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STATE LEASE

(PAID-UP)

MF097923

CONTROL

BASEFILE

COUNTY

07-111136

99123 -

REEVES

/195

SURVEY : T & P RY CO
BLOCK : 57
TOWNSHIP : 07S
SECTION/TRACT: 8
PART :
ACRES : 692.00
DEPTH LIMITS : NO

LESSEE : CONTEX ENERGY COMPANY
LEASE DATE : Dec 15 1996
PRIMARY TERM : 5 yrs
BONUS (\$) : 15570.00
RENTAL (\$) : 0.00
ROYALTY : 0.18750000
VAR ROYALTY :

Rentals:

Lease

Admin:

Mineral

Maps:

✓
EXPIRED
Ruk

C

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GENERAL LAND OFFICE

GARRY MAURO
COMMISSIONER

MEMORANDUM

DATE:

TO: Garry Mauro, Commissioner
Spencer Reid, Senior Deputy

FROM: Robert Hatter, Director, Mineral Leasing
Peter Boone, Chief Mineral Evaluator

SUBJECT:

County: REEVES
Description: SEC 8, T7, BLK 57, TSP
Applicant: CONTEX ENERGY
Consideration: #45, 5YR, \$1.25, 3/16

Consideration

Recommended: SAR 2/28/97

Not Recommend: _____

Comments:

M-97923-

Form

Recommended: RDH 3/3/97

Not Recommend: _____

Recommended, after technical changes: _____

Comments:

Spencer Reid, Senior Deputy

Date: 3/7

Recommended: SR

Not Recommend: _____

Garry Mauro, Commissioner

Date: 3/10

Approved: GM

Not Approved: _____

(1) MF 97923
ITEM App to Bid
TO _____
FROM _____
DATE 3/10/97

Mineral Classified Land
Lease Consideration Comparison

Paid - 2

County

REEVES

Area

SEC 8, T 7, BLK 57, T 3 P

M. F.	Acres	Lease Date	Term	Total Bonus	B/Ac	Rental	Comparison
New	692	12/15/96	5	31,140	#45	#1.25	3/32
96285	1280	12/15/94	5	51,200	#40	#1	1 1/2 min 3/32
96303	718	11/10/94	5	28,720	#40	#1	ADJ NW 3/32

99123

07-111136

Remarks:

Consideration

Recommended

PAB 2/28/97

Not Recommended

3-20-19-97

County, Texas

OIL AND GAS LEASE

By up Deputy

THIS AGREEMENT is made and entered into this 15th day of December 1996, between the State of Texas, acting by and through its agent, the undersigned, care of Lee Caldwell, Trustee
of 2225 S. Danville, Ste. 3, Abilene, Texas 79605 said agent
(Give Permanent Address)
herein referred to as the owner of the soil (whether one or more), and Contex Energy Company of
1645 Court Place, Suite 212, Denver, Colorado 80202
(Give Permanent Address)

hereinafter called Lessee.

1. **GRANTING CLAUSE.** For and in consideration of the amounts stated below and of the covenants and agreements to be paid, kept and performed by Lessee under this lease, the State of Texas acting by and through the owner of the soil, hereby grants, leases and lets unto Lessee, for the sole and only purpose of prospecting and drilling for and producing oil and gas, laying pipe lines, building tanks, storing oil and building power stations, telephone lines and other structures thereon, to produce, save, take care of, treat and transport said products of the lease, the following lands situated in Reeves County, State of Texas, to-wit:

All of Section 8, Block 57, Township 7, T & P Railway Co. Survey

containing 692.00 acres, more or less. The bonus consideration paid for this lease is as follows:

To the State of Texas: Fifteen Thousand Five Hundred Seventy and no/100ths
Dollars (\$ 15,570.00)

To the owner of the soil: Fifteen Thousand Five Hundred Seventy and no/100ths
Dollars (\$ 15,570.00)

Total bonus consideration: Thirty One Thousand One Hundred Forty and no/100ths
Dollars (\$ 31,140.00)

The total bonus consideration paid represents a bonus of forty five and no/100ths
Dollars (\$ 45.00) per acre, on
692.00 net acres.

2. **TERM.** Subject to the other provisions in this lease, this lease shall be for a term of five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced in paying quantities* from said land.

*As used in this lease, the term "produced in paying quantities" means that the receipts from the sale or other authorized commercial use of the substance(s) covered exceed out of pocket operational expenses for the six months last past.

3. DELAY RENTALS. If no well is commenced on the leased premises on or before one (1) year from this date, this lease shall terminate, unless on or before such anniversary date Lessee shall pay or tender to the owner of the soil or to his credit ~~XXXXXX~~ directly to Lee Caldwell, Trustee ~~XXXXXX~~ at 2225 S. Danville, Ste. 3, Abilene, TX 79605 or its successors (which shall continue as the depository regardless of changes in the ownership of said land), the amount specified below; in addition, Lessee shall pay or tender to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, a like sum on or before said date. Payments under this paragraph shall operate as a rental and shall cover the privilege of deferring the commencement of a well for one (1) year from said date. Payments under this paragraph shall be in the following amounts: THIS IS A PAID-UP LEASE.

To the owner of the soil: Four Hundred Thirty Two and 50/100ths
Dollars (\$ 432.50)
To the State of Texas: Four Hundred Thirty Two and 50/100ths
Dollars (\$ 432.50)
Total Rental: Eight Hundred Sixty Five and no/100ths
Dollars (\$ 865.00)

In a like manner and upon like payments or tenders annually, the commencement of a well may be further deferred for successive periods of one (1) year each during the primary term. All payments or tenders of rental to the owner of the soil may be made by check or sight draft of Lessee, or any assignee of this lease, and may be delivered on or before the rental paying date. If the bank designated in this paragraph (or its successor bank) should cease to exist, suspend business, liquidate, fail or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payments or tenders of rental until thirty (30) days after the owner of the soil shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders.

4. PRODUCTION ROYALTIES. When production of oil and/or gas is secured during the term of this lease, Lessee agrees to pay or cause to be paid one-half (1/2) of the royalty provided for in this lease to the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, and one-half (1/2) of such royalty to the owner of the soil:

(a) OIL. Royalty payable on oil, which is defined as including all hydrocarbons produced in a liquid form at the mouth of the well and also as all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas run through a separator or other equipment, as hereinafter provided, shall be three-sixteenths (3/16) part of the gross production or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such value to be determined by 1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity in the general area where produced and when run, or 2) the highest market price thereof offered or paid in the general area where produced and when run, or 3) the gross proceeds of the sale thereof, whichever is greatest. Lessee agrees that before any gas produced from the leased premises is sold, used or processed in a plant, it will be run free of cost to the parties entitled to royalties through an adequate oil and gas separator of conventional type, or other equipment at least as efficient, so that all liquid hydrocarbons recoverable from the gas by such means will be recovered. The requirement that such gas be run through a separator or other equipment may be waived in writing by the royalty owners upon such terms and conditions as they prescribe.

(b) NON PROCESSED GAS. Royalty on any gas (including flared gas), which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (a) above, produced from any well on said land (except as provided herein with respect to gas processed in a plant for the extraction of gasoline, liquid hydrocarbons or other products) shall be three-sixteenths (3/16) part of the gross production or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such value to be based on the highest market price paid or offered for gas of comparable quality in the general area where produced and when run, or the gross price paid or offered to the producer, whichever is greater; provided that the maximum pressure base in measuring the gas under this lease shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to tests made by the Balance Method or by the most approved method of testing being used by the industry at the time of testing.

(c) PROCESSED GAS. Royalty on any gas processed in a gasoline plant or other plant for the recovery of gasoline or other liquid hydrocarbons shall be three-sixteenths (3/16) part of the residue gas and the liquid hydrocarbons extracted or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office. All royalties due herein shall be based on one hundred percent (100%) of the total plant production of residue gas attributable to gas produced from this lease, and on fifty percent (50%), or that percent accruing to Lessee, whichever is greater, of the total plant production of liquid hydrocarbons attributable to the gas produced from this lease; provided that if liquid hydrocarbons

are recovered from gas processed in a plant in which Lessee (or its parent, subsidiary or affiliate) owns an interest, then the percentage applicable to liquid hydrocarbons shall be fifty percent (50%) or the highest percent accruing to a third party processing gas through such plant under a processing agreement negotiated at arm's length (or if there is no such third party, the highest percent then being specified in processing agreements or contracts in the industry), whichever is greater. The respective royalties on residue gas and on liquid hydrocarbons shall be determined by 1) the highest market price paid or offered for any gas (or liquid hydrocarbons) of comparable quality in the general area, or 2) the gross price paid or offered for such residue gas (or the weighted average gross selling price for the respective grades of liquid hydrocarbons, F.O.B. at the plant in which said gas is processed), whichever is greater.

(d) **OTHER PRODUCTS.** Royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead," "dry," or any other gas, by fractionating, burning or any other processing shall be three-sixteenths ^(3/16) part of the gross production of such products, or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such market value to be determined as follows: 1) on the basis of the highest market price of each product for the same month in which such product is produced, or 2) on the basis of the average gross sale price of each product for the same month in which such product is sold, whichever is greater.

5. **MINIMUM ROYALTY.** For each calendar year following the date of the expiration of the primary term when this lease is held for any part of such calendar year by production, the royalty received under this lease must not be less than an amount equal to the total annual delay rental provided for in Paragraph 3. If Paragraph 3 of this lease does not specify a delay rental amount, then for the purposes of this paragraph, the delay rental amount shall be one dollar (\$1.00) per acre.

6. **ROYALTY IN KIND.** Notwithstanding any other provision in this lease, at any time or from time to time, the owner of the soil or the Commissioner of the General Land Office may, at the option of either, upon not less than sixty (60) days notice to the holder of the lease, require that the payment of any royalties accruing to such royalty owner under this lease be made in kind.

7. **NO DEDUCTIONS.** Lessee agrees that all royalties accruing under this lease (including those paid in kind) shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas and other products hereunder ready for sale or use. Lessee agrees to compute and pay royalties on the gross value received, including any reimbursements for severance taxes and production related costs.

8. **PLANT FUEL AND RECYCLED GAS.** No royalty shall be payable on any gas as may represent this lease's proportionate share of any fuel used to process gas produced hereunder in any processing plant. Notwithstanding any other provision of this lease, and subject to the written consent of the owner of the soil and the Commissioner of the General Land Office, Lessee may recycle gas for gas lift purposes on the leased premises or for injection into any oil or gas producing formation underlying the leased premises after the liquid hydrocarbons contained in the gas have been removed; no royalties shall be payable on the recycled gas until it is produced and sold or used by Lessee in a manner which entitles the royalty owners to a royalty under this lease.

9. **ROYALTY PAYMENTS AND REPORTS.** All royalties which are required to be paid to the Commissioner of the General Land Office under this lease shall be due and payable 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. 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 late but on or before thirty (30) days after the royalty payment was due, then Lessee owes a penalty of 5% of 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 in the manner prescribed in this paragraph. 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. Penalties due under this paragraph are subject to change in order to conform to any future penalty statutes. The State shall have a 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 under this lease.

10. **PERMITS, REPORTS, AND RESERVES.** Lessee shall file all drilling permits in the name of the "State" and require each well and/or tank battery on the leased premises to be designated by the word "State" for identification and reporting to the Railroad Commission or any other governmental agency. Written notice of operations under this lease shall be submitted to the Commissioner of the General Land Office by Lessee five (5) days before spud date, cessation of production, workover, re-entry, temporary abandonment or abandonment of any well, and shall include copies of Railroad Commission forms for application to drill, well tests, completion reports and plugging records. Lessee shall supply the General Land Office with any records, memoranda, accounts, reports, cuttings and cores, or other information relative to the operation of the above described premises, which may be requested by the General Land Office, in addition to those herein expressly provided for. Lessee shall have an electrical and/or radioactivity survey made on the bore-hole section, from the base of the surface casing to total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after making of said survey. The Commissioner of the General Land Office reserves the right to require Lessee to annually furnish the said Commissioner with its best possible estimate of oil and gas reserves underlying this lease or allocable to this lease.

11. **DRY HOLE CLAUSE.** If, during the primary term hereof and prior to discovery and production of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if, after discovery and production of oil or gas, the production thereof should cease from any cause, this lease shall not terminate if, on or before the rental paying date next ensuing after the expiration of sixty (60) days from date of completion of said dry hole or cessation of production, Lessee commences additional drilling or reworking operations thereon, or commences or resumes the payment of annual delay rental in the same manner as provided in Paragraph 3 of this lease. If a dry hole be completed and abandoned during the last year of the primary term, Lessee's rights shall remain in full force and effect without further operations until the expiration of the primary term. Should the first well or any subsequent well drilled on the above described land be completed as a shut-in oil or gas well within the primary term hereof, Lessee may resume payment of annual rental in the same manner as provided in Paragraph 3 in this lease on or before the rental paying date next ensuing after sixty (60) days from the date of completion of such shut-in oil or gas well; and upon the failure to make such annual rental payment, this lease shall ipso facto terminate. If at the expiration of the primary term or at any time thereafter a shut-in oil or gas well is located on the leased premises, payments may be made in accordance with the provisions of Paragraph 14 of this lease.

12. **DRILLING AND REWORKING AT EXPIRATION OF PRIMARY TERM.** If, at the expiration of the primary term, neither oil nor gas is being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, this lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days during any one such operation, and if they result in the production of oil and/or gas, so long thereafter as oil and/or gas is produced in paying quantities from said land, or payment of shut-in oil or gas well royalties or compensatory royalties is made as provided in this lease.

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

14. **SHUT IN ROYALTIES.** If, at the expiration of the primary term or at any time thereafter, a well or wells capable of producing oil or gas in paying quantities is located on the leased premises but oil or gas is not being produced for lack of suitable production facilities or a suitable market, and the lease is not being maintained in force and effect, Lessee may pay as a shut-in oil or gas royalty an amount equal to double the annual rental provided in Paragraph 3 of this lease but not less than \$1,200 a year for each well capable of producing oil or gas in paying quantities. If Paragraph 3 of this lease does not specify

a delay rental amount, then for the purposes of this paragraph, the delay rental amount shall be one dollar (\$1.00) per acre. Any shut-in oil or gas royalty must be paid on or before: (1) the expiration of the primary term, (2) 60 days after the lessee ceases to produce oil or gas from the leased premises, or (3) 60 days after lessee completes a drilling and reworking operation in accordance with the lease provisions; whichever date is latest. Such payment shall be made one-half (1/2) to the Commissioner of the General Land Office and one-half (1/2) to the owner of the soil. If the shut-in oil or gas royalty is paid, the lease shall be considered to be a producing lease and the payment shall extend the term of the lease for a period of one (1) year from the end of the primary term or from the first day of the month next succeeding the month in which production ceased and after that, if no suitable production facilities or suitable market for the oil or gas exists, Lessee may extend the lease for four (4) additional and successive periods of one year by paying the same amount each year on or before the expiration of the extended term. If, during the period the lease is kept in effect by payment of the shut-in oil or gas royalty, oil or gas is sold and delivered in paying quantities from a well located within 1,000 feet of the leased premises and completed in the same producing reservoir or, in any case in which drainage is occurring, the right to continue to extend the lease by paying the shut-in oil or gas royalty shall cease. The lease shall remain effective for the remainder of the year for which the royalty has been paid and for four (4) additional and successive periods of one year each by the Lessee paying compensatory royalty at the royalty rate provided in the lease of the value at the well of production from the well that is causing the drainage or that is completed in the same producing reservoir and within 1,000 feet of the leased premises. The compensatory royalty is to be paid monthly, one-half (1/2) to the Commissioner of the General Land Office and one-half (1/2) to the owner of the soil, beginning on or before the last day of the month next succeeding the month in which the oil or gas is sold and delivered from the well. If the compensatory royalty paid in any 12-month period is in an amount less than the annual shut-in oil or gas royalty, Lessee shall pay an amount equal to the difference within 30 days from the end of the 12-month period. None of these provisions will relieve Lessee of the obligation of reasonable development or the obligation to drill offset wells as provided in Texas Natural Resources Code §52.173.

15. **DEVELOPMENT.** Notwithstanding any provision of this lease to the contrary, after a well producing, or capable of producing, oil or gas has been completed on the leased premises, Lessee shall exercise the diligence of a reasonably prudent operator in drilling such additional well or wells as may be reasonably necessary for the proper development of the leased premises and in marketing the oil and gas produced. In the event this lease is in force and effect three (3) years after the expiration date of the primary term, it shall then terminate as to all of the leased premises, EXCEPT: 1) 40 acres surrounding each producing oil well and 320 acres surrounding each producing gas well (including a shut-in oil or gas well as provided in Paragraph 14 of this lease), or a well upon which Lessee is then engaged in continuous drilling or reworking operations, or 2) the number of acres included in a producing pooled unit pursuant to Texas Natural Resources Code §52.151 - §52.153, or 3) such greater or lesser number of acres as may then be allocated for production purposes to a proration unit for each such producing well under the rules and regulations of the Railroad Commission of Texas, or any successor agency, or other governmental authority having jurisdiction. "Producing" as used in this lease means producing in paying quantities. The acreage retained under this provision as to each well shall, as nearly as practical, be in the form of a square with the well located in the center or in such other shape as may be approved by the Commissioner of the General Land Office. Lessee shall execute and record a release or releases containing a satisfactory description of the acreage terminated under this provision, and the recorded release, or a certified copy of same, shall be filed in the General Land Office, accompanied by the prescribed filing fee.

16. **OFFSET WELLS.** Neither the bonus, delay rentals, nor royalties paid, or to be paid, under this lease shall relieve Lessee of his obligation to protect the oil and gas under the above-described land from being drained. To prevent drainage, Lessee is obligated to drill as many wells as the facts may justify and to the depth or depths necessary for effective protection against undue drainage. In addition, if a draining well which is producing in commercial quantities is located within 1,000 feet of the above-described land, or in any case where the above described land is being drained, Lessee is statutorily obligated to drill an offset well on the leased premises within 100 days after the draining well begins production in commercial quantities. Failure to satisfy the statutory offset obligation may subject this lease and the owner of the soil's agency rights to forfeiture. Only upon the determination of the Commissioner of the General Land Office and with his written approval may the payment of compensatory royalty satisfy obligation to drill an offset well or wells required under this paragraph.

17. **FORCE MAJEURE.** If, after a good faith effort, Lessee is prevented from complying with any express or implied covenant of this lease, from conducting drilling operations on the leased premises, or from producing oil or gas from the leased premises by reason of war, rebellion, riots, strikes, acts of God, or any valid order, rule or regulation of government authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable for damages for failure to comply with such covenants; additionally, this lease shall be extended while Lessee is prevented, by any such cause, from conducting drilling and reworking operations or from producing oil or gas from the leased premises. However, nothing in this paragraph shall suspend the payment of delay rentals in order to maintain this lease in effect during the primary term in the absence of such drilling or reworking operations or production of oil or gas.

18. **WARRANTY CLAUSE.** The owner of the soil warrants and agrees to defend title to the leased premises. If the owner of the soil defaults in payments owed on the leased premises, then Lessee may redeem the rights of the owner of the soil in the leased premises by paying any mortgage, taxes or other liens on the leased premises. If Lessee makes payments on behalf of the owner of the soil under this paragraph, Lessee may recover the cost of these payments from the rental and royalties due the owner of the soil.

19. **PROPORTIONATE REDUCTION CLAUSE.** If the owner of the soil owns less than the entire undivided surface estate in the above described land, whether or not Lessee's interest is specified herein, then the royalties and rental herein provided to be paid to the owner of the soil shall be paid to him in the proportion which his interest bears to the entire undivided surface estate and the royalties and rental herein provided to be paid to the Commissioner of the General Land Office of the State of Texas shall be likewise proportionately reduced. However, before Lessee adjusts the royalty or rental due to the Commissioner of the General Land Office, Lessee or his authorized representative must submit to the Commissioner of the General Land Office a written statement which explains the discrepancy between the interest purportedly leased under this lease and the actual interest owned by the owner of the soil. The Commissioner of the General Land Office shall be paid the value of the whole production allocable to any undivided interest not covered by a lease, less the proportionate development and production cost allocable to such undivided interest. However, in no event shall the Commissioner of the General Land Office receive as a royalty on the gross production allocable to the undivided interest not leased an amount less than the value of one-sixteenth (1/16) of such gross production.

20. **USE OF WATER.** Lessee shall have the right to use water produced on said land necessary for operations under this lease except water from wells or tanks of the owner of the soil; provided, however, Lessee shall not use potable water or water suitable for livestock or irrigation purposes for waterflood operations without the prior consent of the owner of the soil.

21. **AUTHORIZED DAMAGES.** Lessee shall pay the owner of the soil for damages caused by its operations to all personal property, improvements, livestock and crops on said land.

22. **PIPELINE DEPTH.** When requested by the owner of the soil, Lessee shall bury its pipelines below plow depth.

23. **WELL LOCATION LIMIT.** No well shall be drilled nearer than two hundred (200) feet to any house or barn now on said premises without the written consent of the owner of the soil.

24. **CONSERVATION CLAUSE.** Lessee shall have the exclusive right to build, operate and maintain pits, reservoirs, pickup stations and plants for the purpose of picking up and conserving waste oil that flows down the creeks, ravines and across the leased premises, whether such waste oil is produced from the leased premises or from other lands. Royalties, as provided in this lease for regularly produced oil, are also owed on all such waste oil.

25. **REMOVAL OF EQUIPMENT.** Subject to limitations in this paragraph, Lessee shall have the right to remove machinery and fixtures placed by Lessee on the leased premises, including the right to draw and remove casing, within one hundred twenty (120) days after the expiration or the termination of this lease unless the owner of the soil grants Lessee an extension of this 120-day period. However, Lessee may not remove casing from any well capable of producing oil and gas in paying quantities. Additionally, Lessee may not draw and remove casing until after thirty (30) days written notice to the Commissioner of the General Land Office and to the owner of the soil. The owner of the soil shall become the owner of any machinery, fixtures, or casing which are not timely removed by Lessee under the terms of this paragraph.

26. (a) **ASSIGNMENTS.** Under the conditions contained in this paragraph and Paragraph 28 of this lease, the rights and estates of either party to this lease may be assigned, in whole or in part, and the provisions of this lease shall extend to and be binding upon their heirs, devisees, legal representatives, successors and assigns. However, a change or division in ownership of the land, rentals, or royalties will not enlarge the obligations of Lessee, diminish the rights, privileges and estates of Lessee, impair the effectiveness of any payment made by Lessee or impair the effectiveness of any act performed by Lessee. And no change or division in ownership of the land, rentals, or royalties shall bind Lessee for any purpose until thirty (30) days after the owner of the soil (or his heirs, devisees, legal representatives or assigns) furnishes the Lessee with satisfactory written evidence of the change in ownership, including the original recorded muniments of title (or a certified copy of such original) when the ownership changed because of a conveyance. A total or partial assignment of this lease shall, to the extent of the interest assigned, relieve and discharge Lessee of all subsequent obligations under this lease. If this lease is assigned in its entirety as to only part of the acreage, the right and option to pay rentals shall be apportioned as between the several owners ratably, according to the area of each, and failure by one or more of them to pay his share of the rental shall not affect

this lease on the part of the land upon which pro rata rentals are timely paid or tendered; however, if the assignor or assignee does not file a certified copy of such assignment in the General Land Office before the next rental paying date, the entire lease shall terminate for failure to pay the entire rental due under Paragraph 3. Every assignee 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 assignee of the lease, including any liabilities to the State for unpaid royalties.

(b) **ASSIGNMENT LIMITATION.** Notwithstanding any provision in Paragraph 26(a), if the owner of the soil acquires this lease in whole or in part by assignment without the prior written approval of the Commissioner of the General Land Office, this lease is void as of the time of assignment and the agency power of the owner may be forfeited by the Commissioner. An assignment will be treated as if it were made to the owner of the soil if the assignee is:

- (1) a nominee of the owner of the soil;
- (2) a corporation or subsidiary in which the owner of the soil is a principal stockholder or is an employee of such a corporation or subsidiary;
- (3) a partnership in which the owner of the soil is a partner or is an employee of such a partnership;
- (4) a principal stockholder or employee of the corporation which is the owner of the soil;
- (5) a partner or employee in a partnership which is the owner of the soil;
- (6) a fiduciary for the owner of the soil; including but not limited to a guardian, trustee, executor, administrator, receiver, or conservator for the owner of the soil; or
- (7) a family member of the owner of the soil or related to the owner of the soil by marriage, blood, or adoption.

27. **RELEASES.** Under the conditions contained in this paragraph and Paragraph 28, Lessee may at any time execute and deliver to the owner of the soil and place of record a release or releases covering any portion or portions of the leased premises, and thereby surrender this lease as to such portion or portions, and be relieved of all subsequent obligations as to acreage surrendered. If any part of this lease is properly surrendered, the delay rental due under this lease shall be reduced by the proportion that the surrendered acreage bears to the acreage which was covered by this lease immediately prior to such surrender; however, such release will not relieve Lessee of any liabilities which may have accrued under this lease prior to the surrender of such acreage.

28. **FILING OF ASSIGNMENTS AND RELEASES.** If all or any part of this lease is assigned or released, such assignment or release must be recorded in the county where the land is situated, and the recorded instrument, or a copy of the recorded instrument certified by the County Clerk of the county in which the instrument is recorded, must be filed in the General Land Office within 90 days of the last execution date accompanied by the prescribed filing fee. If any such assignment is not so filed, the rights acquired under this lease shall be subject to forfeiture at the option of the Commissioner of the General Land Office.

29. **LEASE FILING.** It is recognized that before this lease is effective a certified copy of this lease (which is made and certified by the County Clerk from his records) shall be filed in the General Land Office in accordance with Texas Natural Resources Code §52.183, and this lease shall not be binding upon the State unless it recites the actual and true consideration paid or promised for execution of this lease. The bonus due the State and the prescribed filing fee shall accompany such certified copy to the General Land Office.

30. **DISCLOSURE CLAUSE.** All provisions pertaining to the lease of the above-described land have been included in this instrument, including the statement of the true consideration to be paid for the execution of this lease and the rights and duties of the parties. Any collateral agreements concerning the development of oil and gas from the leased premises which are not contained in this lease render this lease invalid.

31. **FIDUCIARY DUTY.** The owner of the soil owes the State a fiduciary duty and must fully disclose any facts affecting the State's interest in the leased premises. When the interests of the owner of the soil conflict with those of the State, the owner of the soil is obligated to put the State's interests before his personal interests.

32. **FORFEITURE.** If Lessee shall fail or refuse to make the payment of any sum within thirty days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, the School Land Board, or the Railroad Commission, or if Lessee should 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 Lessee shall knowingly violate any of the material provisions of this lease, or if this lease is assigned and the assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease under the terms of the Relinquishment Act. However, nothing herein shall be construed as waiving the automatic termination of this lease by operation of law or by reason of any special limitation arising hereunder. 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.

33. **RAILROAD COMMISSION HEARINGS ON GAS.** No natural gas or casinghead gas, including both associated and nonassociated gas, produced from the mineral estate subject to this lease may be sold or contracted for sale to any person for ultimate use outside the State of Texas unless the Railroad Commission, after notice and hearing as provided in Title 3 of the Texas Natural Resources Code, 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 Texas Natural Resources Code the Railroad Commission may grant exceptions to these provisions as set forth in Texas Natural Resources Code §52.296.

34. This lease is issued under the provisions of Texas Natural Resources Code §52.171 through §52.188, commonly known as the Relinquishment Act, and other applicable statutes and amendments thereto, and if any provision in this lease does not conform to these statutes, the statutes will prevail over any nonconforming lease provisions.

See Paragraph 35 in the Addendum attached hereto and by this reference made a part hereof this lease.

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

~~STATE OF TEXAS
BY: _____
Individually and as agent for the State of Texas~~

~~STATE OF TEXAS
BY: _____
Individually and as agent for the State of Texas~~

~~STATE OF TEXAS
BY: _____
Individually and as agent for the State of Texas~~

~~STATE OF TEXAS
BY: _____
Individually and as agent for the State of Texas~~

3-20-97
Texas
up copy

ADDENDUM - PARAGRAPH 35

This Addendum is attached to and made a part of that certain Oil and Gas Lease dated December 15, 1996 by and between The State of Texas, acting by and through Guy Robert Beckham et al, c/o Lee Beckham, Trustee, as Lessor, and Contex Energy Company, as Lessee.

35. This is a Paid-Up Lease. Lessee shall not be obligated during the primary term to make any further payments as all Bonus Consideration and Delay Rental Payments have been paid as follows:

Bonus Consideration = \$45.00 per net mineral acre, paid one-half to the State of Texas and one-half to the owner of the soil

Delay Rental Payments = \$1.25 per net mineral acre per year or total of \$5.00 per net mineral acre covering the 1st, 2nd, 3rd and 4th anniversaries of this lease, paid one-half to the State of Texas and one-half to the owner of the soil

The total amount of the bonus consideration paid for this lease is \$31,140.00.

The total amount of delay rental payments paid for this lease is \$3,460.00.

Each of the undersigned hereby acknowledge that one hundred percent (100.00%) of the lease bonus consideration and delay rental payments have been paid to Lee Caldwell, Trustee. It is also understood and agreed that Lee Caldwell, Trustee, will be fully responsible for the disbursement of said bonuses and delay rental payments to each respective Owner of the Soil/Lessor, and the undersigned hereby release Lessee from all liability to the undersigned arising from such disbursement by Lee Caldwell, Trustee.

This instrument may be executed in any number of counterparts, each of which shall be binding on the party or parties executing same, regardless of whether all of the Lessors execute the same.

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

3-20-97

up

Gray Robert Beckham
GRAY ROBERT BECKHAM,
individually and as agent for the
State of Texas

John C. Caldwell
JOHN C. CALDWELL,
individually and as agent for the
State of Texas

Molly Caldwell Cline
MOLLY CALDWELL CLINE,
individually and as agent for the
State of Texas

Clifton M. Caldwell II
CLIFTON M. CALDWELL II,
individually and as agent for the
State of Texas

Karen Beckham Spence
KAREN BECKHAM SPENCE
being the same person
formerly known as
KAREN BECKHAM FULLINGIM
KAREN BECKHAM FULLINGIM,
also known as MILDRED KAREN
BECKHAM FULLINGIM,
individually and as agent for the
State of Texas

ANDREW M. CALDWELL,
individually and as agent for the
State of Texas

STEVEN BECKHAM, also known as
STEVEN CALDWELL BECKHAM,
individually and as agent for the State
of Texas

Agnes C. Beckham
AGNES C. BECKHAM,
individually and as agent for the
State of Texas

Jeannette Caldwell
JEANNETTE CALDWELL,
individually and as agent for the
State of Texas

3-20- 97

up

GUY ROBERT BECKHAM,
individually and as agent for the
State of Texas

JOHN C. CALDWELL,
individually and as agent for the
State of Texas

MOLLY CALDWELL CLINE,
individually and as agent for the
State of Texas

CLIFTON M. CALDWELL II,
individually and as agent for the
State of Texas

ANDREW M. CALDWELL,
individually and as agent for the
State of Texas

KAREN BECKHAM FULLINGIM,
also known as MILDRED KAREN
BECKHAM FULLINGIM,
individually and as agent for the
State of Texas


STEVEN BECKHAM, also known as
STEVEN CALDWELL BECKHAM,
individually and as agent for the State
of Texas

AGNES C. BECKHAM,
individually and as agent for the
State of Texas

JEANNETTE CALDWELL,
individually and as agent for the
State of Texas

3-20-97

up

GUY ROBERT BECKHAM,
individually and as agent for the
State of Texas

JOHN C. CALDWELL,
individually and as agent for the
State of Texas

MOLLY CALDWELL CLINE,
individually and as agent for the
State of Texas

CLIFTON M. CALDWELL II,
individually and as agent for the
State of Texas



ANDREW M. CALDWELL,
individually and as agent for the
State of Texas

KAREN BECKHAM FULLINGIM,
also known as MILDRED KAREN
BECKHAM FULLINGIM,
individually and as agent for the
State of Texas

STEVEN BECKHAM, also known as
STEVEN CALDWELL BECKHAM,
individually and as agent for the State
of Texas

AGNES C. BECKHAM,
individually and as agent for the
State of Texas

JEANNETTE CALDWELL,
individually and as agent for the
State of Texas

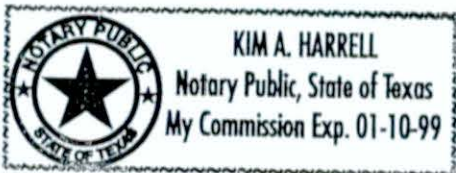
3-20- 97

up

STATE OF TEXAS
COUNTY OF Taylor

This instrument acknowledged before me on March 17, 1997 by

Guy Robert Beckham

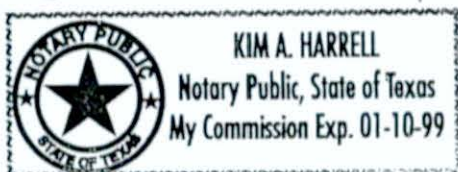


Kim A. Harrell
Notary Public in and for Taylor County, Texas
My commission expires: 1-10-99

STATE OF TEXAS
COUNTY OF Taylor

This instrument acknowledged before me on March 17, 1997 by

Molly Caldwell Cline

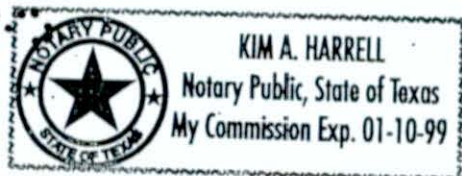


Kim A. Harrell
Notary Public in and for Taylor County, Texas
My commission expires: 1-10-99

STATE OF TEXAS
COUNTY OF Taylor

This instrument acknowledged before me on March 17, 1997 by

Leannette Caldwell

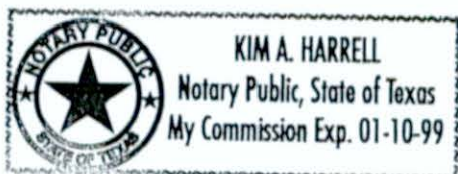


Kim A. Harrell
Notary Public in and for Taylor County, Texas
My commission expires: 1-10-99

STATE OF TEXAS
COUNTY OF Taylor

This instrument acknowledged before me on March 17, 1997 by

John C. Caldwell



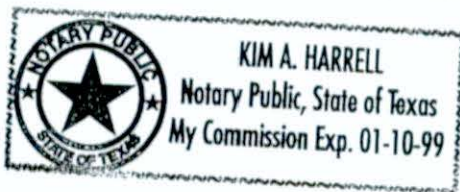
Kim A. Harrell
Notary Public in and for Taylor County, Texas
My commission expires: 1-10-99

3-20-97

up

STATE OF TEXAS
COUNTY OF Taylor

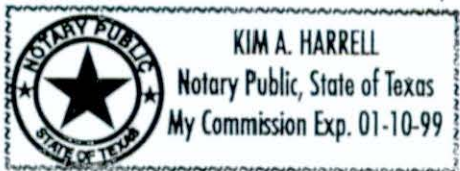
This instrument acknowledged before me on March 17, 1997 by Karen Beckham Spence.



Kim A. Harrell
Notary Public in and for Taylor County, Texas
My commission expires: 1-10-99

STATE OF TEXAS
COUNTY OF Taylor

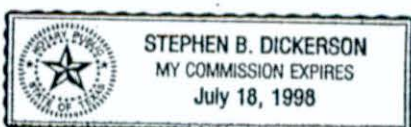
This instrument acknowledged before me on March 17, 1997 by Agnes C. Beckham.



Kim A. Harrell
Notary Public in and for Taylor County, Texas
My commission expires: 1-10-99

STATE OF TEXAS
COUNTY OF MIDLAND

This instrument acknowledged before me on MARCH 19, 1997 by Clifton M. Caldwell II.
Clifton



Stephen B. Dickerson
Notary Public in and for the State of ~~County~~, Texas
My commission expires: _____

STATE OF TEXAS
COUNTY OF _____

This instrument acknowledged before me on _____ by _____.

Notary Public in and for _____ County, Texas
My commission expires: _____

3-20-97

up

STATE OF TEXAS
COUNTY OF Randall

This instrument acknowledged before me on

March 17, 1997

by

Steven Beckham



DOROTHY DAVIS
NOTARY PUBLIC
STATE OF TEXAS
My Commission Expires 10-30-2000

Notary Public in and for

Randall

County, Texas

My commission expires:

10-30-2000

STATE OF TEXAS
COUNTY OF _____

This instrument acknowledged before me on _____

by

Notary Public in and for _____

County, Texas

My commission expires: _____

STATE OF TEXAS
COUNTY OF _____

This instrument acknowledged before me on _____

by

Notary Public in and for _____

County, Texas

My commission expires: _____

STATE OF TEXAS
COUNTY OF _____

This instrument acknowledged before me on _____

by

Notary Public in and for _____

County, Texas

My commission expires: _____

3-20-97

County, Texas

up Deputy

STATE OF TEXAS
COUNTY OF _____

This instrument acknowledged before me on _____ by _____

Notary Public in and for _____ County, Texas
My commission expires: _____

STATE OF ~~TEXAS~~ TENNESSEE
COUNTY OF Williamson

This instrument acknowledged before me on Monday, March 17, 1997 by _____

Anne Marie Bumbalough
Andrew M. Caldwell

Anne Marie Bumbalough
Notary Public in and for Williamson County, ~~Texas~~ TENNESSEE
My commission expires: My Commission Expires 12-23-1999

STATE OF TEXAS
COUNTY OF _____

This instrument acknowledged before me on _____ by _____

Notary Public in and for _____ County, Texas
My commission expires: _____

STATE OF TEXAS
COUNTY OF _____

This instrument acknowledged before me on _____ by _____

Notary Public in and for _____ County, Texas
My commission expires: _____

3-20-97

up Deputy

21

MF 97923
ITEM Lease
TO _____
FROM _____
DATE 12/15/96



CONTEX ENERGY COMPANY

1008 W. Missouri Avenue
Midland, Texas 79701

Phone/Fax (915) 685-3150
Steve Dickerson, Project Manager

Home Office:
1645 Court Place, Suite 212
Denver, Colorado 80202

Phone (303) 623-3444
Fax (303) 623-1523
Gary Butler, President

February 25, 1997

RECEIVED
97 FEB 27 PM 2:32
ENERGY RESOURCES

General Land Office of the State of Texas
1700 North Congress Ave., Room 600
Austin, Texas 78701

ATTENTION: MR. DREW REID

RE: Oil and Gas Lease from Guy Robert Beckham et al, covering All of Section 8,
Block 57, Township 7, T. & P. Ry. Co. Svy., Reeves County, Texas

Dear Mr. Reid,

Pursuant to our conversation last week regarding the captioned Lease, which we recently submitted to your office for approval, we respectfully request that you rescind your requirement to increase the royalty provision in said lease from 3/16 to 1/5.

As you consider our request, please take the following facts into consideration:

1. The subject tract has not been leased for several years; our title examination indicates that the last lease covering the same was executed in 1981.
2. Nearby mineral classified tracts are currently under lease for a 3/16 royalty, said leases having been executed as recently as late 1994. Furthermore, said leases appear to have been executed for a lower bonus payment (\$40/acre) than we are offering for the subject lease (\$45/acre).

[The nearby tracts to which I am referring: Section 6, Bl. 57 - Twp. 7, T&P; Sections 38, 39, 40, 41, Bl. 71, P.S.L.; Sections 1, 2, 3, 4, Bl. C-8, P.S.L.]

3. Our client, for whom we are attempting to acquire this lease, has an agreement with Texaco, the mineral owner of nearby lands, under which it may explore such lands and pay a 3/16 royalty on resulting production. Thus, if the subject tract is under lease to our client for a similar (rather than higher) royalty provision than surrounding lands, it might increase the likelihood that the subject tract be drilled by our client.

Once you have considered the herein request, please advise me of your decision, either in writing or by telephone, at our Midland office. Thank you for your attention in this regard.

Sincerely yours,



Steve Dickerson
Landman

③ MF 97923
ITEM Letter
TO
FROM
DATE 2/25/97



CONTEX ENERGY COMPANY

1008 W. Missouri Avenue
Midland, Texas 79701

Phone/Fax (915) 685-3150
Steve Dickerson, Project Manager

Home Office:
1645 Court Place, Suite 212
Denver, Colorado 80202

Phone (303) 623-3444
Fax (303) 623-1523
Gary Butler, President

March 20, 1997

General Land Office of the State of Texas
1700 North Congress Ave., Room 600
Austin, Texas 78701

ATTENTION: MR. DREW REID

Dear Mr. Reid,

97035410

Enclosed is a check for \$800.00, to cover the \$100.00 application fee for each of the following eight (8) Oil and Gas Leases previously submitted for approval by my associate, Jim Byrd:

- (1) OGL dated 12-08-95 from Luther S. Hollowell II covering Sec 28, Bl 51 - Twp 7, T&P Ry Co Svy, Reeves Co., TX
- (2) OGL dated 12-15-96 from Guy Robert Beckham et al covering Sec 8, Bl 57 - Twp 7, T&P Ry Co Svy, Reeves Co. TX
- (3) OGL dated 01-15-97 from Guy Robert Beckham et al covering N2 of Sec 3, Bl 71, PSL Svy, Reeves Co. TX
- (4) OGL dated 12-15-96 from Kennedy I. E. P. Partnership covering Secs 164, 172 & 206, Bl 3, T&P Ry Co Svy, Pecos Co., TX
- (5) OGL dated 12-15-96 from Kennedy Ranch Partnership covering Secs 88 & 124, Bl 3, T&P Ry Co Svy, Pecos Co., TX
- (6) OGL dated 12-15-96 from Kennedy-MaCuk Newton Partnership covering Secs 130 & 166, Bl 3, T&P Ry Co Svy, Pecos Co., TX
- (7) OGL dated 12-15-96 from Kennedy Ranch Partnership et al covering Secs 126, 128 & 168, Bl 3, T&P Ry Co Svy, Pecos Co., TX
- (8) OGL dated 12-15-96 from Kennedy Ranch Partnership covering Sec 44, Bl 49 - Twp 10 and Secs 40, 44 & 84, Bl 3, T&P Ry Co Svy, Pecos Co., TX

Please call me at our Midland office if you have any questions in this regard.

Sincerely yours,

Steve Dickerson

Steve Dickerson
Landman

RECEIVED
MAR 21 1997
MAR 21 1997

CONTEX ENERGY COMPANY ✓

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

DELUXE - FORM WVC-3 V-2

170

DATE	DESCRIPTION	AMOUNT
3/19/97	Application Fees for the following Oil & Gas Leases: OGL dated 12/8/95 executed by Luther S. Hollowell II covering All of Section 28, Block 51, T7, T&P Ry Co Svy, Reeves County, Texas OGL dated 12/15/96 executed by Guy Robert Beckham et al covering All of Section 8, Block 57, T7, T&P Ry Co Svy, Reeves County, Texas OGL dated 1/15/97 executed by Guy Robert Beckham et al covering the N/2 of Section 3, Block 71, PSL Svy, Reeves County, Texas OGL dated 12/15/96 executed by the Kennedy I.E.P. Partnership covering All of Sections 164, 172 and 206, Block 3, T&P Ry CO Svy, Pecos County Texas OGL dated 12/15/96 executed by the Kennedy Ranch Partnership covering All of Sections 88, and 124, Block 3, T&P Ry CO Svy, Pecos County, Texas OGL dated 12/15/96 executed by Kennedy-MaCuk-Newton Partnership covering All of Sections 130 and 166, Block 3, T&P Ry Co Svy, Pecos County, Texas OGL dated 12/15/96 executed by Kennedy Ranch Partnership et al covering All of Sections 126, 128 and 168, Block 3, T&P Ry Co Svy, Pecos County, Texas OGL dated 12/15/96 executed by the Kennedy Ranch Partnership covering All of Section 44, Block 49, T10 and All of Sections 40, 44 and 84 Block 3, T&P Ry Co Svy, Pecos, County, Texas	97035410 X \$800.00

v.2

④ NF 97923
ITEM Letter
TO _____
FROM _____
DATE 3/20/97

CONTEX ENERGY COMPANY ✓

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

DELUXE - FORM WVC-3 V-2

DATE	DESCRIPTION	AMOUNT
3/19/97 	State of Texas' share of bonus consideration & advance delay rentals and filing fee for Oil and Gas Lease executed by Guy Robert Beckham et al, dated 1/15/97 covering 692 acres, being all of Section 8, Blk 57, Twp 7, T&P Ry Co Svy, Reeves County, Texas San Martine Draw 12/15/96 SBD 170	\$17,325.00 97035411

CONTEX ENERGY COMPANY

1008 W. Missouri Avenue
Midland, Texas 79701

Phone/Fax (915) 685-3150
Steve Dickerson, Project Manager

Home Office:
1645 Court Place, Suite 212
Denver, Colorado 80202

Phone (303) 623-3444
Fax (303) 623-1523
Gary Butler, President

March 20, 1997

General Land Office of the State of Texas
1700 North Congress Ave., Room 600
Austin, Texas 78701

ATTENTION: MR. DREW REID

Dear Mr. Reid,

Enclosed please find certified copies of the following Oil and Gas Leases, which your office has previously approved, accompanied by checks for the State of Texas's share of the bonus consideration, and \$25.00 filing fee for said Leases:

LESSOR / LEASE DATE	TRACT	CHECK AMOUNT
Guy Robert Beckham et al 12-15-96	All of Section 8, Bl. 57, Twp. 7, T. & P. Ry. Co. Svy., Reeves Co., TX (692 gross acres; 692 net acres)	\$ 17,325.00
2. Guy Robert Beckham et al 01-15-97	N2 of Section 3, Bl. 71, P.S.L. Svy., Reeves Co., TX (320 gross acres; 320 net acres)	\$ 8,025.00
3. Luther S. Hollowell II 12-08-95	All of Section 28, Bl. 51, Twp. 7, T. & P. Ry. Co. Svy., Reeves Co., TX (640 gross acres; 320 net acres)	\$ 5,625.00

Please call me at our Midland office if you have any questions in this regard.

Sincerely yours,



Steve Dickerson
Landman

5.

MF 97923
ITEM letter
TO _____
FROM _____
DATE 3/20/97

4
4
4
4

CONTEX ENERGY COMPANY

P.O. Box 3307
Midland, Texas 79702

phone: (915) 685-3150

fax: (915) 682-0767

Steve Dickerson, Regional Manager

home office:

1645 Court Place, Suite 212
Denver, Colorado 80202

phone: (303) 623-3444

fax: (303) 623-1523

Gary Butler, President

September 26, 1997

General Land Office
1700 North Congress Ave., Room 600
Austin, Texas 78701

via Federal Express

ATTENTION: MR. DREW REID

M-97923 X 150 98005168

RE: Six (6) Oil and Gas Leases dated 1995 thru 1997 to Contex Energy
Company covering Mineral Classified lands in Reeves County, TX

Dear Drew,

See page (8) for lease numbers

170

Enclosed please (a) certified copy of Assignment of Oil and Gas Leases dated 7-1-97 from Contex Energy Company to Burlington Resources Oil & Gas Company covering (among other leases) the six (6) Mineral Classified leases in Reeves County taken in Contex's name to date, and (b) check for \$150.00 to cover G.L.O. filing fee for such Assignment [6 leases X \$25.00 = \$150.00].

The subject six (6) leases appear on the last page of the enclosed Assignment.

Please call if you have any questions in this regard.

Sincerely yours,

Steve Dickerson

Steve Dickerson

ENERGY RESOURCES

97 SEP 29 PM 3:52

RECEIVED

6

97923

MF
ITEM
TO
FROM
DATE

to from Contest
G.E.D.
Steve Dickson
9/29/97

2002



Texas General Land Office
Garry Mauro, Commissioner

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

October 20, 1997

Mr. Steve Dickerson
Contex Energy Company
P.O. Box 3307
Midland, Tx 79702-3307

Dear Mr. Dickerson:

The General Land Office received the following instruments on September 29, 1997, and has filed them in M-97923, M-97924, M-97925, M-98467, M-98459.

Assignment of Oil and Gas Lease, by and between, Contex Energy Company, and Burlington Resources. Recorded in Vol.577 page 737 at Atascosa County, Texas. Effective October 1, 1996.

Filing fees of \$150.00 were received in connection with the above assignment. If you have any questions, please feel free to call me.

Sincerely,

Laura Leal
Royalty Management
Energy Resources
(512) 475-1540

LL

①

97923

REF acknowledgment
ITEM Cochran Energy
TO C.G.O. Laura Lee
FROM 10/20/97
DATE

FILE # 1900

ASSIGNMENT OF OIL AND GAS LEASES

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, CONTEX ENERGY COMPANY, of 1645 Court Place, Suite 212, Denver, CO 80202, hereinafter called "Assignor" for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration to it paid by BURLINGTON RESOURCES OIL & GAS COMPANY of 3300 North A Street, Building 6, Midland, TX 79705, the receipt of which is hereby acknowledged, and subject to the conditions hereinafter stated, does hereby bargain, sell, transfer, assign and convey unto the said BURLINGTON RESOURCES OIL and GAS COMPANY, hereinafter called "Assignee", its successors and assigns, the Oil and Gas Leases, described in EXHIBIT "A" attached hereto and made a part hereof, and all rights thereunder or incident thereto, and personal property thereon or used or obtained in connection therewith which said leases cover the lands identified and described therein situated in Reeves County, Texas.

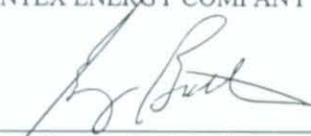
Reference is hereby made to said leases, and the recording thereof in Reeves County, Texas, for further description and all other lawful purposes.

TO HAVE AND TO HOLD, the leasehold estates, interests, rights, and property hereby assigned and conveyed unto the said Assignee herein, its successors and assigns, subject to and in accordance with the terms, provisions, and conditions of said leases, and Assignee by acceptance hereof, agrees to comply with and hereby assumes all of the express and implied covenants and obligations of the original lessee under said leases.

And for the consideration aforesaid, the Assignor for itself and its successors and assigns, does covenant with said Assignee, its successors and assigns, that Assignor is the lawful owner of said leasehold estate and property herein assigned, and that Assignor has good right and authority to sell and convey same, that said rights, interests and property are free and clear from all liens and encumbrances, and that Assignor, its successors and assigns, will warrant and defend the same against the lawful claims and demands of all persons whomsoever claiming or to claim the same or any part thereof, by, through or under Assignor, but not otherwise.

IN WITNESS WHEREOF, this instrument is executed this the 1st day of July, 1997, but effective as of the effective date of the Oil and Gas Leases assigned herein.

CONTEX ENERGY COMPANY

By 
Gary Butler, President

STATE OF COLORADO)
COUNTY OF DENVER)

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared Gary Butler, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office, this the 1st day of July, 1997.

My Commission Expires 7/11/99

Notary Public -

Address: 10135 W. Arbon Pl.
LITTLETON, CO 80127

A CERTIFIED COPY

Attest 8-27- 19 97
Diana O. Flores, County Clerk
Reeves County, Texas



J. Austin Deputy

EXHIBIT "A"

1

Attached to and made a part of Assignment of Oil and Gas Leases from CONTEX ENERGY COMPANY to BURLINGTON RESOURCES OIL & GAS COMPANY

LESSOR	LESSEE	OGL DATE	GROSS ACRES	DESCRIPTION	COUNTY, STATE	BOOK/PAGE
Terressa L. Adcock	CONTEX ENERGY COMPANY	2/15/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	561/242
Maxine Ora Bennett	CONTEX ENERGY COMPANY	3/18/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	561/250
Marjorie M. Hancock and Isaac L. Hancock, w/h	CONTEX ENERGY COMPANY	3/18/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	561/248
Michael Randel Brewer	CONTEX ENERGY COMPANY	2/17/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	562/664
Elmer L. Dangerfield	CONTEX ENERGY COMPANY	2/13/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	563/467
Olean B. Dangerfield	CONTEX ENERGY COMPANY	3/6/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	561/246
Cora Gaynelle McFadden and Leslie L. McFadden, w/h	CONTEX ENERGY COMPANY	3/18/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	561/244
Levora Lee Moser	CONTEX ENERGY COMPANY	2/21/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	562/662
Joe R. Preusser and Helen A. Preusser, h/w	CONTEX ENERGY COMPANY	2/15/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	561/240
Frank S. Preusser and Mary M. Preusser, h/w	CONTEX ENERGY COMPANY	12/23/95	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	565/555
Florene Sonnenburg	CONTEX ENERGY COMPANY	2/15/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	561/252
Catherine Ashley Travland and J. E. Travland, w/h	CONTEX ENERGY COMPANY	2/1/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	562/667
Elizabeth Rankin Williams	CONTEX ENERGY COMPANY	5/28/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	Reeves County, TX	562/669



A CERTIFIED COPY

 Attest: 8-27-19-12
 Dianne O. Florez, County Clerk
 Reeves County, Texas
By J. Acosta Deputy

EXHIBIT "A"

2

Attached to and made a part of Assignment of Oil and Gas Leases from CONTEX ENERGY COMPANY to BURLINGTON RESOURCES OIL & GAS COMPANY

LESSOR	LESSEE	OGL DATE	GROSS ACRES	DESCRIPTION	COUNTY, STATE	BOOK/PAGE
Betty B. Armstrong	CONTEX ENERGY COMPANY	2/7/96	640.00	PSL, Blk 71 Sec 30: All	Reeves County, TX	562/673
Craig Billeiter	CONTEX ENERGY COMPANY	3/17/96	640.00	PSL, Blk 71 Sec 30: All	Reeves County, TX	561/256
David J. Billeiter and Betty J. Billeiter, h/w	CONTEX ENERGY COMPANY	2/12/96	640.00	PSL, Blk 71 Sec 30: All	Reeves County, TX	561/236
John G. Billeiter and Dorothy Jean Billeiter, h/w	CONTEX ENERGY COMPANY	2/9/96	640.00	PSL, Blk 71 Sec 30: All	Reeves County, TX	562/675
Joseph S. Billeiter, Jr. and Beryl R. Billeiter, h/w	CONTEX ENERGY COMPANY	2/6/96	640.00	PSL, Blk 71 Sec 30: All	Reeves County, TX	562/677
Bessie V. Hays; David H. Mitchell, Jr. and Effie Nell Mitchell, h/w	CONTEX ENERGY COMPANY	2/10/96	640.00	PSL, Blk 71 Sec 30: All	Reeves County, TX	561/238
Lisa A. Hughes	CONTEX ENERGY COMPANY	3/17/96	640.00	PSL, Blk 71 Sec 30: All	Reeves County, TX	562/671
Diana J. McCabe	CONTEX ENERGY COMPANY	3/17/96	640.00	PSL, Blk 71 Sec 30: All	Reeves County, TX	561/254
J. M. Carpenter	CONTEX ENERGY COMPANY	1/26/96	640.00	PSL, Blk 72 Sec 42: All	Reeves County, TX	565/553
Lewis Deschler II	CONTEX ENERGY COMPANY	4/8/96	640.00	PSL Blk 72 Sec 42: All	Reeves County, TX	562/681
Clayton N. Smith Estate	CONTEX ENERGY COMPANY	2/20/96	640.00	PSL, Blk 72 Sec 42: All	Reeves County, TX	562/683
Gordon Asbury, III and Aloma Asbury, h/w	CONTEX ENERGY COMPANY	2/17/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	Reeves County, TX	561/227

ATTESTED COPY

8-27-1997
 Diana O. Flores, County Clerk
 Reeves County, Texas



By J. Deata Deputy

16076

EXHIBIT "A"

3

Attached to and made a part of Assignment of Oil and Gas Leases from CONTEX ENERGY COMPANY to BURLINGTON RESOURCES OIL & GAS COMPANY

LESSOR	LESSEE	OGL DATE	GROSS ACRES	DESCRIPTION	COUNTY, STATE	BOOK/PAGE
Larry M. Asbury and Jacqueline D. Asbury, h/w	CONTEX ENERGY COMPANY	2/17/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	Reeves County, TX	561/224
Judith Jones Cordes	CONTEX ENERGY COMPANY	4/22/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	Reeves County, TX	564/311
Donald Froomer	CONTEX ENERGY COMPANY	5/14/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	Reeves County, TX	564/313
Joseph R. Jones	CONTEX ENERGY COMPANY	4/22/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	Reeves County, TX	564/309
Lillian S. Winkler	CONTEX ENERGY COMPANY	2/20/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	Reeves County, TX	562/651
Patricia Anderson and J. Edward Anderson, w/h	CONTEX ENERGY COMPANY	1/26/96	725.00	T&P, T7, Blk 56 Sec 1: All	Reeves County, TX	562/654
Elizabeth Ann Marion	CONTEX ENERGY COMPANY	1/24/96	725.00	T&P, T7, Blk 56 Sec 1: All	Reeves County, TX	562/656
Leon J. Marion and Patricia W. Marion, h/w	CONTEX ENERGY COMPANY	1/20/96	725.00	T&P, T7, Blk 56 Sec 1: All	Reeves County, TX	562/658
William H. Marion and Annie Lee Brown Marion, h/w	CONTEX ENERGY COMPANY	1/20/96	725.00	T&P, T7, Blk 56 Sec 1: All	Reeves County, TX	562/660
Jeanne Marion	CONTEX ENERGY COMPANY	1/24/96	725.00	T&P, T7, Blk 56 Sec 1: All	Reeves County, TX	561/232
James L. Marion II and Mary Beth S. Marion, h/w	CONTEX ENERGY COMPANY	1/26/96	725.00	T&P, T7, Blk 56 Sec 1: All	Reeves County, TX	561/230
Barbara M. Glenn and W. M. Jeffrey Glenn, w/h	CONTEX ENERGY COMPANY	1/26/96	725.00	T&P, T7, Blk 56 Sec 1: All	Reeves County, TX	561/234

5606

A CERTIFIED COPY

Attest: 8-27-1997
Diana Q. Flores, County Clerk
Reeves County, Texas

C. J. Acosta Deputy

EXHIBIT "A"

4

Attached to and made a part of Assignment of Oil and Gas Leases from CONTEX ENERGY COMPANY to BURLINGTON RESOURCES OIL & GAS COMPANY

LESSOR	LESSEE	OGL DATE	GROSS ACRES	DESCRIPTION	COUNTY, STATE	BOOK/PAGE
Gerald J. Creighton, Jr., Ind. Exec. of Estate of George B. Darden, dec'd, et al	CONTEX ENERGY COMPANY	1/15/97	315.00	PSL, Blk 71 Sec 27: W2 less RR	Reeves County, TX	575/65
Patricia J. Brown	CONTEX ENERGY COMPANY	3/13/97	320.00	PSL, Blk 71 Sec 32: E2	Reeves County, TX	574/401
Sharon K. Matthews	CONTEX ENERGY COMPANY	3/24/97	320.00	PSL, Blk 71 Sec 32: E2	Reeves County, TX	574/403
Lewis Garland Bloodworth	CONTEX ENERGY COMPANY	3/24/97	320.00	PSL, Blk 71 Sec 32: E2	Reeves County, TX	574/399
James O. Griffin, Jr.	CONTEX ENERGY COMPANY	5/16/96	960.00	PSL, Blk 71 Sec 31: All Sec 32: W2	Reeves County, TX	563/455
Rex C. Griffin, Sr.	CONTEX ENERGY COMPANY	2/7/96	960.00	PSL, Blk 71 Sec 31: All Sec 32: W2	Reeves County, TX	561/258
Ronald G. Griffin	CONTEX ENERGY COMPANY	5/16/96	960.00	PSL, Blk 71 Sec 31: All Sec 32: W2	Reeves County, TX	563/457
Donita Griffin Hunter and Clinton E. Hunter, w/h	CONTEX ENERGY COMPANY	2/7/96	960.00	PSL, Blk 71 Sec 31: All Sec 32: W2	Reeves County, TX	562/679
John P. Ryan, Trustee for Waples-Platter Companies and the stockholders of Waples-Platter Companies	CONTEX ENERGY COMPANY	5/15/96	480.00	T&P, T8, Blk 50 Sec 22: N2, SW4	Reeves County, TX	564/319
Hardin-Simmons University	CONTEX ENERGY COMPANY	11/14/96	160.00	T&P, T8, Blk 50 Sec 22: SE4	Reeves County, TX	570/754

A CERTIFIED COPY
 Attest: 2-28-21-19-22
 Diann O. Flores, County Clerk
 Reeves County, Texas
 J. Acosta Deputy

1806

EXHIBIT "A"

5

Attached to and made a part of Assignment of Oil and Gas Leases from CONTEX ENERGY COMPANY to BURLINGTON RESOURCES OIL & GAS COMPANY

LESSOR	LESSEE	OGL DATE	GROSS ACRES	DESCRIPTION	COUNTY, STATE	BOOK/PAGE
Ben M. Patterson, Jr.	CONTEX ENERGY COMPANY	9/24/96	160.00	T&P, T8, Blk 50 Sec 22: SE4	Reeves County, TX	570/751
Joe M. Poteet	CONTEX ENERGY COMPANY	7/2/96	160.00	T&P, T8, Blk 50 Sec 22: SE4	Reeves County, TX	564/317
Warren D. Pruitt and wife, Robbielyn Pruitt	CONTEX ENERGY COMPANY	6/24/96	160.00	T&P, T8, Blk 50 Sec 22: SE4	Reeves County, TX	564/315
Lucile Bayer	CONTEX ENERGY COMPANY	4/10/96	649.75	T&P, T8, Blk 50 Sec 27: All	Reeves County, TX	562/649
John Claude Breidenbach	CONTEX ENERGY COMPANY	10/21/96	649.75	T&P, T8, Blk 50 Sec 27: All	Reeves County, TX	570/743
J. H. Crouch, Jr.	CONTEX ENERGY COMPANY	8/21/96	649.75	T&P, T8, Blk 50 Sec 27: All	Reeves County, TX	567/810
Heyser & Co.	CONTEX ENERGY COMPANY	8/3/96	649.75	T&P, T8, Blk 50 Sec 27: All	Reeves County, TX	566/114
Edward H. Wicker	CONTEX ENERGY COMPANY	10/21/96	649.75	T&P, T8, Blk 50 Sec 27: All	Reeves County, TX	570/748
Richard A. Jennings and wife, Dorothy B. Jennings	CONTEX ENERGY COMPANY	7/30/96	284.27	T&P, T8, Blk 50 Sec 27: NWNW, S2SW, SE	Reeves County, TX	565/236
Nancy B. Richards	CONTEX ENERGY COMPANY	4/27/96	640.00	T&P, T8, Blk 51 Sec 24: All	Reeves County, TX	562/72

18006

A CERTIFIED COPY

Attest: 8-29-19 12
Dianna O. Florez County Clerk
Reeves County, Texas

E. J. Acosta Deputy

EXHIBIT "A"

Attached to and made a part of Assignment of Oil and Gas Leases from CONTEX ENERGY COMPANY to BURLINGTON RESOURCES OIL & GAS COMPANY

LESSOR	LESSEE	OGL DATE	GROSS ACRES	DESCRIPTION	COUNTY, STATE	BOOK/PAGE
James R. F. Woods	CONTEX ENERGY COMPANY	4/27/96	1280.00	T&P, T8, Blk 51 Sec 14: All	Reeves County, TX	561/619
Jesse D. Woods, Jr.	CONTEX ENERGY COMPANY	4/27/96	1280.00	T&P, T8, Blk 51 Sec 14: All	Reeves County, TX	561/615
F. Lee Green	CONTEX ENERGY COMPANY	4/27/96	1280.00	T&P, T8, Blk 51 Sec 14: All	Reeves County, TX	561/617
Bruce A. Bauer	CONTEX ENERGY COMPANY	4/27/96	640.00	T&P, T8, Blk 51 Sec 24: All	Reeves County, TX	561/673
Patricia Green Matthews	CONTEX ENERGY COMPANY	4/27/96	640.00	T&P, T8, Blk 51 Sec 24: All	Reeves County, TX	563/453
Tina Jean Bodkins	CONTEX ENERGY COMPANY	11/16/95	640.00	T&P, T7, Blk 51 Sec 46: All	Reeves County, TX	567/788
Mark J. Mourné	CONTEX ENERGY COMPANY	11/16/95	640.00	T&P, T7, Blk 51 Sec 46: All	Reeves County, TX	561/260
Helen Pricer, Trustee	CONTEX ENERGY COMPANY	11/9/95	640.00	T&P, T7, Blk 51 Sec 33: All	Reeves County, TX	573/548
Larry G. Ragan, Trustee	CONTEX ENERGY COMPANY	11/9/95	640.00	T&P, T7, Blk 51 Sec 33: All	Reeves County, TX	573/550

26.63.6

ACCORD BY
8-22-1997
Attest: O Florez County Clerk
Reeves County, Texas
J. Acosta Deputy

EXHIBIT "A"

Attached to and made a part of Assignment of Oil and Gas Leases from CONTEX ENERGY COMPANY to BURLINGTON RESOURCES OIL & GAS COMPANY

LESSOR	LESSEE	OGL DATE	GROSS ACRES	DESCRIPTION	COUNTY, STATE	BOOK/PAGE
State of Texas, acting by and through its agent, Luther S. Hollowell II, a single man	CONTEX ENERGY COMPANY	12/08/95	640.00	T&P Ry. Co. Svy., T. 7, Bl. 51 Sec 28: All <i>M-97925</i>	Reeves County, TX	571/56
State of Texas, acting by and through its agent, Guy Robert Beckham et al	CONTEX ENERGY COMPANY	12/15/96	692.00	T&P Ry. Co. Svy., Bl 57, T. 7 Sec 8: All <i>M-97923</i>	Reeves County, TX	572/831
State of Texas, acting by and through its agent, Guy Robert Beckham et al	CONTEX ENERGY COMPANY	01/15/97	320.00	Block 71, PSL Sec 3: N2 <i>M-97924</i>	Reeves County, TX	572/847
State of Texas, acting by and through its agent, Frances H. Kerr, Individually and as Trustee	CONTEX ENERGY COMPANY	03/04/97	40.00	Block 71, PSL Sec 26: NENW <i>M-98467</i>	Reeves County, TX	574/554
State of Texas, acting by and through its agent, Hermon Peirce Hubbard et ux	CONTEX ENERGY COMPANY	03/04/97	40.00	Block 71, PSL Sec 26: NENW	Reeves County, TX	574/562
State of Texas, acting by and through its agent, Gerald J. Creighton, Jr., Independent Executor of the Estate of George B. Darden, et al	CONTEX ENERGY COMPANY	01/15/97	953.20	Block 71, PSL Sec 3: S2 <i>M-98459</i> Sec 26: S2 Sec 33: NW, W2NE, N2SW, less RR tracts	Reeves County, TX	575/50

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL,
OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR
OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL
LAW.

FILE NO. 1900

FILED FOR RECORD ON THE 22ND. DAY OF AUGUST A.D. 1997 AT 11:40 AM

DULY RECORDED ON THE 25TH. DAY OF AUGUST A.D. 1997 AT 2:00 P.M.

BY: *Donna Acosta* DEPUTYDIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

8

97923

MF
ITEM
TO
FROM
DATE

Assignment
Burlington Resources
Catalytic Energy
10/1/98

5555

CERTIFIED TRUE AND CORRECT COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF REEVES
The above and foregoing is a full, true and correct photographic copy of the original record now in my lawful custody and possession, as the same is filed/recorded in the public records of my office, found in VOL. 277, PAGE 737 THRU 744



I hereby certified on 8-27-97
DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
BY Jessica Acosta
DEPUTY

A CERTIFIED COPY
Attest: 8-27-, 19 97
Dianne O. Florez, County Clerk
Reeves County, Texas



By J. Acosta Deputy

BURLINGTON RESOURCES

MID-CONTINENT DIVISION

December 9, 1997

General Land Office
1700 North Congress Avenue
Suite 600
Austin, Texas 78701

Attention: Mr. Drew Reid

Oil and Gas Leases
Mineral Classified Lands
State of Texas Lands
Reeves County, Texas

M-97966

Mr. Reid:

I have enclosed two (2) certified copies of Assignments of oil and gas leases from Burlington Resources Oil & Gas Company to Texaco Exploration and Production Inc. These Assignments include, among other leases, seven (7) mineral classified Oil and Gas Leases and two (2) State of Texas Oil and Gas Leases covering lands in Reeves County, Texas. For your convenience, I have highlighted these leases in the instruments.

Enclosed is a check for \$225.00, or \$25 per lease, for the General Land Office filing fee associated with these conveyances.

If you should have any questions or concerns, please advise.

Sincerely,



Michael P. Coder
Consulting Landman
(915) 688-6895

GLOfile

RECEIVED
97 DEC 11 AM 11:38
ENERGY RESOURCES

BURLINGTON RESOURCES ✓
FORT WORTH, TX 76102

VENDOR NO. 906701

CHECK NO. 2056

918757

CONTROL NO.	REFERENCE		DESCRIPTION OF PAYMENT	DUE VENDOR
	INVOICE	DATE		
40-0315970	RFC	12/03/1997	ASSIGNMENTS FROM BURLINGTON TO TEXACO FOR 7 MINERAL CLASSIFIED & 2 STATE OF TEXAS O&G LEASES TOYAH PROSPECT REEVES COUNTY TEXAS	\$225.00
TOTAL —>				\$225.00

170

98019092

X

M- 77923 ②
Ltr
12.9.97

FILE # 2459

ASSIGNMENT

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS THAT:
COUNTY OF REEVES §

WHEREAS, BURLINGTON RESOURCES OIL & GAS COMPANY, a Delaware Corporation, whose mailing address is Post Office Box 51810, Midland, Texas 79710, is the present owner of an interest in those certain Oil, Gas and Mineral Leases, located in Reeves County, Texas, and described in Exhibit "A", attached hereto and made a part hereof;

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BURLINGTON RESOURCES OIL & GAS COMPANY, as Assignor, does hereby transfer, assign and convey, without warranty of title, express or implied, unto TEXACO EXPLORATION AND PRODUCTION INC., a Delaware Corporation, whose mailing address is Post Office Box 3109, Midland, Texas 79702, its successors and assigns, as Assignee, an undivided thirty-five percent (35%) of Assignor's right, title and interest in and to the Oil, Gas and Mineral Leases, as described in Exhibit "A" hereof.

This Assignment is executed and effective this 1st day of October, 1997.

BURLINGTON RESOURCES OIL & GAS
COMPANY

By: Dennis Sledge
Title: Attorney-in-Fact

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

The foregoing instrument was executed before me this 1st day of October, 1997, by Dennis E. Sledge, as Attorney-in-Fact of Burlington Resources Oil & Gas Company, a Delaware corporation, on behalf of said corporation.

Pamela W. Holleman
Notary Public in and for the State of Texas
Printed Name: Pamela W. Holleman

My Commission Expires:

9/3/2001



True and Correct
copy of
Original filed in
Reeves County
Clerks Office

EXHIBIT "A"

1

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
Terressa L. Adcock	CONTEX ENERGY COMPANY	2/15/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 K210	561/242
Maxine Ora Bennett	CONTEX ENERGY COMPANY	3/18/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 J210	561/250
Marjorie M. Hancock and Isaac L. Hancock, w/h	CONTEX ENERGY COMPANY	3/18/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 G210	561/248
Michael Randel Brewer	CONTEX ENERGY COMPANY	2/17/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 A210	562/664
Elmer L. Dangerfield	CONTEX ENERGY COMPANY	2/13/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 I210	563/467
Olean B. Dangerfield	CONTEX ENERGY COMPANY	3/06/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 H210	561/246
Cora Gaynelle McFadden and Leslie L. McFadden, w/h	CONTEX ENERGY COMPANY	3/18/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 B210	561/244
Levora Lee Moser	CONTEX ENERGY COMPANY	2/21/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 F210	562/662
Joe R. Preusser and Helen A. Preusser, h/w	CONTEX ENERGY COMPANY	2/15/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 L210	561/240
Frank S. Preusser and Mary M. Preusser, h/w	CONTEX ENERGY COMPANY	12/23/95	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39491 A210	565/555
Florene Sonnenburg	CONTEX ENERGY COMPANY	2/15/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 E210	561/252

True and Correct
copy of
Original filed in
Reeves County
Clerks Office



2011

EXHIBIT "A"

2

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
Catherine Ashley Travland and J. E. Travland, w/h	CONTEX ENERGY COMPANY	2/01/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 D210	562/667
Elizabeth Rankin Williams	CONTEX ENERGY COMPANY	5/28/96	304.56	PSL, Blk C-8 Sec 6: the East 304.56 acres of the W2	TX39520 C210	562/669
Betty B. Armstrong	CONTEX ENERGY COMPANY	2/07/96	640.00	PSL, Blk 71 Sec 30: All	TX39519 A210	562/673
Craig Billeiter	CONTEX ENERGY COMPANY	3/17/96	640.00	PSL, Blk 71 Sec 30: All	TX39488 D210	561/256
David J. Billeiter and Betty J. Billeiter, h/w	CONTEX ENERGY COMPANY	2/12/96	640.00	PSL, Blk 71 Sec 30: All	TX39488 B210	561/236
John G. Billeiter and Dorothy Jean Billeiter, h/w	CONTEX ENERGY COMPANY	2/09/96	640.00	PSL, Blk 71 Sec 30: All	TX39519 B210	562/675
Joseph S. Billeiter, Jr. and Beryl R. Billeiter, h/w	CONTEX ENERGY COMPANY	2/06/96	640.00	PSL, Blk 71 Sec 30: All	TX39519 C210	562/677
Bessie V. Hays; David H. Mitchell, Jr. and Effie Nell Mitchell, h/w	CONTEX ENERGY COMPANY	2/10/96	640.00	PSL, Blk 71 Sec 30: All	TX39488 A210	561/238
Lisa A. Hughes	CONTEX ENERGY COMPANY	3/17/96	640.00	PSL, Blk 71 Sec 30: All	TX39519 D210	562/671
Diana J. McCabe	CONTEX ENERGY COMPANY	3/17/96	640.00	PSL, Blk 71 Sec 30: All	TX39488 C210	561/254
J. M. Carpenter	CONTEX ENERGY COMPANY	1/26/96	640.00	PSL, Blk 72 Sec 42: All	TX39490 A210	565/553

JUL 17 2000



True and Correct
copy of
Original filed in
Reeves County
Clerks Office

EXHIBIT "A"

3

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
Lewis Deschler II	CONTEX ENERGY COMPANY	4/08/96	640.00	PSL, Blk 72 Sec 42: All	TX39828 A210	562/681
Clayton N. Smith Estate	CONTEX ENERGY COMPANY	2/20/96	640.00	PSL, Blk 72 Sec 42: All	TX39828 B210	562/683
Clifford P. Robertson III	MERIDIAN OIL INC.	5/13/96	80.00	Insofar as lease covers: PSL, Blk C-8 Sec 7: W8	TX39995 210	567/790
Gerald J. Creighton, Jr., Independent Executor of the Estate of George B. Darden, dec'd, et al	CONTEX ENERGY COMPANY	1/15/97	315.00	PSL, Blk 71 Sec 27: W2 less RR	23212200	575/65
Patricia J. Brown	CONTEX ENERGY COMPANY	3/13/97	320.00	PSL, Blk 71 Sec 32: E2	23205701	574/401
Sharon K. Matthews	CONTEX ENERGY COMPANY	3/24/97	320.00	PSL, Blk 71 Sec 32: E2	23205702	574/403
Lewis Garland Bloodworth	CONTEX ENERGY COMPANY	3/24/97	320.00	PSL, Blk 71 Sec 32: E2	23205703	574/399
James O. Griffin, Jr.	CONTEX ENERGY COMPANY	5/16/96	960.00	PSL, Blk 71 Sec 31: All Sec 32: W2	TX39768 D210	563/455
Rex C. Griffin, Sr.	CONTEX ENERGY COMPANY	2/07/96	960.00	PSL, Blk 71 Sec 31: All Sec 32: W2	TX39768 A210	561/258

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copy of
Original filed in
Reeves County
Clerks Office



10.11.21

EXHIBIT "A"

4

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
Ronald G. Griffin	CONTEX ENERGY COMPANY	5/16/96	960.00	PSL, Blk 71 Sec 31: All Sec 32: W2	TX39768 C210	563/457
Donita Griffin Hunter and Clinton E. Hunter, w/h	CONTEX ENERGY COMPANY	2/07/96	960.00	PSL, Blk 71 Sec 31: All Sec 32: W2	TX39768 B210	562/679
State of Texas, acting by and through its agent, Guy Robert Beckham, et al	CONTEX ENERGY COMPANY 97924	1/15/97	320.00	PSL, Blk 71 Sec 3: N2	23218200	572/847
State of Texas, acting by and through its agent, Frances H. Kerr, Individually and as Trustee	CONTEX ENERGY COMPANY 79778	3/04/97	40.00	PSL, Blk 71 Sec 26: NENW	23222201	574/554
State of Texas, acting by and through its agent, Hermon Peirce Hubbard, et ux	CONTEX ENERGY COMPANY 79778	3/04/97	40.00	PSL, Blk 71 Sec 26: NENW	23222202	574/562
State of Texas, acting by and through its agent, Gerald J. Creighton, Jr., Independent Executor of the Estate of George B. Darden, dec'd, et al	CONTEX ENERGY COMPANY 79688 75258 77460	1/15/97	953.20	PSL, Blk 71 Sec 3: S2 Sec 26: S2 Sec 33: NW, W2NE, N2SW, less RR	23212600	575/50
Boatmen's Trust Company, as Trustee	BURLINGTON RESOURCES OIL & GAS COMPANY	5/15/97	480.00	Insofar as lease covers: PSL, Blk C-8 Sec 5: W4 PSL, Blk 71 Sec 32: E2	23205704	577/717

26.77.31

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Clerks Office



EXHIBIT "A"

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
State of Texas M-098011	MICHAEL D. DAILEY	4/01/97	280.00	PSL, Blk 71 Sec 26: NE, W2NW, SENW	23176700	575/38
State of Texas M-098012	MICHAEL D. DAILEY	4/01/97	320.00	PSL, Blk 71 Sec 33: SE, S2SW, E2NE	23175500	575/44

asnmd.rvs

CERTIFIED TRUE AND CORRECT COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF REEVES

The above and foregoing is a full, true and correct photographic copy of the original record now in my lawful custody and possession, as the same is filed/recorded by the public records of my office, found in VOL. 280 PAGE 808 THRU 813



I hereby certified on 11-12-97

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BY: *Dianne Florez* DEPUTY

True and Correct
copy of
Original filed in
Reeves County
Clerks Office



FILE NO. 2459

FILED FOR RECORD ON THE 28TH. DAY OF OCTOBER A.D. 1997 AT 2:00 P.M.

DULY RECORDED ON THE 29TH. DAY OF OCTOBER A.D. 1997 AT 2:00 P.M.

BY: *Dianne Florez* DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL
OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR
OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL
LAW.

20.11.21

M-97923 10
Assign

10.

2000

FILE # 2458

ASSIGNMENT

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS THAT:
 COUNTY OF REEVES §

WHEREAS, BURLINGTON RESOURCES OIL & GAS COMPANY, a Delaware Corporation, whose mailing address is Post Office Box 51810, Midland, Texas 79710, is the present owner of an interest in those certain Oil, Gas and Mineral Leases, located in Reeves County, Texas, and described in Exhibit "A", attached hereto and made a part hereof;

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BURLINGTON RESOURCES OIL & GAS COMPANY, as Assignor, does hereby transfer, assign and convey, without warranty of title, express or implied, unto TEXACO EXPLORATION AND PRODUCTION INC., a Delaware Corporation, whose mailing address is Post Office Box 3109, Midland, Texas 79702, its successors and assigns, as Assignee, an undivided thirty-five percent (35%) of Assignor's right, title and interest in and to the Oil, Gas and Mineral Leases, as described in Exhibit "A" hereof, limited to those depths lying below the base of the Bone Spring formation, as defined in that certain Exploration Agreement, date August 15, 1995, between Assignor and Assignee.

This Assignment is executed and effective this 1st day of October, 1997.

BURLINGTON RESOURCES OIL & GAS
 COMPANY

DD
 By: Dennis E. Sledge
 Title: Attorney-in-Fact

STATE OF TEXAS §
 §
 COUNTY OF MIDLAND §

The foregoing instrument was executed before me this 1st day of October, 1997, by Dennis E. Sledge, as Attorney-in-Fact of Burlington Resources Oil & Gas Company, a Delaware corporation, on behalf of said corporation.

Pamela W. Holleman
 Notary Public in and for the State of Texas
 Printed Name: Pamela W. Holleman

My Commission Expires:

9/3/2001

siradblo.doc(K:\permexp\l\codertasgnmnts)091897



True and Correct
 copy of
 Original filed in
 Reeves County
 Clerks Office

EXHIBIT "A"

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	LEGAL DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
Gordon Asbury, III and Aloma Asbury, h/w	CONTEX ENERGY COMPANY	2/17/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	TX39489 B210	561/227
Larry M. Asbury and Jacqueline D. Asbury, h/w	CONTEX ENERGY COMPANY	2/17/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	TX39489 A210	561/224
Judith Jones Cordes	CONTEX ENERGY COMPANY	4/22/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	TX39516 C210	564/311
Donald Froomer	CONTEX ENERGY COMPANY	5/14/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	TX39516 B210	564/313
Joseph R. Jones	CONTEX ENERGY COMPANY	4/22/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	TX39516 D210	564/309
Lillian S. Winkler	CONTEX ENERGY COMPANY	2/20/96	173.00	T&P, T7, Blk 55 Sec 6: NE4	TX39516 A210	562/651
Patricia Anderson and J. Edward Anderson, w/h	CONTEX ENERGY COMPANY	1/26/96	725.00	T&P, T7, Blk 56 Sec 1: All	TX39483 G210	562/654
Elizabeth Ann Marion	CONTEX ENERGY COMPANY	1/24/96	725.00	T&P, T7, Blk 56 Sec 1: All	TX39483 B210	562/656
Leon J. Marion and Patricia W. Marion, h/w	CONTEX ENERGY COMPANY	1/20/96	725.00	T&P, T7, Blk 56 Sec 1: All	TX39483 A210	562/658
William H. Marion and Annie Lee Brown Marion, h/w	CONTEX ENERGY COMPANY	1/20/96	725.00	T&P, T7, Blk 56 Sec 1: All	TX39483 F210	562/660
Jeanne Marion	CONTEX ENERGY COMPANY	1/24/96	725.00	T&P, T7, Blk 56 Sec 1: All	TX39483 E210	561/232

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28.11.01

EXHIBIT "A"

2

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	LEGAL DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
James L. Marion II and Mary Beth S. Marion, h/w	CONTEX ENERGY COMPANY	1/26/96	725.00	T&P, T7, Blk 56 Sec 1: All	TX39483 C210	561/230
Barbara M. Glenn and W. M. Jeffrey Glenn, w/h	CONTEX ENERGY COMPANY	1/26/96	725.00	T&P, T7, Blk 56 Sec 1: All	TX39483 D210	561/234
Clifford P. Robertson III	MERIDIAN OIL INC.	5/13/96	519.00	Insofar as lease covers: T&P, T7, Blk 55 Sec 6: NW4 and S2	TX39995 210	567/790
State of Texas, acting by and through its agent, Clifford P. Robertson III	MERIDIAN OIL INC. <i>m-97946</i>	5/13/96	352.00	T&P, T7, Blk 55 Sec 8: N2	TX39996 210	567/797
John P. Ryan, Trustee for Waples-Platter Companies and the stockholders of Waples-Platter Companies	CONTEX ENERGY COMPANY	5/15/96	480.00	T&P, T8, Blk 50 Sec 22: N2, SW4	23225400	564/319
Hardin-Simmons University	CONTEX ENERGY COMPANY	11/14/96	160.00	T&P, T8, Blk 50 Sec 22: SE4	22824004	570/754
Ben M. Patterson, Jr.	CONTEX ENERGY COMPANY	9/24/96	160.00	T&P, T8, Blk 50 Sec 22: SE4	22824003	570/751
Joe M. Poteet	CONTEX ENERGY COMPANY	7/02/96	160.00	T&P, T8, Blk 50 Sec 22: SE4	TX39827 B210	564/317
Warren D. Pruitt and wife, Robbielyn Pruitt	CONTEX ENERGY COMPANY	6/24/96	160.00	T&P, T8, Blk 50 Sec 22: SE4	TX39827 A210	564/315

26.11.01

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EXHIBIT "A"

3

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	LEGAL DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
Lucile Bayer	CONTEX ENERGY COMPANY	4/10/96	649.75	T&P, T8, Blk 50 Sec 27: All	TX39926 C210	562/649
John Claude Breidenbach	CONTEX ENERGY COMPANY	10/21/96	649.75	T&P, T8, Blk 50 Sec 27: All	TX39926 E210	570/743
J. H. Crouch, Jr.	CONTEX ENERGY COMPANY	8/21/96	649.75	T&P, T8, Blk 50 Sec 27: All	TX39926 F210	567/810
Heyser & Co.	CONTEX ENERGY COMPANY	8/03/96	649.75	T&P, T8, Blk 50 Sec 27: All	TX39926 D210	566/114
Edward H. Wicker	CONTEX ENERGY COMPANY	10/21/96	649.75	T&P, T8, Blk 50 Sec 27: All	TX39926 G210	570/748
Richard A. Jennings and wife, Dorothy B. Jennings	CONTEX ENERGY COMPANY	7/30/96	284.27	T&P, T8, Blk 50 Sec 27: NWNW, S2SW, SE	22833708	565/236
NationsBank, Trustee u/w/o Claude E. Heard	BURLINGTON RESOURCES OIL & GAS COMPANY	11/19/96	649.75	T&P, T8, Blk 50 Sec 27: All	TX39926 A210	573/893
William T. Townsend and NationsBank, Co-Trustees u/w/o Estill S. Heyser	BURLINGTON RESOURCES OIL & GAS COMPANY	11/20/96	649.75	T&P, T8, Blk 50 Sec 27: All	TX39926 B210	572/693
Nancy B. Richards	CONTEX ENERGY COMPANY	4/27/96	640.00	T&P, T8, Blk 51 Sec 24: All	TX39510 H210	562/72
James R. F. Woods	CONTEX ENERGY COMPANY	4/27/96	1280.00	T&P, T8, Blk 51 Sec 14: All Sec 24: All	TX39510 F210	561/619



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Clerks Office

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EXHIBIT "A"

4

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	LEGAL DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
Jesse D. Woods, Jr.	CONTEX ENERGY COMPANY	4/27/96	1280.00	T&P, T8, Blk 51 Sec 14: All Sec 24: All	TX39510 D210	561/615
F. Lee Green	CONTEX ENERGY COMPANY	4/27/96	1280.00	T&P, T8, Blk 51 Sec 14: All Sec 24: All	TX39510 E210	561/617
Bruce A. Bauer	CONTEX ENERGY COMPANY	4/27/96	640.00	T&P, T8, Blk 51 Sec 24: All	TX39510 G210	561/673
Patricia Green Matthews	CONTEX ENERGY COMPANY	4/27/96	640.00	T&P, T8, Blk 51 Sec 24: All	TX39510 I210	563/453
John L. Cox and Maurine T. Cox	MERIDIAN OIL INC.	7/01/96	640.00	T&P, T8, Blk 51 Sec 14: All	TX39510 A210	564/516
John L. Cox and Maurine T. Cox	MERIDIAN OIL INC.	7/01/96	640.00	T&P, T8, Blk 51 Sec 24: All	TX39510 J210	564/507
Marcella B. Christensen, a widow	MERIDIAN OIL INC.	7/01/96	640.00	T&P, T8, Blk 51 Sec 14: All	TX39510 B210	564/519
Marcella B. Christensen, a widow	MERIDIAN OIL INC.	7/01/96	640.00	T&P, T8, Blk 51 Sec 24: All	TX39510 K210	564/510
Christensen Petroleum Inc.	MERIDIAN OIL INC.	7/01/96	640.00	T&P, T8, Blk 51 Sec 14: All	TX39510 C210	564/522
Christensen Petroleum Inc.	MERIDIAN OIL INC.	7/01/96	640.00	T&P, T8, Blk 51 Sec 24: All	TX39510 L210	564/513
Tina Jean Bodkins	CONTEX ENERGY COMPANY	11/16/95	640.00	T&P, T7, Blk 51 Sec 46: All	23212002	567/788

45737



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copy of
Original filed in
Reeves County
Clerks Office

EXHIBIT "A"

Attached to and made a part of Assignment from BURLINGTON RESOURCES OIL & GAS COMPANY to TEXACO EXPLORATION AND PRODUCTION INC.
All Lands and Leases are in Reeves County, Texas

LESSOR	LESSEE	LEASE DATE	GROSS ACRES	LEGAL DESCRIPTION	BROG LEASE NO.	RECORDED BOOK/PAGE
Mark J. Mournie	CONTEX ENERGY COMPANY	11/16/95	640.00	T&P, T7, Blk 51 Sec 46: All	23212001	561/260
Boatmens' Trust Company, as Trustee	BURLINGTON RESOURCES OIL & GAS COMPANY	5/15/97	640.00	Insofar as lease covers: T&P, T7, Blk 56 Sec 16: All	23205704	577/717
Helen Pricer, Trustee	CONTEX ENERGY COMPANY	11/09/95	640.00	T&P, T7, Blk 51 Sec 33: All	23211002	573/548
Larry G. Ragan, Trustee	CONTEX ENERGY COMPANY	11/09/95	640.00	T&P, T7, Blk 51 Sec 33: All	23211001	573/550
State of Texas, acting by and through its agent, Luther S. Hollowell II, a single man	CONTEX ENERGY COMPANY N97925	12/08/95	640.00	T&P, T7, Blk 51 Sec 28: All	23225301	571/56
State of Texas, acting by and through its agent, Guy Robert Beckham, et al	CONTEX ENERGY COMPANY 97923	12/15/96	692.00	T&P, T7, Blk 57 Sec 8: All	23206700	572/831

assnsd.rvs

CERTIFIED TRUE AND CORRECT COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF REEVES

The above and foregoing is a full, true and correct photographic copy of the original record now in my lawful custody and possession, as the same as filed/reCORDED in the public records of my office, found in VOL. 580, PAGE 807, THRU 807.



I hereby certify on 11-12-97
DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
BY *Dianne Florez* DEPUTY

True and Correct
copy of
Original filed in
Reeves County
Clerks Office



FILE NO. 2458

FILED FOR RECORD ON THE 28TH. DAY OF OCTOBER A.D. 1997 AT 2:00 P.M.

DULY RECORDED ON THE 29TH. DAY OF OCTOBER A.D. 1997 AT 2:00 P.M.

BY: *Dianne Florez* DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL,
OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR
OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL
LAW.

28.11.97

m-5423 (11)

11.

Assign

20.5.24



Texas General Land Office
Garry Mauro, Commissioner

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

AMENDMENT AND CORRECTION

May 14, 1998

Mr. Michael P. Coder
Burlington Resources
3300 N. A Street Bldg. 6
Midland, TX 79705-5406

Dear Mr. Coder:

The General Land Office received the following instruments on December 11, 1997 and has filed them with the following state lease, M-98459, M-98467, M-97923, M-97924, M-97925, M-97966, M-98011, M-98012.

Per my letter to you dated December 29, 1998, (copy enclosed) The state lease numbers have been updated and corrected to the following lease numbers, please use them when corresponding the Texas General Land Office.

M-75258, M-77460, M-79688, are now held by lease number M-98459, and M-79778 is now held by lease number M-98467.

Assignment of Oil and Gas Lease effective as of October 1, 1997 by and between Burlington Resources Oil and Gas Company to Texaco Exploration and Production Inc., recorded in Reeves County, Texas.

I apologize for the long delay in obtaining the lease information. Should you have any questions, please feel free to call me.

Sincerely,

Laura Leal
Royalty Management
Energy Resources
(512) 475-1540

LL

M-97923 ⑫
Letter
5.14.98