGE: 78
RECORDED: ENTRY:

LEASE NUMBER: TX-2346 LEASE-DT: 11/30/1993 EXPIRATION-DT: 11/30/1998
LESSOR: WILLIAM H LAY ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 722 PAGE: 887
RECORDED: ENTRY:

LEASE NUMBER: TX-2353 LEASE-DT: 01/01/1994 EXPIRATION-DT: 01/01/1999
LESSOR: ANNA MARGARET MESCHWITZ
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 725 PAGE: 659
RECORDED: ENTRY:

LEASE NUMBER: TX-2360 LEASE-DT: 12/14/1994 EXPIRATION-DT: 12/14/1997
LESSOR: WILHELMSEN TRUSTS DTD 6/25/92
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 772 PAGE: 417
RECORDED: ENTRY:

LEASE NUMBER: TX-2361 LEASE-DT: 11/30/1994 EXPIRATION-DT: 11/30/1997
LESSOR: JANIE D DOBBS
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 772 PAGE: 357
RECORDED: ENTRY:

LEASE NUMBER: TX-2363 LEASE-DT: 12/09/1994 EXPIRATION-DT: 12/09/1997
LESSOR: DON PRENZLER ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 773 PAGE: 233
RECORDED: ENTRY:

LEASE NUMBER: TX-2364 LEASE-DT: 12/02/1994 EXPIRATION-DT: 12/02/1997
LESSOR: WILLIAM BOYD DRAEHN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 844 PAGE: 180
RECORDED: ENTRY:

LEASE NUMBER: TX-2365 LEASE-DT: 11/15/1994 EXPIRATION-DT: 11/15/1997
LESSOR: EDDIE MAE JARMON
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 762 PAGE: 453
RECORDED: ENTRY:

LEASE NUMBER: TX-2366 LEASE-DT: 11/22/1994 EXPIRATION-DT: 11/22/1997
LESSOR: JEAN M MCLEAN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 762 PAGE: 431
RECORDED: ENTRY:

LEASE NUMBER: TX-2369 LEASE-DT: 03/07/1994 EXPIRATION-DT: 03/07/1999
LESSOR: GENEVIEVE RYBARSKI
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 733 PAGE: 492
RECORDED: ENTRY:

LEASE NUMBER: TX-2382 LEASE-DT: 02/08/1994 EXPIRATION-DT: 02/08/1999
LESSOR: JERRY H MERTEN ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 731 PAGE: 740
RECORDED: ENTRY:

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pg. 9 of 16
Beth Rothermel, County Clerk
Washington County, TX BR Deputy

LEASE NUMBER: TX-2384 LEASE-DT: 12/09/1994 EXPIRATION-DT: 12/09/1997
LESSOR: LESTER CASE ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 772 PAGE: 419
RECORDED: ENTRY:

LEASE NUMBER: TX-2386 LEASE-DT: 12/09/1994 EXPIRATION-DT: 12/09/1997
LESSOR: JAMES JEFFRESS ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 773 PAGE: 285
RECORDED: ENTRY:

LEASE NUMBER: TX-2387 LEASE-DT: 12/09/1994 EXPIRATION-DT: 12/09/1997
LESSOR: ROBERIAL BOENKER ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 773 PAGE: 289
RECORDED: ENTRY:

LEASE NUMBER: TX-2388 LEASE-DT: 12/07/1994 EXPIRATION-DT: 12/07/1997
LESSOR: JOHNNIE H KUBECZKA ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 844 PAGE: 178
RECORDED: ENTRY:

LEASE NUMBER: TX-2397 LEASE-DT: 02/15/1995 EXPIRATION-DT: 02/15/1998
LESSOR: JOHN V DIETZ ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 776 PAGE: 721
RECORDED: ENTRY:

LEASE NUMBER: TX-2398 LEASE-DT: 12/02/1994 EXPIRATION-DT: 12/02/1997
LESSOR: PATRICK KELLY DRAEHN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 777 PAGE: 516
RECORDED: ENTRY:

LEASE NUMBER: TX-2424 LEASE-DT: 06/15/1995 EXPIRATION-DT: 06/15/2000
LESSOR: JOHN ARTHUR WOLFE ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 793 PAGE: 837
RECORDED: ENTRY:

LEASE NUMBER: TX-2435 -001 LEASE-DT: 02/10/1994 EXPIRATION-DT: 02/10/1999
LESSOR: CECELIA L VOLLMER
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 727 PAGE: 466
RECORDED: ENTRY:

LEASE NUMBER: TX-2435 -002 LEASE-DT: 02/10/1994 EXPIRATION-DT: 02/10/1999
LESSOR: PHILIP MATTERN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 727 PAGE: 452
RECORDED: ENTRY:

LEASE NUMBER: TX-2435 -003 LEASE-DT: 11/10/1996 EXPIRATION-DT: 11/10/1997
LESSOR: THOMAS DWYER MCNEESE ET AL
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 843 PAGE: 622
RECORDED: ENTRY:

LEASE NUMBER: TX-2445 -001 LEASE-DT: 12/18/1993 EXPIRATION-DT: 12/18/1998
LESSOR: E H FLOYD ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 722 PAGE: 890
RECORDED: ENTRY:

LEASE NUMBER: TX-2445 -005 LEASE-DT: 08/05/1996 EXPIRATION-DT: 12/10/1998
LESSOR: ERCULIANI INTERBAU LUZERN AG INC
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 838 PAGE: 720
RECORDED: ENTRY:

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Beth Rothermel, County Clerk
Washington County, TX Deputy

LEASE NUMBER: TX-2472 LEASE-DT: 10/01/1996 EXPIRATION-DT: 10/01/1999
LESSOR: STATE OF TEXAS M-97583
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 844 PAGE: 151
RECORDED: ENTRY:

LEASE NUMBER: TX-2996 LEASE-DT: 03/09/1997 EXPIRATION-DT: 03/09/2000
LESSOR: LINDA FAYE BALCEREK BERNICK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 851 PAGE: 697
RECORDED: ENTRY:

LEASE NUMBER: TX-2997 LEASE-DT: 03/09/1997 EXPIRATION-DT: 03/09/2000
LESSOR: SANDRA KAY BALCEREK ZIENTEK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 851 PAGE: 678
RECORDED: ENTRY:

LEASE NUMBER: TX-2998 LEASE-DT: 03/05/1997 EXPIRATION-DT: 03/05/2000
LESSOR: TED ZIENTEK ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 851 PAGE: 706
RECORDED: ENTRY:

LEASE NUMBER: TX-3002 LEASE-DT: 03/20/1997 EXPIRATION-DT: 03/20/2000
LESSOR: DOYLE SPITZER ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 855 PAGE: 573
RECORDED: ENTRY:

LEASE NUMBER: TX-3003 LEASE-DT: 03/24/1997 EXPIRATION-DT: 03/24/2000
LESSOR: JOSEPH EDWARD KINGCADE JR
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 858 PAGE: 17
RECORDED: ENTRY:

LEASE NUMBER: TX-3004 LEASE-DT: 04/10/1997 EXPIRATION-DT: 04/10/2000
LESSOR: PLEASANT GROVE UNITED METHODIST CHURCH
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 855 PAGE: 752
RECORDED: ENTRY:

LEASE NUMBER: TX-3009 -001 LEASE-DT: 03/08/1997 EXPIRATION-DT: 03/08/2000
LESSOR: VICKY LYNN BALCEREK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 851 PAGE: 693
RECORDED: ENTRY:

LEASE NUMBER: TX-3009 -002 LEASE-DT: 03/08/1997 EXPIRATION-DT: 03/08/2000
LESSOR: SANDRA KAY BALCEREK ZIENTEK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 851 PAGE: 681
RECORDED: ENTRY:

LEASE NUMBER: TX-3009 -003 LEASE-DT: 03/08/1997 EXPIRATION-DT: 03/08/2000
LESSOR: LINDA FAYE BALCEREK BERNICK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 851 PAGE: 685
RECORDED: ENTRY:

LEASE NUMBER: TX-3009 -004 LEASE-DT: 03/08/1997 EXPIRATION-DT: 03/08/2000
LESSOR: MICHAEL WAYNE BALCEREK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 851 PAGE: 689
RECORDED: ENTRY:

LEASE NUMBER: TX-3131 LEASE-DT: 06/03/1997 EXPIRATION-DT: 06/03/2000
LESSOR: STATE OF TX M-97987
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 862 PAGE: 874
RECORDED: ENTRY:

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pg. 11 of 12
Beth Rothermel, County Clerk
Washington County, TX ____ Deputy

LEASE NUMBER: TX-3133 LEASE-DT: 11/09/1994 EXPIRATION-DT: 11/09/1997
LESSOR: MARIE D SNOW
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 762 PAGE: 434
RECORDED: ENTRY:

LEASE NUMBER: TX-3134 LEASE-DT: 06/22/1995 EXPIRATION-DT: 06/22/1998
LESSOR: ANTONE KUBECZKA ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 802 PAGE: 469
RECORDED: ENTRY:

LEASE NUMBER: TX-3537 LEASE-DT: 08/05/1997 EXPIRATION-DT: 08/05/2000
LESSOR: STATE OF TEXAS M-98476
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 881 PAGE: 803
RECORDED: ENTRY:

LEASE NUMBER: TX-3538 LEASE-DT: 08/05/1997 EXPIRATION-DT: 08/05/2000
LESSOR: STATE OF TEXAS M-98477
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 881 PAGE: 810
RECORDED: ENTRY:

WELL NAME : SCHWICKERT UNIT #1
PROSPECT : WEST BRENHAM
STATE : TEXAS
COUNTY/PARISH : WASHINGTON

LEASE NUMBER: TX-2275 LEASE-DT: 10/12/1993 EXPIRATION-DT: 10/12/1998
LESSOR: PAUL J HIGHTOWER ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 262
RECORDED: ENTRY:

LEASE NUMBER: TX-2278 LEASE-DT: 10/12/1993 EXPIRATION-DT: 10/12/1998
LESSOR: JOHNNY P HIGHTOWER ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 719 PAGE: 160
RECORDED: ENTRY:

LEASE NUMBER: TX-2426 LEASE-DT: 06/12/1996 EXPIRATION-DT: 06/12/1999
LESSOR: ROGER BRENDING
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 830 PAGE: 453
RECORDED: ENTRY:

LEASE NUMBER: TX-2427 -001 LEASE-DT: 06/13/1996 EXPIRATION-DT: 06/13/1999
LESSOR: DOROTHY BRENDING ET AL
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 830 PAGE: 446
RECORDED: ENTRY:

LEASE NUMBER: TX-2436 LEASE-DT: 02/24/1997 EXPIRATION-DT: 02/24/1997
LESSOR: WILLIE MENEWEATHER ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 819 PAGE: 652
RECORDED: ENTRY:

LEASE NUMBER: TX-2437 LEASE-DT: 06/19/1996 EXPIRATION-DT: 12/19/1996
LESSOR: ERCULIANI INTERBAU LUZERN AG INC
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 833 PAGE: 280
RECORDED: ENTRY:

LEASE NUMBER: TX-2438 LEASE-DT: 02/03/1994 EXPIRATION-DT: 02/03/1997
LESSOR: BRUNO ZWAHR ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 726 PAGE: 573
RECORDED: ENTRY:

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pg. 12 of 16
Beth Rothermel, County Clerk
Washington County, TX _____ Deputy

LEASE NUMBER: TX-2439 LEASE-DT: 03/02/1994 EXPIRATION-DT: 03/02/1997
LESSOR: REINHARDT HENRY ZWAHR ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 731 PAGE: 742
RECORDED: ENTRY:

LEASE NUMBER: TX-2440 LEASE-DT: 06/03/1996 EXPIRATION-DT: 12/03/1996
LESSOR: WILLIAM WALDO SMITH ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 830 PAGE: 498
RECORDED: ENTRY:

LEASE NUMBER: TX-2441 LEASE-DT: 01/13/1994 EXPIRATION-DT: 01/13/1997
LESSOR: HERBERT O ZWAHR ET AL
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 734 PAGE: 386
RECORDED: ENTRY:

LEASE NUMBER: TX-2442 LEASE-DT: 03/10/1994 EXPIRATION-DT: 03/10/1997
LESSOR: JOE C ORSAK JR ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 730 PAGE: 305
RECORDED: ENTRY:

LEASE NUMBER: TX-2443 LEASE-DT: 02/23/1994 EXPIRATION-DT: 02/23/1997
LESSOR: NEIL CAMPBELL ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 735 PAGE: 357
RECORDED: ENTRY:

LEASE NUMBER: TX-2444 LEASE-DT: 03/03/1994 EXPIRATION-DT: 03/03/1997
LESSOR: ALBERT ZWAHR ET AL
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 730 PAGE: 317
RECORDED: ENTRY:

LEASE NUMBER: TX-2445 -001 LEASE-DT: 12/18/1993 EXPIRATION-DT: 12/18/1998
LESSOR: E H FLOYD ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 722 PAGE: 890
RECORDED: ENTRY:

LEASE NUMBER: TX-2445 -002 LEASE-DT: 12/10/1995 EXPIRATION-DT: 12/10/1996
LESSOR: ERCULIANI INTERBAU LUZERN AG INC
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 815 PAGE: 95
RECORDED: ENTRY:

LEASE NUMBER: TX-2445 -003 LEASE-DT: 07/03/1996 EXPIRATION-DT: 07/03/1997
LESSOR: TEXAS OSAGE ROYALTY POOL INC
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 833 PAGE: 249
RECORDED: ENTRY:

LEASE NUMBER: TX-2445 -004 LEASE-DT: 08/01/1996 EXPIRATION-DT: 08/01/1998
LESSOR: KERR-MCGEE CORPORATION
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 834 PAGE: 255
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -001 LEASE-DT: 04/05/1994 EXPIRATION-DT: 04/05/1997
LESSOR: MARY E LOW
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 734 PAGE: 389
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -002 LEASE-DT: 04/06/1994 EXPIRATION-DT: 04/06/1997
LESSOR: JOHN BARNHILL
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 734 PAGE: 393
RECORDED: ENTRY:

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Beth Rothermel, County Clerk
Washington County, TX BR Deputy

LEASE NUMBER: TX-2446 -003 LEASE-DT: 04/06/1994 EXPIRATION-DT: 04/06/1997
LESSOR: BERSHIE B GREEN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 734 PAGE: 391
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -004 LEASE-DT: 06/24/1996 EXPIRATION-DT: 06/24/1999
LESSOR: PATRICIA I RYAN
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 830 PAGE: 440
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -005 LEASE-DT: 06/24/1996 EXPIRATION-DT: 06/24/1999
LESSOR: SALLIE M SMITH
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 830 PAGE: 443
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -006 LEASE-DT: 07/17/1996 EXPIRATION-DT: 07/17/1999
LESSOR: RANDALL L PATTERSON ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 830 PAGE: 561
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -007 LEASE-DT: 06/01/1995 EXPIRATION-DT: 06/01/1998
LESSOR: HENRY NEUMANN JR ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 793 PAGE: 833
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -008 LEASE-DT: 07/19/1996 EXPIRATION-DT: 07/19/1999
LESSOR: BETTY BRENDING ET VIR
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 831 PAGE: 479
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -009 LEASE-DT: 07/24/1996 EXPIRATION-DT: 07/24/1999
LESSOR: CLEM J BARANOWSKI
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 831 PAGE: 779
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -010 LEASE-DT: 07/17/1996 EXPIRATION-DT: 07/17/1999
LESSOR: LOUIS GRIFFIN ALBRIGHT ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 830 PAGE: 588
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -011 LEASE-DT: 07/20/1996 EXPIRATION-DT: 07/20/1999
LESSOR: EDMUND J MALAK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 833 PAGE: 40
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -012 LEASE-DT: 01/08/1994 EXPIRATION-DT: 01/08/1997
LESSOR: GEORGIA ELLEN MALAK
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 730 PAGE: 310
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -013 LEASE-DT: 01/09/1994 EXPIRATION-DT: 01/09/1997
LESSOR: ARCHIE JURRIES ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 728 PAGE: 88
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -014 LEASE-DT: 03/01/1994 EXPIRATION-DT: 03/01/1997
LESSOR: LEROY JURRIES ET UX
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 730 PAGE: 315
RECORDED: ENTRY:

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Washington County, TX BR Deputy

LEASE NUMBER: TX-2446 -015 LEASE-DT: 12/16/1994 EXPIRATION-DT: 12/16/1994
LESSOR: ADOLPH SCHAEFFER ET UX
LESSEE: CHESAPEAKE OPERATING INC
COUNTY: WASHINGTON TX BOOK : 774 PAGE: 498
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -016 LEASE-DT: 06/24/1996 EXPIRATION-DT: 06/24/1999
LESSOR: CECILIA M BATCHELOR
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 830 PAGE: 437
RECORDED: ENTRY:

LEASE NUMBER: TX-2446 -017 LEASE-DT: 09/03/1996 EXPIRATION-DT: 09/03/1999
LESSOR: STATE OF TX M-97511
LESSEE: ANADARKO E&P COMPANY LP
COUNTY: WASHINGTON TX BOOK : 838 PAGE: 12
RECORDED: ENTRY:

LEASE NUMBER: TX-3132 LEASE-DT: 12/10/1993 EXPIRATION-DT: 12/10/1996
LESSOR: MARGARET CARTER MCNEESE ET VIR
LESSEE: WESTERN STATES LAND SERV
COUNTY: WASHINGTON TX BOOK : 728 PAGE: 110
RECORDED: ENTRY:

WELL NAME : BRENHAM DOME 1-H AND 2-H
PROSPECT : WEST BRENHAM
STATE : TEXAS
COUNTY/PARISH : WASHINGTON

LEASE NUMBER: TX-2383 LEASE-DT: 12/28/1994 EXPIRATION-DT: 12/28/2002
LESSOR: PEGGY W WILKES
LESSEE: UNION PACIFIC RESOURCES COMPANY
COUNTY: WASHINGTON TX BOOK : 772 PAGE: 379
RECORDED: ENTRY:

LEASE NUMBER: TX-3372 LEASE-DT: 10/16/1997 EXPIRATION-DT: 11/12/2002
LESSOR: BARRY LEE DUNCAN ET UX
LESSEE: UNION PACIFIC RESOURCES
COUNTY: WASHINGTON TX BOOK : 873 PAGE: 159
RECORDED: ENTRY:

FEB 10 2003

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pg. 15 of 16
Beth Rothermel, County Clerk
Washington County, TX _____ Deputy

Rot 308

EXHIBIT "B"

Attached to and made a part of that certain Assignmet and Bill of Sale
effective January 1, 2003, from Swift Energy Company
to American Fluorite Inc.

WELL NAME	FIELD	COUNTY	STATE	GWI-BPO	NRI-BPO	GWI-APO	NRI-APO
BRENHAM DOME 1-H AND 2-H	GIDDINGS	WASHINGTON	TX	0.004896	0.003917	NC	NC
COBB UNIT 1	GIDDINGS	WASHINGTON	TX	0.073945	0.059156	NC	NC
HAHN 1-H AND 2-H	GIDDINGS	WASHINGTON	TX	0.013490	0.010792	NC	NC
JARMON 1-OL	GIDDINGS	WASHINGTON	TX	0.250000	0.200000	NC	NC
SCHWICKERT UNIT 1	GIDDINGS	WASHINGTON	TX	0.250000	0.197156	NC	NC

NC - NO CHANGE

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was **FILED** on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on

FEB 10 2003

Beth Rothermel, County Clerk
Washington County, Texas

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the OFFICIAL RECORDS in my office with volume and page number stamped thereon. I hereby certify on

Page 16 of 16

BETH ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS
By _____ Deputy

FEB 10 2003

FILED FOR RECORD
WASHINGTON CO.
03 FEB -7 AM 10:00
BETH A. ROTHERMEL
WASHINGTON CO. CLERK

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11.

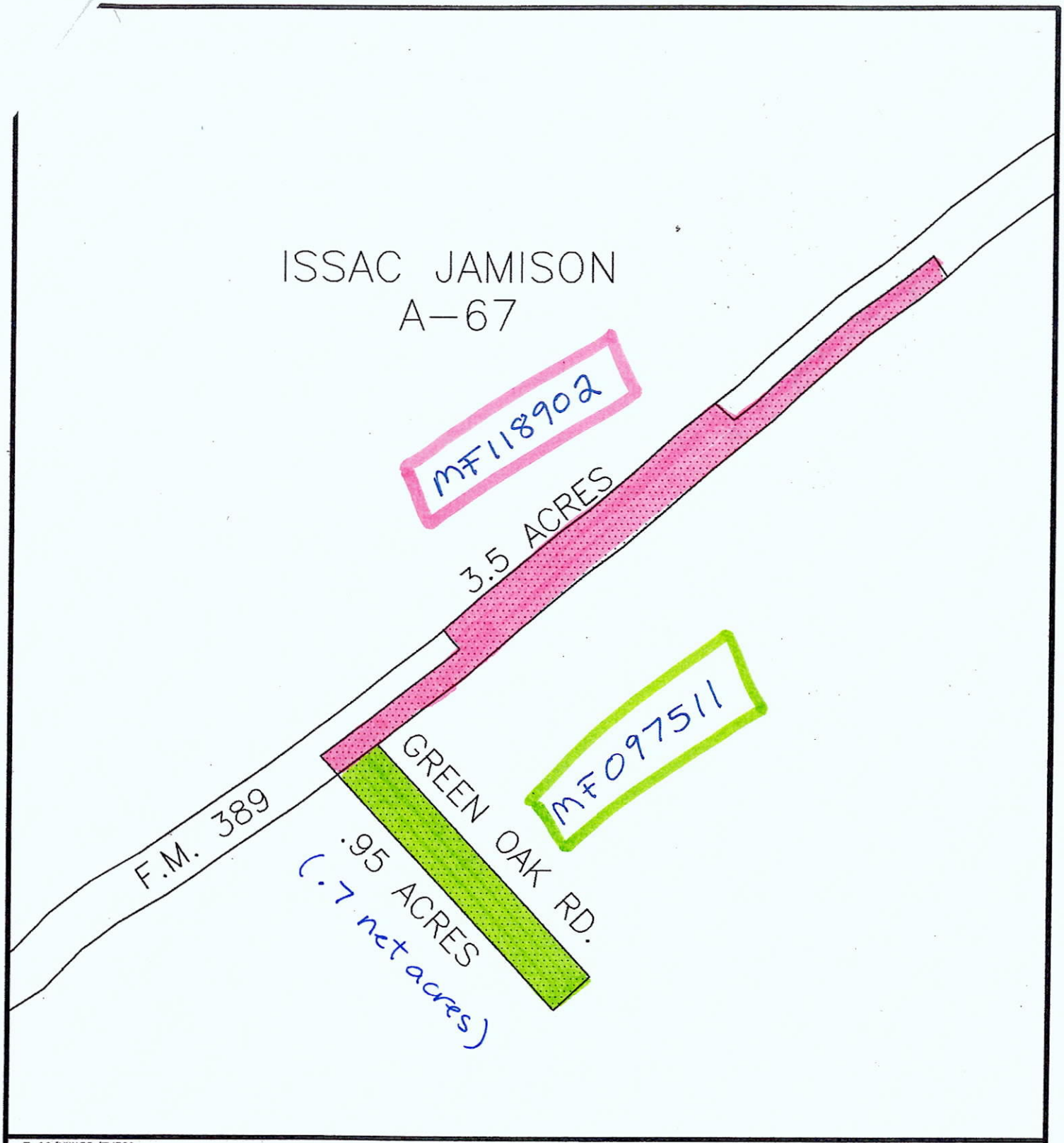
File No MF09-7511

Assignment

Date Filed: 8-7-2003

Jerry B. Patterson, Commissioner

By



7-96/MWARD/FM389

MAP SHOWING

PORTION OF F.M. RD. 389 & GREEN OAK RD.

APPROXIMATELY 4.45 TOTAL ACRES

3 MILES WEST OF BRENHAM

WASHINGTON COUNTY

(12)

File No. MF097511

Washington County

Plat showing separation of State & county roads

Date Filed: 9/18/17

George P. Bush, Commissioner

By MB Barnstone

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

UPA170097

Unit Number	*8707*				
Operator Name	*Enervest Operating L L C*			*Effective Date*	*08/01/2017*
Customer ID	*C000040239*			*Unitized For*	*Oil And Gas*
Unit Name	*Schwickert Unit*			*Unit Term*	
County 1	*Washington*	*RRC District 1*	*03*	*Old Unit Number*	*Inactive Status Date*
County 2		*RRC District 2*			
County 3		*RRC District 3*			
County 4		*RRC District 4*			
Unit type	*Permanent*				
State Net Revenue Interest	*Oil*	*0.00136403*			
State Part in Unit		*0.00682017*			
Unit Depth	*Specified Depths*				
From Depth					
To Depth					

2667 - this new unit splits State & County roads

Well

Formation *Top of Austin Chalk to Base of Austin Chalk*

Participation Basis *Surface Acreage*

If Exclusions Apply: See Remarks

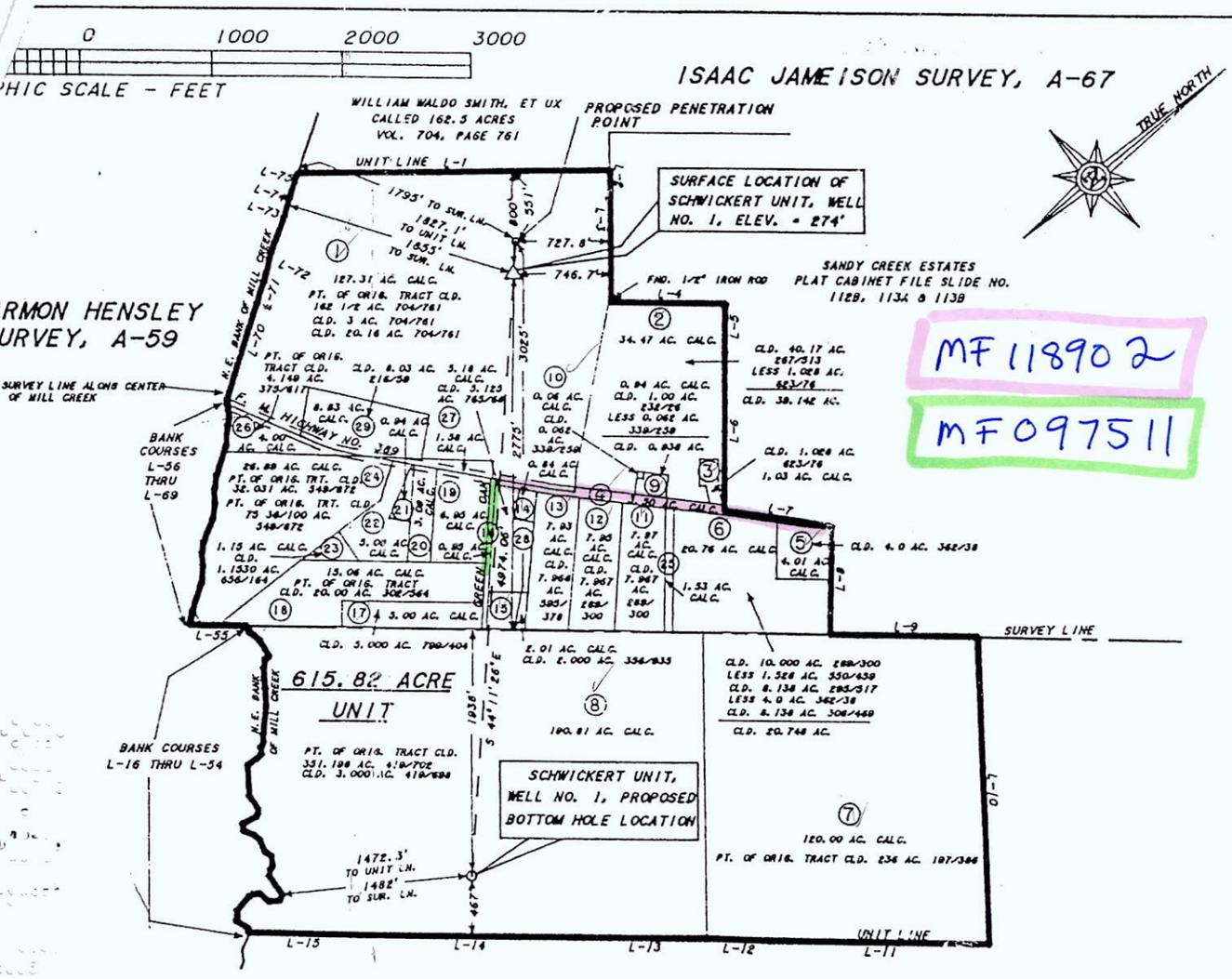
Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*O/G*	*Lease Royalty*	*NRI of Lease in Unit*	*Royalty Rate Reduction Clause*
MF097511	16	0.700000	615.820000	0.00113670	O/G	0.20000000	0.00022734	No
MF118902	4	3.500000	615.820000	0.00568348	O/G	0.20000000	0.00113670	No

API Number
4247730831

Remarks: This unit replaces unit 2667. State and county roads were separated.

Prepared By:	MB	*Prepared Date:*	9/18/17
GLO Base Updated By:	MB	*GLO Base Date:*	9/18/17
RAM Approval By:	JW	*RAM Approval Date:*	9.19.17
GIS By:		*GIS Date:*	
Well Inventory By:	MB	*WI Date:*	9/18/17

ed to and made a part of that certain "DESIGNATION OF UNIT - SCHWICKERT , WELL NO. 1" dated November 13, 1996.



UNIT PERIMETER BEARINGS & DISTANCES

COURSE	BEARING	DISTANCE
L-1	N 40°33' 34"E	2416.54'
L-2	S 49°26' 26"E	88.85'
L-3	S 48°31' 26"E	938.57'
L-4	N 42°04' 08"E	893.07'
L-5	S 47°19' 32"E	382.42'
L-6	S 48°02' 07"E	1241.32'
L-7	N 49°13' 25"E	841.46'
L-8	S 47°33' 02"E	837.29'
L-9	N 42°04' 17"E	1147.12'
L-10	S 50°28' 03"E	2407.43'
L-11	S 42°03' 06"W	1714.45'
L-12	S 43°08' 54"W	491.41'
L-13	S 41°44' 09"W	984.22'
L-14	S 41°42' 03"W	1739.26'
L-15	S 42°30' 09"W	823.74'
L-16	N 53°22' 35"W	28.22'
L-17	S 75°07' 07"W	112.34'
L-18	N 32°35' 52"W	37.34'
L-19	N 57°15' 59"W	39.95'
L-20	N 08°29' 38"W	141.22'
L-21	N 11°09' 08"E	36.86'
L-22	N 33°25' 32"E	54.03'
L-23	N 82°20' 52"E	96.06'
L-24	N 36°22' 54"E	76.44'
L-25	N 20°58' 30"W	52.09'
L-26	N 82°20' 21"W	178.18'
L-27	N 43°19' 43"W	45.97'
L-28	N 10°04' 33"W	37.39'
L-29	N 52°35' 36"W	75.19'
L-30	S 75°13' 30"W	62.69'
L-31	N 70°39' 13"W	96.12'
L-32	S 83°48' 29"W	53.74'
L-33	S 64°30' 41"W	95.29'
L-34	N 57°18' 34"W	54.53'
L-35	N 13°22' 24"E	117.96'
L-36	N 17°47' 27"W	30.90'
L-37	N 40°56' 53"W	29.35'
L-38	N 81°03' 22"W	126.70'
L-39	N 51°03' 37"W	241.75'
L-40	N 05°47' 19"E	77.02'
L-41	N 01°07' 03"W	37.30'
L-42	N 51°08' 17"W	53.73'
L-43	N 24°42' 53"W	47.92'
L-44	N 50°17' 33"W	38.07'
L-45	N 42°44' 31"W	218.51'
L-46	N 50°39' 36"W	147.14'
L-47	N 58°33' 49"W	170.19'
L-48	N 42°04' 57"W	68.11'
L-49	N 07°54' 14"E	44.38'
L-50	N 78°59' 59"W	139.03'
L-51	S 84°16' 40"W	72.23'
L-52	S 67°06' 22"W	29.06'
L-53	N 60°30' 56"W	22.30'
L-54	N 73°42' 02"W	36.43'
L-55	S 41°53' 02"W	436.84'
L-56	N 38°00' 30"W	110.61'
L-57	N 31°00' 55"W	224.04'
L-58	N 43°42' 14"W	142.90'
L-59	N 53°34' 12"W	97.22'
L-60	N 38°38' 16"W	81.32'
L-61	N 27°15' 49"W	196.42'
L-62	N 39°43' 21"W	121.12'
L-63	N 50°54' 29"W	111.84'
L-64	N 40°37' 27"W	113.09'
L-65	N 30°43' 12"W	240.69'
L-66	N 44°04' 22"W	160.91'
L-67	N 36°28' 04"W	58.31'
L-68	N 53°57' 13"W	107.29'
L-69	N 53°57' 13"W	39.85'
L-70	N 31°04' 06"W	785.65'
L-71	N 31°23' 39"W	174.02'
L-72	N 33°54' 46"W	231.40'
L-73	N 28°29' 31"W	298.50'
L-74	N 33°09' 32"W	154.27'

NOTES

1. SURFACE LOCATION:
   LATITUDE: 30°07' 46" N
   LONGITUDE: 96°26' 58" W
2. PROPOSED BOTTOM HOLE LOCATION:
   LATITUDE: 30°07' 13" N
   LONGITUDE: 96°28' 22" W
3. BEARINGS ARE BASED ON TRUE NORTH OBTAINED BY SOLAR OBSERVATION.
4. SURFACE LOCATION IS 5.7 MILES SOUTHWEST OF BRENHAM, TEXAS
5. PROPOSED PENETRATION POINT IS LOCATED N 44°11'26"W 250.0' FROM THE SURFACE LOCATION

SCHWICKERT UNIT, WELL NO. 1

1.	127.31 ACRES	WILLIAM WALDO SMITH, ET UX
2.	34.47 ACRES	JOHNNY P. HIGHTOWER, ET UX
3.	1.03 ACRES	PAUL J. HIGHTOWER, ET UX
4.	3.50 ACRES	STATE OF TEXAS
5.	4.01 ACRES	NEIL CAMPBELL, ET UX
6.	20.76 ACRES	BRUNO ZWAHR, ET UX
7.	120.00 ACRES	MARGARET CARTER MCNEESE, ET AL
8.	190.81 ACRES	E. H. FLOYD, ET AL
9.	0.84 ACRES	DOROTHY BRENDING, ET AL
10.	0.06 ACRES	ROGER BRENDING
11.	7.87 ACRES	ALBERT ZWAHR, ET AL
12.	7.95 ACRES	HERBERT O. ZWAHR, ET AL
13.	7.93 ACRES	REINHARDT HENRY ZWAHR, ET UX
14.	0.84 ACRES	WILLIE MENEWEATHER, ET UX
15.	2.01 ACRES	JOE C. ORSAK, JR., ET UX
16.	0.83 ACRES	STATE OF TEXAS
17.	5.00 ACRES	RANDALL L. PATTERSON, ET AL
18.	15.06 ACRES	GEORGIA ELLEN MALAK, ET AL
19.	6.95 ACRES	HENRY NEUMANN, JR., ET AL
20.	3.00 ACRES	LOUIS GRIFFIN ALBRIGHT, ET AL
21.	0.84 ACRES	BETTY BRENDING, ET AL
22.	5.08 ACRES	ADOLPH SCHAEFER, ET AL
23.	1.15 ACRES	CLEM J. BARANOWSKI, ET AL
24.	26.89 ACRES	ARCHIE JURRIES, ET AL
25.	1.53 ACRES	ERCULIANI INTERBAU LUZERN AG, INC.
26.	4.00 ACRES	ARCHIE JURRIES, ET AL
27.	1.38 ACRES	WILLIAM WALDO SMITH, ET AL
28.	3.18 ACRES	REINHARDT HENRY ZWAHR, ET UX
29.	6.83 ACRES	WILLIAM WALDO SMITH, ET UX

615.82 ACRE UNIT

(14)	PT. OF OR16. TRACT CLD. 3.066 AC. 337/347
(19)	CLD. 36 AC. 283/208 CLD. 0.67 AC. 270/90 LESS 20.00 AC. 270/96 LESS 10.00 AC. 308/326 CLD. 6.67 AC.
(20)	CLD. 2.916 AC. 363/633
(21)	CLD. 0.918 AC. 361/131
(22)	CLD. 5.908 AC. 432/664 LESS 0.818 AC. 361/131 CLD. 4.881 AC.
(25)	CLD. 1.528 AC. 350/639
(27)	PT. OF OR16. TRACT CLD. 73 36/100 AC. 348/872

I, A. A. HODDE, REGISTERED PROFESSIONAL LAND SURVEYOR NO. 1492 OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM A PARTIAL SURVEY MADE ON THE GROUND AND FROM DEED RECORD INFORMATION AND DO HEREBY CERTIFY THAT THE RULES OF THE TEXAS BOARD OF PROFESSIONAL LAND SURVEYING HAVE BEEN COMPLIED WITH REGARDING THE TIES SHOWN FROM THE SURFACE LOCATION TO THE UNIT LINES.

DATED THIS THE 4TH DAY OF AUGUST, 1996, A. D.
REVISED: SEPTEMBER 6, 1996

A. A. HODDE
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 1492
HODDE & HODDE LAND SURVEYING, INC.
613 EAST HORTON STREET
BRENHAM, TEXAS 77833
(409)-836-5681

STATE OF TEXAS
REGISTERED
A. A. HODDE
1492
PROFESSIONAL
LAND SURVEYOR

WELL LOCATION PLAT
UNION PACIFIC RESOURCES COMPANY
SCHWICKERT UNIT, WELL NO. 1
WASHINGTON COUNTY, TEXAS
SCALE: 1" = 1000'

(T3)

File No. MF097511

Washington County

Unit 8707 memo

Date Filed: 9/20/17

George P. Bush, Commissioner

By MBBarnstone

RRC ONLINE SYSTEM

Oil & Gas Production Data Query

Unit 8707
MF 097511
MF 118902

Production Data FAQs PDQ Help

General Production Query **Specific Lease Query**

Specific Lease Query Results

Query Path: Search Criteria > District 03, Lease: SCHWICKERT UNIT

Date Range: Jan 2016 to May 2018 Submit

Related Links
O&G Directory
O&G Proration Schedule
Offshore County Map

View by: **Production and Total Disposition** Disposition Details County Production

Lease Name: SCHWICKERT UNIT, Lease No: 162896, Well No: 1
District 03
Lease Production and Disposition
Jan 2016 - May 2018

View Page By Page

Date	GW Gas (MCF)		Condensate (BBL)		Operator Name	Operator No.	Field Name	Field No.
	Production	Disposition	Production	Disposition				
Jan 2016	0	0	0	0	ENERVEST OPERATING, L.L.C.	252131	GIDDINGS (AUSTIN CHALK, GAS)	34773550
Feb 2016	1	1	0	0				
Mar 2016	0	0	0	0				
Apr 2016	485	485	0	0				
May 2016	688	688	0	0				
Jun 2016	0	0	0	0				
Jul 2016	0	0	0	0				
Aug 2016	0	0	0	0				
Sep 2016	0	0	0	0				
Oct 2016	0	0	0	0				
Nov 2016	0	0	0	0				
Dec 2016	0	0	0	0				
Jan 2017	0	0	0	0				
Feb 2017	0	0	0	0				
Mar 2017	0	0	0	0				
Apr 2017	0	0	0	0				

May 2017	0	0	0	0				
Jun 2017	0	0	0	0				
Jul 2017	0	0	0	0				
Aug 2017	0	0	0	0				
Sep 2017	0	0	0	0				
Oct 2017	0	0	0	0				
Nov 2017	0	0	0	0				
Dec 2017	0	0	0	0				
Jan 2018	0	0	0	0				
Feb 2018	0	0	0	0				
Mar 2018	0	0	0	0				
Apr 2018	0	0	0	0				
May 2018	0	0	0	0				
Total	1,174	1,174	0	0				

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(14)

File No. MF097511

Washington County

Zero production reports Unit 8707

Date Filed: 4/28/23

Commissioner Dawn Buckingham, M.D.

By: MBBamsta