PSA00670

MF065125

iNuts 13875
13876
13878
13879
13880

Lease Type	Control	Basefile	County
RAL	07-108998	091544	REEVES

Survey	T & P Ry Co		
Block	57		
Block Name			
Township	2-S		
Section/Tract	38		
Land Part			
Acres	Net: 640.000000	Gross: 640.000000	
Depth Below	Depth Above	Depth Other	Allow All Depths
Name	FORD CHAPMAN		
Lease Date	9/21/1970		
Primary Term	1 months		
Bonus	$11,200.00		
Lease Royalty	0.08333300		
Paid Up	NA		

Leasing: JA

Maps: RL

GIS: MC

Scanlab:

STOP

CAUTION

Documents in this file have been placed in Table of Contents order and scanned.

Please help keep documents in content order and let the ScanLab know when new documents are added to this file.

Thank you for your assistance.

Archives and Records Staff

MF-065125
PART 1 OF 2

-M-
F
F901290
0
6
5
1
2
5

Undivided Interest

RELINQUISHMENT ACT LEASE

5/195

COUNTY: Reeves
TRACT : Sec. 38, Blk. 57, Tsp. 2
PART : T&P Ry.,
ACRES : 640

LESSEE : Ford Chapman
DATE : September 21, 1970
TERM : 45 days
BONUS : $11,200.00
RENTAL: -0-640-
FILE : 91544

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5. Ltr to " " 11-5-70
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8. Ltr frm " " 11-11-70
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C/F 12/15/70
Perkins & Kirwan
Midland, Texas

C/F 7-6-72
Perkins & Kirwan
Midland, Texas

Coastal States Gas Producing Co.
Midland, Texas
CF 7-2-75

C/F
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Midland, TX
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Mineral Classified Land
Lease Consideration Comparison

County REEVES
Area N. Reeves Co.

M. F.	Acres	Lease Date	Term	Total Bonus	B/Ac	Rental	Comparison
	640	9-21-70	45 Days	11200.00	35.00	—	1/2 mi to Sta
New	640	9-21-70	45 Days	11200.00	35.00	—	
61363	160	5-11-67	10 yrs	4000.00	25.00	1.00	2+ Miles W/16 at Sta
61710	160	9-11-67	10 yrs	5600.00	35.00	1.00	1½ Mi. NW 1/16

91544

Remarks:
Tract has several wells plugged out.

Consideration
Recommended VLT
Not Recommended

RECEIVED
NOV 12 1970
General Land Office

LEASE UNDER RELINQUISHMENT ACT

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 21st day of September, 19 70,

by and between Mrs. Sallie Wynne Reynaud

of ,

individually and as agent for the State of Texas, herein referred to as Lessor (whether one or more), and Ford Chapman

of Midland, Texas

hereinafter called Lessee.

WITNESSETH: That the Lessor in the capacities aforesaid, for and in consideration of Fifty Six Hundred and No/100 ---------- Dollars ($ 5,600.00), cash in hand paid to Lessor, receipt of which is hereby acknowledged, and a like amount paid to the STATE OF TEXAS, and of the covenants and agreements hereinafter contained on the part of the Lessee to be paid, kept and performed, has this day granted, demised, leased and let, and by these presents does grant, demise, lease and let unto the said 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, treat and transport said products, the following land situated in Reeves County, State of Texas, to-wit:

All of Section 38, Block 57, Township 2, T&P Ry. Company Survey

1/2 U.I. (320)

M-65125-A

containing 640 acres, more or less.

Subject to the other provisions herein contained, this lease shall remain in force for a term of 45 days ~~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 the land hereby leased.

In consideration of the premises the said Lessee covenants and agrees:

1. To pay to the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, the value of 1/12 of the gross production of oil and gas produced from said leased premises free of cost to the State.

2. To deliver to the credit of the Lessor as the owner of the soil free of cost, in the pipe lines to which wells may be connected, an additional equal 1/12 part of all oil and gas produced and saved from said leased premises or at the option of Lessee to pay to Lessor 1/12 of the value of all oil and gas produced and saved from said leased premises.

3. If operations for drilling are not commenced on said land, hereby leased, on or before the ~~day of~~ ~~19~~, this lease shall terminate as to both parties, unless Lessee on or before that date shall pay or tender to Lessor as the owner of the soil or to his credit in the ~~Bank,~~ at ~~or its successors, which shall continue as the depository regardless of changes~~ in the ownership of said land or the rental, the sum of ~~Dollars ($~~), and in addition shall pay to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, A LIKE SUM on or before said date, which shall operate as a rental and cover the privilege of deferring the commencement of drilling operations for a period of one year from said date. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of one year each during the primary term.

4. All payments or tenders of rental herein provided for to Lessor as the owner of the soil may be made to Lessor personally or by letter addressed to the above depository bank and mailed on or before the rental date, transmitting Lessee's check for the amount stated with instructions to such depository bank to deposit the same to Lessor's credit. Lessor hereby constitutes said bank (and its several successors) Lessor's agent to receive and receipt for any payments of rental which may be made hereunder, and agrees with Lessee that said depository bank (and its several successors) shall continue as Lessor's agent and depository for rentals payable hereunder regardless of changes in ownership of said land or the rentals. Notwithstanding the death of Lessor, the payment or tender of rentals within the time and in the manner herein provided shall be binding upon the heirs, devisees, legal representatives and assigns of Lessor. Should such depository bank fail, liquidate or be succeeded by another bank, or if for any reason it should fail or refuse to accept said rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument designating another bank as depository and agent to receive and receipt for such payments or tenders.

5. If, during the primary term and prior to discovery of oil or gas in paying quantities on said land, Lessee should drill a dry hole thereon, this lease shall not terminate if Lessee either commences additional operations for drilling on or before the rental date next ensuing after the abandonment of said dry hole, or commences or resumes the payment or tender of rentals, in the manner hereinbefore provided, on or before the aforesaid next ensuing rental date. If a dry hole be completed and abandoned during the last period of the primary term, Lessee's rights shall remain in full force and effect without further operations until the expiration of said period. Subject to the terms of paragraph 7 hereof, after the discovery of oil or gas in paying quantities on the land covered hereby, all of Lessee's rights shall remain in effect as long as the same is being so produced hereunder; and if, during the primary term, the production of all oil or gas should cease from any cause, this lease shall not terminate if Lessee either commences or resumes the payment or tender of rentals in the amount and in the manner hereinabove provided on or before the rental date next ensuing after such cessation of production, or commences additional drilling or reworking operations on or before said next ensuing rental date. If such cessation of production occurs at any time after the expiration of the primary term, then this lease shall not terminate if Lessee, until production in paying quantities is again procured, does not allow more than sixty (60) days to elapse between the cessation of production and the commencement of additional drilling or reworking operations in a bona fide effort to again obtain production in paying quantities, and successive attempts may be made so long as not more than sixty (60) days are allowed to elapse between the abandonment of one well and the commencement of operations on another until production in paying quantities is again obtained. If at the expiration of the primary term of this lease neither oil nor gas is being produced on the leased premises, but Lessee is then engaged in operations for reworking or operations for drilling in an effort to restore or procure the production of oil or gas in paying quantities, then this lease shall continue in force so long as such operations are being continuously prosecuted in good faith on the leased premises. Operations for drilling shall be considered to be "continuously prosecuted in good faith" if not more than sixty (60) days shall elapse between the abandonment of one well and the beginning of operations for the drilling or reworking of a subsequent well; and if oil or gas shall be discovered and produced from any such well or wells, this lease shall continue in force so long as oil or gas shall be produced in paying quantities from the leased premises.

6. Lessee shall protect the land covered hereby from drainage in the manner and to the extent required under the terms of Article 5369 R. C. S. 1925.

7. It is understood and agreed that notwithstanding the fact that development may be in progress on the leased premises or production has been secured thereon and royalty is being paid hereunder the owner or operator of the leased premises shall continue to make annual rental payments to the State which, under such conditions and in the absence of any rentals being paid to the landowner, shall be the minimum of ten cents (10c) per acre as provided by Article 5368, R. C. S. 1925.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for all operations thereon, except water from wells or tanks of Lessor, and with the exception that the State must be paid its above specified royalty on production of oil and gas regardless of how used.

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

10. The rights and estates of either party hereto may be assigned, in whole or in part, but no change or division in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations, nor to diminish the rights, privileges and estates of Lessee, nor to impair the effectiveness of any payment made by, nor of any act performed by, Lessee hereunder. And no such change or division in the ownership of said land, the rentals or royalties, however accomplished, shall ever be binding upon Lessee for any purpose until Lessee has been furnished by Lessor, or by his heirs, devisees, legal representatives or assigns, with satisfactory written evidence thereof, including (if such change is effected by conveyance) the original recorded muniments of title or certified copies thereof. An assignment of this lease, in whole or in part, shall, as to the extent of such assignment, relieve and discharge Lessee of all subsequent obligations hereunder. If this lease is assigned in its entirety as to only part of the acreage, the right and options to pay rentals is apportioned as between the several owners ratably, according to the surface 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. All covenants and agreements of Lessor herein contained shall run with the above described land and the oil and gas thereunder, and the rentals and royalties hereunder, and all covenants and agreements of Lessee shall run with the estate created under the terms hereof, all of which shall extend to, and be binding upon, the heirs, legal representatives, successors and assigns of the respective parties hereto.

11. Lessee may, at any time, and from time to time, execute and deliver to the Lessor, or place of record, a release or releases covering any portion or portions of the above described premises, and thereby surrender this lease as to such portion or portions, and be relieved of all obligations as to the acreage surrendered. In the event any part of this lease is surrendered, as above provided, the delay rental then payable hereunder shall thereupon be reduced in the proportion that the

acreage surrendered bears to the acreage which was covered by this lease immediately prior to such surrender, PROVIDED such release shall not thereby relieve the Lessee of any liabilities which may have accrued under the terms of this lease prior to the surrender of such acreage.

12. In the event all or any part of this lease is assigned or released such assignment or release shall be recorded in the county where the land is situated and a copy of such recorded instrument certified by the County Clerk, shall be filed in the GENERAL LAND OFFICE by the owner of that part of the lease so assigned or released accompanied by a filing fee of one dollar ($1.00) thereon.

13. 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 land embraced in the lease, whether said oil is produced from said land covered by this lease or other lands, provided the royalties herein specified are paid on said oil at the same rate under the same conditions as provided for oil regularly produced.

14. Lessee agrees to forthwith file this lease for record with the County Clerk of the county in which the land covered hereby is located and to transmit to the Commissioner of the General Land Office, at Austin, Texas, a certified copy of the same made by said County Clerk from the record thereof. The bonus due to the State of Texas hereunder shall be transmitted to the Commissioner of the General Land Office with the aforesaid certified copy.

15. The Lessor as the owner of the soil hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for said Lessor, by payment, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by said Lessor, and be subrogated to the rights of the holder thereof, to the extent that Lessee may apply any rental or royalty due Lessor from Lessee until any obligation thus incurred by Lessor is discharged. If the owner of the soil owns a less interest in the above described land than the entire and undivided surface estate therein or a greater or lesser interest than the recited interest therein 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 whole and 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 adjusted; provided that, before any adjustment of any royalty or rental due the Commissioner of the General Land Office, of the State of Texas, the Lessee shall furnish the Commissioner of the General Land Office of the State of Texas at Austin, Texas, an affidavit executed by the Lessee or its duly authorized representative setting forth the facts relative to the interest of the owner of the soil and the interest which Lessee claims under this lease.

16. This lease is executed subject to the terms of Chapter 81, page 249, Acts of 2nd Called Session of the 36th Legislature, 1919, as amended by Chapter 38, page 112, Acts of 1st Called Session of the 37th Legislature, 1921. Should any provision herein contained be in conflict with the foregoing, then it is recognized and agreed that the aforesaid Chapter 81, as amended by the aforesaid Chapter 38, shall control.

17. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, the Lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease but in no event to be less than $1,200.00 per annum for each well capable of producing gas in paying quantities; such payment shall be made one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, and shall be made prior to the expiration of the primary term of this lease or if the primary term has expired within sixty (60) days after the Lessee shuts in such wells or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect; and thereafter, if no suitable market for such gas exists, the Lessee may extend this lease for four (4) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated within 1,000 feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is ocurring, the right to further extend this lease by such shut-in gas well royalty payments shall cease but this lease shall remain in force and effect for the remainder of the current one-year period for which the shut-in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by the Lessee of compensatory royalty at the royalty rate provided herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within 1,000 feet of or draining the leased premises on which such shut-in gas well is situated, such compensatory royalty to be paid monthly one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, beginning on or before the 20th day of the month next succeeding the month in which such gas is sold and delivered from the well situated within 1,000 feet of or draining the leased premises and completed in the same producing reservoir; provided further that in the event such compensatory royalties paid in any twelve-month period are in an amount less than the annual shut-in gas well royalties provided for herein, Lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut-in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve the Lessee of the obligation of reasonable development, nor of the obligation to drill off-set wells as required by Article 5369, Revised Civil Statutes, 1925.

18. Lessee is hereby granted the right to pool or unitize the royalty interest of the owner of the soil under this lease with any other leasehold or mineral interest for the exploration, development and production of oil and gas or either of them upon the same terms as shall be approved by the School Land Board and the Commissioner of the General Land Office for the pooling or unitizing of the interest of the State under this lease pursuant to Article 5382-c. Revised Civil Statutes of Texas and other applicable laws.

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

Mrs. Sallie Wynns Reynaud (SWR)
Individually and as Agent for the State of Texas

Individually and as Agent for the State of Texas

No. 65125
Lease
File Dated 12-8-70
JERRY SADLER, COMMISSIONER

RECEIVED AS STATED
$ 5,600.00
DATE 11-12-70
Reg. No. 30286

RECEIVED AS STATED
$ 5.00
DATE 12-5-70
Reg. No. 34907

(1)

STATE OF
COUNTY OF

Before me, the undersigned authority, on this day personally appeared _____ and _____, this ~~was~~ known to me to be the persons whose names are subscribed to the GENERAL LAND OFFICE GENERAL LAND OFFICE foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, and in the capacities therein stated. And the said _____, wife of _____ having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said _____ acknowledged such instrument to be her act and deed and declared that she had willingly signed the same for the purposes and consideration therein expressed and that she did not wish to retract it.

Given under my hand and seal of office, this the _____ day of _____, A. D. 19 ____.

_____,
Notary Public in and for

_____

STATE OF TEXAS
COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared SALLIE WYNNE REYNAUD

_____

known to me to be the person whose name IS subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacities therein stated.

Given under my hand and seal of office, this the 30th day of September, A. D. 19 70.

Notary Public in and for Harris County, Texas

Caroline E. Jaco

CAROLINE E. JACO
My Commission Expires June 1, 1971

STATE OF
COUNTY OF

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

_____, known to me to be the person whose name is subscribed to the foregoing

and acknowledged

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 47862

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of REEVES

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the ~~original~~ OIL AND GAS LEASE FROM MRS. SALLIE WYNNE REYNAUD TO FORD CHAPMAN, as the same was filed on Nov. 9, A.D. 1970 at 4:30 P.M., under File No. 3432 to be recorded in the O&GL Records of Reeves County, Texas.

~~as the same appears of record in my office in book _____ page _____~~.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 9th day of November 19 70.

ESTELLE CLINTON Clerk,

By Billie Jo Freeman Deputy.

OIL AND GAS LEASE

No. _____

FROM

TO Individually and as Agent for the State of Texas

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

_____ County Clerk.
_____ County, Texas.
By _____, Deputy

When recorded return to

RECEIVED
NOV 12 1970
General Land Office

LEASE UNDER RELINQUISHMENT ACT

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 21st day of September, 19 70

by and between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead

of _____,

individually and as agent for the State of Texas, herein referred to as Lessor (whether one or more), and Ford Chapman

of Midland, Texas

hereinafter called Lessee.

WITNESSETH: That the Lessor in the capacities aforesaid, for and in consideration of Fifty Six Hundred and No/100 ---------- Dollars ($ 5,600.00), cash in hand paid to Lessor, receipt of which is hereby acknowledged, and a like amount paid to the STATE OF TEXAS, and of the covenants and agreements hereinafter contained on the part of the Lessee to be paid, kept and performed, has this day granted, demised, leased and let, and by these presents does grant, demise, lease and let unto the said 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, treat and transport said products, the following land situated in Reeves County, State of Texas, to-wit:

All of Section 38, Block 57, Township 2, T&P Ry. Company Survey

1/2 V.I. (320) M-65125-B

containing 640 acres, more or less.

Subject to the other provisions herein contained, this lease shall remain in force for a term of 45 days ~~XXXXX~~ 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 the land hereby leased.

In consideration of the premises the said Lessee covenants and agrees:

1. To pay to the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, the value of _____ of the gross production of oil and gas produced from said leased premises free of cost to the State.

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2. To deliver to the credit of the Lessor as the owner of the soil free of cost, in the pipe lines to which wells may be connected, an additional equal 1/2 part of all oil and gas produced and saved from said leased premises or at the option of Lessee to pay to Lessor 1/2 of the value of all oil and gas produced and saved from said leased premises

3. If operations for drilling are not commenced on said land hereby leased, on or before the ~~day of~~ ~~, 19~~, this lease shall terminate as to both parties, unless Lessee on or before that date shall pay or tender to lessor as the owner of the soil or to his credit in the ~~Bank,~~ at ~~or~~ its successors, which shall continue as the depository regardless of changes in the ownership of said land or the rental, the sum of ~~Dollars ($), and in addition shall pay to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, A like sum on or before said date, which shall operate as a rental and cover the privilege of deferring the commencement of drilling operations for a period of one year from said date. In like manner and upon like payments or tenders, annually, the commencement of drilling operations may be further deferred for successive periods of one year each during the primary term.~~

4. All payments or tenders of rental herein provided for to Lessor as the owner of the soil may be made to Lessor personally or by letter addressed to the above depository bank and mailed on or before the rental date, transmitting Lessee's check for the amount stated with instructions to such depository bank to deposit the same to Lessor's credit. Lessor hereby constitutes said bank (and its several successors) Lessor's agent to receive and receipt for any payments of rental which may be made hereunder and agrees with Lessee that said depository bank (and its several successors) shall continue as Lessor's agent and depository for rentals payable hereunder regardless of changes in ownership of said land or the rentals. Notwithstanding the death of Lessor, the payment or tender of rentals within the time and in the manner herein provided shall be binding upon the heirs, devisees, legal representatives and assigns of Lessor. Should such depository bank fail, liquidate or be succeeded by another bank, or if for any reason it should fail or refuse to accept said rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument designating another bank as depository and agent to receive and receipt for such payments or tenders.

5. If, during the primary term and prior to discovery of oil or gas in paying quantities on said land, Lessee should drill a dry hole thereon, this lease shall not terminate if Lessee either commences additional operations for drilling on or before the rental date next ensuing after the abandonment of said dry hole, or commences or resumes the payment or tender of rentals, in the manner hereinbefore provided, on or before the aforesaid next ensuing rental date. If a dry hole be completed and abandoned during the last period of the primary term, Lessee's rights shall remain in full force and effect without further operations until the expiration of said period. Subject to the terms of paragraph 7 hereof, after the discovery of oil or gas in paying quantities on the land covered hereby, all of Lessee's rights shall remain in effect as long as the same is being so produced hereunder; and if, during the primary term, the production of all oil or gas should cease from any cause, this lease shall not terminate if Lessee either commences or resumes the payment or tender of rentals in the amount and in the manner hereinabove provided on or before the rental date next ensuing after such cessation of production, or commences additional drilling or reworking operations on or before said next ensuing rental date. If such cessation of production occurs at any time after the expiration of the primary term, then this lease shall not terminate if Lessee, until production in paying quantities is again procured, does not allow more than sixty (60) days to elapse between the cessation of production and the commencement of additional drilling or reworking operations in a bona fide effort to again obtain production in paying quantities, and successive attempts may be made so long as not more than sixty (60) days are allowed to elapse between the abandonment of one well and the commencement of operations on another until production in paying quantities is again obtained. If at the expiration of the primary term of this lease neither oil nor gas is being produced on the leased premises, but Lessee is then engaged in operations for reworking or operations for drilling in an effort to restore or procure the production of oil or gas in paying quantities, then this lease shall continue in force so long as such operations are being continuously prosecuted in good faith on the leased premises. Operations for drilling shall be considered to be "continuously prosecuted in good faith" if not more than sixty (60) days shall elapse between the abandonment of one well and the beginning of operations for the drilling or reworking of a subsequent well; and if oil or gas shall be discovered and produced from any such well or wells, this lease shall continue in force so long as oil or gas shall be produced in paying quantities from the leased premises.

6. Lessee shall protect the land covered hereby from drainage in the manner and to the extent required under the terms of Article 5369 R. C. S. 1925.

7. It is understood and agreed that notwithstanding the fact that development may be in progress on the leased premises or production has been secured thereon and royalty is being paid hereunder the owner or operator of the leased premises shall continue to make annual rental payments to the State which under such conditions and in the absence of any rentals being paid to the landowner, shall be the minimum of ten cents (10c) per acre as provided by Article 5368, R. C. S. 1925.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for all operations thereon, except water from wells or tanks of Lessor, and with the exception that the State must be paid its above specified royalty on production of oil and gas regardless of how used.

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

10. The rights and estates of either party hereto may be assigned in whole or in part, but no change or division in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations, nor to diminish the rights, privileges and estates of Lessee, nor to impair the effectiveness of any payment made by, nor of any act performed by, Lessee hereunder. And no such change or division in the ownership of said land, the rentals or royalties, however accomplished, shall ever be binding upon Lessee for any purpose until Lessee has been furnished by Lessor, or by his heirs, devisees, legal representatives or assigns, with satisfactory written evidence thereof, including (if such change is effected by conveyance) the original recorded muniments of title or certified copies thereof. An assignment of this lease, in whole or in part, shall, as to the extent of such assignment, relieve and discharge Lessee of all subsequent obligations hereunder. If this lease is assigned in its entirety as to only part of the acreage, the right and options to pay rentals is apportioned as between the several owners ratably, according to the surface 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. All covenants and agreements of Lessor herein contained shall run with the above described land and the oil and gas thereunder, and the rentals and royalties hereunder, and all covenants and agreements of Lessee shall run with the estate created under the terms hereof, all of which shall extend to, and be binding upon, the heirs, legal representatives, successors and assigns of the respective parties hereto.

11. Lessee may, at any time, and from time to time, execute and deliver to the Lessor, or place of record, a release or releases covering any portion or portions of the above described premises, and thereby surrender this lease as to such portion or portions, and be relieved of all obligations as to the acreage surrendered. In the event any part of this lease is surrendered, as above provided, the delay rental then payable hereunder shall thereupon be reduced in the proportion that the

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General Land Office

acreage surrendered bears to the acreage which was covered by this lease immediately prior to such surrender, PROVIDED such release shall not thereby relieve the Lessee of any liabilities which may have accrued under the terms of this lease prior to the surrender of such acreage.

12. In the event all or any part of this lease is assigned or released such assignment or release shall be recorded in the county where the land is situated and a copy of such recorded instrument certified by the County Clerk, shall be filed in the GENERAL LAND OFFICE by the owner of that part of the lease so assigned or released accompanied by a filing fee of one dollar ($1.00) thereon.

13. 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 land embraced in the lease, whether said oil is produced from said land covered by this lease or other lands, provided the royalties herein specified are paid on said oil at the same rate under the same conditions as provided for oil regularly produced.

14. Lessee agrees to forthwith file this lease for record with the County Clerk of the county in which the land covered hereby is located and to transmit to the Commissioner of the General Land Office, at Austin, Texas, a certified copy of the same made by said County Clerk from the record thereof. The bonus due to the State of Texas hereunder shall be transmitted to the Commissioner of the General Land Office with the aforesaid certified copy.

15. The Lessor as the owner of the soil hereby warrants and agrees to defend the title to the lands herein described and agrees that the Lessee shall have the right at any time to redeem for said Lessor, by payment, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by said Lessor, and be subrogated to the rights of the holder thereof to the extent that Lessee may apply any rental or royalty due Lessor from Lessee toward any obligation thus incurred by Lessor to be charged. If the owner of the soil owns a less interest in the above described land than the entire and undivided surface estate therein or a greater or lesser interest than the recited interest therein 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 whole and 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 adjusted; provided that [illegible] payment of any royalty or rental due the Commissioner of the General Land Office of the State of Texas hereunder shall be made to the Commissioner of the General Land Office of the State of Texas at Austin, Texas, an affidavit executed by the Lessee or his duly authorized agent setting forth the facts relative to the interest of the owner of the soil and the interest which Lessee claims under this lease.

16. This lease is executed subject to the terms of Chapter 81, page 249, Acts of 2nd Called Session of the 36th Legislature, 1919, as amended by Chapter 38, page 112, Acts of 1st Called Session of the 37th Legislature, 1921. Should any provision herein contained be in conflict with the foregoing, then it is recognized and agreed that the aforesaid Chapter 81, as amended by the aforesaid Chapter 38, shall control.

17. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, the Lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease but in no event to be less than $1,200.00 per annum for each well capable of producing gas in paying quantities; such payment shall be made one-half to the Commissioner of the General Land Office and one half to the owner of the soil, and shall be made prior to the expiration of the primary term of this lease or if the primary term has expired within sixty (60) days after the Lessee shuts in such wells or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect, and thereafter, if no suitable market for such gas exists, the Lessee may extend the term of this lease for additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated within 1,000 feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is ocurring, the right to further extend this lease by such shut-in gas well royalty payments shall cease but this lease shall remain in force and effect for the remainder of the current one-year period for which the shut-in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by the Lessee of compensatory royalty at the royalty rate provided herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within 1,000 feet of or draining the leased premises on which such shut in gas well is situated, such compensatory royalty to be paid monthly one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, beginning on or before the 20th day of the month next succeeding the month in which such gas is sold and delivered from the well situated within 1,000 feet of or draining the leased premises and completed in the same producing reservoir; provided further that in the event such compensatory royalties paid in any twelve month period are in an amount less than the annual shut-in gas well royalties provided for herein, Lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut-in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve the Lessee of the obligation of reasonable development, nor of the obligation to drill off-set wells as required by Article 5369, Revised Civil Statutes, 1925.

18. Lessee is hereby granted the right to pool or unitize the royalty interest of the owner of the soil under this lease with any other leasehold or mineral interest for the exploration, development and production of oil and gas or either of them upon the same terms as shall be approved by the School Land Board and the Commissioner of the General Land Office for the pooling or unitizing of the interest of the State under this lease pursuant to Article 5382-c, Revised Civil Statutes of Texas and other applicable laws.

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

Jeannette Wynne Patman (SWP)
Individually and as Agent for the State of Texas

(LMW)
Individually and as Agent for the State of Texas

(RWH)
Individually and as Agent for the State of Texas

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NOV 12 1970
General Land Office

STATE OF
COUNTY OF

Before me, the undersigned authority, on this day personally appeared _____ and _____, his wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, and in the capacities therein stated. And the said _____, wife of _____ having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said _____ acknowledged such instrument to be her act and deed and declared that she had willingly signed the same for the purposes and consideration therein expressed and that she did not wish to retract it.

Given under my hand and seal of office, this the _____ day of _____, A. D. 19 ____.

Notary Public in and for

STATE OF TEXAS
COUNTY OF WALKER

Before me, the undersigned authority, on this day personally appeared LELA MAE WYNNE and RUTH WYNNE HOLLINSHEAD known to me to be the person s whose name s are subscribed to the foregoing instrument, and acknowledged to me that she y executed the same for the purposes and consideration therein expressed and in the capacities therein stated.

Given under my hand and seal of office, this the 22nd day of September, A. D. 19 70.

Herbert Hunt

Notary Public in and for WALKER COUNTY, TEXAS

SINGLE ACKNOWLEDGMENT

THE STATE OF ~~TEXAS~~ CALIFORNIA

COUNTY OF Los Angeles

BEFORE ME, the undersigned authority, on this day personally appeared SAMUELLA WYNNE PALMER, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/they executed the same for the purposes and consideration therein expressed.

Given under ~~my hand and seal of office~~ this the 25th day of September A. D. 19 70.

OFFICIAL SEAL
DORENE A. GORDON
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires May 19, 1972

Dorene A. Gordon DORENE A. GORDON

Notary Public in and for Los Angeles County, California

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 47862

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of REEVES

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the ~~original~~ OIL AND GAS LEASE FROM LELA MAE WYNNE, ET AL TO FORD CHAPMAN, as the same was filed on Nov. 9, A.D. 1970 at 4:30 P.M., under File No. 3433 to be recorded in the O&GL Records of Reeves Co. Texas, as the ~~same appears of record in my office in book _____ page _____~~.

Given under my Hand and Seal of said Court, at office in Pecos, Texas this 9th day of November 19 70.

ESTELLE CLINTON Clerk,

By Billie Jo Freeman Deputy.

(2)

M- 65125

Lease

File Dated 12-8-70

JERRY SADLER, COMMISSIONER

RECEIVED AS STATED

$5,602.00

DATE 11-13-70

Reg. No. 30286

GENERAL LAND OFFICE

RECEIVED AS STATED

$5.00

DATE 11-13-70

Reg. No. 30390

GENERAL LAND OFFICE

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
1100 VAUGHN BUILDING
MIDLAND, TEXAS 79701
682-3217

September 23, 1970

The General Land Office of
The State of Texas
Austin, Texas 78700

Re: Section 38, Block 57, T-2, T&P Ry. Company Survey,
Reeves County, Texas

Gentlemen:

I am obtaining an oil and gas lease covering the captioned land from the surface owners, acting individually and as agent for the State of Texas. I have agreed to pay a bonus of $35.00 per acre and a royalty of 1/6, with a primary term of 45 days.

Before paying the bonus to the surface owners, I would appreciate your advising me whether the proposed lease is acceptable to the State of Texas.

Yours very truly,

Ford Chapman

FC:1
encl.

RECEIVED
SEP 25 1970
General Land Office

FORD CHAPMAN

September 23, 1970

The General Land Office of
The State of Texas
Austin, Texas 78700

Re: Section 38, Block 57, T-2, T&P Ry. Company Survey,
Reeves County, Texas

Gentlemen:

I am obtaining an oil and gas lease covering the captioned land from the surface owners, acting individually and as agent for the State of Texas. I have agreed to pay a bonus of $35.00 per acre and a royalty of 1/6, with a primary term of 45 days.

Before paying the bonus to the surface owners, I would appreciate your advising me whether the proposed lease is acceptable to the State of Texas.

Yours very truly,

Ford Chapman

FC:1
encl.

RECEIVED
SEP 25 1970
General Land Office

(3)

M. F. 65125

CORRESPONDENCE FILE

To D. Chapman

From

Dated 9-23-70

September 29, 1970

Mr. Ford Chapman
1100 Vaughn Building
Midland, Texas 79701

Re: Section 38, Block 57,
T-2, T&P Ry. Co.,
Reeves County, Texas

Dear Mr. Chapman:

We have received your letter of September 23, 1970, proposing an oil and gas lease covering the captioned tract of land in Reeves County, Texas.

This lease is approved as to consideration, based upon current conditions in the area and subject to our timely receipt of a certified copy of the instrument, the State's portion of the bonus consideration and the required $5.00 filing fee.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/hfr

(4)

M. F. 163-125

CORRESPONDENCE FILE

To J. Chapman

From

Dated 9-29-70

November 5, 1970

Mr. Ford Chapman
1100 Vaughn Building
Midland, Texas 79701

Re: Section 38, Blk. 57,
Tsp. 2, T&P Ry. Co.,
Reeves County, Texas

Dear Mr. Chapman:

Reference is made to your letter of September 23, 1970, and our reply of September 30, 1970. We note that you have drilled and completed an oil well on this section, but that no lease has as yet been filed in this office.

Therefire, we again urge you to immediately submit a certified copy of the lease and the State's portion of the cash bonus of $35.00 an acre or $11,200.00. We would point out that your lease is not valid until filed in the General Land Office. In addition, please submit the statutory filing fee of $5.00.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/hfr

(5)

M. F. 62125

CORRESPONDENCE FILE

To D. Chapman

From

Dated 11-5-70

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
1100 VAUGHN BUILDING
MIDLAND, TEXAS 79701

682-3217

November 10, 1970

Jerry Sadler, Commissioner
General Land Office
Austin, Texas 78701

Re: Section 38, Blk. 57,
Tsp. 2, T&P Ry. Co.,
Reeves County, Texas.

Dear Mr. Sadler:

Pursuant to your letter of November 5, 1970, we are enclosing our check #949 in the sum of $11,200.00.

Also, we are submitting a certified copy of the lease on the above captioned acreage.

We trust that the enclosures are satisfactory, however, should you require additional information, please do not hesitate to write.

Thank you kindly for handling the above matter for us.

Very truly yours,

Ford Chapman

FC:lee
Enclosures/
CERTIFIED MAIL
#794126

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NOV 12 1970
General Land Office

Ck - $11,200.00 Held

30286

5

M. F. 65125

CORRESPONDENCE FILE

To D. Chapman

From

Dated 11-10-70

November 13, 1970

Mr. Ford Chapman
1100 Vaughn Building
Midland, Texas 79701

Re: Section 38, Block 57,
Tsp. 2, T&P Ry. Co.,
Reeves County, Texas

Dear Mr. Chapman:

This will acknowledge receipt of the certified copies of Oil and Gas Leases, affecting the captioned tract, and your remittance in the amount of $11,205.00 representing the State's portion of the cash bonus due on the two (2) leases and partial filing fee.

Each Relinquishment Act Oil and Gas Lease submitted to the General Land Office, for filing, requires a filing fee of $5.00.

When we are in receipt of your additional $5.00 filing fee, we should be in a position to process this matter at the earliest possible date, and you will be advised accordingly.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/hfr

(67)

M. F. 20-125-

CORRESPONDENCE FILE

To D. Chapman

From

Dated 11-13-70

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
1100 VAUGHN BUILDING
MIDLAND, TEXAS 79701

682-3217

November 11, 1970

Mr. Jerry Sadler, Commissioner
General Land Office
Austin, Texas

Dear Mr. Sadler:

We enclose our check in the sum of $5.00 for the filing fee on the leases submitted to you on November 10, 1970, covering Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

We are sorry that the above fee was overlooked and was not submitted along with the certified copies of the lease.

Very truly yours,

Ford Chapman

FC:lee
Enclosure

30390

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NOV 12 1970
General Land Office

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
1100 VAUGHN BUILDING
MIDLAND, TEXAS 79701

682-3217

November 30, 1970

Mr. Jerry Sadler
Commissioner
General Land Office
Austin, Texas

Re: Section 38, Block 57, Township 2, T&P RR Co. Survey
Reeves County, Texas

Dear Mr. Sadler:

Pursuant to our letter of November 11, 1970, wherein we mailed our check in the sum of $5.00 as filing fee on the above acreage.

We have your letter of November 16, 1970, wherein you acknowledge receipt ot the lease and the $11,200.00 lease bonus payment. The above $5.00 filing fee was mailed on the same day under separate cover.

May we hear from you on the above.

Very truly yours,

Ford Chapman

FC:lee

Talked to F.C. 12-3-70 & he will send $5.00.

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DEC 2 1970
General Land Office

M. F. 45125

CORRESPONDENCE FILE

To Ford Chapman

From

Dated 11-30-70

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
MIDLAND, TEXAS 79701

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

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS	
			ACCT. NO.	AMOUNT
12-3-70	Filing fee on Section 38, Block 57, Tsp. 2, T&P Ry. Co., Reeves County, Texas		34907	$5.00

RECEIVED
DEC 5 1970
General Land Office

EMPLOYEE

PERIOD ENDING	EARNINGS				TOTAL EARNINGS	DEDUCTIONS					TOTAL DEDUCTIONS	NET PAY
	HOURS	RATE	AMOUNT EARNED AT REGULAR RATE	OVERTIME AND OTHER		SOCIAL SECURITY TAX	WITHHOLDING U.S. INC. TAX					

V-6

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
1100 VAUGHN BUILDING
MIDLAND, TEXAS 79701

682-3217

December 3, 1970

Jerry Sadler, Commissioner
General Land Office
Austin, Texas 78701

Dear Mr. Sadler:

Enclosed please find the additional $5.00 due for filing fees on Section 38, Block 57, Tsp. 2, T&P Ry. Co., Reeves County, Texas.

We are sorry for the inconvenience caused by the misunderstanding of your November 13, 1970, letter in regards to the above check.

Thank you kindly for handling this matter for us.

Very truly yours,

FORD CHAPMAN

By (Mrs) Lee Bohn
Secretary

FC:lee
Enclosure/Check #1041

RECEIVED
DEC 5 1970
General Land Office

34967

(10)

M. F. 65125

CORRESPONDENCE FILE

To D. Chapman

From

Dated 12-3-70

December 8, 1970

Mr. Ford Chapman
1100 Vaughn Building
Midland, Texas 79701

Re: M-65125 - Sec. 8,
Blk. 57, T-2,
T&P Ry. Co.,
Reeves County, Texas

Dear Mr. Chapman:

The certified copies of Oil and Gas Leases, affecting the captioned tract, have been filed in our records under M-65125 to which mineral file number you should refer in any future correspondence concerning these leases.

Your remittance in the amount of $11,210.00 has been applied as the State's portion of the cash bonus and filing fees due on the leases. A receipt for the total amount is enclosed herewith.

Sincerely yours,

JERRY SADLER, COMMISSIONER

JS/hfr

Enclosure

(11)

M. F. 45125

CORRESPONDENCE FILE

To F. Chapman

From

Dated 12-8-70

ON N.M.L. MAGNETS

REEVES COUNTY | WEST TEXAS | CHAPMAN (DELA) FIELD

Well: FORD CHAPMAN & ASSOC. #1-B G. A. Wynne **Result:** OIL DO

Loc'n 2½ mi SW/Orla on 2944-ac lse; 1007' FSL 660' FWL Sec 38, Blk 57, T-2, T&P Sur.

Spud: 7-20-70; Comp: 11-15-70; Elev: 2944' DF; TD: 2912'
Casing: 7" 360'/110 sx, 4½" 2917'/50 sx
Prod Zone: T/Pay 2912', Prod thru perfs 2912-2917'
IPF: 26.84 BOPD plus 35 BW, 12/64" ch, Grav 33.5, GOR TSTM, TP 250#
Comp Info: No cores or tests; Perf 2912-2917', frac w/3500 gals & 5000# sd; C/Co. Rig.
Tops: (EL) Anhy 1285', Salt 2515', Sh 2845'.
API No.: 42-389-30116

© REPRODUCTION PROHIBITED

Statewide PLAT SERVICE
DRAWER M, CAPITOL STATION, AUSTIN, TEXAS 78711

SCALE OF MAP
1 inch = 1,000 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet
1 inch = 500 feet

FORM W-1
(Rev. 12-16-69)

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

API Well No. 4 — REEVES — DIST. H — 42 389 30115 — API RRC.

Check one: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify)

1. Operator: Ford Chapman & Assoc.
2. Address (including City and Zip Code): Box 953 Midland Texas 79701
3. Is Form 7 in Exact Operator Name Filed? YES ☐ NO ☐
4. Lease Name: G. A. Wynne
5. Location (Sec., Blk., Survey): 38, 57 T-2, T&P
6. This well is to be located 2½ miles SW Direction from Orla Nearest Post Office or Town.
7. RRC District: 8
8. County: Reeves
9. Well Number: 1-B
10. Number of Acres in Lease: 80
11. Distance from Proposed Location to Nearest Property or Lease Line (ft.): 660'

EACH PROPOSED COMPLETION

12. FIELD NAME (Exactly as shown on R. R. C. Proration Schedule including Reservoir if applicable.) If wildcat, so state below.	13. Completion Depth	14. RRC Lease or ID Number (if applicable)	15. Field Rule Spacing Pattern Conformance to Lease Line & Distance to Nearest Well (If no special rule, enter Statewide Rule 37.)	16. Field Rule Proration Unit Pattern (Acres, If no special rules, enter Statewide Rule 38)	17. Number of Acres in Drilling Unit for this Well	18. Is this acreage presently assigned to another well on this lease? (Yes or No. If yes, explain in remarks.)	19. Distance from proposed location to nearest drilling completed or applied for on this well in same reservoir on this lease (ft.)	20. Is this a Regular Location? (Yes or No)	21. Oil, Gas, or other Type Well (Specify)	22. Number of Wells on Permitted locations on this Lease in same Reservoir for which this Permit is Requested. OIL	GAS
Chapman	3000'	-	Field Rules	Field Rules	80	No		Yes	Oil	0	0

RECEIVED
R.R.C. of TEXAS
JUN 19 1970
O. G.
MIDLAND, TEXAS

CERTIFICATE
I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature: Agent
Title: 6-19-70
Date
Telephone: Area Code 915 684-6381

NOTICE
NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

REMARKS:

- OVER -

I have value and time as per letter 10-29-70 to H&D Wireline & Petty Geophysical for follow up checkshots. Failed to get it done 11-4-70

34 35 35 36
39 38 38 37
STD. OF TEXAS
SECTION 38
BLOCK 57 TWP. 2
T&P RR CO. SUR.
DELAWARE BASIN
REEVES COUNTY
FORD CHAPMAN
DELAWARE BASIN
Elev. 2944
660'
1007'
FORD CHAPMAN
STD. OF TEXAS
G. A. WYNNE
39 38 38 37
46 47 47 48
N

PLAT OF FORD CHAPMAN'S NO. 1-P G.A.WYNNE LOCATED 660' FROM THE WEST LINE AND 1007' FROM THE SOUTH LINE OF SECTION 38, BLOCK 57, TWP. 2, T & P RR. CO. SURVEY, REEVES COUNTY, TEXAS.

SCALE: 1"=1000 '

SURVEYED: June 16, 1970.

The foregoing plat represents a survey as made by me on the ground, this date, according to law.

RECEIVED JUN 19 1970 R.R.C. of TEXAS

Fred Armstrong
REGISTERED PUBLIC SURVEYOR.

STATE OF TEXAS
FRED P. ARMSTRONG
974
REGISTERED PUBLIC SURVEYOR

INSPECTOR'S WELL STATUS REPORT

OPERATOR Ford Chapman & Asso.

LEASE G.A.Wynne 'B'

WELL NO. B-1 FIELD Chapman Delaware

COUNTY Reeves

SPUD DATE 7-20-70 DRILLING DEPTH

CORE DEPTH LOGS (DEPTH)

COMPLETION DATE PERFS 2903-2912-feet

POTENTIAL T. D. 2920 feet

IS THIS THE FIRST REPORT ON THIS WELL? 5th

REMARKS They have installed a pumping unit on this location on Oct 26,1970 or this was what the lease man Mr.Joe Cunningham, Orla,Texas told me this date.They have not started it to pumping as yet and there fore have not tested it at all.The rods & etc are still on the ground at the well site ?

James Weatherby
INSPECTOR

DATE Oct 27,1970

JA/bs

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Ford Chapman & Asso.

LEASE G.A.Wynne

WELL NO. B-1 FIELD Chapman Delaware

COUNTY Reeves

SPUD DATE 7-20-70 DRILLING DEPTH

CORE DEPTH LOGS (DEPTH)

COMPLETION DATE PERFS 2903-2912 feet

POTENTIAL 35-bbls of oil T. D. 2920 feet
Plus- 2 t 3-bbls of water

IS THIS THE FIRST REPORT ON THIS WELL? 6 th

REMARKS The lease man said this well was pumping- 35-bbls of oil, plus 2 to 3-bbls of water per day.He also said it was making more water now than when they tested for Potential Test ?

James Weatherby
INSPECTOR

DATE Nov 18,1970

JA/bs

3-21-60

M-65125
Application to drill
Well # 1-B 12-15-70

(12)

FILE NO. 3653 FORD CHAPMAN TO RUDY JANOSEK, ET AL

ASSIGNMENT OF OIL AND GAS LEASES

THE STATE OF TEXAS)
)
COUNTY OF REEVES)

WHEREAS, the following described oil and gas leases have been executed and delivered and are now owned by Ford Chapman, subject to an overriding royalty interest of 5% of 8/8 of production owned by a third party, to-wit:

1. Mrs. Sallie Wynne Reynaud, Individually and as Agent for the State of Texas, to Ford Chapman, dated September 21, 1970, recorded Book 297, Page 485 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

2. Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Individually and as Agents for the State of Texas, to Ford Chapman, dated September 21, 1970, recorded Book 297, Page 489 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

NOW, THEREFORE, for a valuable consideration, the receipt of which is hereby acknowledged, Ford Chapman does hereby assign and convey to the following parties the interest designated below in the above described oil and gas leases and all material and equipment in and on and used in connection therewith, with each such interest being subject to its proportionate part of the 5% overriding royalty interest referred to above, to-wit:

ASSIGNEES	INTEREST ASSIGNED
Rudy Janosek, P. O. Drawer N, Anthony, New Mexico 88021	10%
Judson F. Williams, 4200 O'Keefe Drive, El Paso, Texas 79902	10%
John MacGuire, 1209 Thunderbird Drive, El Paso, Texas 79912	45%

Ford Chapman does hereby warrant and agree to defend the title to the interests hereby assigned, but only as against the lawful claims and demands of all parties claiming by, through or under Ford Chapman.

This instrument is executed this 30th day of November, 1970, but shall be effective as of the date of first production from the above described land under the terms of the above described oil and gas leases.

Ford Chapman

RECEIVED
MAR 31 1971
Land Office

All Rights, Keeps ORRI

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 47862

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of REEVES }

I, ESTELLE CLINTON, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the ~~original~~ ASSIGNMENT OF OIL & GAS LEASES FROM FORD CHAPMAN TO RUDY JANOSEK, ET AL.,

as the same appears of record in my office in book 297 page 820, O&GL Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 26th day of March 19 71.

ESTELLE CLINTON Clerk,

By Billie Jo Freeman Deputy.

VOL 297 PAGE 821

THE STATE OF TEXAS)
)
COUNTY OF MIDLAND)

BEFORE ME, the undersigned authority, on this day personally appeared FORD CHAPMAN, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30th day of November, 1970.

Ora Lee Bolin
Notary Public in and for
Midland County, Texas.

Filed for record on the 4th day of December A.D.1970 at 1:00 P. M. Duly recorded on the 10th day of December A.D.1970 at 9:00A. M.

By Bessie Jo Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

RECEIVED
MAR 31 1971
General Land Office

(13)

M 65125
Assignment
File Dated 4-9-71
Bob Armstrong, Commissioner

RECEIVED AS STATED
$3.00
DATE 4-8-71
Reg. No. 57421

GENERAL LAND OFFICE

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
1100 VAUGHN BUILDING
MIDLAND, TEXAS 79701

682-3217

March 29, 1971

Jerry Sadler, Commissioner
General Land Office
Austin, Texas 78701

Dear Mr. Sadler:

We are,at the request of Chevron Oil Company, of Denver, Colorado, mailing you a copy of the Assignment of Oil and Gas Leases to Rudy Janosek, et al, on the Section 38, Block 57, Tsp. 2, T&P Ry. Co., which has been certified by the County Clerk of Reeves County, Texas.

M-65725

Please inform this office the amount of filing fee, if any, for the above as the original lease has been filed with your office.

Very truly yours,

FORD CHAPMAN

By (Mrs) Lee Bohn
Secretary

FC:lee
Enclosure

cc: Ouida M. Pickett
Royalty Specialist
Chevron Oil Company
P. O. Box 599
Denver, Colorado 80201

RECEIVED
MAR 31 1971
General Land Office

(14.)

M. F. 65125

CORRESPONDENCE FILE

~~To~~

From Ford Chapman

Dated 3-29-71

April 5, 1971

Mr. Ford Chapman
1100 Vaughn Building
Midland, Texas 79701

Re: M-65125
Sec. 38, Blk. 57,
Tsp. 2, T&P Ry. Co.,
Reeves County, Texas

Dear Mr. Chapman:

This will acknowledge receipt of your letter of March 29, 1971 with enclosure of certified copy of Assignment.

On May 25, 1961, Senate Bill No. 367, which set up a new fee schedule for services rendered by the General Land Office, became law. Each assignment of Oil and Gas Lease submitted to the General Land Office for filing requires a fee of $3.00 for each file affected.

When we are in receipt of your $3.00 remittance we will be in a position to process this matter and you will be advised accordingly.

Sincerely yours,

Bob Armstrong

By: Lanvil Gilbert,
Attorney

LG/tmb

(15.)

M. F. 65125

CORRESPONDENCE FILE

To Ford Chapman

~~From~~

Dated 4-5-71

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
1100 VAUGHN BUILDING
MIDLAND, TEXAS 79701

682-3217

April 6, 1971

Mr. Lanvil Gilbert, Attorney
General Land Office
Austin, Texas 79701

Re: M-65125
Sec. 38, Blk 57,
TSP. 2, T&P RR Co.
Reeves County, Texas

Dear Mr. Gilbert:

Thank you for your prompt reply to our letter of March 29, 1971, in regards the filing of an Assignment of Oil and Gas on the above captioned acreage.

We enclose our check in the sum of $3.00 to cover filing fee for the submitted assignment.

Very truly yours,

FORD CHAPMAN
By (Mrs) Lee Bolin
(Mrs) Lee Bolin

FC:lee
Enclosure

Ck # 3.00

57421

RECEIVED
APR 8 1971
General Land Office

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
MIDLAND, TEXAS 79701

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

57421

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS ACCT. NO.	DISTRIBUTIONS AMOUNT
4-6-71	Filing fee to cover certified copy of Assignment M-65125 Sec. 38, Blk 57, Tsp. 2, T&P Ry. Co., Survey, Reeves County, Texas	RECEIVED APR 8 1971 General Land Office		$3.00

EMPLOYEE _____

PERIOD ENDING	EARNINGS HOURS	EARNINGS RATE	EARNINGS AMOUNT EARNED AT REGULAR RATE	EARNINGS OVERTIME AND OTHER	TOTAL EARNINGS	DEDUCTIONS SOCIAL SECURITY TAX	DEDUCTIONS WITHHOLDING U.S. INC. TAX	DEDUCTIONS	DEDUCTIONS	DEDUCTIONS	TOTAL DEDUCTIONS	NET PAY

V-8

(16.)

M. F. 65125

CORRESPONDENCE FILE

~~To~~

From Ford Chapman

Dated 4-6-71

April 9, 1971

Mr. Ford Chapman
1100 Vaughn Building
Midland, Texas 79701

Re: M-65125
Sec. 38, Blk. 57,
Tsp. 2, T&P Ry. Co.,
Reeves County, Texas

Dear Mr. Chapman:

The certified copy of the Oil and Gas Lease Assignment affecting the above captioned tract has been filed in our records.

Your $3.00 remittance has been applied as the filing fee due thereon.

In all correspondence relating to this Oil and Gas Lease please refer to the State mineral file number above.

Sincerely yours,

Bob Armstrong

By: Lanvil Gilbert,
Attorney

LG/tmb

(17.)

M. F. 65125

CORRESPONDENCE FILE

To Ford Chapman

~~From~~

Dated 4-9-71

On M-65125 KAL TLB.

REEVES COUNTY | WEST TEXAS | CHAPMAN (DELA) FIELD

Well: FORD CHAPMAN & ASSOC. 2-B G. A. Wynne Result: OIL DO

Loc'n: 2½ mi SW/Orla on 80-ac lse; 1667' FSL 660' FWL sec 38, blk 57, T-2, T&P sur.

Spud: 12-19-71; Comp: 3-12-71; Elev: 2943' grd; TD: 2939'
Casing: 7" 2939'/100 sx, 4½" 3617/125 sx
Prod Zone: T/Pay 2933',, Prod thru perfs 2933-2938'
IPP: 16 BOPD plus 16 BW, Grav 33, GOR TSTM
Comp Info: No cores or DST's; Perf 2933-2938', frac w/2500 GRO & 3500# sd; P/16 BO & 16 BW/24 hrs, Grav 33; C/Co. Rig.
Tops: (EL) Anhy 2662', Lamar li 2845'
API No.: 423-389-30170

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OH M-65125 - KHL

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Weatherly FORM W-1 (Rev. 12-16-69)

API Well No. 42 - [illegible] DIST. [illegible] API No. [illegible]

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

SPS

Check one: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify)

1. Operator: Ford Chapman & Associates
2. Address (including City and Zip Code): Box 953 Midland Texas 79701
3. Is Form 7 in Exact Operator Name Filed? YES ☒ NO ☐
4. Lease Name: G A Wynne
5. Location (Sec., Blk., Survey): 38 57,T-2, T&P
6. This well is to be located 2 1/2 miles southwest Direction from Orla Nearest Post Office or Town
7. RRC District: 8
8. County: Reeves
9. Well Number: 2-B
10. Number of Acres in Lease: 80
11. Distance from Proposed Location to Nearest Property or Lease Line (ft.): 660

EACH PROPOSED COMPLETION

12. FIELD NAME (Exactly as shown on R. R. C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below.	13. Completion Depth	14. RRC Lease or ID Number (If applicable)	15. Field Rule Spacing Pattern (Distance to lease line & distance between wells. If no special rules, indicate Rule 37.)	16. Field Rule Proration Unit Pattern. (Acres. If no special rules, indicate Statewide Rule 38)	17. Number of Acres in Drilling Unit for this Well	18. Is this acreage presently assigned to another well in same field? (Yes or No. If yes, explain in remarks.)	19. Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	20. Is this a Regular Location? (Yes or No)	21. Oil, Gas, or other Type Well (Specify)	22. Number of Wells on Permitted location on this Lease in same Reservoir for which this Permit is Requested. OIL	GAS
Chapman	3000'	21721	Field Rules	Field Rules	80	No	660'	yes	oil	1	

RECEIVED R.R.C. OF TEXAS DEC 21 1970 MIDLAND, TEXAS

NOTICE
NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

CERTIFICATE
I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature: Lillian Ford
Title: Agent
Date: Dec. 21, 1970
Telephone: Area Code 915 684-6381

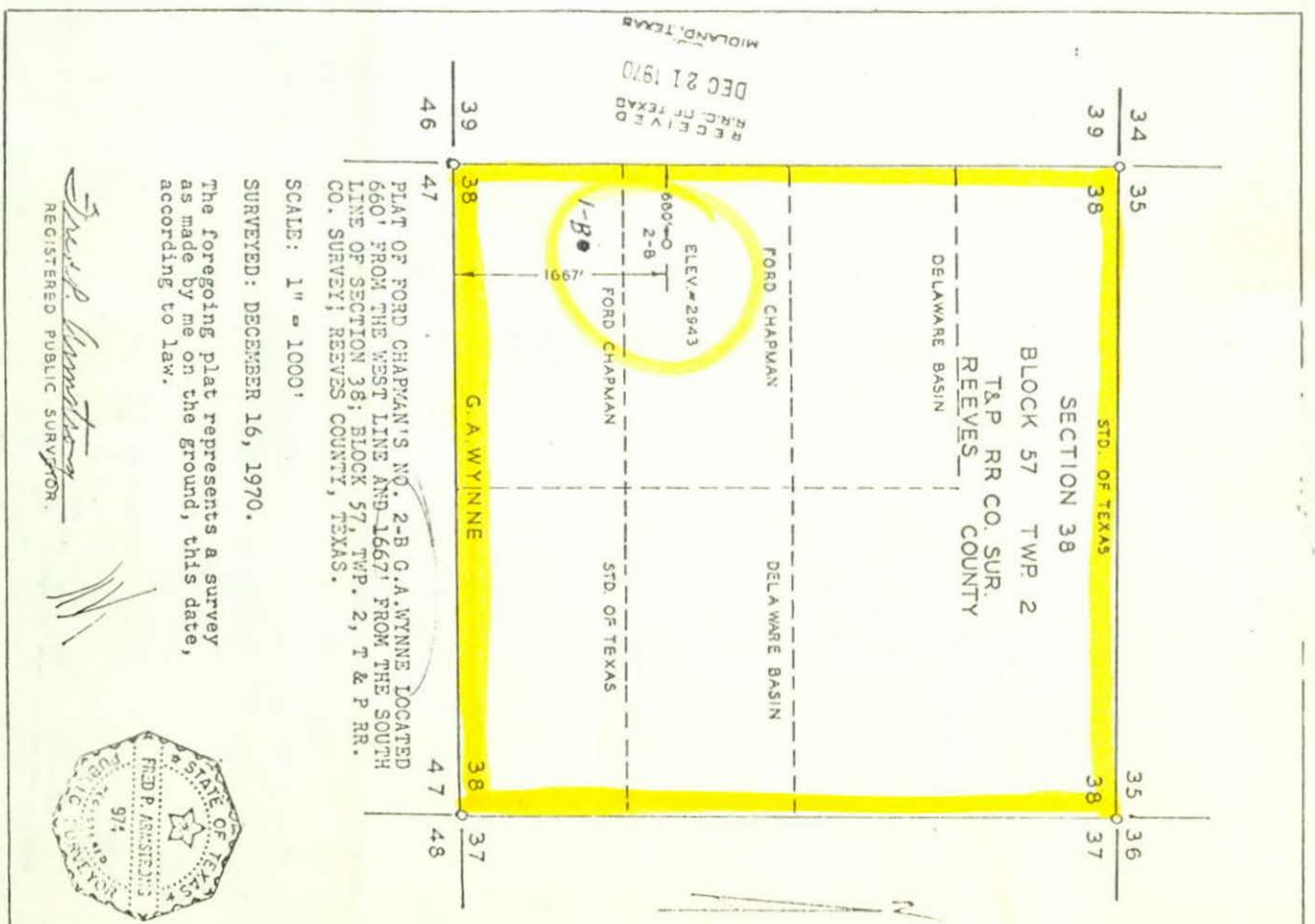
REMARKS:

- OVER -

SURVEY PLAT SERVICE
DRAWER M, CAPITOL STATION, AUSTIN, TEXAS 78711

12-22-70

SCALE OF MAP
1 inch = 500 feet
1 inch = 1,000 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet



PLAT OF FORD CHAPMAN'S NO. 2-B G.A.WYNNE LOCATED 660' FROM THE WEST LINE AND 1667' FROM THE SOUTH LINE OF SECTION 38; BLOCK 57, TWP. 2, T & P RR. CO. SURVEY; REEVES COUNTY, TEXAS.

SCALE: 1" = 1000'

SURVEYED: DECEMBER 16, 1970.

The foregoing plat represents a survey as made by me on the ground, this date, according to law.

Fred P. Arrington
REGISTERED PUBLIC SURVEYOR.

STATE OF TEXAS
FRED P. ARRINGTON
97[illegible]
REGISTERED PUBLIC SURVEYOR

Weatherly

M. F. 65125

APPLICATION TO DRILL

(18)

WELL # 2-B

FILED 4-14- 1971

BOB ARMSTRONG, COMMISSIONER

BY: JC

Spudded 12-19-70

Drilled 1530. Prod.

May 18, 1971

Oper.

Mr. Ford Chapman
1100 Vaughn Building
Midland, Texas 79701

Purchaser - Chevron (all members get)
code = 5
Royalty - .083333

RE: State Lease M-65125
Ford Chapman - Wynne "B" Lease
Chapman Field
Reeves County, Texas

Dear Mr. Chapman:

Our records indicate the well on the subject lease, the #1-B G.A. Wynne, was completed November 15, 1970.

Oil or Gas Distillate Reports (Form MA-1) are required for the month of first production, showing zero stock at the beginning of the month, gross production, sales or other disposition if any and stock at the close of the month. Copies of Chevron Oil Company's oil purchase statements are also required each month to support the sales shown on the Form MA-1 Reports.

We are enclosing the Form MA-1 Reports filed for January, February and March, 1971, which apparently were prepared by Chevron Oil Company. Please complete these Form MA-1 Reports as outlined above, and return them with reports for November and December, 1970 and supporting purchase statements. Also on future reports please use the State Lease Number M-65125 instead of 21721.

Thank you for your cooperation.

Sincerely yours,

Bob Armstrong

BY: Melvin Eckhoff, Director
Finance, Audit and Investment

MW/cjr
Enclosures

M. F. 65125 (19)

CORRESPONDENCE FILE

To Ford Chapman

~~From~~

Dated 5-18-71

c/r

FORD CHAPMAN
DRILLING AND PRODUCTION ACCOUNT
MIDLAND, TEXAS 79701

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.

RECEIVED
JUN 28 1971
General Land Office

DATE	DESCRIPTION	AMOUNT
6-24-71	10¢ per ~~annual~~ ACRE rental on M-65125, Section 38, Block 57, Tsp. 2, T&P Ry. Co., Reeves County, Texas Oil and Gas leases from Mrs. Sallie Wynne Raynaud et al Individually and as Agents for the State of Texas Recorded in Reeves Co. O&GL Records Volume 297 on pages 485 & 489	92056 $64.00

STATEMENT OF EARNINGS AND DEDUCTIONS FOR EMPLOYEE'S RECORD — DETACH BEFORE CASHING CHECK

PERIOD ENDING	EARNINGS				TOTAL EARNINGS	DEDUCTIONS					TOTAL DEDUCTIONS	NET PAY
	HOURS	RATE	AMOUNT EARNED AT REGULAR RATE	OVERTIME AND OTHER		OLD AGE BENEFIT	WITHHOLDING U. S. INC. TAX					

(20)

M.F. 65125

Rental Payment

Filed 6/28 19 71

BOB ARMSTRONG, COMMISSIONER

Clerk

General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

November 23, 1971'

Ford Chapman Drilling Company
1100 Vaughn Building
Midland, Texas 79701

ATTENTION: Mrs. Lee Bolin, Secretary

RE: State Lease M-49185-Starney B Field
State Lease M-65125- Wynne B Field
Culberson & Reeves Counties, Texas

Gentlemen:

Thank you for the Form MA-1 Reports filed for the subject leases. Apparently these reports and attachments are correct as to form.

Enclosed is a supply of MA-1 Forms along with a blank for reorder when this supply is exhausted.

If we can be of further assistance, please feel free to call on us.

Sincerely yours,

Bob Armstrong

BY: Harold Frank, Jr., Assistant Director
Finance, Audit and Investment

MW/glr
Enclosure

(21)

M. F. 65125

CORRESPONDENCE FILE

To Ford Chapman

From

Dated 11-23-719 | F

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
MIDLAND, TEXAS 79701

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.

102880

RECEIVED
JUL 21 1972
General Land Office

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS ACCT. NO.	DISTRIBUTIONS AMOUNT
7-19-72	Re: M-65125 10¢ Annual Rental Payment due on WYNNE "B" LEASE Sec. 38, Blk 57, Tsp. 2, T&P Ry, Co. Survey, Reeves County, Texas	$64.00		
	Lease to Lela Mae Wynne, et al dated September 21, 1970 and recorded in Volume 297 on page 489, Reeves County Lease to Sallie Wynne Reynaud dated September 21, 1970 and recorded in Volume 297 on page 485 O&GL Records Reeves Co.			

EMPLOYEE

PERIOD ENDING	EARNINGS HOURS	EARNINGS RATE	EARNINGS AMOUNT EARNED AT REGULAR RATE	EARNINGS OVERTIME AND OTHER	TOTAL EARNINGS	DEDUCTIONS SOCIAL SECURITY TAX	DEDUCTIONS WITHHOLDING U.S. INC. TAX	DEDUCTIONS	DEDUCTIONS	DEDUCTIONS	TOTAL DEDUCTIONS	NET PAY

V-6

(22) M.F. 65125

Rental Payment

Filed 7-21 19 72

BOB ARMSTRONG, COMMISSIONER

Clerk

M.F. _____

Receipt is acknowledged of your payment of the sum shown on the above numbered account of the General Land Office.

Rental Payment

Filed _____ 19 _____

BOB ARMSTRONG, COMMISSIONER

BOB ARMSTRONG, Commissioner

Clerk

On R.A.L. M-05125

2900

API Well No. 42 — REEVES — DIST. 8
API NO. 42 389 30252

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

W3-21-73

FORM W-1
(3-1-70)

8

SPS

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify)

7. RRC District: 8
8. County: Reeves

1. Operator: Ford Chapman
2. Address (Including City and Zip Code): 1116 Vaughn Building, Midland, Texas 79701
3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? YES ☒ NO ☐
4. Lease Name: G. A. Wynne
5. Location (Sec., Blk., Survey): Sec. 38, Blk. 57, TWP 2
6. This well is to be located 3 miles southwest Direction from Orla, Texas. Nearest Post Office or Town.
9. Well Number: 1-BR
10. Number of Acres in Lease: 640
11. Distance from Proposed Location to Nearest Property or Lease Line (ft.): 330'

EACH PROPOSED COMPLETION

12. FIELD NAME (Exactly as shown on R. R. C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below.	13. Completion Depth	14. RRC Lease or ID Number (If applicable)	15. Yield Rule Spacing Pattern (Distance to lease line & distance between wells, if no special rules indicate statewide Rule 37)	16. Field Rule Proration Unit Pattern (Acres. If no special rules indicate statewide Rule 38)	17. Number of Acres in Drilling Unit for this Well	18. Is this acreage presently assigned to another well in same field? (Yes or No. If yes, explain in remarks.)	19. Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	20. Is this a Regular Location? (Yes or No)	21. Oil, Gas, or other Type Well (Specify)	22. Number of Wells or Permitted locations on this Lease in same Reservoir for which this Permit is Requested. OIL	GAS
Chapman	2700'	N/A	330'-660'	10	10	No	Only well*	Yes	Brine Supply	-	-

Reopen for Water supply well only

RECEIVED R.R.C. OF TEXAS MAR 15 1973 O.G. MIDLAND, TEXAS

NOTICE
NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

CERTIFICATE
I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

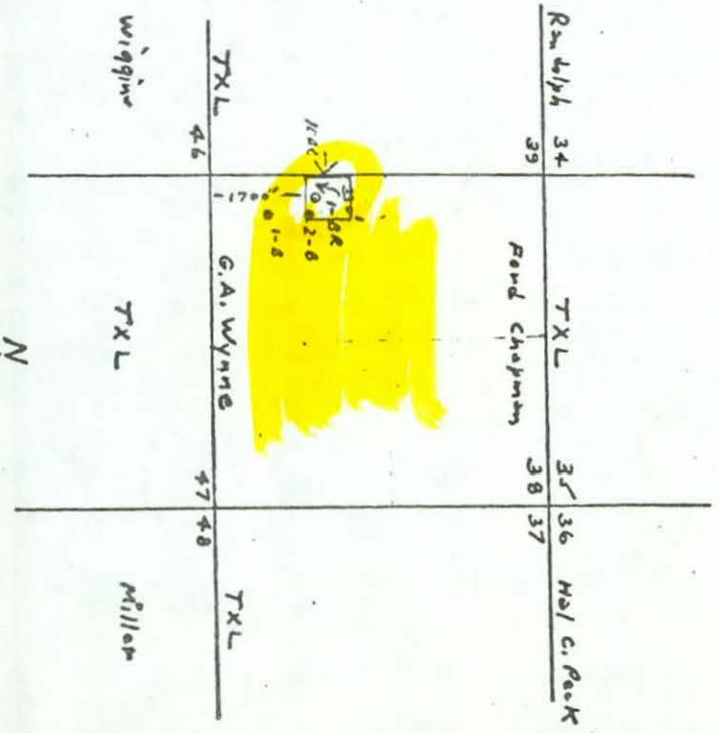
REMARKS: * This well will be a brine supply well at about 2525' deep. Well will be 300' from No. 2-B, an oil well producing in Chapman Field at approx. 2900'

Signature
Consulting Petroleum Engineer
Title
March 12, 1973
Date
Telephone: Area Code 512 478-9498

-OVER-

Comp: 4-10.73
Fresh Wtr. Supply Well
TD: 1125

RECEIVED R.R.C. OF TEXAS MAR 15 1973 O.G. MIDLAND, TEXAS



Ford Chapman
G.A. Wynne
Well No. 1-BR
Sec. 38, Blk 57
TWP 2
Reeves County, Texas
Scale 1" = 2000'

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

3-15-73

SCALE OF MAP
1 inch = 500 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet
1 inch = 5,000 feet

INSPECTOR'S WELL STATUS REPORT

OPERATOR Ford Chapman

LEASE G.A.Wynne

WELL NO. 1-BR FIELD Capman

COUNTY Reeves

SPUD DATE Unkown DRILLING DEPTH

CORE DEPTH LOGS (DEPTH)

COMPLETION DATE PERFS

POTENTIAL T. D. 1125 feet

IS THIS THE FIRST REPORT ON THIS WELL? Yes

REMARKS Pete: They have drilled a water well here on this section for drilling water for Sharp Drilling Co. to drill the Chapman 'B' #3 Ellenburger well with. They have built two huge pits(about 1½ to 2 acres-EACH)and have the well all rigged up and waiting on R.E.A. to built a new line to this water well. I talked to the driller on Chapman Drg. Co. cable tool rig this date and he gave me the T.D. They had just finished stacking the rig and getting the water well all finished as to producing well(fresh)

James Weatherby
INSPECTOR

DATE April 10,1973

JA/bs

3-21-60

23

M. F. 65125

APPLICATION TO DRILL

WELL # 1-BR (W/SW)

FILED 5/4 1973

BOB ARMSTRONG, COMMISSIONER

BY: MHJ

RENTAL RECEIPT

Re: WYNNE LEASE
M-65125

DUPLICATE

Ford Chapman

NAME OF OWNER OF LEASE

1100 Vaughn Building, Midland, Texas 79701

ADDRESS

General Land Office

Date June 15, 1973

Bob Armstrong, Commissioner

AUSTIN, TEXAS 78701

Gentlemen:

We enclose herewith our check in the amount of 64.00 payable to yourselves to be deposited to the credit of the following parties:

General Land Office

91628

10¢ annual rental

The above amount is in payment of ~~delay~~ rentals for the period from September 21,1973 to Sept. 21, 1974 due under that certain oil and gas lease executed _____ in favor of Ford Chapman _____, insofar as said lease covers and includes the following described tract of land located in REEVES COUNTY, Tex. to-wit:

Section 38, Block 57, Township 2, T & P RR Co. Survey

RECEIVED

JUN 19 1973

General Land Office

PLEASE SIGN IN THE SPACE PROVIDED BELOW AND RETURN THE ORIGINAL AND ONE COPY OF THIS RENTAL RECEIPT TO US.

Yours very truly,

FORD CHAPMAN

BY: M Lee Bolin

Secretary

Receipt is hereby acknowledged of the above amount and the same has been credited according to your instructions.

Dated _____

_____

_____

By _____

LEASE NO. M-65125

_____ Title.

(24)

(24) M.F. 65125

Rental Payment

Filed 6-19 1973

BOB ARMSTRONG, COMMISSIGNER

718

Clerk

10-19-73

M-37482

No monies 1973
(A.J. - but they
paid Rental June 1973

The ~~Jack~~ - other section
shows no monies
Cleared in 1971 or 1972
No Prod. (Reports in 1973

1) what are they using the gas for?

2) Our Glo ltr. dated 5-4-81

3) Penalty -?

Beginning 04/81

Based on the terms of your lease & this notification ltr. dated 5-4-81, roy. is due on gas used on lease.

To be used on absence of gas sales.

1973 Gas Royalty

Pecos Co.

M-3748 ✓ — M-K937 ✓

— Zero —

9-25-73	7.35 Gas ✓
9-1-73	9.00 "
7-27-73	8.51 "
7-5-73	6.61 "
~~5-26-73~~	
5-25-73	8.87 "
5-1-73	8.37 "
4-6-73	7.35 "
~~3-9-73~~	6.31 "
1-27-73	4.84 "

$67.21

~~12-22-72 5.93 Gas~~

(24½) MF65125

NOTES

5-4-81

RENTAL RECEIPT

DUPILICATE

Ford Chapman

NAME OF OWNER OF LEASE

116662

P. O. Box 2376

ADDRESS

Midland, Texas 79701

Date July 23, 1974

General Land Office
Bob Armstrong, Commissioner, Austin, Texas
78701

Re: Wynne Lease
M-65125

Gentlemen:

We enclose herewith our check in the amount of 64.00 payable to yourselves to be deposited to the credit of the following parties:

General Land Office

10¢ annual rental

The above amount is in payment of ~~delay rentals~~ for the period from September 21, 1974 to September 21, 1975 due under that certain oil and gas lease executed _____ in favor of Ford Chapman _____, insofar as said lease covers and includes the following described tract of land located in Reeves County, Texas to-wit:

Section 38, Bloxk 57, Township 2, T&P RR Co. Survey

Three

PLEASE SIGN IN THE SPACE PROVIDED BELOW AND RETURN THE ORIGINAL AND ~~ONE~~ COPY s OF THIS RENTAL RECEIPT TO US.

RECEIVED
JUL 25 1974
General Land Office

Yours very truly,

FORD CHAPMAN

By: Lee Bolin
Secretary

Receipt is hereby acknowledged of the above amount and the same has been credited according to your instructions.

Dated _____

_____

_____

By _____

LEASE NO. M-65125

_____ Title.

(25)

M.F.

Receipt is acknowledged of your [illegible] shown on the receipt stamp.

Rental Payment

Filed ..... 19 .....

BOB ARMSTRONG, COMMISSIONER

..... Clerk

BOB ARMSTRONG, Commissioner of the General Land Office

(25) M.F. 65125

Rental Payment

Filed 7-25 19 74

BOB ARMSTRONG, COMMISSIONER

..... Clerk

M-65125 UND. INT.

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

FORM W-1
(3-1-70)

ONRAL 7

A REEVES DIST. 8
API NO. 42 389 30255

SPS

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: ☒ DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify) W-4/18/73

7. RRC District: 8
8. County: Reeves
9. Well Number: 3-B
10. Number of Acres in Lease: 640
11. Distance from Proposed Location to Nearest Property or Lease Line (ft.): 1320'

1. Operator: Coastal States Gas Producing Company
2. Address (Including City and Zip Code): P. O. Box 235, Midland, Texas 79701
3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? YES ☒ ✓ NO ☐
4. Lease Name: Chapman, McGuire & Wynne
5. Location (Sec., Blk., Survey): Sec. 38, Blk. 57, T&PRR T-2
6. This well is to be located 6 miles Southwest Direction from Orla, Texas Nearest Post Office or Town.

EACH PROPOSED COMPLETION

12. FIELD NAME (Exactly as shown on R. R. C. Proration Schedule including Reservoir if applicable) If Wildcat, so state below.	13. Completion Depth	14. RRC Lease or ID Number (If applicable)	15. Field Rule Spacing Pattern, Distance to lease line & distance between wells. If no special rules, indicate Statewide Rule 37.)	16. Field Rule Proration Unit Pattern. (Acres. If no special rules, indicate Statewide Rule 38)	17. Number of Acres in Drilling Unit for this Well	18. Is this acreage presently assigned to another well in same field? (Yes or No, If yes, explain in remarks.)	19. Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	20. Is this a Regular Location? (Yes or No)	21. Oil, Gas, or other Type Well (Specify)	22. Number of Wells or Permitted locations on this Lease in same Reservoir for which this Permit is Requested. OIL	GAS
~~(1320' FSWL)~~ Chapman, Deep (Fusselman)	16,500		37	38	640	No		Yes	Gas	--	--

Regular Proration Unit this well is also completed in the same reservoir as any other well closer than 1200 feet on this

NOTICE
NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

CERTIFICATE
I declare under penalties prescribed in Article 6036c, V. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature: J. P. Shepherd
Title: District Production Manager
Date: 4-4-73
Telephone: Area Code 915 682-7925

RECEIVED
R.R.C. OF TEXAS
APR 12 1973
MIDL'D, TEXAS

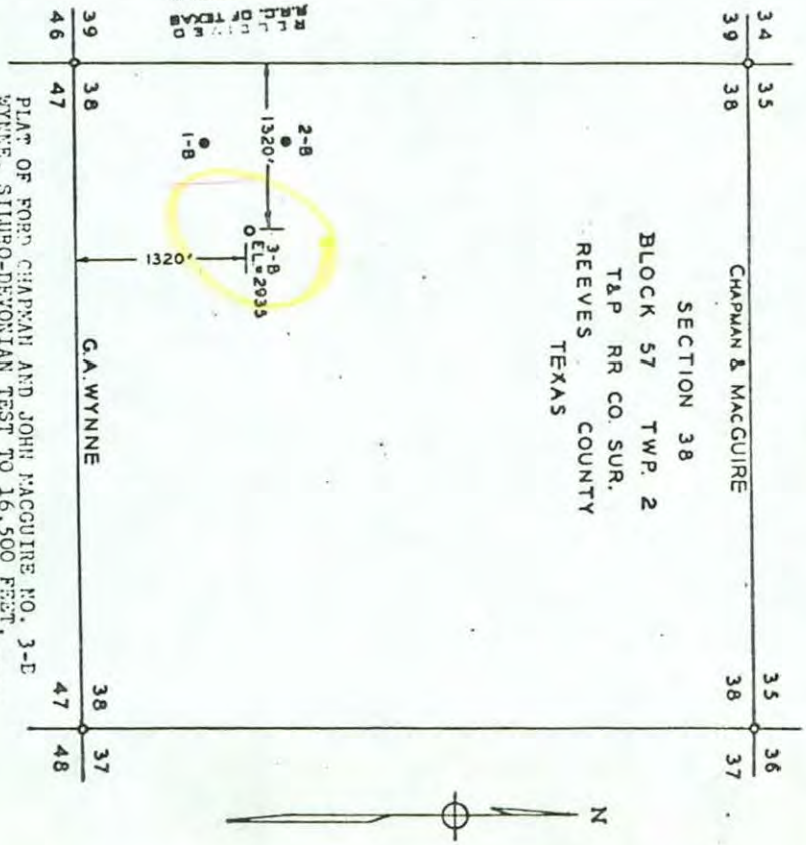
REMARKS: same lease,

Comp: 11-4-74 (PI)
Pfz: 15770-789
IPF: Est 3,500 McFGD + 60 BFPH, 1" ck,
TP: 900#
TD: 15,841

- OVER -

Lubbock A-J 8-7-73
OH: 15,781-841
Pot: 10,500 McFGPD

RECEIVED
R.R.C. OF TEXAS
APR 12 1973
MIDL'D, TEXAS



PLAT OF FORD CHAPMAN AND JOHN MACGUIRE NO. 3-E WYNNE, SILURO-DEVONIAN TEST TO 16,500 FEET, LOCATED 1320' FROM THE WEST LINE AND 1320' FROM THE SOUTH LINE OF SECTION 38, BLOCK 57, TWP. 2, T & P RR. CO. SURVEY, REEVES COUNTY, TEXAS.

SCALE: 1"=1000'

SURVEYED: JANUARY 29, 1973.

The foregoing plat represents a survey as made by me on the ground, this date, according to law.

Fred Armstrong
Registered Public Surveyor.

STATE OF TEXAS
FRED P. ARMSTRONG
974
REGISTERED PUBLIC SURVEYOR

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

SCALE OF MAP
1 inch = 500 feet
1 inch = 1,000 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet
1 inch = 5,000 feet

4-13-73

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Producing Co.

LEASE Chapman 'B'

WELL NO. 3 FIELD 22,500 feet Gas Wildcat

COUNTY Reeves

SPUD DATE _____ DRILLING DEPTH _____

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS _____

POTENTIAL _____ T. D. _____

IS THIS THE FIRST REPORT ON THIS WELL? Yes

REMARKS They have the pad built for this location and Sharp Drilling Co is moving in a rig this date. Pete I do not have a Form #1 for this location/ Chevron Oil Co. & Superior Oil Co. and Texaco Inc are all going to drill offset to this Orla Wiggins #1 gas well in this area ?

James Walkup

INSPECTOR

DATE April 10,1973

JA/bs

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Producing Co.

LEASE Chapman, McGuire & Wynne

WELL NO. 13-B FIELD Chapman Fusselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH 4310 feet

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS _____

POTENTIAL _____ T. D. _____

IS THIS THE FIRST REPORT ON THIS WELL? 2nd

REMARKS _____

James Weatherby
INSPECTOR

DATE April 30, 1973

JA/bs

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Producing Co.

LEASE Chapman, McGuire, Wynne

WELL NO. ~~1~~ 3-B FIELD Chapman Deep Fusselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH 11,041 feet

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS _____

POTENTIAL _____ T. D. _____

IS THIS THE FIRST REPORT ON THIS WELL? 3rd

REMARKS _____

James Walker
INSPECTOR

DATE May 30, 1973

JA/bs

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Producing Co.

LEASE Chapman, McGuire-Wynne

WELL NO. 3-B FIELD Cpaman Deep Fusselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH 13,966 feet

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS _____

POTENTIAL _____ T. D. _____

IS THIS THE FIRST REPORT ON THIS WELL? 4 th

REMARKS _____

James Weatherby
INSPECTOR

DATE June 25, 1973

JMH/jr

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Producing Co.

LEASE Chapman, McGuire & Wynne

WELL NO. 3-B FIELD Chapman Deep Fusselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH 15,750 feet

CORE DEPTH _____ LOGS (DEPTH) _____

COMPLETION DATE _____ PERFS _____

POTENTIAL _____ T. D. _____

IS THIS THE FIRST REPORT ON THIS WELL? 5 th

REMARKS _____

James Hudkins
INSPECTOR

DATE July 18, 1973

JMH/jr

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Producing Co.

LEASE Chapman, McGuire & Wynne

WELL NO. 3-B FIELD Chpaman Deep Fuselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH

CORE DEPTH LOGS (DEPTH)

COMPLETION DATE PERFS 15,781-15,841 feet

POTENTIAL T. D. 15,841 feet

IS THIS THE FIRST REPORT ON THIS WELL? 6th

REMARKS They have run tubing, liner and they are testing this location the last few days ??? No Potential as yet ???

James Hackett
INSPECTOR

DATE August 14, 1973

JMH/jr

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Producing Co.

LEASE Chapman, McGuire & Wynne

WELL NO. ~~1~~ 3-13 FIELD Chapman Deep Fusselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH

CORE DEPTH LOGS (DEPTH)

COMPLETION DATE PERFS UNKOWN(15,781- 15,841 feet)

POTENTIAL T. D. 15,841 feet

IS THIS THE FIRST REPORT ON THIS WELL? 8 th

REMARKS Pete: I talked to the company man or the man this company used on their first well in this field and he said he was not at this location when they tested it but he heard 1½ M.C.F/D was the best it would flow on test ???? Its still 'TIGHT' in the field or its TIGHT is what I hear in the field any way ???

James Weatherly
INSPECTOR

DATE Sept 4, 1973

JMH/jr

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Producing Co.

LEASE Chapman, McGuire, & Wynne

WELL NO. 3-B FIELD Chapman Deep Fusselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH

CORE DEPTH LOGS (DEPTH)

COMPLETION DATE PERFS Unkown

POTENTIAL T. D. 15,841 feet

IS THIS THE FIRST REPORT ON THIS WELL? 9 th

REMARKS Pete- I am told this location made on Potential Test LESS than 1½ M.C.F/D of gas for a Potential Test. Coastal States has The Superior Oil Co. & Chevron Oil Co. both drilling a location as offset to this- Chapman, McGuire & Wynne #1 and they say they are sick about it too ?????

James Hawkins
INSPECTOR

DATE Sept 10, 1973

JMH/jr

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Production Co.

LEASE Chapman ~~Chapman~~, McGuire & Wynne

WELL NO. 1 FIELD Chapman Deep Fusselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH

CORE DEPTH LOGS (DEPTH)

COMPLETION DATE PERFS 15,781--15,841 feet

POTENTIAL Unkown T. D. 15,841 feet

IS THIS THE FIRST REPORT ON THIS WELL? 10 th

REMARKS Pete: I am still told this well is not any good and the very most this well has flowed is 1½ M.C.F. of gas, no choke size or etc ?

James Weatherby
INSPECTOR

DATE Nov 1,1973

JMH/jr

3-21-60

INSPECTOR'S WELL STATUS REPORT

OPERATOR Coastal States Gas Production Co.

LEASE Chapman, McGuire & Wynne

WELL NO. 3-B FIELD Chapman Deep Fusselman

COUNTY Reeves

SPUD DATE 4-16-73 DRILLING DEPTH

CORE DEPTH LOGS (DEPTH)

COMPLETION DATE PERFS 15,781- 841 feet

POTENTIAL Yes-(Unkown) T. D. 15,841 feet

IS THIS THE FIRST REPORT ON THIS WELL? 11 th

REMARKS Pete: They still tell this is not much of a gas well making from 1½ to 2 M.C.F/D of gas for a Potential ? Its still shutin on this date ???

James Hallowell
INSPECTOR

DATE Nov 14,1973

JMH/jr

3-21-60

(26)

M. F. 65125

APPLICATION TO DRILL

WELL # 3-13

FILED 11-4 1974

BOB ARMSTRONG, COMMISSIONER

BY: MHJ

General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

July 18, 1975

Coastal States Gas Producing Company
Five Greenway Plaza East
Houston, Texas 77046

RE: State Lease M-65125
G. A. Wynne Lease
Sec. 38, Blk.57, T-2, T&P Ry. Co. Survey
Reeves County, Texas
Coastal Lease No.8850 (Oil & Gas D/O)

Gentlemen:

This letter is issued in lieu of the ordinary form of "Division Order" prepared by the oil companies primarily for execution by the individual royalty owner.

Inasmuch as the statutes provide the royalties the State shall receive, it is felt that it would not be in conformity with the law on the subject for this Division to execute your division order and thereby attempt to bind the State by the provisions contained therein.

This Division, insofar as permitted under the law, acquiesces in the sale of the oil and/or gas to you from this lease, which oil and/or gas shall become your property when the State has been paid for same, as prescribed by law and under the terms and conditions as set out in the lease covering the area in question.

Very truly yours,

Barbara Fry, Attorney
Energy Resources
Phone: 512-475-6749
Enclosure

COASTAL STATES GAS CORPORATION
Five Greenway Plaza East
Houston, Texas 77046

121

RECEIVED
MAY 2 1975
General Land Office

May 1, 1975

Re: Lease No. 9850 - G.A. Wynne

(713) 627-3700

Dear Interest Owner:

Please read the following instructions before signing the enclosed Division Orders.

These instruments should not be altered in any way unless accompanied by documentary evidence to support the change. Do not eliminate any of the covenants and/or clauses shown thereon.

If your name and interest are correctly shown:

SIGNATURE:	Sign name as shown on instrument, and have your signature witnessed. (Two witnesses are required in Louisiana and in Mississippi but only one elsewhere.) Married women must have the joinder of their husbands or furnish documentary proof if the husband is deceased. If signing for a corporation, signature must be attested, corporate seal affixed, and title of the signatory party shown. Any firm or partnership must have signatures of all partners.
SIGNATURE BY SECOND PARTY:	If the Division Orders are signed by any party other than the named interest owner, we must have evidence of the rights vested in the signatory party.
SOCIAL SECURITY NUMBER OR TAX NUMBER:	Insert your Social Security number (or tax identification number for the corporation or Estate you represent) in the space provided on the Division Orders.
CURRENT MAILING ADDRESS:	Print or type the address to which checks are to be mailed. If you are already receiving checks from this Company, be sure to use the same address to which we are now mailing the checks.
NOTIFICATION OF ADDRESS CHANGE:	This notification in writing of any change in your mailing address must be over your own signature or that of your appointed agent. It must include your owner number, your old address, and your new address with zip code.
SETTLEMENT FOR YOUR INTEREST:	Upon receipt of the properly executed instrument and evidence of clear title, the interest credited to you will be authorized for payment. Checks will be mailed monthly when accruals to your interest equal $5.00 or more.
LEASE NUMBER:	This is in the upper left corner of the Division Orders and also appears on your check statements. Please use this number when corresponding.

Please return one fully executed counterpart of the Division Orders to this office, keeping one copy for your records. For your convenience, we enclose a self-addressed envelope.

Yours very truly,

COASTAL STATES GAS PRODUCING COMPANY

Sam D. Wilson

Sam D. Wilson
Division Order Supervisor

SDW/ja
Enc.

MAY 2 1975

General Land Office
SDW:as

COASTAL STATES GAS PRODUCING COMPANY

OIL AND GAS DIVISION ORDER

May 1, 1975

Effective 7 a.m., DATE OF FIRST RUN, 19 ___

Lease No. 9850
To COASTAL STATES GAS PRODUCING COMPANY, Five Greenway Plaza East, Houston, Texas 77046.

Each of the undersigned hereby warrants that he is the owner of the interest set out opposite his name in the oil produced from and in the proceeds of the gas sold from or used off the lease or unit known as

G. A. WYNNE

which lease or unit covers and includes the land described as follows, to wit:

All of Section 38, Block 57, T-2, T&P RR. Co. Survey, Reeves County, Texas, Restricted to production from below 3,500 feet.

THIS COPY
FOR YOUR RECORDS

located in the County ~~of~~ of Reeves, State of, Texas, hereinafter referred to as "property", as follows:

OWNERS SOCIAL SECURITY OR TAX ACCOUNT NO.	CREDIT TO	DIVISION OF INTEREST
	ROYALTY INTEREST	
_____	The Commissioner of the General Land Office of the State of Texas (1/12 R.I.)	.08333333 R.I.
_____	Sallie Wynne Reynaud (1/2 of 1/12 R.I.)	.04166667 R.I.
_____	Lela May Wynne (4/36 of 1/12 R.I.)	.00925926 R.I.
_____	Samuella Wynne Palmer (7/36 of 1/12 R.I.)	.01620370 R.I.
_____	Ruth Wynne Hollinshead (7/36 of 1/12 R.I.)	.01620370 R.I.
	WORKING INTEREST BEFORE PAYOUT	
_____	Coastal States Gas Producing Company (1/2 X 50% of 5/6 W.I. LESS 1/2 X 50% of 5% of 8/8 O.R.R.)	.19583334 W.I.
_____	Texas Utilities Fuel Company (1/2 X 50% of 5/6 W.I. LESS 1/2 X 50% of 5% of 8/8 O.R.R.)	.19583334 W.I.
_____	Ford Chapman (17.5% of 5/6 W.I. LESS 17.5% of 5% of 8/8 O.R.R.)	.13708333 W.I.

Until further written notice you are authorized, for your own account, to receive such oil into your possession or the possession of any person or corporation designated by you, the oil so received to be run and measured in accordance with customary pipe line rules and regulations including those of the governmental agency having recognized jurisdiction over or control of the production and handling of crude oil in such area. You or your nominee will receive only oil which, in your exclusive opinion or that of your nominee, is merchantable and you may require well owners to treat or steam any unmerchantable oil at well owners' expense, before acceptance hereunder.

(See Page Two)

(Over)

The oil run hereunder shall, on the terms herein stated, become your property immediately upon being received into your possession or the possession of your designated nominee; and you agree to receive the oil run hereunder and, subject to the further provisions hereof, to pay the respective owners therefor according to the division of interest herein indicated, either at your posted per barrel (42 gallons) field price for similar, crude prevailing for the field where produced on the date of each respective run, or, if the oil is purchased by a nominee, the price to be paid shall be the same price received from such nominee, or if you do not post a price for such oil, the price to be paid shall be an agreed price, and all prices are subject to deduction of applicable costs of gathering, transporting, and making merchantable the oil sold hereunder, and the applicable transportation, production, and other taxes hereon, settlements and payments to be made monthly by your check or draft mailed to the respective persons interested to the addresses given herein, provided, however, that you may, at your option, hold without interest, and remit annually for the aggregate of twelve months' accumulation of monthly accruals of amounts less than $5.00.

In making settlements for the interest of the undersigned in the proceeds from the sale of gas, you are authorized to use the market value at the wells for the gas sold or used off the property or the net proceeds received by you at the wells when the gas is sold at the wells. You are authorized to make a fair reasonable charge for gathering and making merchantable the undersigned's share in the gas sold off the property, said charge to be shown as a proper deduction from the gross amount to determine the market value at the well currently payable as royalty.

Each of the undersigned hereby (1) warrants and guarantees the title to the oil and the interests in net proceeds from sale of gas sold, or used from and all interests in the proceeds from the sale of gas sold, or used off said property, hereafter acquired by him, (2) agrees to furnish abstracts or other evidence of title satisfactory to you at any time upon demand, and (3) in case of an adverse claim or claims to the oil run to his credit, or his interest in the net proceeds from the sale of the gas sold, or used off the property, or any part thereof, or to the property from which the oil run to his credit, or the gas sold, or used off the property, is produced, agrees to furnish indemnity satisfactory to you against all adverse claims, and hereby authorizes you to retain all proceeds accruing to the undersigned without any obligation to pay interest on the amount so withheld until the required indemnity shall have been furnished or until the dispute as to the ownership of the production involved is settled. COASTAL STATES GAS PRODUCING COMPANY is hereby relieved of any responsibility for determining when any of the interests herein set forth shall revert to other parties as a result of the completion or discharge of money or other payments from said interests. It is understood that any vendee or assignee of any interest in said property or the production thereof, shall take subject to the terms hereof and you shall not be bound by any sale or assignment of any interest in said property, or the production of oil therefrom or the proceeds from the sale of gas sold or used off the property, until written notice thereof shall be furnished you in the form of the original or a certified copy of the instrument by which said sale or assignment was made. Any change of interest hereunder shall be made subject to this division order and shall be effective at 7:00 o'clock A.M. on the first day of the calendar month following such notice.

The word "OIL" as used herein is hereby declared to include all liquid hydrocarbons purchased hereunder, and the word "GAS" as used herein is hereby declared to include all gaseous substances including oil well gas (casinghead gas) purchased hereunder.

The undersigned hereby expressly ratify and confirm the division of interest as herein set forth, as well as the oil, gas and mineral lease or leases, pursuant to which oil and gas from the property is being produced and sold, any amendments and supplements to such lease or leases including any designations, declarations or agreements creating the unit including the above described property, if such be the case.

The provisions hereof shall be binding upon and inure to the benefit of all parties who execute this instrument, their heirs, successors, and assigns, whether or not all owners listed above execute same, and no subsequent change of ownership from that set out above, however accomplished, shall have any effect to change the binding force of the agreements herein made with reference to said lease or leases or the said instrument creating said unit, as the case may be. A counterpart hereof may be executed by any party or parties, and all counterparts so executed shall be considered as one original instrument.

This division order is dated and signed as of the date shown above and shall be effective as to each of the undersigned as of said date.

WITNESSES:
(Two for each owner)

OWNERS:

RECEIVED
MAY 2 1975
General Land Office

Lease No. 9850 - G.A. Wynne

May 1, 1975

OWNERS SOCIAL SECURITY OR TAX ACCOUNT NO.	CREDIT TO	DIVISION OF INTEREST
(Cont'd. Working Interest - Before Payout)		
_____	John MacGuire (25% of 5/6 W.I. LESS 25% of 5% of 8/8 O.R.R.)	.19583333 W.I.
_____	Judson F. Williams (7.5% of 5/6 W.I. LESS 7.5% of 5% of 8/8 O.R.R.)	.05875000 W.I.
	WORKING INTEREST AFTER PAYOUT	
_____	Ford Chapman (35% of 5/6 W.I. LESS 35% of 5% of 8/8 O.R.R.)	.27416666 W.I.
_____	John MacGuire (50% of 5/6 W.I. LESS 50% of 5% of 8/8 O.R.R.)	.39666667 W.I.
_____	Judson F. Williams (15% of 5/6 W.I. LESS 15% of 5% of 8/8 O.R.R.)	.11750000 W.I.
	BEFORE & AFTER PAYOUT OVERRIDING ROYALTY INTEREST	
_____	Geraldine Layton Chapman (150/256 of 5% of 8/8 O.R.R.)	.02929690 O.R.I.
_____	Sabine Royalty Corporation (46/256 of 5% of 8/8 O.R.R.)	.00898438 O.R.I.
_____	J. H. Herd (20/256 of 5% of 8/8 O.R.R.)	.00390624 O.R.I.
_____	W. B. Collins (20/256 of 5% of 8/8 O.R.R.)	.00390624 O.R.I.
_____	Paul L. Davis (20/256 of 5% of 8/8 O.R.R.)	.00390624 O.R.I.

(27)

M. F. 65125

CORRESPONDENCE FILE

To

DIVISION ORDER

From

Dated

111034

RENTAL RECEIPT **DUPLICATE**

Ford Chapman
NAME OF OWNER OF LEASE

P. O. Box 2376
ADDRESS

Midland, Texas 79701 Date August 1, 1975

General Land Office
Bob Armstrong, Commissioner, Austin, Texas 78701

Gentlemen:

We enclose herewith our check in the amount of 64.00 payable to yourselves to be deposited to the credit of the following parties:

General Land Office

10¢ annual rental

The above amount is in payment of ~~delay~~ rentals for the period from September 21, 1975 to September 21, 1976 due under that certain oil and gas lease executed _____ in favor of Ford Chapman _____, insofar as said lease covers and includes the following described tract of land located in Reeves County, Texas to-wit:

Section 38, Block 57, Township 2, T&P RR Co. Survey

PLEASE SIGN IN THE SPACE PROVIDED BELOW AND RETURN THE ORIGINAL AND ONE COPY OF THIS RENTAL RECEIPT TO US.

RECEIVED
AUG 2 1975
General Land Office

Yours very truly,
FORD CHAPMAN
By: Ora Lee Bolin
Secretary

Receipt is hereby acknowledged of the above amount and the same has been credited according to your instructions.

Dated _____

_____

_____

By _____

LEASE NO. M-65125 _____ Title.

(28) M-65125
Rental Payment
8-2-75

General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

November 21, 1975

Coastal States Gas Producing Company
Five Greenway Plaza East
Houston, Texas 77047

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-65125
G. A. Wynne Lease
Chapman Deep Field
Reeves County, Texas

Gentlemen:

This is to advise that the statutes require certain records to be filed in the General Land Office each month pertaining to production for the preceding month when a lease is producing.

The files of this office do not show the following records to have been received:

Gas Report (Form MA-2) and Gas Purchase Statement for June, 1975.

Please file these records at the earliest possible time.

In order to expedite the handling of your correspondence, please direct your reply to the undersigned Supervisor.

Sincerely yours,

Charles F. Whitsel, Supervisor
Resource Accounting
Telephone No. 512-475-2858

LAB/glc

(29)

M. F. 65125

CORRESPONDENCE FILE

(To) Coastal States

From

Dated 11-21-75 gc

March 4, 1976

Ford Chapman
P. O. Box 2376
Midland, Texas 79701

ATTENTION: Accounting Manager

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

A review of your Oil and Condensate Reports (Form MA-1) beginning May, 1975 through August, 1975 indicates your stock computation to be in error. (See enclosed copies.)

At an early date, please forward corrected Form MA-1 Reports to correct this situation. Direct your reply to the undersigned Supervisor.

Sincerely yours,

Billy R. Lancaster, Supervisor
Resource Accounting
Telephone No. 512-475-4524

CLT/zl
Enclosures

(30)

M. F. 65125

CORRESPONDENCE FILE

To Ford Chapman

From

Dated 3-4-76

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

FORM W-1
(3-1-70)

API Well No. 42 389 30377 | 15091

M-65125 $ RAL

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

JAN 23 1976

Check one: XX DRILL ☐ DEEPEN ☐ PLUG BACK ☐ OTHER (Specify)

7. RRC District: 8
8. County: Reeves
9. Well Number: 1-38
10. Number of Acres in Lease: 640
11. Distance from Proposed Location to Nearest Property or Lease Line (ft.): 330'

1. Operator: Southern Union Production Company
2. Address (Including City and Zip Code): 1700 Campbell Center, 8350 N. Central Expwy, Dallas, Texas 75206
3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? YES XX NO ☐
4. Lease Name: State Wynne
5. Location (Sec., Blk., Survey): Sec 38, Blk 57, Twp 2, T&P RR Co. Survey
6. This well is to be located 3 miles Southwest Direction from Orla Nearest Post Office or Town.

1320-3735 1640

EACH PROPOSED COMPLETION

12. FIELD NAME (Exactly as shown on R. R. C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below.	13. Completion Depth	14. RRC Lease or ID Number (if applicable)	15. Field Rule Spacing Pattern (Distance to lease line & distance between wells. If no special rules, indicate Statewide Rule 37.)	16. Field Rule Proration Unit Pattern. (Acres. If no special rules, indicate Statewide Rule 38)	17. Number of Acres in Drilling Unit for this Well	18. Is this acreage presently assigned to another well in same field? (Yes or No, If yes, explain in remarks.)	19. Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	20. Is this a Regular Location? (Yes or No)	21. Oil, Gas, or other Type Well (Specify)	22. Number of Wells or Permitted locations on this Lease in same Reservoir for which this Permit is Requested. OIL	GAS
Chapman Deep (Fusselman)	15900'		1320'	640	640	No	None	No	Gas		0

R.R.C. OF TEXAS
NOV 21 1975
MIDLAND, TEXAS

NOTICE
NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

CERTIFICATE
I declare under penalties prescribed in Article 6035c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

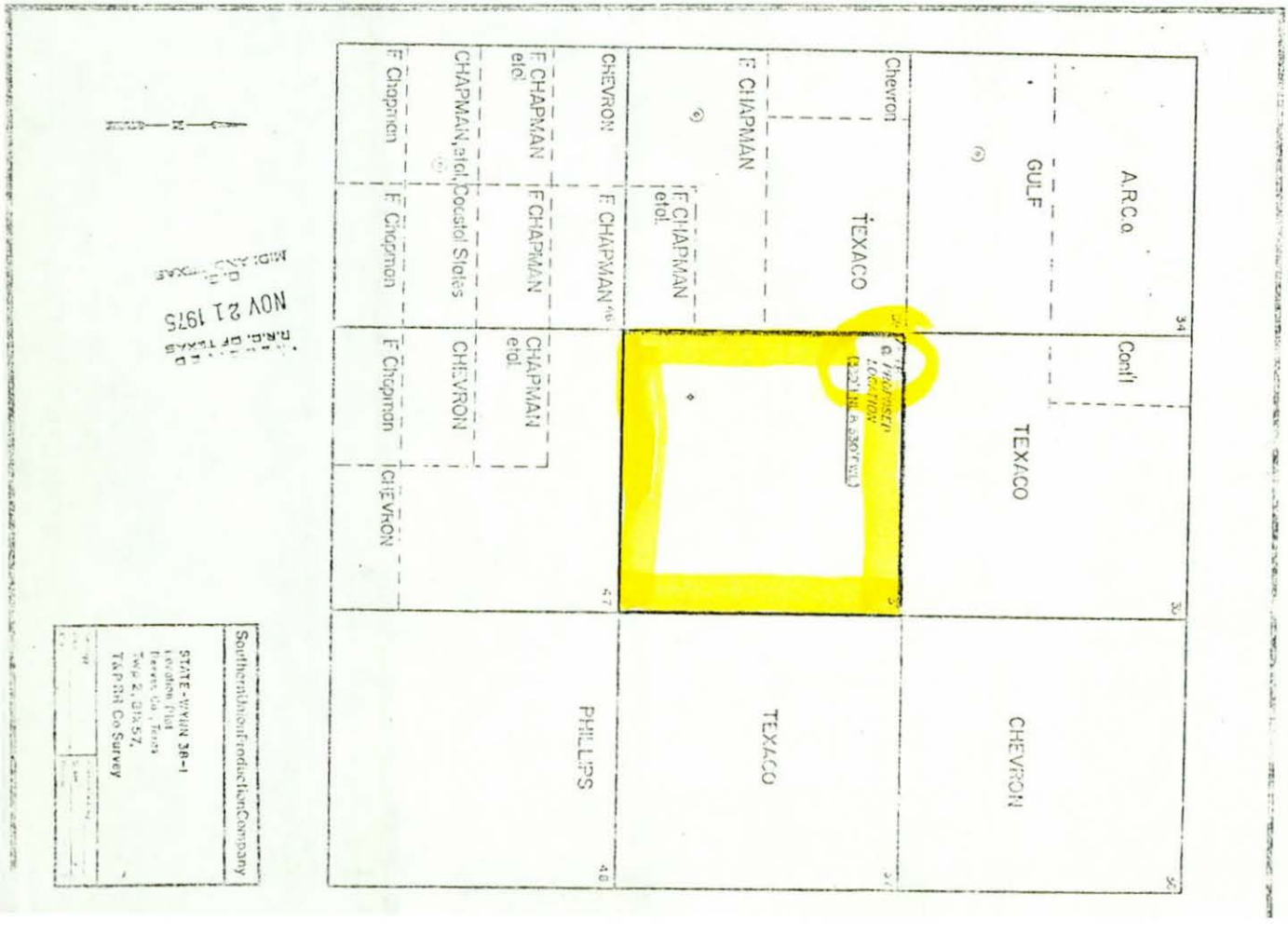
REMARKS: Location 330' from West Line and 330' from North line of lease

Abn'd Loc. 2/19/76 (P-1)

J. J. Ciavarra, Jr.
Signature
Staff Engineer, J. J. Ciavarra, Jr.
Title
November 4, 1975
Date
Telephone: Area Code 214, 691-9141

-OVER-

P. O. DRAWER 1667, AUSTIN, TEXAS 78767



NR

(31)

M. F. 65124

APPLICATION TO DRILL

WELL # ~~31~~ 1-38

FILED 3-4 1976

BOB ARMSTRONG, COMMISSIONER

BY: MAH

RECEIVED
APR 3 1976
General Land Office

121

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

March 4, 1976

Ford Chapman
P. O. Box 2376
Midland, Texas 79701

ATTENTION: Accounting Manager

B-File

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

A review of your Oil and Condensate Reports (Form MA-1) beginning May, 1975 through August, 1975 indicates your stock computation to be in error. (See enclosed copies.)

At an early date, please forward corrected Form MA-1 Reports to correct this situation. Direct your reply to the undersigned Supervisor.

Sincerely yours,

Billy R. Lancaster

Billy R. Lancaster, Supervisor
Resource Accounting
Telephone No. 512-475-4524

CLT/zl
Enclosures

3/30/76 Find Attached Please corrected copies Thank you. Lee Bolin

M. F. 65125 (32)

CORRESPONDENCE FILE

To Ford Chapman

From

Dated 3-31-76

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
1100 VAUGHN BLDG.
MIDLAND, TEXAS 79701

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.

121

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS ACCT. NO.	DISTRIBUTIONS AMOUNT
8- 2-76	10¢ annual rental for the period from 9-21-76 through 9-21,1977 Sec. 38, Block 57, Township 2, T¢P RR CO. Survey Lease No. M-65125 Wynne Lease		116277	64.00

RECEIVED
AUG 4 1976
General Land Office

EMPLOYEE _____

PERIOD ENDING	EARNINGS HOURS	EARNINGS RATE	EARNINGS AMOUNT EARNED AT REGULAR RATE	EARNINGS OVERTIME AND OTHER	TOTAL EARNINGS	DEDUCTIONS SOCIAL SECURITY TAX	DEDUCTIONS WITHHOLDING U. S. INC. TAX	DEDUCTIONS	DEDUCTIONS	DEDUCTIONS	TOTAL DEDUCTIONS	NET PAY

V-6

(33)

(53) M-65125
Rental Payment
8-4-76

AND PRODUCTION ACCOUNT
1100 VAUGHN BLDG.
MIDLAND, TEXAS 79701

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 WVO-3 V-6

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS ACCT. NO.	DISTRIBUTIONS AMOUNT
8- 1-77	10¢ annual rental for the period from 9-21-77 through 9-21-78 Sec. 38, Block 57, Township 2, T&P RR Co. Survey Lease No. M-65125 Wynne Lease		121	64.00

133269

EMPLOYEE _____

PERIOD ENDING	EARNINGS HOURS	EARNINGS RATE	EARNINGS AMOUNT EARNED AT REGULAR RATE	EARNINGS OVERTIME AND OTHER	TOTAL EARNINGS	DEDUCTIONS SOCIAL SECURITY TAX	DEDUCTIONS WITHHOLDING U. S. INC. TAX	DEDUCTIONS	DEDUCTIONS	DEDUCTIONS	TOTAL DEDUCTIONS	NET PAY

V-6

TTC-8

(39) M-65125

Rental Payment

8-3-77

(24)

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

January 24, 1978

Coastal States Gas Producing Company
Five Greenway Plaza East
Houston, Texas 77046

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-65125
G. A. Wynne Lease
Chapman Deep Field
Reeves County, Texas

Gentlemen:

Gas Reports (Form MA-2) are being received indicating General Land Office lease number as M-65225 for the subject lease.

Our records indicate the correct lease number is M-65125 not M-65225 as reported.

Please use lease number M-65125 on future reports submitted to this office.

Thank you for your cooperation.

Sincerely yours,

George A. Clark, Supervisor
Resource Accounting
Telephone No. 512-475-2858

LY/glc

35

A. F. 65125

CORRESPONDENCE FILE

To Coastal States

From

Dated 1-24-78

General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

June 2, 1977

Coastal States Gas Producing Company
Five Greenway Plaza East
Houston, Texas 77046

ATTENTION: ALPHEUS E. MOSS

RE: State Lease M-65125
Wynne G. A. Lease
Champman Deep Field
Reeves County, Texas

Gentlemen:

Gas Reports (Form MA-2) are being received indicating General Land Office lease number as M-65225 for the subject lease.

Our records indicate the correct lease number is M-65125 not M-65225 as reported.

Please use lease number M-65125 on future reports submitted to this office.

Thank you for your cooperation.

Sincerely yours,

Paul Adkins, , Supervisor
Resource Accounting
Telephone No. 512-475-2858
PA/glc

(36)

M F. 65125

CORRESPONDENCE FILE

To Coastal States

From

Dated 6-2-77 gc

API Well No. Instruction

REEVES
API NO. 42 389 30469

DIST. 8

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

NI-65125

FORM W-1
(1-2-75)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: [X] DRILL [ ] DEEPEN (Below Casing) [ ] DEEPEN (Within Casing) [ ] PLUG BACK [ ] OTHER (Specify)

If Amended Application, explain fully in Remarks or Attach Separate Page.

JAN 7 1977

1. Operator
NRM Petroleum Corporation

2. Address (Including City and Zip Code)
900 Building of the Southwest
Midland, Texas 79701

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

4. Lease Name
Wynne

5. Location (Sec., Blk., Survey)
Sec. 38, Blk. 57, T&P Survey

6. This well is to be located 2.5 miles Southwest Direction from Orla, Texas Nearest Post Office or Town.

7. RRC District
8

8. County
Reeves

9. Well Number
1

10. Number of Acres in Lease
640

11. Distance from Proposed Location to Nearest Property or Lease Line (ft.)
660

12. Total Depth
14,000

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below.	14. Completion Depth	15. All Prior Rule 37 Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern, If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern, If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same field? (Yes or No. If yes explain in remarks.)	20. Distance from proposed location to nearest drilling completed or applied for well in same reservoir on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of Wells or Permitted locations on this Lease in same Reservoir for which this Permit is Requested? OIL	GAS
Chapman, Deep (Atoka)								Regular 1 [ ] Rule 37 2 [ ]			
~~Wildcat~~	14,000	None	467/1200	40	40	No	N/A	Regular 1 [X] Rule 37 2 [ ]	Gas	0	0
								Regular 1 [ ] Rule 37 2 [ ]			
								Regular 1 [ ] Rule 37 2 [ ]			

RECEIVED R.R.C. OF TEXAS DEC 29 1976 O.G. MIDLAND, TEXAS

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED LEASE LINES AND SURVEY LINES AND DISTANCE AND DIRECTION TO NEAREST WELL IN SAME FIELD:

660' FNL & 660' FWL of Sec. 38, approximately 4800' east of Chevron TXL 17-39 #2 in Sec. 39.

NOTICE
NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

CERTIFICATE
I declare under penalties prescribed in Article 6036c, R. C. S., that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

REMARKS: D&A, 12/27/77 (SC)
TD: 15,850

Signature
Vice President
Title
December 29, 1976
Date
Telephone: Area Code (915) 684-7871

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

WELL STATUS REPORT

OPERATOR NRM Petro Corp.

STATE LEASE NO. M-65125 FEE ____ R.A.L. Yes FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Wynne WELL NO. 1

FIELD NAME Chapman Deep Atoka WILDCAT ____ COUNTY Reeves

REPORT NO. 1st SPUD DATE 1-14-76 DRILLING DEPTH 12886 feet

COMPLETION DATE ____ TOTAL DEPTH ____

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: ____

BA/jmh/gs

2-25-75

James Weatherly
INSPECTOR

Jan 18,1977
DATE

WELL STATUS REPORT

OPERATOR NRM Petro Corp.

STATE LEASE NO. M-65125 FEE ____ R.A.L. Yes FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Wynne WELL NO. 1

FIELD NAME Chapman Deep Atoka WILDCAT ____ COUNTY Reeves

REPORT NO. 1st SPUD DATE 1-14-77 DRILLING DEPTH 5152 feet

COMPLETION DATE ____ TOTAL DEPTH ____

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: ____

BA/jmh/gs

2-25-75

James Hendrix
INSPECTOR

DATE Feb 9,1977

WELL STATUS REPORT

OPERATOR NRM Petro Corp.

STATE LEASE NO. M-65125 FEE ____ R.A.L. Yes FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Wynne WELL NO. 1

FIELD NAME Chapman Deep Atoka WILDCAT ____ COUNTY Reeves

REPORT NO. 3rd SPUD DATE 1-14-77 DRILLING DEPTH 9297 feet

COMPLETION DATE ____ TOTAL DEPTH ____

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: ____

BA/jmh/gs

2-25-75

James Weatherly
INSPECTOR

DATE March 2,1977

WELL STATUS REPORT

OPERATOR NRM Petro Corp.

STATE LEASE NO. M-65125 FEE ____ R.A.L. Yes FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Wynne WELL NO. 1

FIELD NAME Chapman Deep Atoka WILDCAT ____ COUNTY Reeves

REPORT NO. 4th SPUD DATE 1-14-77 DRILLING DEPTH 14,966 feet

COMPLETION DATE ____ TOTAL DEPTH ____

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: ____

BA/jmh/gs

2-25-75

James Weatherly
INSPECTOR

May 24, 1977
DATE

WELL STATUS REPORT

OPERATOR NRM Petro Corp.

STATE LEASE NO. M-65125 FEE ____ R.A.L. Yes FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Wynne WELL NO. 1

FIELD NAME Chapman Deep Atoka WILDCAT ____ COUNTY Reeves

REPORT NO. 5th SPUD DATE 1-14-77 DRILLING DEPTH ____

COMPLETION DATE ____ TOTAL DEPTH 15,850 feet

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: ____

BA/jmh/gs

2-25-75

James Weatherly
INSPECTOR

DATE June 21, 1977

WELL STATUS REPORT

OPERATOR NRM Petro Corp.

STATE LEASE NO. M-65125 FEE ____ R.A.L. Yes FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Wynne WELL NO. 1

FIELD NAME Chapman Deep Atoka WILDCAT ____ COUNTY Reeves

REPORT NO. 6th SPUD DATE 1-14-77 DRILLING DEPTH ____

COMPLETION DATE ____ TOTAL DEPTH 15,850 feet

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: They still have a well service unit on this location testing from bottom toward the top of this hole and its looking like a 'dry-hole' to me ?

BA/jmh/gs

2-25-75

James Weatherly
INSPECTOR

DATE Sept 14,1977

WELL STATUS REPORT

OPERATOR NRM Petro Corp.

STATE LEASE NO. M-65125 FEE ____ R.A.L. Yes FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Wynne WELL NO. 1

FIELD NAME Chapman Deep Atoka WILDCAT ____ COUNTY Reeves

REPORT NO. 7th SPUD DATE 1-14-77 DRILLING DEPTH ____

COMPLETION DATE ____ TOTAL DEPTH 15,850 feet

PERFS Unkown 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: They still have a well servive unit rig on this location and are still testing. The orperator of the unit said the most gas they had been able to check was 750,000 cubic feet the that on down to around 100,000 cubic feet o gas per day ?

BA/jmh/gs

2-25-75

James Weatherby
INSPECTOR

DATE Nov 30,1977

WELL STATUS REPORT

OPERATOR NRM Petro Corp.

STATE LEASE NO. M-65125 FEE ____ R.A.L. Yes FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Wynne WELL NO. 1

FIELD NAME Chapman Deep Atoka WILDCAT ____ COUNTY Reeves

REPORT NO. 8th SPUD DATE 1-14-77 DRILLING DEPTH ____

COMPLETION DATE ____ TOTAL DEPTH 15,850 feet

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: Pete: I am told they are calling this a DRY-HOLE NOW. I did not see any thing filed at the Texas RRC in Midland, Texas on 12-28-77 but I am told it was dry or near dry before the A.W. Thompson Drg Co rig moved off of the location ?

BA/jmh/gs

2-25-75

James Weatherby
INSPECTOR

DATE Dec 27, 1977

(37)

M. F. 65175

APPLICATION TO DRILL

WELL # 1

FILED 12-27 1977

BOB ARMSTRONG, COMMISSIONER

BY: MHJ

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
1100 VAUGHN BLDG.
MIDLAND, TEXAS 79701

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-6

121

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS ACCT. NO.	DISTRIBUTIONS AMOUNT
8-10-78	10¢ annual rental for the period from 9-21-78 through 9-21-79 Sec. 38, Block 57, Township 2, T & P RR Co. Survey Lease No. M-65125 Wynne Lease		140934	CK. $64.00

EMPLOYEE _____

PERIOD ENDING	EARNINGS HOURS	EARNINGS RATE	EARNINGS AMOUNT EARNED AT REGULAR RATE	EARNINGS OVERTIME AND OTHER	TOTAL EARNINGS	DEDUCTIONS SOCIAL SECURITY TAX	DEDUCTIONS WITHHOLDING U. S. INC. TAX	DEDUCTIONS	DEDUCTIONS	DEDUCTIONS	TOTAL DEDUCTIONS	NET PAY

V-6

(38)

(38) M-65125
Rental Payment
8-12-78

IMPORTANT: RETAIN WHITE COPY AND RETURN YELLOW COPY WITH REQUESTED DOCUMENTS.

April 26, 1979

Ford Chapman
P. O. Box 2376
Midland, Texas 79702

ATTENTION: Accounting Manager

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

An examination of your Oil and Condensate Report (Form MA-1) for February, 1978 on the subject lease indicates that there were no sales that month. However, Chevron U.S.A. Inc. has remitted $84.78 in royalty to the State for February, 1978 sales. (See attached copy of Chevron's oil royalty summary.)

Please explain the reason for this discrepancy and file a corrected Form MA-1 Report for February, 1978, if necessary, at an early date.

Sincerely yours,

Billy R. Lancaster, Supervisor
Resource Accounting
Telephone No. 512-475-4524

MN/lsg
Enclosures

39

M. F. 65/25

CORRESPONDENCE FILE

To Ford Chapman

~~From~~

Dated 4-26-79 1sg

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
1100 VAUGHN BUILDING
MIDLAND, TEXAS 79701

MAILING ADDRESS
DRAWER 2376

682-8217

April 27, 1979

B FILE

Re: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Billy R. Lancaster, Supervisor
Resource Accounting
GENERAL LAND OFFICE
Austin, Texas 78701

Dear Mr. Lancaster:

We have received your letter of April 26, 1979 in reference to the above captioned lease.

We have no idea why Chevron paid you for February 1978 runs on the Wynne "B". As evident of the attached run statement - they show a zero sales. Also, to substantiate the zero sales; I am enclosing copies of Mr. Chapmans' stubs showing payment on the leases paid by Chevron. The Wynne "B" division order number is #1727. ~~for~~ February

We believe you will need to correspond with Chevron in order to answer your qustions in regards to the $84.78 payment received.

Very truly yours,

Lee Bolin

for: FORD CHAPMAN

FC:Lee
Enclosures

Chevron U.S.A. Inc.
P.O. Box J. Concord, CA 94524

* { O-Oil and Condensate-Bbls; G-Gas-MCF; E-Gas FPC Settlement; F-Gas-Used for Fuel; P-Plant Products-Bbls; S-Plant Products (Sulphur)-Tons

Detach and retain for your tax purposes.
Duplicate or Annual Statement cannot be furnished.

No. 577295

ision / er No.	*	Quantity *	Gross Value	Tax	Your Share of Gross	Your Decimal Interest	Your Share of Net	Income For Mo.	Income For Yr.
384-1	O	346.70	5,495.19	253.43	601.04	.10937500	573.32	02	79
384-1	O	.00	262.52	12.08	28.71	.10937500	27.39	01	31
950-1	O	182.87	2,898.49	133.67	235.50	.08125000	224.64	02	79
950-1	O	.00	178.83	8.23	14.53	.08125000	13.86	01	31
950-1	O	.00	178.83	8.23	116.24	.65000000	110.89	01	31
950-1	O	182.87	2,898.49	133.67	1884.03	.65000000	1,797.14	02	79
516-1	O	178.12	2,798.26	129.05	1049.34	.37500000	1,000.95	02	79

SSNO. IS 452 05 5541 AND OWNER NO. IS 12140CHECK NO 577295 3,748.19

Chevron U.S.A. Inc.
P.O. Box J. Concord, CA 94524

* { O-Oil and Condensate-Bbls; G-Gas-MCF; E-Gas FPC Settlement; F-Gas-Used for Fuel; P-Plant Products-Bbls; S-Plant Products (Sulphur)-Tons

Detach and retain for your tax purposes.
Duplicate or Annual Statement cannot be furnished.

No. 577296

ision / ler No.	*	Quantity *	Gross Value	Tax	Your Share of Gross	Your Decimal Interest	Your Share of Net	Income For Mo.	Income For Yr.
121-1	O	.00	393.83	18.12	89.23	.22657226	85.12	01	31
121-1	O	374.93	5,890.15	271.65	1334.55	.22657226	1,273.00	02	79
209-1	O	346.08	5,443.83	251.07	1476.63	.27125000	1,408.53	02	79
209-1	O	.00	185.05	8.51	50.20	.27125000	47.89	01	31

SSNO. IS 452 05 5541 AND OWNER NO. IS 12149CHECK NO 577296 2,814.54

CHEVRON U.S.A. INC.
P.O. BOX J
CONCORD, CALIFORNIA 94524

OIL RUN STATEMENT

OPERATOR FORD CHAPMAN DATE FEBRUARY, 1979 CODE 9244

LEASE WYNNE B D/O NO. 17271

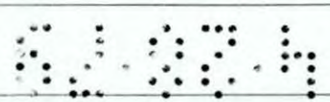
FIELD CHAPMAN/REEVES CO PAGE 1

FORD CHAPMAN
P.O. BOX 2376
MIDLAND TEXAS 79702

DATE MO/DA	TICKET NUMBER	GRAV	NET BARRELS	PRICE	GROSS VALUE	TAX	NET VALUE	BSW	TYP RUN	P R	METER FACTOR
00/00	000000	00.0	.00	.0000	.00	.00	.00	.0000	13	A	.0000
SUB-TOTAL			.00	.0000	.00	.00	.00				
NEW OIL PRICE INCREASE				8.8400	.00	.00	.00				
GRAND TOTAL			.00		.00	.00	.00				

****

BASE PRODUCTION CONTROL LEVEL	.00
CUMMULATIVE BARRELS UNDER SOLD	.00
ADJUSTED CUMULATIVE UNDERSOLD BBLS.	.00
CURRENT MONTH NEW BARRELS SOLD	.00



(40)

M. F. 65/25

CORRESPONDENCE FILE

~~To~~

Ford Chapman

From

Dated 4-27-79 /sg

1038

IMPORTANT: RETAIN WHITE COPY AND RETURN YELLOW COPY WITH REQUESTED DOCUMENTS.

May 24, 1979

Chevron U.S.A. Inc.
P. O. Box J
Concord, California 94524

ATTENTION: Earl Stubbs

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas
Chevron Lease Code 1727-1

Gentlemen:

Please refer to our letter of April 26, 1979 to Mr. Ford Chapman and his reply dated April 27, 1979 (copies enclosed) concerning your $84.78 royalty payment to the State for February, 1978 sales on the subject lease.

If your records show that the $84.78 royalty payment is correct, please forward all supporting documentation. If the payment was made in error, please take a credit of $84.78 on your next regular royalty remittance and return the yellow copy of this letter with your remittance for proper identification.

Your prompt cooperation in this matter will be appreciated.

Sincerely yours,

Billy R. Lancaster, Supervisor
Resource Accounting
Telephone No. 512-475-4524

MN/lsg
Enclosures

41

M. F. 65125

CORRESPONDENCE FILE

To Chevron USA Inc.

~~From~~

Dated 5-24-79 lsg

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

August 13, 1979

Chevron U.S.A. Inc.
P. O. Box J
Concord, California 94524

SECOND REQUEST

ATTENTION: Earl Stubbs

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas
Chevron Lease Code 1727-1

Gentlemen:

Enclosed is a copy of our letter to you dated May 24, 1979 and as of this date we have not received a reply to this letter.

In order to expedite the handling of your correspondence, please direct your reply to the undersigned Supervisor.

Your prompt attention to this matter is requested.

Sincerely yours,

Billy R. Lancaster, Supervisor
Resource Accounting
Telephone No. 512-475-4524
Enclosure

MN/lsg

(42)

M. F. 65125

CORRESPONDENCE FILE

To Chevron U.S.A. Inc.

~~From~~

Dated 8-13-79

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

September 28, 1979

Ford Chapman Drilling
1100 Vaughn Building
Midland, Texas 79701

RE: State Lease M-65125
Sec. 38, Blk. 57
T-2 T & P Ry.
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of $64.00 on the subject lease was due on September 21, 1979.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of $64.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-2856

NS/lsg

(43)

M. F. 65125

CORRESPONDENCE FILE

To: Ford Chapman Dalg

~~From~~

Dated 9-28-79 Lsg

AND PRODUCTION ACCOUNT
1100 VAUGHN BLDG.
MIDLAND, TEXAS 79701

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-6

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS ACCT. NO.	DISTRIBUTIONS AMOUNT
10/16/79	Minimum rental on (M-65125) State Lease: Sec. 38, Blk. 57, T-2, T&P RY Reeves County, Texas		410-0100	64.00

13578

121

EMPLOYEE _____

PERIOD ENDING	EARNINGS HOURS	EARNINGS RATE	EARNINGS AMOUNT EARNED AT REGULAR RATE	EARNINGS OVERTIME AND OTHER	TOTAL EARNINGS	DEDUCTIONS SOCIAL SECURITY TAX	DEDUCTIONS WITHHOLDING U. S. INC. TAX	DEDUCTIONS	DEDUCTIONS	DEDUCTIONS	TOTAL DEDUCTIONS	NET PAY

V-6

(44) M-65125
Rental Payment
10-18-79

ON RAL M-~~33911 (LMS)~~ 65125

N. REEVES COUNTY | WEST TEXAS | CHAPMAN FIELD

Well: FORD CHAPMAN 3-B G.A.Wynne "B" Result OIL 10-10-80

Loc'n: 3 mi SW/Orla,Sec 38,Blk 57,T2,T&P,2310'FSL,1650'FWL Sec

SPud:7-6-79;Comp:12-5-79;Elev:2951'Grd,2957'KB;TD:2940'Permian
PB:2921'
Casing:10-3/4"150'/100sx;7"2094'/100sx;4-1/2"2905'/50sx
Prod Zone:(Permian),T/Pay 2905',Prod thru OH 2905-21'
IPP:22 BOPD + 7 BW,Grav NR,GOR TSTM
Comp Info:Set WS @ 700'& Drilled off,S/FO,Frac 3000 gals +
5000#sd,Ppd 15-40 BOPD,ran RTRS,GRNL log,C/Co.Tools
Tops:NR
API No:42-389-31047

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(45)

M. F. 65125

WELL # 3-B COMPLETION REPORT

BOB ARMSTRONG, COMMISSIONER R. V. PHIPPS

FILED JAN 10 1989 BY

	Initials	Date
Prepared By	M.N.	6/2/80
Approved By		

PAYOR

CHEVRON U.S.A., INC.

STATE LEASE M-65125
WYNNE "B" LEASE
CHAPMAN FIELD

OPERATOR
FORD CHAPMAN

	MONTH	GROSS VALUE	ROYALTY DUE 8.3333 %	ROYALTY PAID	ADDITIONAL ROYALTY DUE	ACCUMULATED SHORTAGE	PENALTY DUE AT 1% PER MONTH
1	JUNE, 1979	245619	20468	-0-	20468	20468	205
2		245619	20468	-0-	20468		205
3							
4					1% per month penalty on $ 204.68		
5					computed from Sept, 1979 - May, 1980		1842
6					TOTAL PENALTY DUE		2047
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19		GROSS VALUE	ROYALTY DUE	ROYALTY PAID	ROYALTY OVERPAID		
20							
21	JULY, 1979	335430	27952	33506	5554		
22	AUG., 1979	366391	30532	33139	2607		
23	SEPT., 1979	529514	44126	47020	2894		
24	OCT., 1979	568993	47416	50473	3057		
25							
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© WILSON JONES COMPANY U.S.A. • "COLUMN WRITE" G7606 PADDED / WG7606 "WYRING" BOUND •

June 6, 1980

Ford Chapman
P. O. Box 2376
Midland, Texas 79702

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Examination of your Oil and Condensate Report (Form MA-1), Chevron U.S.A., Inc.'s oil purchase statement, and Chevron's royalty payment received for the subject lease indicates for the month of June, 1979, oil royalty has been underpaid $204.68. (See attached schedule.)

As indicated on the enclosed copy of Chevron's oil royalty summary, no royalty was paid for State lease M-65125 for the month of June, 1979.

If your records show this royalty has been paid, please advise the total amount of the check and the approximate date it was mailed. If royalty has not been paid, please forward a check for $225.15 to pay the $204.68 additional royalty and the required statutory delinquency penalty of $20.47 as provided by Sec. 52.131, Texas Natural Resources Code. The statutes require that each such penalty shall never be less than Five Dollars ($5). The delinquency penalty is computed for the period August, 1979 through May, 1980.

In addition, our records also show that oil royalty has been overpaid for the period July, 1979 through October, 1979 on the subject lease. (See attached schedule.) Based upon other reports we have received for that period, these overpayments could be the result of stripper well price increases not shown on the current months' oil purchase statement. Please advise this office as to the exact reason for the additional payments.

Your cooperation in these matters will be appreciated.

Sincerely yours,

Ms. Del West, Unit Supervisor
Resource Accounting
Telephone No. 512-475-4524

MN/lsg
Enclosures
cc: Chevron U.S.A., Inc.
P. O. Box J
Concord, California 94524
ATTN: Earl Stubbs

(40)

M. F. 65125

CORRESPONDENCE FILE

TO Lord Chapman

~~FROM~~

DATED 6-6-80 lsg

Chevron U.S.A. Inc.
P.O. Box J, Concord, CA 94524 • Phone (415) 944-8400

Chevron Accounting Center
Exploration, Land & Production Accounting

12

July 16, 1980

General Land Office
Austin, Texas 78701

Attention: Ms. Del West
Resource Accounting

B File

STATE LEASE M-65125
WYNNE "B" LEASE
CHAPMAN FIELD
REEVES COUNTY, TEXAS

Dear Ms. West:

Our records show that the correct amount of royalty was paid for the period June 1979 - October 1979.

The amount of $216.56 shown on the June 1979 Oil Royalty Summary under M-65125 was a payment for the subject lease.

The overpayment which you referred to is additional royalty payment as a result of stripper well price increases. Attached is a summary of the adjustments and royalty payment.

If we can be of any further assistance, please advise.

Yours very truly,

M. R. Klitten, Manager

By P. R. Winter
P. R. Winter

KL:ds
Enclosure

cc: Ford Chapman
P. O. Box 2376
Midland, Texas 79702

STATE LEASE M-65125

PRODUCTION MONTH	GROSS VALUE	PRICE ADJ. MONTH	PRICE ADJ. VALUE	TOTAL	ROYALTY DUE 8.333%	ROYALTY PAID
June 1979	$ 2,456.20	5/79	$ 142.47	$ 2,598.67	$ 216.56	$ 216.56
July 1979	3,354.31	6/79	666.46	4,020.77	335.06	335.06
Aug. 1979	3,663.92	7/79	312.77	3,976.69	331.39	331.39
Sept. 1979	5,295.14	8/79	347.23	5,642.37	470.20	470.20
Oct. 1979	5,689.94	9/79	366.70	6,056.64	504.73	504.73

09.92.2

(47)

M. F. 65125

CORRESPONDENCE FILE

~~TO~~

Chevron

(FROM)

DATED 7-16-80 bg

5.50.00

General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

October 2, 1980

Ford Chapman Drilling
1100 Vaughn Building
Midland, Texas 79701

RE: State Lease M-65125
Sec. 38, Blk. 57
T-2 T & P Ry.
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of $64.00 on the subject lease was due on September 21, 1980.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of $64.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-3599

NS/glc

(48)

M. F. 65125

CORRESPONDENCE FILE

To Ford Chapman

From Dulg.

Dated 10-2-80

AND PRODUCTION ACCOUNT
1100 VAUGHN BLDG.
MIDLAND, TEXAS 79701

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-6

DATE	DESCRIPTION	AMOUNT	DISTRIBUTIONS ACCT. NO.	DISTRIBUTIONS AMOUNT
10/07	Rental on State Lease M-65125 Sec. 38 Blk. 57 T-2 T & P Ry. Reeves County, Texas	10/02/80	410-0100	64.00

121

13745

EMPLOYEE _____

PERIOD ENDING	EARNINGS HOURS	EARNINGS RATE	EARNINGS AMOUNT EARNED AT REGULAR RATE	EARNINGS OVERTIME AND OTHER	TOTAL EARNINGS	DEDUCTIONS SOCIAL SECURITY TAX	DEDUCTIONS WITHHOLDING U. S. INC. TAX	DEDUCTIONS	DEDUCTIONS	DEDUCTIONS	TOTAL DEDUCTIONS	NET PAY

V-6

09-21-01

(49)

(49) M-65125
Rental Payment
10-17-80

10.15.80

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

IMPORTANT: RETAIN WHITE COPY AND RETURN YELLOW COPY WITH REQUESTED DOCUMENTS.

January 14, 1981

Ford Chapman
P.O.Box 2376
Midland, Texas 79702

ATTENTION: **Accounting Manager**

RE: **State Lease M-65125**
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

This is to advise that the statutes require certain records to be filed in the General Land Office each month pertaining to production for the preceding month when a lease is producing.

The files of this office do not show the following records to have been received:

Oil and Condensate Report (Form MA-1) for November, 1979 and Chevron U.S.A., Inc's Oil Purchase Statement for November, 1979.

Please file these records at the earliest possible time.

Sincerely yours,

Ms. Del West , Supervisor
Resource Accounting
Telephone No. **512-475-4524**

MN/pdg

(50)

M. F. 65125
CORRESPONDENCE FILE
TO
Ford Chapman
~~FROM~~
DATED 1-14-81

General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

IMPORTANT: RETAIN WHITE COPY AND RETURN BLUE COPY WITH SEPARATE CHECK FOR TOTAL DUE.

February 25, 1981

Ford Chapman
P. O. Box 2376
Midland, Texas 79702

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

Our records indicate only Oil Reports (Form MA-1) are being received in our office for this lease. (See enclosed photocopy.)

The terms of the lease require oil and gas royalty to be paid on the gross production of oil and gas produced and regardless of how used. (See Paragraph 1 and 8 of lease.)

Based on information received from the Railroad Commission, there is some gas production on this lease. (See enclosed photocopies.)

As current operator of this lease you are responsible for any prior missing reports and royalty payments that our office has not received for this lease.

Please file the necessary Gas Reports (Form MA-2) and additional royalty due from the date of first production to date and monthly thereafter. For your convenience, you may file one composite report along with attached schedule indicating the production month, volume, price per MCF, Gross Value, and the royalty decimal.

If you have any questions, please feel free to call on us.

Your prompt attention to this matter will be appreciated.

Sincerely yours,

Duke Martin, Unit Supervisor
Resource Accounting
Telephone No. 512-475-2858
SKS/glc
Enclosure

(51)

M. F. 65125

CORRESPONDENCE FILE

To Lord Chapman

From

Dated 2-25-81

General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

February 25, 1981

Coastal States Gas Producing Company
Nine Greenway Plaza
Houston, Texas 77046

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-65125
G. A. Wynne Lease
Chapman Deep Field
Reeves County, Texas

Gentlemen:

Our records indicate April, 1979 was the last Gas Report (Form MA-2) received in our office. (See enclosed photocopy.)

Please explain the status of this well concerning gas production and disposition.

We request you furnish our office with the Railroad Commission Lease/Identification Number for this well.

This information is needed at your earliest convenience.

Sincerely yours,

Duke Martin, Unit Supervisor
Resource Accounting
Telephone No. 512-475-2858
SKS/glc
Enclosure

(52)

M. F. 65125

CORRESPONDENCE FILE

To Coastal States

From

Dated 2-25-81

General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

April 3, 1981

Ford Chapman
P. O. Box 2376
Midland, Texas 79702

SECOND REQUEST

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

Enclosed is a copy of our letter to you dated February 25, 1981 and as of this date we have not received a reply to this letter.

In order to expedite the handling of your correspondence, please direct your reply to the undersigned Supervisor.

Your prompt attention to this matter is requested.

Sincerely yours,

Duke Martin, Unit
Resource Accounting
Telephone No. 512-475-2858
Enclosure
SKS/glc

(53)

M. F. 65/25

CORRESPONDENCE FILE

To Ord Chapman

From

Dated 4-3-81

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

April 3, 1981

Coastal States Gas Producing Company
Nine Greenway Plaza
Houston, Texas 77046

SECOND REQUEST

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-65125
G. A. Wynne Lease
Chapman Deep Field
Reeves County, Texas

Gentlemen:

Enclosed is a copy of our letter to you dated February 25, 1981 and as of this date we have not received a reply to this letter.

In order to expedite the handling of your correspondence, please direct your reply to the undersigned Supervisor.

Your prompt attention to this matter is requested.

Sincerely yours,

Duke Martin, Unit
Resource Accounting
Telephone No. 512-475-2858
Enclosure
SKS/glc

(54)

M. F. 65125

CORRESPONDENCE FILE

To Coastal States

From

Dated 4-3-81

121

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
POST OFFICE BOX 2376
MIDLAND, TEXAS 79702

340 GIBRALTAR SAVINGS
CENTER BUILDING

682-3217

B-file

May 13, 1981

General Land Office
1700 N. Congress Ave.
Austin, Texas 78701

Attention: Resource Accounting
Duke Martin

Dear Mr. Martin:

I am writing in regards to our telephone conversation of 5/13/81 concerning royalty payments due on the State Use M-65125, Wynne "B" in the Chapman Field in Reeves County, Texas. Enclosed is a letter written to our office in June 1980 with a carbon copy going to Chevron USA Inc., the responsible party for these payments.

I have written to Chevron also enclosing a copy of this letter for their information. If I can be of further assistance, please feel free to contact me.

Sincerely,

FORD CHAPMAN DRILLING & PRODUCITON

Evelyn Scott

Evelyn Scott
Administrative Assistant

55

E. F. 65125

CORRESPONDENCE FILE

~~To~~ Ford Chapman

From

Dated 5-13-81

mlc

2-12-91

	Initials	Date
Prepared by	MN	7/20/81
Approved by		

STATE LEASE M-6512S
WYNNE B LEASE
CHARMAN FIELD

OPERATOR
FORD CHARMAN

	MONTH	1 GROSS VALUE PER MA-1	2 ROYALTY DUE PER MA-1 (8.3334%)	3 ROYALTY PAID	4 ROYALTY OVERPAID	
1	JANUARY, 1980	672879	56073	65236	9163	1
2	FEBRUARY, 1980	1377415	114784	116306	1522	2
3	MARCH, 1980	1393172	116097	120557	4460	3
4	APRIL, 1980	730522	60877	65477	4600	4
5			347831	367576	19745	5
6						6
7						7
8	CHEVRON LEASE CODE #1727-1					8
9						9
10						10
11						11
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42						42
43						43
44						44

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General
Land Office
AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

July 20, 1981

Chevron U.S.A., Inc.
P.O.Box J
Concord, California 94524

ATTENTION: M.R. Klitten

RE: State Lease M-65125
Wynne B Lease
Chapman Field
Reeves County, Texas
Chevron Lease Code 1727-1

Gentlemen:

Examination of Ford Chapman's Oil and Condensate Reports (Form MA-1), your oil run statements and your royalty payments received for the subject lease indicates for the period January, 1980 through April, 1980, oil royalty has been overpaid $197.45. (See attached schedule.)

We have reason to believe that these overpayments could be the result of stripper well price increases not shown on the current month's oil purchase statement. Please advise this office as to the exact reason for the additional payments.

Your cooperation in this matter will be appreciated.

Sincerely yours,

Ms. Del West, Unit Supervisor
Resource Accounting
Telephone No. 512-475-4524

MN/pdg

cc: Ford Chapman
P.O.Box 2376
Midland, Texas 79702

(56)

M. F. 65125
CORRESPONDENCE FILE
TO
Chevron USA
FROM
DATED 7-20-81

12/

Chevron U.S.A. Inc.
P.O. Box J, Concord, CA 94524 • Phone (415) 944-8400

Chevron Accounting Center
Exploration, Land & Production Accounting

August 5, 1981

In Reply Please Refer To
Production Accounting #723

General Land Office
State of Texas
Austin, Texas 78701

Attention: Ms. Del West

YOUR LETTER DATED 7/20/81
STATE LEASE M-65125
CHAPMAN FIELD
CHEVRON LEASE #1727-1

Gentlemen:

Listed below are the breakdown of MA1 royalty payments for January 1980 thru April 1980. The adjustments made are due to the increase of stripper well pricing.

Date	Gross Value	Royalty Due	Royalty Paid
1/80	$ 6,728.79	$ 560.74	$ 652.36
Adj 12/79	1,099.58	91.62	
2/80	13,774.15	1,147.84	1,163.06
Adj 1/80	182.55	15.22	
3/80	13,931.72	1,160.97	1,205.57
Adj 2/80	(14.54)	(1.22)	
Adj 12/79	549.79	45.82	
4/80	7,305.22	608.77	654.77
Adj 3/80	551.97	46.00	
		$3,675.76	$3,675.76

If you have any questions, please contact Mr. George Rawlings at (415) 944-8542.

Yours very truly,

M. R. Klitten, Manager

By PR Winter/s
P. R. Winter

LO:ds

M.R. KLITTEN			
EL & P ACCTG.			
DATE JUL 22 1981			
Route to		Code	Copy to
	RCH	705	
	RWA	710	
✓	PRW	720	
	BLR	730	
	JAC	740	
	KDS	750	
	TLS	700	

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

July 20, 1981

Chevron U.S.A., Inc.
P.O.Box J
Concord, California 94524

ATTENTION: M.R. Klitten

RE: State Lease M-65125
Wynne B Lease
Chapman Field
Reeves County, Texas
Chevron Lease Code 1727-1

Gentlemen:

Examination of Ford Chapman's Oil and Condensate Reports (Form MA-1), your oil run statements and your royalty payments received for the subject lease indicates for the period January, 1980 through April, 1980, oil royalty has been overpaid $197.45. (See attached schedule.)

We have reason to believe that these overpayments could be the result of stripper well price increases not shown on the current month's oil purchase statement. Please advise this office as to the exact reason for the additional payments.

Your cooperation in this matter will be appreciated.

Sincerely yours,

Ms. Del West

Ms. Del West, Unit Supervisor
Resource Accounting
Telephone No. 512-475-4524

MN/pdg

cc: Ford Chapman
P.O.Box 2376
Midland, Texas 79702

(57)

M. F. 65125

CORRESPONDENCE FILE

~~TO~~

Chevron USA

FROM

DATED 5-5-81

9. 9.97

121

May 21, 1981

Ford Chapman
P. O. Box 2376
Midland, Texas 79702

Attn: Evelyn Scott

YOUR LETTER DATED 5/13/81
STATE LEASE M-65125
D.O. 1727
FORD CHAPMAN - WYNNEB./CHAPMAN

Gentlemen:

Chevron purchases the oil produced on this lease and makes the oil royalty payments to the State of Texas.

Chevron does not purchase the gas on the Wynne B. Lease therefore we are not making payments to the State of Texas.

If you have any questions, please contact Mr. George Rawlings at (415) 944-8542.

Yours very truly,

M. R. Klitten, Manager

Original Signed by
P. R. Winter

By_____
P. R. Winter

GCR:ds

cc: General Land Office
State of Texas
Austin, Texas 78701
Attn: Duke Martin

COPY TO from Chevron

SKS

(58)

M. F. 65125

CORRESPONDENCE FILE

~~To~~

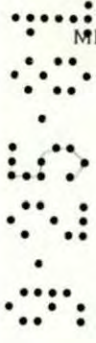
Chevron

From

Dated 5-21-81

6.3.81

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
340 GIBRALTAR SAVINGS CENTER
P. O. BOX 2376
MIDLAND, TEXAS 79702



REMITTANCE
STATEMENT

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
P.O. BOX 2376 MIDLAND, TEXAS 79702

121

INVOICE DATE	VOUCHER NO.	INVOICE NUMBER	GROSS AMOUNT	DISCOUNT	NET AMOUNT
9-1-915-682-3217					
			$64.00	810/25	$64.00
Wynne "B" Lease @ .10¢ per acre, Reeves County, Texas					5815
	M-65125				

VENDOR NUMBER	CHECK NO.	CHECK DATE	AMOUNT OF CHECK ▶
31307	155	9/23/81	$64.00

18·25·0

(59) M-65125
Rental Payment
9-25-81

(65)

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

(6/78)

Directional Well ☐ Amended or Corrected Permit ☐

RRC assigned 164496 previously assigned 389-31277

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Check one: ☒ DRILL ☐ DEEPEN (Below Casing) ☐ DEEPEN (Within Casing) ☐ PLUG BACK ☐ OTHER (Specify) _____

If Amended Application, explain fully in Remarks or Attach Separate Page.

1. Operator: Ford Chapman — 1446140
2. Address (Including City and Zip Code): P.O. Box 2376, Midland, Texas 79702 — 004034
3. Is Form P-5 (Organization Report) in Exact Operator Name Filed? YES ☒ NO ☐ (Instruction (2) on back side.)
4. Lease Name and RRC Lease or ID No. (If Assigned): G.A. Wynne-B (21721)
5. Location (Sec., Blk., Survey): Section 38, Blk 57, T&P T-2-S
6. This well is to be located 3 miles South Direction from Orla, Texas. Nearest Post Office or Town.
7. RRC District: 8
8. County: Reeves (N)
9. Well Number: 4-B
10. Number of Acres in Lease: 640
11. Distance from Proposed Location to Nearest Property or Lease Line (ft.): 2310'
12. Total Depth: 3000'

JUL 16 1982

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below.	14. Completion Depth	15. All Prior Rule 37 Exc. Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same field? (Yes or No. If yes explain in remarks.)	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of Wells or Permitted locations on this Lease in same Reservoir for which this Permit is Requested? OIL	GAS
17029 001 Chapman	3000'	--	330/660	10	10	No	2310	Regular 1 ☒ Rule 37 2 ☐	Oil	1	0
								Regular 1 ☐ Rule 37 2 ☐			
								Regular 1 ☐ Rule 37 2 ☐			
								Regular 1 ☐ Rule 37 2 ☐			

9-8-82 RRC JD 2417

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:
A. Lease Lines 2310 FWL - 2310 FSL
B. Survey Lines 2310 FWL - 2310 FSL

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

NOTICE
NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

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

REMARKS: _____

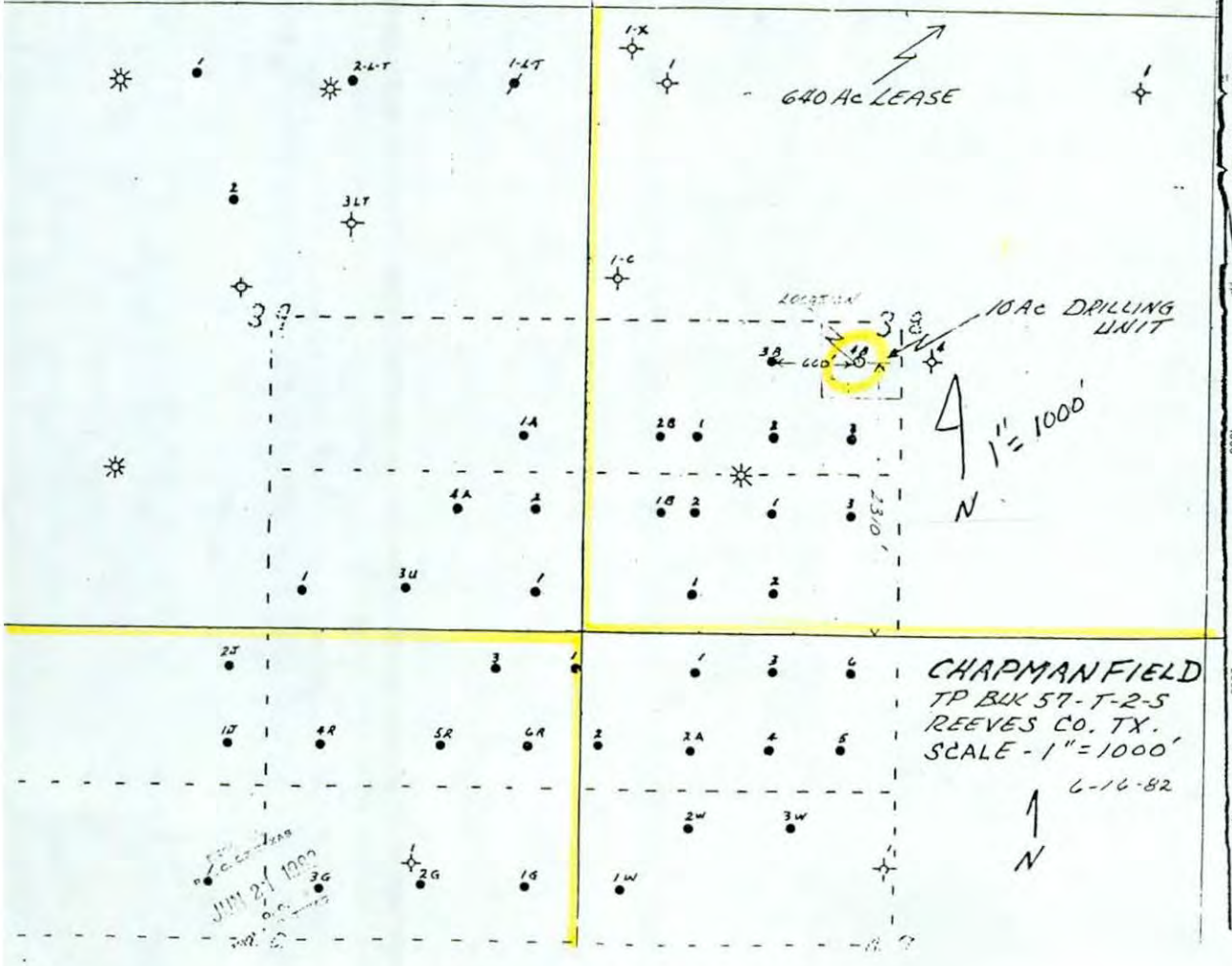
Signature: Ford Chapman
Title: Operator
Date: June 18, 1982
Telephone: Area Code 915 682-3217

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

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

7

6-30-82



WELL STATUS REPORT

OPERATOR Ford Chapman

STATE LEASE NO. M-65125 FEE ____ R.A.L. xx FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE G. A. Wayne-B WELL NO. 4-B

FIELD NAME Chapman WILDCAT ____ COUNTY Reeves

REPORT NO. 1 SPUD DATE 6/20/82 DRILLING DEPTH 2055'

COMPLETION DATE ____ TOTAL DEPTH ____

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: ____

BA/jmh/gs

2-25-75

W. A. White
INSPECTOR

DATE July 27, 1982

WELL STATUS REPORT

OPERATOR Ford Chapman

STATE LEASE NO. M-65125 FEE ____ R.A.L. xx FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE G. A. Wayne-"B" WELL NO. 4-B

FIELD NAME Chapman WILDCAT ____ COUNTY Reeves

REPORT NO. 2 SPUD DATE 6/20/82 DRILLING DEPTH 2945'

COMPLETION DATE ____ TOTAL DEPTH ____

PERFS ____ 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL ____ GAS ____ D&A ____

REMARKS: ____

BA/jmh/gs

2-25-75

W. A. White
INSPECTOR

DATE August 9, 1982

WELL STATUS REPORT

OPERATOR Ford Chapman

STATE LEASE NO. M-6525 FEE ___ R.A.L. Within X FREE ROYALTY ___

OFFSET, APPROX. ___ FT. FROM STATE LEASE ___

LEASE C. A. Wayne-B WELL NO. 4-B

FIELD NAME Chapman WILDCAT ___ COUNTY Reeves

REPORT NO. 3 SPUD DATE 6/20/82 DRILLING DEPTH ___

COMPLETION DATE ___ TOTAL DEPTH 2917'

PERFS ___ 1ST COMPLETION: YES ___ NO ___

POTENTIAL/TEST: OIL ___ GAS ___ D&A X

REMARKS: found hole Plugged

BA/jmh/gs

2-25-75

W. A. White
INSPECTOR

DATE September 8, 1982

(60)

M. F. 65125

APPLICATION TO DRILL

WELL # 4B

FILED SEP 16 1982 19

BOB ARMSTRONG, COMMISSIONER

R. V. PHIPPS

BY:

	Initials	Date
Prepared By	M.L.	9/16/82
Approved By		

STATE LEASE M-65125
WYNNE "B" LEASE
CHAPMAN FIELD

OPERATOR
FORD CHAPMAN

	1	2	3	4	5	6
	MONTH	GROSS VALUE	ROYALTY DUE 8.33334%	ROYALTY PAID	ADDITIONAL ROYALTY DUE	ACCUMULATED SHORTAGE	PENALTY DUE AT 1% PER MONTH
1	MARCH, 1981	740652	61721	58594	3127	3127	31
2							31
3				1% per month penalty on $31.27			
4				computed from June, 1981 - Aug. 1982			469
5				TOTAL PENALTY DUE			500

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

IMPORTANT: RETAIN WHITE COPY AND RETURN BLUE COPY WITH SEPARATE CHECK FOR TOTAL DUE.

September 20, 1982

Ford Chapman
P.O.Box 2376
Midland, Texas 79702

ATTENTION: Accounting Manager

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

Examination of your Oil and Condensate Report (Form MA-1), Chevron U.S.A., Inc.'s oil purchase statement, and Chevron's royalty payment received for the subject lease indicates for the month of March, 1981, oil royalty has been underpaid $31.27. (See attached schedule.)

If your records show this royalty has been paid, please advise the total amount of the check and the approximate date it was mailed. If royalty has not been paid, please pay or make arrangement for payment of $36.27 which includes $31.27 additional royalty and the required statutory delinquency penalty of $5.00 as provided by Section 52.131, Texas Natural Resources Code. The statutes require that each such penalty shall never be less than Five Dollars ($5). The delinquency penalty is computed for the period May, 1981 through August, 1982.

Sincerely yours,

Ms. Del West, Unit Supervisor
Resource Accounting
Telephone No. 512-475-4524

MN/pdg
Encl.

cc: Chevron U.S.A., Inc.
P.O. Box J
Concord, California 94524
Attn: E.J. Lee

(61)

M. F. 65125
CORRESPONDENCE FILE
TO
Ford Chapman
~~FROM~~
DATED 9-20-82

General Land Office

AUSTIN, TEXAS 78701
BOB ARMSTRONG, COMMISSIONER

October 26, 1982

Ford Chapman
P.O. Box 2376
Midland, Texas 79702

RE: State Lease M-65125
Sec. 38, Blk. 57, TSP.2
T & P Ry.
Reeves County, Texas

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of $64.00 on the subject lease was due on September 21, 1982.

This minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of $64.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

A. J. Wallis, Supervisor
Resource Accounting
Telephone No. 512-475-3599

RW/pdg

GLO-RA-17-(1-82)

(62)

M. F. 65125

CORRESPONDENCE FILE

TO

FORD CHAPMAN

FROM

DATED 10-26-82

REMITTANCE
STATEMENT

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
P.O. BOX 2376 MIDLAND, TEXAS 79702

121

INVOICE DATE	VOUCHER NO.	INVOICE NUMBER	GROSS AMOUNT	DISCOUNT	NET AMOUNT
10-26-82		10¢ per acre rental due on State Lease M-65125 Sec. 38, Blk. 57, TSP. 2 T & P Ry. Reeves County, Texas	828		$64.00 25818

VENDOR NUMBER	CHECK NO.	CHECK DATE	AMOUNT OF CHECK ▶
31307	1681	10-28-82	$64.00

(63) M-65125
Rental Payment
10-30-82

Garry Mauro
Commissioner
General Land Office

IMPORTANT: RETAIN WHITE COPY AND RETURN YELLOW COPY WITH REQUESTED DOCUMENTS.

January 18, 1983

Ford Chapman
P. O. Box 2376
Midland, Texas 79702

ATTENTION: Accounting Manager

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

Reference is made to our letter of February 25, 1981 (photocopy enclosed), in which we are requesting that your company file the necessary Gas Reports (Form MA-2) for production as reported to the Railroad Commission.

In reviewing our records, we find that no response was ever received and that the Railroad Commission still indicates gas production of a constant volume of 90 MCF for each month.

Your prompt attention to this matter will be appreciated; however, if no response is received within a reasonable amount of time, our legal department will be consulted.

Sincerely yours,

Ernest H. Hielscher, Unit Supervisor
Resource Accounting
Telephone No. 512-475-2858
EV/hlm
Enclosure

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

(64)

M. F. 65125

CORRESPONDENCE FILE

To Ford Chapman

From

Dated 1-18-83

Garry Mauro
Commissioner
General Land Office

January 31, 1983

Chevron U.S.A., Inc.
P.O. Box J
Concord, California 94524

ATTENTION: Accounting Manager

RE: State Lease M-65125
Wynne "B" Lease
Chapman Field
Reeves County, Texas

Gentlemen:

Reference is made to our letter of September 20, 1982 (copy enclosed) to Ford Chapman concerning a $36.27 royalty and penalty due on the subject lease.

In response to our letter, payment of $36.27 was received from both Ford Chapman (on their check dated September 29, 1982 and Chevron (your invoice #R128204 dated December 7, 1982).

Therefore, enclosed please find State Warrant check no. P472043 for $36.27 as a refund for your duplicate payment.

Sincerely yours,

Ms. Del West, Unit Supervisor
Resource Accounting
Telephone No. 512-475-4524

MN/pdg
Encl.

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

(65)

A.F. 65125

CORRESPONDENCE FILE

TO

Chevron USA, Inc

FROM

DATED 1-31-83

Garry Mauro
Commissioner
General Land Office

IMPORTANT: RETAIN WHITE COPY AND RETURN YELLOW COPY WITH REQUESTED DOCUMENTS.

February 8, 1983

Ford Chapman
P.O. Box 2376
Midland, Texas 79702

RE: State Lease M-65125
Wynne B Lease
Chapman Field
Reeves County, Texas

GENTLEMEN:

Reference is made to our letter of January 18, 1983 in which we requested Gas Reports (Form MA-2) from date of first production and monthly thereafter.

The lease states "that the State must be paid its above specified royalty on production of oil and gas regardless of how used." (Paragraph 8.) Please submit a schedule of gas production and royalty due for the period beginning with date of first production to date.

Enclosed is a photocopy of the price schedule for vented, flared, and used gas used by our office in determining a gas price to be used when there are no actual gas sales for a particular month. This schedule should be used in determining the gross value on your schedule.

Sincerely yours,

Ernest H. Hielscher, Unit Supervisor
Resource Accounting
Telephone No. 512-475-2858
Enclosure
EV/me

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

(66)

M. F. 65125

CORRESPONDENCE FILE

To

Ford Chapman

From

Dated 2-1-83

Garry Mauro
Commissioner
General Land Office

SECOND REQUEST

March 8, 1983

Ford Chapman
P.O. Box 2376
Midland, Texas 79702

RE: State Lease M-65125
Wynne B Lease
Chapman Field
Reeves County, Texas
Gentlemen:

Enclosed is a copy of our letter to you dated February 8, 1983 and as of this date we have not received a reply to this letter.

In order to expedite the handling of your correspondence, please direct your reply to the undersigned Supervisor.

Your prompt attention to this matter is requested.

Sincerely yours,

Ernest H. Hielscher, Unit Supervisor
Resource Accounting
Telephone No. 512-475-2858
Enclosure
EV/me

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

(61)

M. F. 65125

CORRESPONDENCE FILE

To

Ford Chapman

From

Dated 3-8-83

340 GIBRALTAR SAVINGS
CENTER BUILDING

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
POST OFFICE BOX 2376
MIDLAND, TEXAS 79702

(915) 682-3217

April 22, 1983

General Land Office
Attn: Elsa Villarreal
1700 N. Congress Ave.
Austin, TX 78701

Re: G. A. Wynne B Lease
M-65125

Dear Ms. Villarreal:

Enclosed is the MA-2 Gas Report for the Wynne B lease from the inception of the well thru March of 1983. Please disregard any previous reports received. If the enclosed report is correct please contact me and I will remit the balance due the State of $1,204.35.

Very truly yours,

Michael L. Smith

MICHAEL L. SMITH

MLS/kp
Enclosure: Form MA-2

M. F. 65125

CORRESPONDENCE FILE

To Ford Chapman

From

Dated 4-22-83

WITHIN RAL M- 65125

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

FORM W-1
1/1/81

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

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

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

RRC Permit Number, if previously assigned: 198071

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

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

7. RRC District: 8

8. County: Reeves

1. Operator: Orla Petco Inc.

4a. Lease Name (32 Spaces Maximum): Sand Bend

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

9. Well Number: 1

2. Address (Including City and Zip Code): C/O Box 953, Midland, Tx, 79702

5. Location (Sec., Blk., Survey): Sec 38, Blk 57, T-2, T&P RRCO.

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

6. This well is to be located 3 miles SW Direction from Orla Nearest Post Office or Town.

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

12. Total Depth: 4700'

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

DEC 12 1983

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedules, including Reassigned if applicable.) If Wildcat, so state below. One zone per line. List all zones for which a permit is sought.	14. Completion Depth	15. All Prior Rule 37 Exc. Case numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same res. on same lease? Yes or No. If yes explain in remarks.	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of completed, permitted or applied for, locations on this lease in same reservoir for which this permit is sought? OIL	GAS
Chapman, S. (Olds)	2900'	None	467/1200'	40	40	no	1st well	Regular ☒ Rule 37 ☐	Oil	0	0
								Regular ☐ Rule 37 ☐			
								Regular ☐ Rule 37 ☐			
								Regular ☐ Rule 37 ☐			

17033 500
C: 7-23-83
IP: 30 BO + 31 BW

RECEIVED RRC OF TEXAS AUG - 1 1983

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:
A. Lease Lines 467' FSL and 617' FEL
B. Survey Lines 467' FSL and 2025' FWL

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

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

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

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

NOTICE

NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

CERTIFICATE

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

Signature

Title: Agent

Date: 7-27-83

Telephone: Area Code 915 684-5381 684-4762

REMARKS: H2S Minimal in area - Delaware & Cherry Canyon Test.
Initially filed in Wildcat field.
Pfs: 2746 - 2954

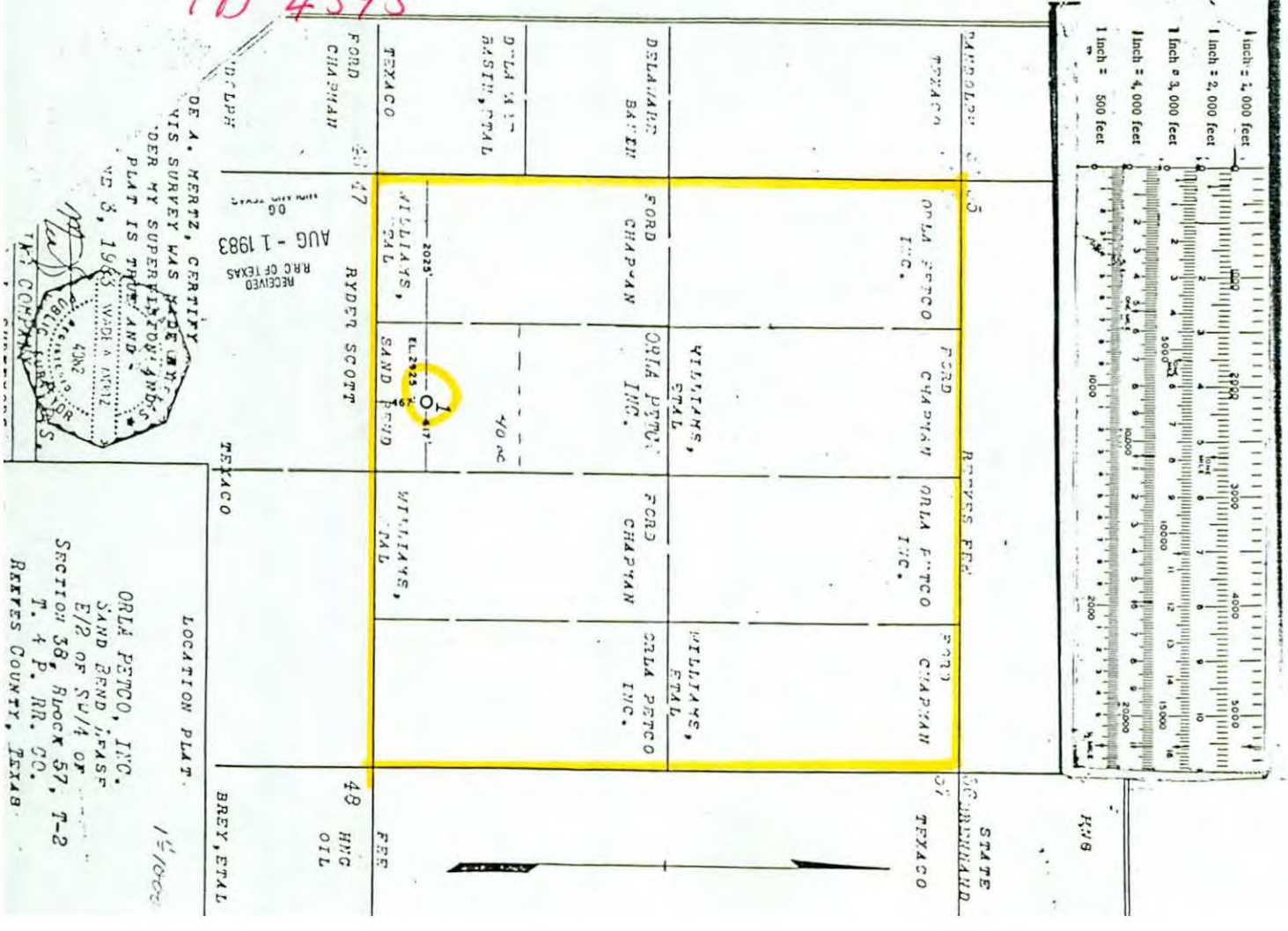
READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

TD 4595

mv 1 12-7-83

8-18-83

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



WELL STATUS REPORT

OPERATOR Orla Petco, Inc.

STATE LEASE NO. M-65125 FEE ____ Within/ R.A.L. xx FREE ROYALTY ____

OFFSET, APPROX. ____ FT. FROM STATE LEASE ____

LEASE Sand Bend WELL NO. 1

FIELD NAME ____ WILDCAT xx COUNTY Reeves

REPORT NO. 1 SPUD DATE 6/13/83 DRILLING DEPTH ____

COMPLETION DATE 6/23/83 TOTAL DEPTH 4595' PBD 3030'

PERFS 2746' to 2954' 1ST COMPLETION: YES ____ NO ____

POTENTIAL/TEST: OIL Pumping GAS ____ D&A ____

REMARKS: Top of pay 2946'--Date of test (24 hr.) 7/22/83--Oil/30 bbls.; Gas/MCF 3; Water/31 bbls.; Gas/Oil Ratio 100 to 1; Oil Gravity 34.0

GM/jmh/gs

2-25-75

W. A. White
INSPECTOR

DATE December 15, 1983

GLO-ED-04-(1-82)

WITHIN / KAL M-65125 (D.I.)

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

FORM W-1
1/1/81

API Well No. 42
Instruction (7a & b) on back side. 389-31398

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

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

RRC Lease Number, if previously assigned 148071

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

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

7. RRC District: 8

8. County: (N) Reeves

1. Operator: Orla Petco Inc. 626210

2. Address (Including City and Zip Code): C/O Box 953, Midland, Tx 79702 016054

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

4a. Lease Name (32 Spaces Maximum): Sand Bend

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

9. Well Number: 1

5. Location (Sec., Blk., Survey): Sec 38, Blk 57, T-2, T&P RR Co.

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

6. This well is to be located 3 miles SW Direction from Orla Nearest Post Office or Town. JUL 8 1983

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

12. Total Depth: 4700'

EACH PROPOSED COMPLETION

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

13. FIELD NAME (Exactly as shown on R.R.C. Proration Schedule including Reservoir if applicable.) If Wildcat, so state below. One zone per line. List all zones for which a permit is sought.	14. Completion Depth	15. All Prior Rule 37 Exc. Case Numbers for this wellbore. If none, State None.	16. Applicable Field Rules Spacing Pattern. If no Rules, State 467-1200. (ft.)	17. Applicable Field Rules Density Pattern. If no Rules, State 40. (acres)	18. Number of Acres in Drilling Unit for this Well AND DESIGNATE ON PLAT.	19. Is this acreage presently assigned to another well in same res. on same lease? Yes or No. If yes explain in remarks.	20. Distance and Direction from proposed location to nearest drilling completed or applied for well in same res. on same lease (ft.)	21. Is this a 1. Regular or 2. Rule 37 Exc. Location? Check the appropriate box.	22. Oil, Gas, or other Type Well (Specify)	23. Number of completed, permitted or applied for, locations on this lease in same reservoir for which this permit is sought? OIL	GAS
Wildcat	4700'	none	467/1200'	40	40	no	1st well	Regular 1 ☒ Rule 37 2 ☐	Oil	0	0
00018 001								Regular 1 ☐ Rule 37 2 ☐			
C: 7-19-83								Regular 1 ☐ Rule 37 2 ☐			
IP: 30 BO + 37 BW								Regular 1 ☐ Rule 37 2 ☐			

RECEIVED R.R.C. OF TEXAS JUN - 9 1983 O G DIV. AUS. TEXAS

24. PERPENDICULAR LOCATION FROM TWO DESIGNATED:

A. Lease Lines: 467' FSL and 617' FEL

B. Survey Lines: 467' FSL and 2025' FWL

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

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

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

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

NOTICE

NO ALLOWABLE WILL BE ASSIGNED to any well which does not have sufficient surface casing to protect all fresh water sands. Where Commission rules do not specify surface casing requirements, it will be necessary to contact Texas Water Development Board, Austin, Texas, to ascertain the depth to which fresh water sands must be protected.

CERTIFICATE

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

REMARKS: H_2S Minimal in area - Delaware & Cherry Canyon test.

pp: 2946-2954
TD 4595

Signature: Kellie Mercer

Title: Agent

Date: 6-2-83

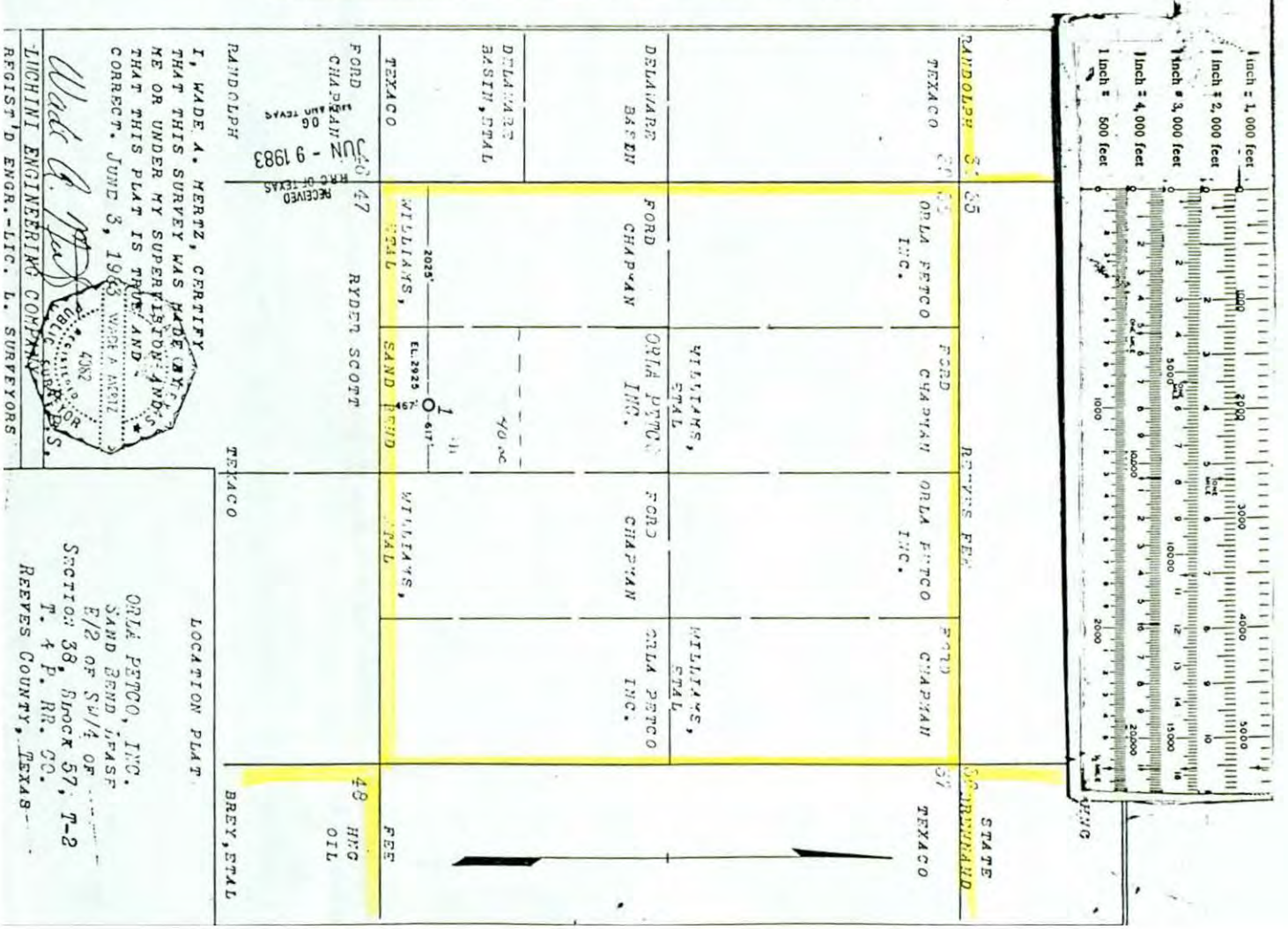
Telephone: Area Code 915, 684-6381 684-4762

READ INSTRUCTIONS ON BACK SIDE AND FURNISH COMPLETE DATA.

7.

6-23-83

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



(68) A

M.F 65125

APPLICATION TO DRILL

WELL # 1

FILED 12-12 19 83

GARRY MAURO, COMMISSIONER

BY: R. V. PHIPPS

Type or print only

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

M-65125

Form W-2
Rev. 4/1/83
483-046

API No. 42- 389 31398

7. RRC District No. 8

8. RRC Lease No.

Oil Well Potential Test, Completion or Recompletion Report, and Log

1. FIELD NAME (as per RRC Records or Wildcat): Chapman, S. (Olds)

2. LEASE NAME: Sand Bend

9. Well No. 1

3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.

RRC Operator No. 626210

10. County of well site: Reeves

4. ADDRESS: Box 953 Midland, Tx 79702

11. Purpose of filing
- Initial Potential [X]
- Retest [ ]
- Reclass [ ]
- Well record only (explain in Remarks) [ ]

5. If Operator has changed within last 60 days, name former operator

6a. Location (Section, Block, and Survey): Sec. 38, Blk 57, T-2, T&P

6b. Distance and direction to nearest town in this county: 3 miles SW from Orla

12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no.
FIELD & RESERVOIR | GAS ID or OIL LEASE # | Oil - O Gas - G | WELL NO

13. Type of electric or other log run: Gamma Neutron

14. Completion or recompletion date: 7-19-83

SECTION I: POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified in field rules.

15. Date of test	16. No. of hours tested	17. Production method (Flowing, Gas Lift, Jetting, Pumping—Size & Type of pump)	18. Choke size
7-22-83	24	Pumping	—

	Oil - BBLS	Gas — MCF	Water - BBLS	Gas - Oil Ratio	Flowing Tubing Pressure
19. Production during Test Period ▶	30	3	31	100	— PSI
20. Calculated 24-Hour Rate ▶	Oil - BBLS	Gas — MCF	Water — BBLS	Oil Gravity—API—60° 34	Casing Pressure — PSI

21. Was swab used during this test? Yes [ ] No [X]

22. Oil produced prior to test (New & Reworked wells): —

23. Injection Gas—Oil Ratio —

REMARKS:

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

WELL TESTER'S CERTIFICATION
I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete, to the best of my knowledge.

Signature: Well Tester | Name of Company | RRC Representative

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

Ann F. Ritchie
Typed or printed name of operator's representative

Agent
Title of Person

915 684-6381
Telephone: Area Code Number

Date: 7 / 29 / 83 (mo. / day / year)

Signature

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

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

25. Permit to Drill, Plug Back or Deepen — DATE: 6-13-83 — PERMIT NO: 198071
Rule 37 Exception — CASE NO.
Water Injection Permit — PERMIT NO.
Salt Water Disposal Permit — PERMIT NO.
Other — PERMIT NO.

26. Notice of Intention to Drill this well was filed in Name of: Orla Petco, Inc.

27. Number of producing wells on this lease in this field (reservoir) including this well: 1

28. Total number of acres in this lease: 80

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 6-13-83; Completed 6-23-83

30. Distance to nearest well, Same Lease & Reservoir: 1st well

13 (A) exception 6-14-83

31. Location of well, relative to nearest lease boundaries of lease on which this well is located: 467 Feet From S Line and 617 Feet from E Line of the Sand Bend Lease

32. Elevation (DF, RKB, RT, GR, ETC.): 3069 N/A

33. Was directional survey made other than inclination (Form W—12)? [ ] Yes [X] No

34. Top of Pay	35. Total Depth	36. P. B. Depth	37. Surface Casing Determined by:			
2946	4595'	3030	Field Rules [ ]	Recommendation of T.D.W.R. [X]	Dt. of Letter	4-12-83
				Railroad Commission (Special) [ ]	Dt. of Letter	

38. Is well multiple completion?

39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No.

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

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

41. Name of Drilling Contractor: Verner Drlg.

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

43. CASING RECORD (Report All Strings Set in Well)

CASING SIZE	WT #/FT.	DEPTH SET	MULTISTAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL. cu. ft.
8 5/8"	24#	1400'	--	650 Cl. C	12 1/4"	Surface	1151
4 1/2"	9.5#	3030'	--	150 CL C	7 7/8"	2650' (temp survey)	198

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set
2 3/8"	2878	2846

46. Producing Interval (this completion) indicate depth of perforation or open hole

From	2946	To	2954
From		To	
From		To	
From		To	

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

Depth Interval	Amount and Kind of Material Used
2946-2954	2500 gals gelled 2% KCL water
	3000 # 20/40 Sand

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

Formations	Depth	Formations	Depth
Base Salt	2685	Lower Olds	2945
Top Dela	2860	Cherry Canyon	3981
Upper Olds	2920		

REMARKS: Perfed long string @ 2915 & recemented with 75 sx to 2650'.

69

M. F. 65125
WELL # 1 COMPLETION REPORT
COUNTY MAUSO, COMMISSIONER R. V. PHIPPS
FILED SEP 5 1983 BY

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 94633

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925)

THE STATE OF TEXAS

County of REEVES

I, CATHERINE ASHLEY, Cl

of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original RECORDED ASSIGNMENT FROM JUDSON WILLIAMS TO JOHN MAC GUIRE

as the same appears of record in my office in book 336 page 286, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 31st day of August 19 83.

CATHERINE ASHLEY Clerk,

By Billie Jo Freeman Deputy.

(Billie JO Freeman)

FILE NO. 1795 JUDSON WILLIAMS TO JOHN MAC GUIRE

THE STATE OF TEXAS)
)
COUNTY OF REEVES)

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS, that I, JUDSON WILLIAMS, for and in consideration of the sum of $19,555.56 to me in hand paid by JOHN MAC GUIRE, the receipt and sufficiency of which is hereby acknowledged and confessed, frcm my .0783333 working interest as evidenced by owner number 78926 described in Division Order No. 1727, have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey, unto the said JOHN MAC GUIRE, .014242483 of said net working interest, in that real estate described as follows, to wit:

Section 38, Block 57, Township 2, in Reeves County, Texas, thereby retaining .0783333 of said net working interest;

SUBJECT TO matters of record affecting said land;

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said JOHN MAC GUIRE, his heirs and assigns forever; and I do hereby bind myself, my heirs, executors and administrators, to Warrant and Forever Defend all and singular the said premises herein conveyed unto the said JOHN MAC GUIRE, his heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS MY HAND this 23rd day of February, A.D., 1973.

Judson F. Williams
JUDSON WILLIAMS

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

BEFORE ME, the undersigned Notary Public in and for said County and State, on this day personally appeared JUDSON WILLIAMS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 23 day of February, A. D., 1973.

NOTARY PUBLIC COUNTY OF EL PASO TEXAS

Notary Public in and for
El Paso County, Texas

My Commission Expires:
June 1, 1973

Filed for record on the 9th day of May, A.D. 1975 at 10:30 A.M. Duly recorded on the 12th day of May, A.D. 1975 at 2:00 P.M.

By Linnie Jo Freeman DEPUTY

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.

73

M 65125

Assignment

File dated 9-6-83

Garry Mauro, Commissioner

RECEIVED AS STATED

10.00

DATE 9-6-83

Reg. No. 1695

GENERAL LAND OFFICE

9-6-83

FILE NO. 1209 RUDY JANOSEK TO JOHN MacGUIRE, ET AL

(WARRANTY DEED)

VOL 308 PAGE 301

The State of Texas, } **Know All Men by These Presents:**

County of Reeves

That I, Rudy Janosek,

~~of the County~~ ~~and~~ for and in consideration

of the sum of Ten Dollars and other good and valuable consideration -----

~~DOLLARS~~

to me in hand paid by John Mac Guire and Judson Williams, the receipt and sufficiency of which is hereby acknowledged,

~~and for which~~

have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said

John Mac Guire and Judson Williams, both

of the County of El Paso, State of Texas, all of my ~~undivided~~ undivided interest in and to the following described real estate, both surface and mineral, to-wit:

Section 38, Block 57, Township 2, in Reeves County, Texas;

subject to matters of record affecting said land, including any and all oil and gas leases now existing, but I hereby grant, bargain, sell and assign to the said John Mac Guire and Judson Williams, all of the delay rentals, royalties, oil and gas payments, bonuses, and any and all other benefits and payments due and to become due and to be paid me under the terms of any and all of said existing leases.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said John Mac Guire and Judson Williams, their respective

heirs and assigns forever and I do hereby bind myself, my heirs, executors and administrators, to Warrant and Forever Defend, all and singular the said premises unto the said John Mac Guire and Judson Williams their respective

heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.

WITNESS my hand ~~xx~~,

this 5th day of April, A.D. 1972.

Witnesses at Request of Grantor:

Rudy Janosek

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 94633

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of REEVES }

I, CATHERINE ASHLEY, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original RECORDED WARRANTY DEED FORM RUDYJANOSEK TO JOHN MacGUIRE, ET AL,

as the same appears of record in my office in book 308 page 301, Deed Record.

Given under my Hand and Seal of said Court, at office in Pecos, Texas this 31st day of August 19 83.

CATHERINE ASHLEY Clerk,

By Billie Jo Freeman Deputy.

(Billie JO Freeman)

NEW MEXICO **SINGLE ACKNOWLEDGMENT**

THE STATE OF ~~TEXAS~~,
COUNTY OF DONA ANA

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Rudy Janosek,

known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE,
this the 7th day of April, A. D. 19 72.

Marion H. Martin

Comm. Expires 2-3-74 Notary Public in and for Dona Ana County, ~~Texas~~ N.M.

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS,
COUNTY OF

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared

known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE,
this the day of A. D. 19

(L. S.)

Notary Public in and for County, Texas

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS,
COUNTY OF

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared

known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE,
this the day of A. D. 19

(L. S.)

Notary Public in and for County, Texas

THE STATE OF TEXAS,
COUNTY OF

I HEREBY CERTIFY that the foregoing instrument of writing with its certificate of authentication, was filed for record in my office on the day of , A. D. 19 at o'clock M., and was duly recorded by me on the day of A. D. 19 in Vol. , page , of the Records of said County.

WITNESS MY HAND and the Seal of the County Court of said County, at my office in the day and year last above written.

(L. S.)

County Clerk County, Texas

By , Deputy.

AMS

Filed for record on the 11th day of April A.D.1972 at 1:00P.M

Duly recorded on the 13th day of April A.D.1972 at 9:00A. M.

By Linnie Jo Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

M 65125

Warranty Deed

File dated 9-6-83

Garry Mauro, Commissioner

RECEIVED AS STATED
$5.00

DATE 9-6-83
Reg. No. 1695

GENERAL LAND OFFICE

9.6.83

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

September 2, 1983

X20.00 01695

Miss Barbara Epstein
Oil and Gas Division - Legal Dept.
General Land Office
1700 North Congress Avenue
Austin, Texas 78701

Re: Section 38, Block 57, T-2,
Reeves County, Texas

Dear Miss Epstein:

171
HDK

Enclosed please find certified copies of the following:

1. Recorded Warranty Deed from Rudy Janosek to John MacGure, et al

2. Recorded Assignment from Judson Williams to John MacGuire

Also enclosed is our check No. 374 in the amount of $20.00 covering the filing fees for these instruments.

Yours very truly,

Pauline Grubb
Secretary to Mr. von Gontard

g/

3 - Encls.

Orla Petco, Inc.
P.O. Box 1383
Midland, Texas
79702

M. F. 65125

CORRESPONDENCE FILE

~~To~~ Orla Petco

From

Dated 9-2-83

9.2.83

Garry Mauro
Commissioner
General Land Office

September 22, 1983

Orla Petco, Inc.
P.O. Box 1383
Midland, Texas 79702

Attn: Pauline Grubb

Re: (1) Assignment (2) Warranty Deed
M-65125
Sec. 38, Blk. 57, T-2, T&P Ry. Co.
Reeves County, Texas

Gentlemen:

The certified copies of Assignment and Warranty Deed covering the captioned lease and land have been filed in our records.

We have applied $15.00 of your $20.00 remittance as the required filing fees and have requested a refund of the remaining $5.00 from our accounting department.

Sincerely,

Garry Mauro

By:
V. C. Morelle, Attorney
Oil and Gas Division
Legal Department
512 475-4246

VCM/dd

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

(76)

M. F. 65125

CORRESPONDENCE FILE

To Orla Petco

From

Dated 9-22-83

(2)

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

October 12, 1983

TO: INTEREST OWNERS

RE: Division Order - Sand Bend Lease
E/2 SW/4 of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas

Enclosed please find two copies of a Division Order on the above captioned lease. Will you kindly fill out the Division Order as specified in the attached Permian Corporation letter, and return one executed copy to Permian.

Very truly yours,

Adalbert von Gontard, III

AvG/g

2 - Encls.

INSTRUCTIONS TO ALL INTEREST OWNERS

Read Carefully Before Signing The Instrument

This instrument should not be altered in any way unless accompanied by documentary evidence to support the change.

If your name and interest are correctly shown:

Signature:

Sign name as shown on the instrument. Have your signature witnessed by at least one person not related to the party signing.

If signing for a corporation, signature must be attested, corporate seal affixed, and title of signatory party shown. If not previously furnished, a certified copy of authority of executing officer must be submitted.

If signed for a partnership, all partners must sign unless signed by an authorized partner and we are furnished a certified copy of his authority.

Signature by Second Party:

If the instrument is signed by agent, attorney-in-fact, guardian, estate representative, trustee or any party other than the named interest owner, we must have evidence of the rights vested in the signatory party.

Taxpayers Identification Number or Social Security Number:

Insert your number in the space provided.

Mailing Address:

Indicate, in the space provided, the address to which checks are to be mailed. Print or type. Do not abbreviate. If you are already receiving checks from this company, be sure to use the same address to which we are now mailing checks.

Lease Number:

On the third line of the instrument you will find the number assigned to this lease. This number will appear on the statement attached to your check and should always be used when corresponding with this company.

Change of Address:

You should notify us promptly of any change in your mailing address. This notice must be over your own signature, or the signature of your appointed agent. Always include your Owner Number (which appears on your check from this company) and your old address, then state your new address with zip code.

RETURN THE EXECUTED INSTRUMENT WITHOUT DELAY TO THE ADDRESS BELOW. KEEP ONE COPY FOR YOUR RECORDS.

The Permian Corporation
Attention: Division Order Department
P.O. Box 1183
Houston, Texas 77001

PC-127

THE PERMIAN CORPORATION

DIVISION ORDER

Lease No. 482691

October 4, 19 83

TO THE PERMIAN CORPORATION, P. O. BOX 1183, HOUSTON, TEXAS 77001

The undersigned, and each of us, certify and guarantee that we are the legal owners of and hereby warrant the title to our respective interests as set out below in all oil produced from all wells on the Orla Petco Inc. - Sand Bend farm or lease, located in Reeves County, State of Texas, more particularly described as follows:

E/2 SW/4 of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G. A. Wynne B No. 3B well located in the E/2 SW/4 of Section 38 insofar as it covers those depths from the surface down to 2950'.

and commencing at 7 A.M., the _____ day of first runs, 19____, and until further written notice either from you or us you are authorized to receive oil therefrom, purchase it and pay for it as follows:

CREDIT TO	DIVISION OF INTEREST	POST OFFICE ADDRESS
	ROYALTY INTEREST	
The Commissioner of the General Land Office of the State of Texas	1/2 of 1/6 R.I. (.0833334)	STATE OF TEXAS GENERAL LAND OFFICE STEPHEN F. AUSTIN BUILDING AUSTIN, TEXAS 78701 TAX I. D. #74-6000 108
Adair Reynaud Sullivan, separate property	1/4 of 1/6 R.I. (.0416667)	
Ruth Wynne Hollinshead, Samuella Wynne Palmer and Lela Mae Wynne, separate property	1/4 of 1/6 R.I. (.0416667)	
	OVERRIDING ROYALTY INTEREST	
Paul L. Davis	20/256 of 5% O.R.R.I. (.0039063	
W. B. Collins	20/256 of 5% O.R.R.I. (.0039064)	
J.H. Herd	20/256 of 5% O.R.R.I. (.0039064)	
Interfirst Bank Dallas, N.A., Trustee of Sabine Royalty Trust	46/256 of 5% O.R.R.I. (.0089843)	
Geraldine Layton Chapman	150/256 of 5% O.R.R.I. (.0292968)	
Ed R. Kennedy	2% O.R.R.I. (.0200000)	

MAKE SURE YOUR CORRECT MAILING ADDRESS IS SHOWN ABOVE

Form 259 Rev. 4-1-63

The following covenants are also parts of this division order and shall be binding on the undersigned, their heirs, devisees, successors, legal representatives and assigns.

FIRST: The oil received and purchased hereunder shall become your property as soon as the same is received into your custody, or that of any pipe line company or carrier designated by you, and the undersigned agree to look solely to you for payment of oil purchased hereunder and shall have no claim or recourse against any subsequent purchaser of said oil.

SECOND: The oil received and purchased hereunder shall be delivered F. O. B. to any pipeline or carrier designated by you which gathers and receives said oil, and you shall pay for such oil to the respective owners according to the division of interest above set forth at the same price per barrel received by the operator of the lease covered by this division order. The word "oil" used herein shall mean crude oil and condensate (or distillate) delivered hereunder.

THIRD: Quality and quantity shall be determined in accordance with the conditions specified in the purchase agreement with lease operator. The oil shall be steamed when necessary to make merchantable and you may refuse to receive any oil not considered merchantable by you.

FOURTH: Settlements and payments shall be made monthly by check mailed from your office to the respective parties at the addresses above given, for the amount of such purchase price due said parties, respectively, less any taxes required by the law to be deducted and paid by you as purchaser.

FIFTH: Abstracts and other evidence of title satisfactory to you will be furnished to you at any time on demand. In the event of failure to so furnish such evidence of title, or in the event of any dispute or question at any time concerning title to the above lands, or the oil produced therefrom, you may hold the proceeds of all oil received and run, without interest, until indemnity satisfactory to you has been furnished or until such dispute or question of title is corrected or removed to your satisfaction. And in the event any action or suit is filed in any Court affecting title either to the real property above described or to the oil produced therefrom in which any of the undersigned are parties, written notice of filing of such action shall immediately be furnished you by the undersigned, stating the Court in which the same is filed and the title of such action or suit, and you or any carrier transporting oil for your account shall be held harmless from any judgment rendered in such suit and all reasonable costs and expenses incurred in defending against said claim, whether in your defense or in the defense of the carrier transporting oil for your account, and the undersigned shall pay said judgment and said costs and expenses.

SIXTH: The undersigned severally shall notify you of any change of ownership, and no transfer of interest shall be binding upon you until a transfer order and the recorded instrument evidencing such transfer, or a certified copy thereof, shall be furnished to you. Transfers of interest shall be made effective not earlier than the first day of the calendar month in which notice is received by you. You are relieved hereby of any responsibility for determining if and when any of the interests hereinabove set forth shall or should revert to or be owned by other parties as a result of the completion or discharge of money or other payments from said interest and the signers hereof whose interests are affected by such money or other payments, if any, assume said responsibility and shall give you notice in writing by registered letter addressed to you at the above address, when any such money or other payments have been completed or discharged or when any other division of interest than that set forth above shall, for any reason, become effective and to furnish transfer orders accordingly, and that in the event such notice shall not be received, you shall be held harmless in the event of, and are hereby released from any and all damage or loss which might arise out of any overpayment.

SEVENTH: This division order shall become valid and binding on each and every owner above named as soon as signed by him or her regardless of whether any of the other above named owners have so signed; and in consideration of the purchase of oil hereunder, consent is given hereby to you and any pipe line company which you may cause to connect with the wells or tanks on said land, to disconnect and remove such pipe lines. in case of termination by either you or us of purchases under this division order.

EIGHTH: Working interest owners and operators who sign this division order, and each of them, guarantee and warrant for your benefit and that of any pipe line or other carrier designated by you to run or transport said oil, that all oil tendered hereunder has been and will be produced and handled in compliance with the Fair Labor Standards Act of 1938, and any amendments thereto, and all other federal, state and municipal laws, rules and regulations.

IN ACCORDANCE WITH FEDERAL LAW, PLEASE INDICIATE YOUR SOCIAL SECURITY OR IDENTIFICATION NUMBER BELOW:

STEPHEN F. AUSTIN BUILDING
AUSTIN, TEXAS 78701
TAX I. D. #74-6000-108

_____

WITNESS OF SIGNATURES

OWNERS SIGN BELOW

STATE OF TEXAS
GENERAL LAND OFFICE
STEPHEN F. AUSTIN BUILDING
AUSTIN, TEXAS 78701
TAX I. D. #74-6000-108

_____	_____
_____	_____
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BE SURE YOUR SIGNATURE IS WITNESSED AND YOUR CORRECT ADDRESS IS SHOWN

Re: Lease No. 482691 - Orla Petco Inc. - Sand Bend

WORKING INTEREST

Orla Petco, Inc.	less	21% of 5/6 W.I. 21% of 7% (.1603000)
Tricentrol United States,Inc.	less	37.035% of 5/6 W.I. 37.035% of 7% (.2827010)
Orla Drilling Fund #6	less	19.447% of 5/6 W.I. 19.447% of 7% (.1484450)
Bruce T. Pearson	less	7.407% of 5/6 W.I. 7.407% of 7% (.0565400)
Adalbert von Gontard III	less	4.000% of 5/6 W.I. 4.000% of 7% (.0305330)
J.M.C. Ritchie	less	7.407% of 5/6 W.I. 7.407% of 7% (.0565400)
Lisat Venture	less	3.704% of 5/6 W.I. 3.704% of 7% (.0282740)

Garry Mauro
Commissioner
General Land Office

October 18, 1983

The Permian Corp.
P. O. Box 1183
Houston, Texas 77001

Attention: Division Order Dept.

RE: State Lease M-65125
Orla Petco Inc. - Sand Bend
E/2 SW/4 of Sec. 38, Blk. 57, T-2,
T & P Ry. Co. Sur., Reeves County, Texas
Oil DO #482691

Gentlemen:

This letter is issued in lieu of the ordinary form of "Division Order" prepared by the oil companies primarily for execution by the individual royalty owner.

Inasmuch as the statutes provide the royalties the State shall receive, it is felt that it would not be in conformity with the law for the General Land Office to execute your division order and thereby attempt to bind the State by the provisions contained therein.

The General Land Office, insofar as permitted under the law, acquiesces in the sale of the oil and/or gas to you from this lease, which oil and/or gas shall become your property when the State has been paid for same, as prescribed by law and under the terms and conditions as set out in the lease covering the area in question.

Very truly yours,

Max J. Werkenthin, Attorney
Energy Resources
Phone: 512-475-6749
Enclosure

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

(77)

M. E. 65125

CORRESPONDENCE FILE

To DIVISION ORDER

From

Dated 10-18-83

2816

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, FORD CHAPMAN, JUDSON F. WILLIAMS, and JOHN MACGUIRE ("Assignors") do hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., P.O. Box 1383, Midland, Texas, its heirs and assigns (herein collectively called "Assignee"), the following described oil and gas leases:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

> E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

This assignment is made expressly subject to the terms, provisions and reservations of said leases and any assignments thereof, and to all overriding royalty interests which appear of record.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, Judson F. Williams, and Orla Petco, Inc.

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 94633

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of REEVES }

I, CATHERINE ASHLEY, Clerk

of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original RECORDED ASSIGNMENT OF OIL AND GAS LEASES FROM FORD CHAPMAN, ET AL TO ORLA PETCO, INC.

as the same appears of record in my office in book 435 page 430, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 14th day of September 19 83.

CATHERINE ASHLEY Clerk,

By Billie Jo Freeman Deputy.

(Billie JO Freeman)

This assignment is made without warranty of title, express or implied.

WITNESS THE EXECUTION hereof, this 7th day of Sept., 1983.

FORD CHAPMAN

JUDSON F. WILLIAMS

JOHN MacGUIRE

STATE OF TEXAS §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 29 day of August, 1983 by FORD CHAPMAN.

My Commission expires:
12/08/86

Notary Public, State of Texas
Karis Bell

STATE OF TEXAS §
COUNTY OF ~~MIDLAND~~ EL PASO §

This instrument was acknowledged before me on the 6 day of September, 1983 by JUDSON F. WILLIAMS.

My Commission expires:
6/30/84

Notary Public, State of Texas
Eugenio L. Alvarez

STATE OF TEXAS §
COUNTY OF ~~MIDLAND~~ El Paso §

This instrument was acknowledged before me on the 1st day of September, 1983 by JOHN MacGUIRE.

My Commission expires:
6/30/84

Notary Public, State of Texas
George Angelos

Filed for record on the 14th day of September, A.D. 1983 at 11:51 A.M. Duly recorded on the 14th day of September, A.D. 1983 at 4:00 P.M. CATHERINE ASHLEY, COUNTY CLERK, By s/ Billie JO Freeman, Deputy REEVES COUNTY, TEXAS.

(78)

M 65125

Assignment

File dated 9-22-83

Garry Mauro, Commissioner

RECEIVED AS STATED
$10.00
DATE 9-22-83
Reg. No. 6111

GENERAL LAND OFFICE

3-55-83

2817

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS §
§
COUNTY OF REEVES §

WHEREAS, ORLA PETCO, INC. ("Assignor") owns the following described oil and gas leases insofar as they cover the lands hereinafter described situated in Reeves County, Texas:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

> E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Assignor for an adequate consideration in hand paid, the receipt of which is hereby acknowledged, does hereby BARGAIN, SELL, and ASSIGN unto ED R. KENNEDY ("Assignee") an overriding royalty equal to two percent of eight-eighths (2% of 8/8) of all oil which may be produced and saved from the lands described above under and by virtue of the leases described above, delivery of such oil to be made free of cost to the credit of Assignee into storage tanks provided by Assignee or into the pipeline to which the wells on said land may be connected. On dry gas or casing-head gas, when marketed from said premises, Assignee shall be

paid 2% of 8/8 part of the net proceeds at the well derived therefrom, and on casinghead gas or other gaseous or vaporous substances produced from said lands and utilized by Assignor in the manufacture of gasoline or other products, Assignee shall be paid 2% of 8/8 part of the current market value at the well or wells of the casinghead gas or other gaseous or vaporous substances so utilized.

Fuel oil and gas for operating the premises and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should this lease be operated jointly with other premises through the use of such plant) shall be conducted before said overriding royalties on oil or gas are computed. It is expressly agreed that operations, if any, on said premises, and the extent and duration thereof, as well as the preservation of the leasehold estate by rental payments or otherwise shall be solely at the will of Assignor, its successors and assigns.

If the lessors in the above-described leases own a lesser interest in the premises covered thereby than the entire and undivided fee, then said overriding royalties shall be paid to Assignee herein in the proportion which the interest of the lessors in said lands bear to the entire and undivided fee.

Assignee hereby authorizes Assignor to unitize, pool, and combine the land covered by the above-described lease in any manner which conforms with the laws of the State of Texas and the rules and regulations of the Texas Railroad Commission or other lawful authority.

This assignment is made without warranty of title, express or implied.

The terms hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives, successors, and assigns.

WITNESS THE EXECUTION hereof this 12th day of September, 1983.

ORLA PETCO, INC.

By _____
ADALBERT VON GONTARD, III
VICE PRESIDENT

STATE OF TEXAS §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 12th day of September, 1983, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

My Commission expires: _____

_____
Notary Public, State of Texas

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/84

Filed for record on the 14th day of September, A.D. 1983 at 11:51 A.M.

Duly recorded on the 14th day of September, A.D. 1983 at 4:00 P.M.
CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

By s/ Billie JO Freeman, Deputy

THE STATE OF TEXAS)(

COUNTY OF REEVES)(

I, CATHERINE ASHLEY, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing instrument is a true and correct copy of the original recorded ASSIGNMENT OF OVERRIDING ROYALTY INTEREST FROM ORLA PETCO, INC. TO ED R. KENNEDY, as the same appears of record in my Office in Vol. 435, Page 432, Deed Records of Reeves County, Texas

Witness my Hand and Seal of the County Court of said County at my Office in Pecos, Texas this the 14th day of September, A.D. 1983.

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

By Billie Jo Freeman DEPUTY

(Billie JO Freeman)

(79)

M 65125

Assignment

File dated 9-22-83

Carry Mauro, Commissioner

RECEIVED AS STATED

$10.00

DATE 9-22-83

Reg. No. 6111

GENERAL LAND OFFICE

9-55-83

2818

ASSIGNMENT OF INTEREST
IN
OIL AND GAS LEASES

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC. ("Assignor") does hereby GRANT, CONVEY and ASSIGN to the following named individuals and entities, their respective heirs, successors and assigns ("Assignees"), in the percentage shown below opposite the name of each Assignee, an undivided 79% interest in the following oil and gas leases:

(1) Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas,

(2) Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

> E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B No. 3B well insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The interest covered by this assignment is bargained, sold, assigned and conveyed to Assignees herein and shall be held by them, their heirs, successors and assigns, in the following interest:

Tricentrol United States, Inc. Suite 2000, Five Post Oak Park Houston, Texas 77027	37.035%
Orla Drilling Fund #6 P.O. Box 1383 Midland, Texas 79702	19.447%
Bruce T. Pearson P.O. Box 1461 Midland, Texas 79702	7.407%
Adalbert von Gontard, III P.O. Box 1383 Midland, Texas 79702	4.000%
J.M.C. Ritchie P.O. Box 1383 Midland, Texas 79702	7.407%
Lisat Venture c/o Arden R. Grover P.O. Box 3666 Midland, Texas 79702	3.704%
	79.000%

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8 overriding royalty interest owned by Ed R. Kennedy, all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above-described leases and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

(1) Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, and Judson F. Williams, and Orla Petco, Inc.
(2) Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Tricentrol United States, Inc., et al as Non-Operators.

This assignment is made without warranty of title, express or implied.

WITNESS THE EXECUTION hereof, this 13th day of September, 1983.

ORLA PETCO, INC.

By _____
Adalbert von Gontard, III
Vice President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 13th day of September, 1983, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

My Commission expires:

_____

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/84

Filed for record on the 14th day of September, A.D. 1983 at 11:52A.M. Duly recorded on the 14th day of September, A.D. 1983 at 4:00 P.M.

CATHERINE ASHLEY, COUNTY CLERK,
Reeves County, Texas.

By s/ Billie JO Freeman, Deputy

THE STATE OF TEXAS)(

COUNTY OF REEVES)(

I, Catherine Ashley, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing instrument is a true and correct copy of the original recorded ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES FROM ORLA PETCO, INC. TO TRICENTROL UNITED STATES, INC., ET AL, as the same appears of record in my Office in Vol. 435, Page 435, Deed Records of Reeves County, Texas.

Witness my Hand and Seal of the County Court of said County at my Office in Pecos, Texas this the 14th day of September, A.D. 1983.

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

By Billie Jo Freeman DEPUTY

(Billie JO Freeman)

(80)

M 65125

Assignment

File dated 9-22-83

Garry Mauro, Commissioner

RECEIVED AS STATED

10.00

DATE 9-22-83

Reg. No. 6111

GENERAL LAND OFFICE

9-55-83

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

September 19, 1983

171

Miss Barbara Epstein
General Land Office
Oil and Gas Division - Legal Dept.
1700 North Congress Avenue
Austin, TX 78701

Re: E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas

Dear Miss Epstein:

X -30.00 06111

In reference to the above tract, please find enclosed for your files a certified copy each of the following assignments:

1. Assignment of Oil and Gas Leases dated September 7, 1983 from Ford Chapman, Judson Williams and John MacGuire to Orla Petco, Inc.

2. Assignment of Overriding Royalty Interest dated September 12, 1983 from Orla Petco, Inc. to Ed R. Kennedy.

3. Assignment of Interest in Oil and Gas Leases dated September 13, 1983 from Orla Petco, Inc. to Tricentrol United States, Inc., et al.

Our check no. 397 in the amount of $30.00 is enclosed to cover filing fees.

Very truly yours,

Adalbert von Gontard, III

AvG/g

4 - Encls.

(81)

M. F. 65125

CORRESPONDENCE FILE

~~To~~ Orla Petco Inc

From

Dated 9-19-03

8-55-83

October 26, 1983

Orla Petco, Inc.
P.O. Box 1383
Midland, Texas 79702

Attn: Adalbert von Gontard, III

Re: Three Assignments of Relinquishment Act Lease
M-65125
Reeves County, Texas

Gentlemen:

The certified copies of assignments covering the captioned oil and gas lease have been filed in our records.

Your remittance of $30.00 has been applied as the required filing fees.

Sincerely,

Garry Mauro

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

/dd

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

(28)

M. F. 65125

CORRESPONDENCE FILE

To Orla Petco Inc

~~From~~

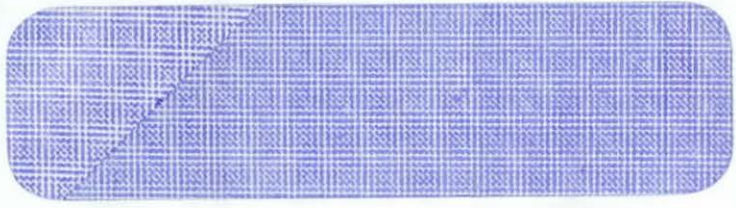
Dated 10-26-83

FORD CHAPMAN
PRODUCTION
10 DESTA DRIVE - SUITE 430 EAST
P. O. BOX 2376
MIDLAND, TEXAS 79702

MIDLAND, TX 797
PM
27 OCT
1983

MIDL
OCT 27 '83
TEX.

U.S. POSTAGE
.20
PB METER
202272



10-28-83

REMITTANCE
STATEMENT

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
P.O. BOX 2376 MIDLAND, TEXAS 79702

INVOICE DATE	VOUCHER NO.	INVOICE NUMBER	GROSS AMOUNT	DISCOUNT	NET AMOUNT
10-27-83	10¢	per acre rental due on State Lease M-65125 Sec 38, Blk. 57, TSP 2 T & P Ry. Reeves County, Texas		828	$64.00

23639

VENDOR NUMBER	31307	CHECK NO.	2585	CHECK DATE	10-27-83	AMOUNT OF CHECK ▶	$64.00

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
POST OFFICE BOX 2376
MIDLAND, TEXAS 79702

340 GIBRALTAR SAVINGS
CENTER BUILDING

682-3217

October 27, 1983

Ford Chapman Owner of Lease
P.O. Box 2376
Midland, TX 79702

General Land Office
Bob Armstrong, Commissioner
Austin, TX 78701

Gentlemen:

We enclose herewith our check in the amount of $64.00 payable to yourselves to be deposited to the credit of the following parties:

General Land Office

The above amount is in payment of 10¢ annual rental for the period from September 21, 1983 to September 21, 1984 due under that certain oil and gas lease executed in favor of Ford Chapman, inofar as said lease covers and includes the following described tract of land located in Reeves County, Texas to-wit:

Section 38, Block 57, Township 2, T&P RR Co. Survey

Yours very truly,

23639

FORD CHAPMAN

FC/kp

(83) M-65125
Rental Payment
10-29-83

WITHIN RAL M-65125

MU
1-13-84

▶ Re: 1m each W-1 with plat and $100.00 fee. Make a check or money order payable to the State Treasurer of Texas. Address to: Railroad Commission of Texas, Oil and Gas Division, Drilling Permits, P. O. Drawer 12967, Capitol Station, Austin, Texas 78711
▶ File a copy of W-1 and plat in RRC District Office

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

▶ Read Instructions on Back

Form W-1
Rev. 9/1/83
483-060

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

220837

Purpose of filing (mark appropriate boxes):
[x] Drill [ ] Deepen (below casing) [ ] Deepen (within casing) [ ] Plug Back [ ] Re-Enter
[ ] Directional Well [ ] Sidetrack [ ] Amended Permit (enter permit no. at right & explain fully in Remarks)

Enter here, if assigned: API No. ▶ 42-389-31147 Permit No. ▶

1. Operator's Name (exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.
3. RRC Operator No.: 626210
4. RRC District No.: 8
5. County of Well Site: Reeves
Rule 37 Case No. ▶

2. Address (including city and zip code): P.O. Box 953, Midland, Texas 79702
6. Lease Name (32 spaces maximum): Sand Bend "A"
7. RRC Lease ID No.:
8. Well No.: 1
9. Total Depth: 3100

10. Location
• Section 38 Block 57 Survey T & P, T-2 Abstract No. A-
• This well is to be located 3 miles in a SW direction from Orla
which is the nearest town in the county of the well site

11. Distance from proposed location to nearest lease or unit line: 330' ft.
12. Number of contiguous acres in lease, pooled unit, or unitized tract: 80 (OUTLINE ON PLAT.)

Permit granted 11-16-83

13. FIELD NAME (Exactly as shown on RRC proration schedule). List all established and wildcat zones of anticipated completion. Attach additional Form W-1's as needed to list these zones. One zone per line.	14. Completion depth	15. Spacing pattern (ft.)	16. Density pattern (acres)	17. Number of acres in drilling unit for this well. OUTLINE ON PLAT.	18. Is this acreage assigned to another well on this lease & in this reservoir? If so, explain in Remarks.	19. Distance from proposed location to nearest applied for, permitted, or completed well, this lease & reservoir. (ft.)	20. Oil, gas, or other type well (Specify)	21. No. of applied for, permitted, or completed locations (including this one) on lease in this reservoir. OIL	GAS
Chapman C; 12-15-83	3100'	330/660	10	10	no	1st well	oil	1	0
17029 001		Code C							
IPF: 92 BO+ 0 MCFGW									

22. Perpendicular surface location from two nearest designated lines:
• Lease Unit 330' FWL & 1002' FNL
• Survey Section 2310' FEL and 1650' FSL

If a directional well, show also projected bottom-hole location:
• Lease Unit
• Survey Section

23. Is this a pooled unit? Yes [ ] ▶ (Attach Form P-12 and certified plat.) No [X]

24. Is Item 17 less than Item 16 (substandard acreage for any field applied for)? Yes [ ] ▶ (Attach Form W-1A) No [X]

25. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes [ ] No [X]
If subject to Rule 36, is Form H-9 filed? Yes [ ] No [X] ▶ If not filed, explain in Remarks.

26. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? If not, and if the well requires a Rule 37 or 38 exception, see instructions for Rule 37. Yes [ ] No [X]

I certify that information stated in this application is true and complete, to the best of my knowledge.

Signature: Ann E. Ritchie
Name and title of operator's representative: Ann E. Ritchie
Date: 11 mo. 10 day 83 yr.
Tel.: 915 684-6381 684-4762 Area Code Number

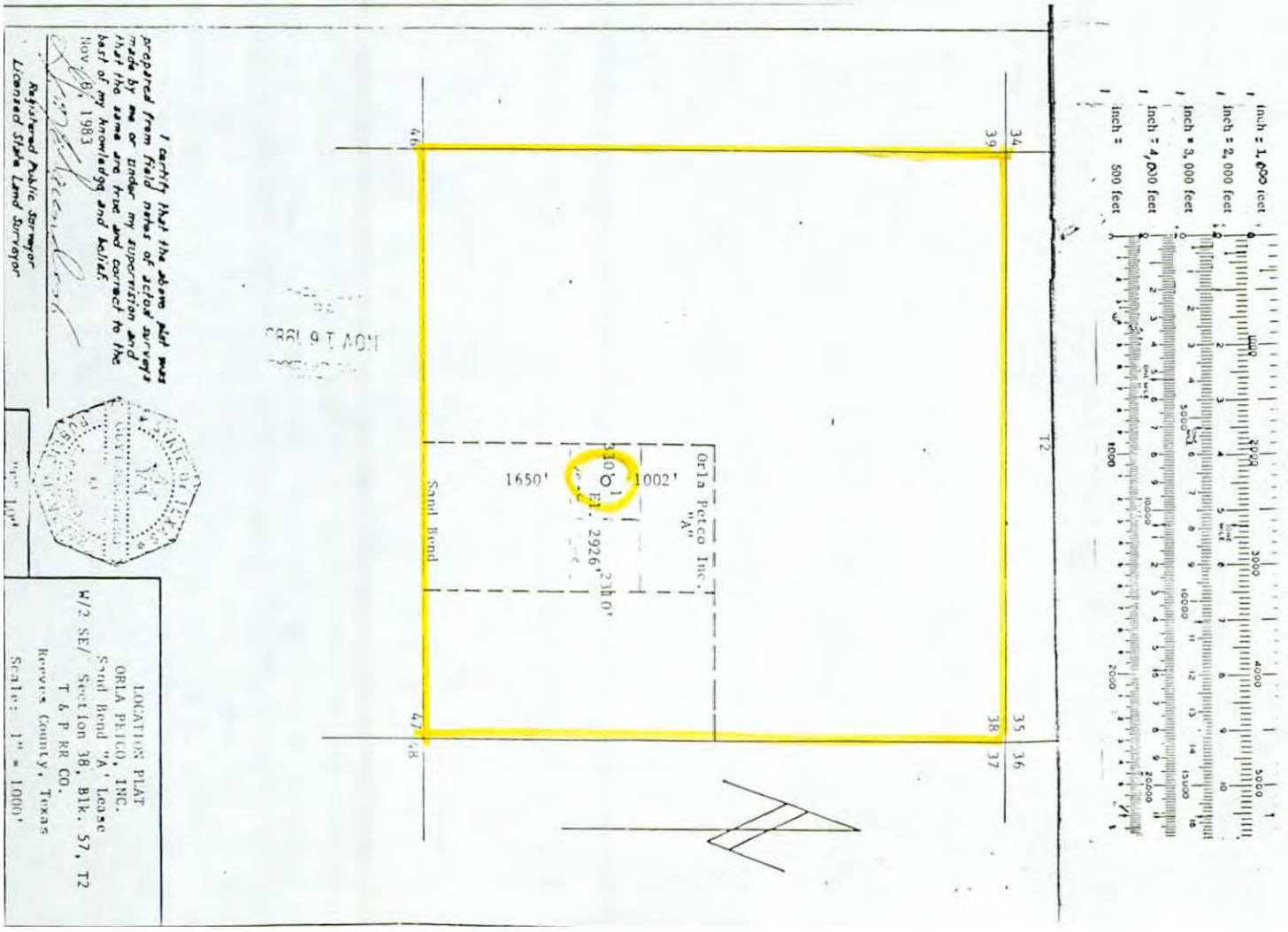
Remarks
Pfs: 2956-2964
TD 3099

• RRC Use Only •
20571 NOV 1983
221937

Statewide PLAT SERVICE
P. O. DRAWER 1857, AUSTIN, TEXAS 78767

11-23-83

I certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.
Nov. 8, 1983
Registered Public Surveyor
Licensed State Land Surveyor



LOCATION PLAT
ORLA PETCO, INC.
Sand Bend "A" Lease
W/2 SE/ Section 38, Blk. 57, T2
T & P RR CO.
Reeves County, Texas
Scale: 1" = 1000'

1 inch = 1,000 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet
1 inch = 500 feet

Make a check or money order payable to the State Treasurer of Texas. Address to:
Railroad Commission of Texas
Oil and Gas Division, Drilling Permits
P. O. Drawer 12967, Capitol Station
Austin, Texas 78711
▶ File a copy of W-1 and plat in RRC District Office.

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

▶ Read Instructions on Back

Form W-1
Rev. 9/1/83
483-060

Purpose of filing (mark appropriate boxes):
[X] Drill [ ] Deepen (below casing) [ ] Deepen (within casing) [ ] Plug Back [ ] Re-Enter
[ ] Directional Well [ ] Sidetrack [ ] Amended Permit (enter permit no. at right & explain fully in Remarks)

Enter here, if assigned: API No. ▶ 42- Permit No. ▶ Rule 37 Case No. ▶

1. Operator's Name (exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.
3. RRC Operator No.: 626210
4. RRC District No.: 8
5. County of Well Site: Reeves
2. Address (including city and zip code): P.O. Box 953, Midland, Texas 79702
6. Lease Name (32 spaces maximum): Sand Bend "A"
7. RRC Lease/ID No.:
8. Well No.: 1
9. Total Depth: 3100
10. Location
- Section 38 Block 57 Survey T & P, T-2 Abstract No. A-
- This well is to be located 3 miles in a SW direction from Orla, which is the nearest town in the county of the well site.

11. Distance from proposed location to nearest lease or unit line: 330' ft.
12. Number of contiguous acres in lease, pooled unit, or unitized tract: 80 (OUTLINE ON PLAT.)

13. FIELD NAME (Exactly as shown on RRC proration schedule). List all established and wildcat zones of anticipated completion. Attach additional Form W-1's as needed to list these zones. One zone per line.	14. Completion depth	15. Spacing pattern (ft.)	16. Density pattern (acres)	17. Number of acres in drilling unit for this well. OUTLINE ON PLAT.	18. Is this acreage assigned to another well on this lease & in this reservoir? If so, explain in Remarks.	19. Distance from proposed location to nearest applied for, permitted, or completed well, this lease & reservoir. (ft.)	20. Oil, gas, or other type well (Specify)	21. No. of applied for, permitted, or completed locations (including this one) on lease in this reservoir. OIL	GAS
Chapman	3100'	330/660	10	10	no	lst well	oil	1	0

Perpendicular surface location from two nearest designated lines.
- Lease/Unit 330' FWL & 1002' FNL
- Survey/Section 2310' FEL and 1650' FSL

If a directional well, show also projected bottom-hole location:
- Lease/Unit
- Survey/Section

23. Is this a pooled unit? Yes [ ] ▶ (Attach Form P-12 and certified plat.) No [X]
24. Is Item 17 less than Item 16 (substandard acreage for any field applied for)? Yes [ ] ▶ (Attach Form W-1A) No [X]
25. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes [ ] No [XX] If subject to Rule 36, is Form H-9 filed? Yes [ ] No [XX] ▶ If not filed, explain in Remarks.
26. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? If not, and if the well requires a Rule 37 or 38 exception, see Instructions for Rule 37. Yes [ ] No [X]

Remarks

I certify that information stated in this application is true and complete, to the best of my knowledge.

Signature

Ann E. Ritchie
Name and title of operator's representative

Date: 11 mo. 10 day 83 yr.

915 684-6381 684-4762
Tel.: Area Code Number

• RRC Use Only •

T & P RR CO.

Block 57
T2

34 | 35 | 36

39 | 38 | 37

Orla Petco Inc.
"A"

1002'

330' 1 10 ac 2310'

El. 2926'

1650'

Sand Bend

46 | 47 | 48

I certify that this above plat was prepared from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief.

Nov. 22, 1983

Registered Public Surveyor
Licensed State Land Surveyor

STATE OF TEXAS
GUY E. SCHOOLER
64
REGISTERED PUBLIC SURVEYOR

"P" LOT

LOCATION PLAT
ORLA PETCO, INC.
Sand Bend "A" Lease
W/2 SE/4 Section 38, Blk. 57, T2
T & P RR CO.
Reeves County, Texas

Scale: 1" = 1000'

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

PERMIT NUMBER	DATE OF PERMIT	DISTRICT
220837	11/16/83	08
API NUMBER	**FORM W-1 (dated)**	**COUNTY**
42 389 31447	11/10/83	REEVES
TYPE OF OPERATION		**ACRES**
DRILL		80

OPERATOR 626210

ORLA PETCO, INC.
P.O. BOX 953
MIDLAND TX 79702

NOTICE
NO ALLOWABLE WILL BE ASSIGNED unless well protects all fresh water sands with sufficient surface casing. Where Commission rules do not specify surface casing requirements, contact the Texas Department of Water Resources for depth to which fresh water sands must be protected.

District Office Telephone No.: 915 684-5581

LEASE NAME	WELL NUMBER
SAND BEND "A"	1
LOCATION	**TOTAL DEPTH**
3 MILES SW FROM CRLA	3,100

SECTION, BLOCK and/or SURVEY
SEC. 38, BLK. 57, T & P, T-2 SURVEY

DISTANCE -- LEASE LINES	-- SURVEY LINES	-- NEAREST WELL ON LEASE
330 FWL & 1002 FNL	2310 FEL & 1650 FSL	NA

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

FIELD(S)

THIS PERMIT AND ANY ALLOWABLE ASSIGNED MAY BE REVOKED IF A CHECK TENDERED TO THE COMMISSION IS NOT HONORED. *

CHAPMAN

** LIMITATIONS **

DATE STAMPED 11/16/83.
REGULAR PROVIDED THIS WELL IS NEVER COMPLETED IN VIOLATION OF APPLICABLE SPECIAL FIELD OR STATEWIDE SPACING RULES.

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

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

Based upon the representations made on the FORM W-1 and those made on any plat or plats filed therewith, it is believed that the operation indicated, when carried out at that point which you have represented to be the location of the above designated Well, complies as of the date thereof, with the provisions of the applicable spacing rule SUBJECT TO THE LIMITATIONS, IF ANY, SET OUT ABOVE. Compliance with the applicable Commission spacing rule renders it unnecessary that you secure a special Commission permit to cover this indicated operation at the location shown, the same being classed as regular.

PHONE: (512) 445-1314

DIRECT INQUIRIES TO: DRILLING PERMIT SECTION, OIL AND GAS DIVISION

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

(6)

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

January 18, 1984

Mr. Robert V. Phipps
General Land Office
Exploration & Development Division
1700 North Congress Avenue
Austin, Texas 78701

Re: Bro Seltzer #1, Cumberland #1, Olson #1, and Sand Bend "A" #1, all in Reeves County, Texas

Dear Mr. Phipps:

Enclosed please find copies of the following for your files covering the above-references wells:

Bro Seltzer #1: 467' FNL & 1593' FWL of Section 4, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas

1. Application for Permit to Drill (Form W-1)
2. Location Plat

Cumberland #1: 660' FWL & 2185' FSL of Section 16, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas

1. Application for Permit to Drill (Form W-1)
2. Location Plat

Olson #1 : 617' FNL & 1980' FWL of Section 6, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas

1. Application for Permit to Drill (Form W-1)
2. Location Plat
3. Permit to Drill
4. Cementing Report - Surface Casing (Form W-15)
5. Daily Drilling Report through 1/18/84

Sand Bend "A" #1: 1650' FSL and 2310' FEL of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas

1. Application for Permit to Drill (Form W-1)
2. Location Plat
3. Cementing Reports - Surface Casing and Production Casing (Form W-15)
4. Inclination Report (Form W-12)
5. Oil Well Potential Test (Form W-2)
6. Daily Drilling Report

We will continue to furnish you additional information on these wells as it becomes available to us.

Yours very truly,

Pauline Grubb

Pauline Grubb
Secretary - Land Dept.

84

M.F # 65125

APPLICATION TO DRILL

WELL # 1

FILED 2-15 19 84

GARRY MAURO, COMMISSIONER

BY: C Mascuk

Type or print only

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Form W-2
Rev. 4/1/83
483-046

M-65125

API No. 42- 389-31447

7. RRC District No. 8

8. RRC Lease No. na

Oil Well Potential Test, Completion or Recompletion Report, and Log

1. FIELD NAME (as per RRC Records or Wildcat): Chapman

2. LEASE NAME: Sand Bend A

9. Well No. 1

3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.

RRC Operator No. 626210

10. County of well site: Reeves

4. ADDRESS: P.O. Box 953 Midland, Texas 79702

11. Purpose of filing
- Initial Potential [x]
- Retest [ ]
- Reclass [ ]
- Well record only (explain in Remarks) [ ]

5. If Operator has changed within last 60 days, name former operator: No

6a. Location (Section, Block, and Survey): Sec. 38, Blk. 57, T&P, T-2

6b. Distance and direction to nearest town in this county: 3 Miles SW from Orla, Texas

12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no.

FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL NO.

13. Type of electric or other log run: Sonic

14. Completion or recompletion date: 12-15-83

SECTION I: POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified in field rules.

15. Date of test	16. No. of hours tested	17. Production method (Flowing, Gas Lift, Jetting, Pumping—Size & Type of pump)	18. Choke size
12-16-83	24	Flowing	15/64'

19. Production during Test Period ▶	Oil - BBLS	Gas — MCF	Water - BBLS	Gas - Oil Ratio	Flowing Tubing Pressure
	92	88	100	957	260 PSI
20. Calculated 24-Hour Rate ▶	Oil - BBLS	Gas — MCF	Water — BBLS	Oil Gravity—API—60°	Casing Pressure
				37	Packer PSI

21. Was swab used during this test? Yes [ ] No [x]

22. Oil produced prior to test (New & Reworked wells): —

23. Injection Gas—Oil Ratio

REMARKS:

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

WELL TESTER'S CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete, to the best of my knowledge.

Orla Petco, Inc.

Signature: Well Tester | Name of Company | RRC Representative

OPERATOR'S CERTIFICATION

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

Ann E. Ritchie
Typed or printed name of operator's representative

Agent
Title of Person

915-684-6381
Telephone: Area Code Number

Date: 12 / 21 / 83
mo. day year

Signature

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

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

25. Permit to Drill, Plug Back or Deepen — DATE: 11-16-83 — PERMIT NO.: 220837
Rule 37 Exception — CASE NO.:
Water Injection Permit — PERMIT NO.:
Salt Water Disposal Permit — PERMIT NO.:
Other — PERMIT NO.:

26. Notice of Intention to Drill this well was filed in Name of: Orla Petco, Inc.

27. Number of producing wells on this lease in this field (reservoir) including this well: 1

28. Total number of acres in this lease: 80

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced: 11-16-83 — Completed: 12-2-83

30. Distance to nearest well, Same Lease & Reservoir: 1st Well

13(A) Excep. 11-16-83

31. Location of well, relative to nearest lease boundaries of lease in which this well is located: 330 Feet From West Line and 1002 Feet from N Line of the Sand Bend A Lease

32. Elev. (DF, RKB, RT, GR, ETC.)

33. Was directional survey made other than inclination (Form W-12)? [ ] Yes [X] No

34. Top: 29[illegible]'

35. Total Depth: 3099'

36. P. B. Depth: 3070'

37. Surface Casing Determined by: Field Rules [ ] — Recommendation of T.D.W.R. Railroad Commission (Special) [XX] — Dt. of Letter: 12-8-83 — Dt. of Letter:

38. Is well multiple completion? No

39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No.

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

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

41. Name of Drilling Contractor: Waterhole Drilling

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

43. CASING RECORD (Report All Strings Set in Well)

CASING SIZE	WT #/FT.	DEPTH SET	MULTISTAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL. cu. ft.
8 5/8"	24#	1405'		900 Sx C1C	12 1/4"	Surface	1188 Cu Ft
4 1/2"	9.5#	3099'		440 Sx C1C	7 7/8"		717 Cu Ft.

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set
2 3/8"	2892'	2861'

46. Producing Interval (this completion) Indicate depth of perforation or open hole

From	2956	To	2964
From		To	
From		To	
From		To	

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

Depth Interval	Amount and Kind of Material Used
2956-2964	4000 GAls 2% Kcl Water DS 30
	6000# 20/40 Sand

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

Formations	Depth	Formations	Depth
Base Salt	2693'	Top Lower Olds	2988'
Top Delaware Lime	2868'		
Top Upper Olds	2954'		

REMARKS

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

ORLA PETCO, INC. - SAND BEND "A" No. 1

LOCATION: 1650' FSL and 2310' FEL of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas

Est. TD: 3100'
El.: 2926' GL, 2938' KB
Field:
Contractor: Waterhole Drilling Co.

11/17/83 64' Surface. Drilling. Day 1. SPUDDED 9 p.m. on 11/16/83.
Time Record: Rig up - 4-1/2 hrs.
Mix spud mud - 3-1/3 hrs.
Rig to spud - 7-1/2 hrs.
Drilling - 1 hr.
Drill rathole and mousehole - 7-1/2 hrs.

11/18/83 132' Surface. Down for broken swivel.

11/19/83 134' Down all day for rig repairs.

11/20/83 677' Surface. Drilling. Deviation: 1/2° @ 356'.
Time Record: Repair to swivel - 3 hrs.
Drilling - 5-1/2 hrs. (surface 12-1/4")
Survey - 1/2 hr.
Drilling - 14-1/2 hrs.
Change swab - 1 hr.

11/21/83 739' Surface. Drilling.
Time Record: Repair to cellar jet - 3 hrs.
Jetting pits - 1-1/2 hrs.
Drilling - 2-3/4 hrs.
Trip for plug bit - 6 hrs.
Reaming back to battery - 1-1/2 hrs.
Work on pump #2 - 1-1/4 hrs.
Tripping - 8 hrs.

11/22/83 1084' Red Bed. Tripping. Deviation: 2-1/4° @ 1084'.
Time Record: Drilling - 11-3/4 hrs.
Tripping - 7-1/2 hrs.
Service rig - 3/4 hr.
Rig repair - 4 hrs.

11/23/83 1273' Red Bed. Circulating.
Time Record: Drilling - 9 hrs.
Tripping - 7 hrs.
Service rig - 1/2 hr.
WO Bit - 1-1/2 hrs.
Circulating - 6 hrs.

11/24/83 1415' Red Bed. WOC. Deviation: 2-1/2° @ 1405'. MW 10, Vis. 32, No control on WL. Ran 9-5/8" casing, set @ 1405' with 900 Sx Class "C", 1/4# Flocele, 2% CaCl.
Time Record: Circulate and WO crew - 2 hrs.
Repair mud line - 1 hr.
Drilling (reached TD 3 p.m. on 23rd) - 6 hrs.
Circulate to run casing - 2 hrs.
Trip out to run casing - 4 hrs.
Rig up casing tools - 1 hr.
Run casing - 3 hrs.
Circulate before cementing - 1/2 hr.
Cementing - 2-1/4 hrs.
WOC - 2-1/4 hrs.
Circulated 85 sx to pit. TOC 1352.92'

11/25/83 1415' Drilling cement and plug 30' of cement. MW 10, Vis. 28, Brine.
Time Record: WOC - 10 hrs.
WOF - 4 hrs.
NU and weld flow line and flow nipple - 4 hrs.
Rig repair (weld guard) - 1 hr.
Trip - 3-1/2 hrs.
Drilling cement - 1/2 hr.
Drilling plug - 1 hr.

11/26/83 2012' Lime. Drilling. MW 10, Vis. 28, no WL, pH 10. Deviation: 1° @ 1871'.
Time Record: Drilling cement and plug shoe - 4-1/2 hrs. (100' of cement)
Service rig - 1/2 hr.
Drilling - 19 hrs.

11/27/83 2656' Lime & Shale. Drilling. Deviation: 1° @ 2280'.
Time Record: Drilling - 23-1/2 hrs.
Survey - 1/2 hr.

11/28/83 2932' Lime. TIH with core barrel. (for Core #1)
Time Record: Drilling - 11 hrs.
Totco - 1 hr.
Circulating - 2 hrs.
Rig repair - 1 hr.
Trip - 5 hrs.
WO morning tower crew - 2 hrs.
Pick up core barrel and bit - 2 hrs.

Formation tops:
Base of Salt - 2683'
Top of Delaware - 2876'
Ramsey - 2912'

11/29/83 2987' Sand & Shale. Coring #2. MW 9.8, Vis. 36, WL 12.4
Deviation: 1/4° @ 2932'.
Time Record: Tripping - 10 hrs.
Coring - 9-1/2 hrs.
Lay down Core #1 - 2-1/2 hrs.
Rig repairs - 2 hrs.

Core #1 - 2932-87'. Recovered 55'. 2932-38' laminated sand and shale with laminated fluorescence. 2938-57' sand with good fluorescence. 2957-73' laminated sand and shale with laminated fluorescence. 2973-82' sand with good fluorescence. 2982-86' laminated sand and shale with laminated fluorescence. 2986-87' sand with good fluorescence. Strapped pipe. No corrections Lower Olds 2938-57'. 18' high to Sand Bend No. 1.

11/30/83 3080' Lime & Shale. Tripping for logs. MW 9.8, Vis. 36, WL 12.4, pH 10. Deviation: 1/4° @ 3080'.
Time Record: Coring #2 - 6 hrs.
Tripping - 6-1/2 hrs.
Rig repair - 2-1/2 hrs.
Lay down core and core barrel - 2-1/4 hrs.
Service rig - 1/4 hr.
Drilling - 2-1/2 hrs.
Circulate - 4 hrs.

Core #2 - 2987-3018'. Recovered 31'. 2987-3012' sand with good fluorescence. 3012-14' laminated sand and shale. 3014-18' very shaley sand.

12/1/83 3099' Sand & Shale. Lay down drill pipe. MW 9.8, Vis. 34, WL 10, pH 10. Deviation: 1/4° @ 3099'.
Time Record: Going out of hole to log - 2 hrs.
Rig up loggers - 1/2 hr.
Logging - 4-1/2 hrs.
TIH - 2 hrs.
Circulate & WOO - 13 hrs.
Lay down drill pipe - 2 hrs.

Log Tops: Top of Delaware Lime - 2869' +69'
(7' low to #1 Sand Bend)
Upper Olds - 2976-90'
Lower Olds - 2954-72'

12/2/83 3099' Sand & Shale. WOC. Plugged down @ 7 p.m. on 12/1/83.
Time Record: Lay down drill pipe - 2 hrs.
Lay down drill collars - 4-1/4 hrs.
WO truck to change casing crew tires - 1-1/4 hrs.
Running casing - 4 hrs.
Circulate - 3/4 hr.
Cement plug down - 3/4 hr.
WOC and rig down - 11 hrs.

Set 4-1/2" casing @ 3091' with 210 sx HCL and 250 sx Class "C" /¼# Floce
Top of Cement @ 1760' -- running another temperature survey.

10: AM

12/5/83 TD 3099'
PBTD 3070'
Rig released Friday morning (12/2/83). WOCU.

12/8/83
Hooked up CRC, ran correlation logs and perf gun; perf from 2956-2964', 8' 2 shots per foot, 16 holes. Ran 2-3/8" tubing and Baker packer in hole; set packer @ 2861', base of tubing @ 2892'; shut down overnight.

12/9/83
Hooked up Western Company and tried to frac. Formation would not break down with 3500# pressure. WO acid for two hours; released packer, spotted acid across perfs; pulled packer up two joints and set. Resumed frac, pressure rose to 2600# before break down. Started 1# of sand when well communicated up 4-1/2". Shut down. Tied onto 4-1/2" to circulate sand out of tubing. Received communication between 4-1/2" and 8-5/8". Released Western Co. Shut down.

12/10/83
Halliburton on location to re-cement perfs. Well has hole in 4 1/2" [redacted] casing @ 829' ±. TOH with tubing and packer. Tested 4-1/2" on trip out of hole. Cemented well with 250 sx Class "C" Neat, brought cement back to surface in 8-5/8". Shut down. Will started to drill out cement with reverse circulating unit on Tuesday.

12/14/83
Drilled out cement plug and preparing to re-frac today.

12/15/83
Drilled cement from 585-833'. Retrieved bridge plug. Went in hole with packer and tubing; packer set @ 2861', base of tubing @ 2893'. Frac with 4,000 gals. Mini-Max III-30 and 6000# 20/40 sand. Maximum treating pressure 1100#. ISIP 300#; 10 min. SIP 250#. 108-1/2 bbls. load water to recover.

12/16/83
Made 93 bbls. of total fluid in 16 hrs @ the rate of 5.8 BPH, TP 310# on 15/64" choke. Will have breakdown of oil/water ratio next report.

12/17/83
Made 52 BO, 105 BW in 24 hr., TP 340#, 70,000 CFGPD, 15/64" choke. Flowing @ rate of 6.5 BF/hr. 35% oil.

12/18-19/83
Total fluid recovered in 50 hrs. of testing - 126 BO, 310 BW. On 24 hr. test, well flowed 75 BO, 75 BW, 88,000 CFGPD TP 340# on 15/64" choke. SI well for 3 hrs. Pressure increased to 750# in 15 min. Preparing to hot oil tank.

12/20/83
Initial Potential Test: Flowing on 15/64" choke, TP 260#. On 24 hrs. gauge, well flowed 92 BO, 100 BW, 88,000 CFGPD. GOR 956:1.

FINAL REPORT

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

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

#577372

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
ORLA PETCO, INC.	626210	8	Reeves

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
Chapman	42- 389-31447	220837

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
Sand Bend "A"			1

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date		11/24/83					
13. •Drilled hole size		12-1/4					
•Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)		8-5/8					
15. Top of liner (ft.)							
16. Setting depth (ft.)		1405					
17. Number of centralizers used		10					
18. Hrs. waiting on cement before drill-out							
1st Slurry	19. API cement used: No. of sacks ▶	900					
	Class ▶	"C"					
	Additives ▶	1/4# Flocele; 2% Calcium Chloride					
2nd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶	1188					
	Height (ft.) ▶	2878					
2nd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶	1188					
	Height (ft.) ▶	2878					
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?		YES					

22. Remarks

OVER ▶

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

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

Danny Miles - Cementer	HALLIBURTON SERVICES	Danny Miles	
Name and title of cementer's representative	Cementing Company	Signature	
Drawer Y	Monahans, Texas 79756	915/943-2721	11/24/83
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

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

James M. C. Ritchie, Jr.	Engineer	James M. C. Ritchie, Jr.	
Typed or printed name of operator's representative	Title	Signature	
P.O. Box 953 Midland, Texas 79702		915-684-6381	11-24-83
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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

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

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

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

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

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

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

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

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

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

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

#577218

483-045

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
ORIA PETCO, INC.	626210	8	Reeves

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
Chapman	42- 389-31447	220837

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
Sand Bend "A"			1

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date				12/1/83			
13. •Drilled hole size				7-7/8			
•Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)				4-1/2			
15. Top of liner (ft.)							
16. Setting depth (ft.)				3099			
17. Number of centralizers used				25			
18. Hrs. waiting on cement before drill-out							
1st Slurry	19. API cement used: No. of sacks ▶			210			
	Class ▶			HLC			
	Additives ▶			1/4# Flocele.			
2nd Slurry	No. of sacks ▶			230			
	Class ▶			"C"			
	Additives ▶			Neat			
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶			414			
	Height (ft.) ▶			1317			
2nd	Volume (cu. ft.) ▶			303			
	Height (ft.) ▶			1330			
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶			717			
	Height (ft.) ▶			3147			
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?				NO			

22. Remarks

OVER ▶

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

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

Glen L. Shirley - Cementer	HALLIBURTON SERVICES	Glen L Shirley
Name and title of cementer's representative	Cementing Company	Signature

Drawer Y	Monahans, Texas 79756	915/943-2721	12/1/83
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

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

James M. C. Ritchie, Jr.	Engineer	James M. C. Ritchie
Typed or printed name of operator's representative	Title	Signature

P.O. Box 953 Midland, Texas 79702	915-684-6381	12-1-83
Address City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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

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

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

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

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

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

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

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

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

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form W-12
(1-1-71)

6. RRC District: 8

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

7. RRC Lease Number. (Oil completions only)

1. FIELD NAME (as per RRC Records or Wildcat): Chapman

2. LEASE NAME: Sand Bend A

8. Well Number: 1

3. OPERATOR: Orla Petco, Inc.

9. RRC Identification Number (Gas completions only)

4. ADDRESS: P.O. Box 953 Midland, Texas 79702

10. County: Reeves

5. LOCATION (Section, Block, and Survey): SEc.38, Blk.57, T&P, T-2

RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
356	356	1/2	.87	3.0972	3.0972
1084	728	2 1/2	4.36	3.1741	6.2712
1405	321	2 1/2	4.36	1.3996	7.6708
1871	406	1	1.75	.8155	8.4863
2280	409	1	1.75	.7158	9.2021
2787	507	1	1.75	.8873	10.0894
2932	145	1/4	.44	.6380	10.7274
3080	148	1/4	.44	.6512	11.3786

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

17. Is any information shown on the reverse side of this form? ☐ yes ☒ no

18. Accumulative total displacement of well bore at total depth of 11.3786 feet = 3080 feet.

*19. Inclination measurements were made in – ☐ Tubing ☐ Casing ☐ Open hole ☒ Drill Pipe

20. Distance from surface location of well to the nearest lease line 330' feet.

21. Minimum distance to lease line as prescribed by field rules 330' feet.

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

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

INCLINATION DATA CERTIFICATION

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

Brinda Bessinger
Signature of Authorized Representative

Brinda Bessinger, Drlg. Clerk
Name of Person and Title (type or print)

Waterhole Drlg. & Sup. Inc.
Name of Company

Telephone: 405-393-6147
Area Code

OPERATOR CERTIFICATION

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

Ann E. Ritchie
Signature of Authorized Representative

Ann E. Ritchie, Agent
Name of Person and Title (type or print)

Orla Petco, Inc.
Operator

Telephone: 915-684-6581
Area Code

For Commission Use Only:

Approved By: _____ Title: _____ Date: _____

*Operator certifies items certified by company that conducted the inclination surveys.

85 M. F. 65125
WELL # 1 COMPLETION REPORT
GARRY MAURO, COMMISSIONER
FILED 2-15-84 BY C.M.

#663.

CORRECTED
ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, FORD CHAPMAN, JUDSON F. WILLIAMS, and JOHN MACGUIRE ("Assignors") do hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., P.O. Box 1383, Midland, Texas, its heirs and assigns (herein collectively called "Assignee"), the following described oil and gas leases:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

> E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

This assignment is made expressly subject to the terms, provisions and reservations of said leases and any assignments thereof, and to all overriding royalty interests which appear of record.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, Judson F. Williams, and Orla Petco, Inc.

This assignment is made without warranty of title, express or implied.

This assignment is in lieu and substitution of that certain assignment dated September 7, 1983, between the parties hereto, recorded in Volume 435, page 430, DEED records of Reeves County, Texas, and is executed for the purposes of correcting defective acknowledgments of signatures to said assignment.

DATED the 16th day of January, 1984, but effective as of the date of first production from the Sand Bend Well No. 1.

FORD CHAPMAN

JUDSON F. WILLIAMS

JOHN MacGUIRE

STATE OF TEXAS I
COUNTY OF MIDLAND I

This instrument was acknowledged before me on the 19th day of January, 1984, by FORD CHAPMAN.

My Commission expires:
12/08/86

Notary Public, State of Texas
Karis Bell

STATE OF TEXAS I
COUNTY OF EL PASO I

This instrument was acknowledged before me on the 8th day of February, 1984, by JUDSON F. WILLIAMS.

Notary Public, State of Texas
GEORGE ANGELOS

My Commission expires:
6-30-84

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 25237

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of Reeves }

I, Catherine Ashley, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original CORRECTED ASSIGNMENT OF OIL AND GAS LEASE FROM FORD CHAPMAN, ET AL TO ORLA PETCO, INC.

as the same appears of record in my office in book 441 page 117, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas this 21st day of February 19 84.

CATHERINE ASHLEY Clerk,

By Olga Fuentes Deputy.

Olga Fuentes

STATE OF TEXAS)
COUNTY OF EL PASO)

This instrument was acknowledged before me on the 8th day of February, 1984, by JOHN MacGUIRE.

Notary Public, State of Texas

My Commission expires:
6-20-84

(89)

M 65125
Assignment
File dated 2-25-84
Garry Mauro, Commissioner

RECEIVED AS STATED
$25.00
DATE 2-25-84
Reg. No. 79248

GENERAL LAND OFFICE

5-52-84

No. 664

CORRECTED

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS §
§
COUNTY OF REEVES §

WHEREAS, ORLA PETCO, INC. ("Assignor") owns the following described oil and gas leases insofar as they cover the lands hereinafter described situated in Reeves County, Texas:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

> E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Assignor for an adequate consideration in hand paid, the receipt of which is hereby acknowledged, does hereby BARGAIN, SELL, and ASSIGN unto ED R. KENNEDY ("Assignee") an overriding royalty equal to two percent of eight-eighths (2% of 8/8) of all oil which may be produced and saved from the lands described above under and by virtue of the leases described above, delivery of such oil to be made free of cost to the credit of Assignee into storage tanks provided by Assignee or into the pipeline to which the wells on said land may be connected. On dry gas or casing-head gas, when marketed from said premises, Assignee shall be

paid 2% of 8/8 part of the net proceeds at the well derived therefrom, and on casinghead gas or other gaseous or vaporous substances produced from said lands and utilized by Assignor in the manufacture of gasoline or other products, Assignee shall be paid 2% of 8/8 part of the current market value at the well or wells of the casinghead gas or other gaseous or vaporous substances so utilized.

Fuel oil and gas for operating the premises and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should this lease be operated jointly with other premises through the use of such plant) shall be conducted before said overriding royalties on oil or gas are computed. It is expressly agreed that operations, if any, on said premises, and the extent and duration thereof, as well as the preservation of the leasehold estate by rental payments or otherwise shall be solely at the will of Assignor, its successors and assigns.

If the lessors in the above-described leases own a lesser interest in the premises covered thereby than the entire and undivided fee, then said overriding royalties shall be paid to Assignee herein in the proportion which the interest of the lessors in said lands bear to the entire and undivided fee.

Assignee hereby authorizes Assignor to unitize, pool, and combine the land covered by the above-described lease in any manner which conforms with the laws of the State of Texas and the rules and regulations of the Texas Railroad Commission or other lawful authority.

This assignment is made without warranty of title, express or implied.

The terms hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives, successors, and assigns.

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 25237

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6684, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of Reeves }

I, Catherine Ashley, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original CORRECTED ASSIGNMENT OF OVERRIDING ROYALTY INTEREST FROM ORLA PETCO, INC. TO ED R. KENNEDY

as the same appears of record in my office in book 441 page 120, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 21st day of February 19 84.

CATHERINE ASHLEY Clerk,

By Olga Fuentes Deputy.

Olga Fuentes

This assignment is in lieu and substitution of that certain assignment dated September 12, 1983, between the parties hereto, recorded in Volume 435, page 432, DEED records of Reeves County Texas.

DATED the 13th day of February, 1984, but effective as of the date of first production from the Sand Bend Well No. 1.

ORLA PETCO, INC.

By _____
Adalbert von Gontard, III
Vice President

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 13th day of February, 1984, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

NOTARY PUBLIC • COUNTY OF MIDLAND • STATE OF TEXAS

_____
Notary Public, State of Texas
Pauline Grubb

My Commission expires:
9/30/84

(90)

M 65125

Assignment

File dated 2-25-84

Garry Mauro, Commissioner

RECEIVED AS STATED
25.00

DATE 2-25-84
Reg. No. 79248

GENERAL LAND OFFICE

5:52:9P

No. 665

CORRECTED

ASSIGNMENT OF INTEREST
IN
OIL AND GAS LEASES

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC. ("Assignor") does hereby GRANT, CONVEY and ASSIGN to the following named individuals and entities, their respective heirs, successors and assigns ("Assignees"), in the percentage shown below opposite the name of each Assignee, an undivided 79% interest in the following oil and gas leases:

(1) Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas,

(2) Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

> E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B No. 3B well insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The interest covered by this assignment is bargained, sold, assigned and conveyed to Assignees herein and shall be held by them, their heirs, successors and assigns, in the following interest:

Tricentrol United States, Inc. Suite 2000, Five Post Oak Park Houston, Texas 77027	37.035%
Orla Drilling Fund #6 P.O. Box 1383 Midland, Texas 79702	19.447%
Bruce T. Pearson P.O. Box 1461 Midland, Texas 79702	7.407%
Adalbert von Gontard, III P.O. Box 1383 Midland, Texas 79702	4.000%
J.M.C. Ritchie P.O. Box 1383 Midland, Texas 79702	7.407%
Lisat Venture c/o Arden R. Grover P.O. Box 3666 Midland, Texas 79702	3.704%
	79.000%

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8 overriding royalty interest owned by Ed R. Kennedy, all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above-described leases and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

(1) Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, and Judson F. Williams, and Orla Petco, Inc.
(2) Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Tricentrol United States, Inc., et al as Non-Operators.

This assignment is made without warranty of title, express or implied.

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 25237

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6684, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of Reeves }

I, Catherine Ashley, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original CORRECTED ASSIGNMENT OF INTEREST IN OIL AND GAS LEASE FROM ORLA PETCO, INC. TO TRICENTROL UNITED STATES, INC., ET AL

as the same appears of record in my office in book 441 page 123, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas this 21st day of February 19 84.

CATHERINE ASHLEY Clerk,

By Olga Fuentes Deputy.

Olga Fuentes

This assignment is in lieu and substitution of that certain assignment dated September 13, 1983, between the parties hereto, recorded in Volume 435, page 435, DEED Records of Reeves County, Texas.

DATED the 14th day of February, 1984, but effective as of the date of first production from the Sand Bend Well No. 1.

ORLA PETCO, INC.

By _____
Adalbert von Gontard, III
Vice President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 14th day of February, 1984, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

NOTARY PUBLIC STATE OF TEXAS

_____
Notary Public, State of Texas
Pauline Grubb

My Commission expires;
9/30/84

(91)

M 65125
Assignment
File dated 2-25-84
Garry Mauro, Commissioner

RECEIVED AS STATED
25.00
DATE 2.25.84
Reg. No. 79248

GENERAL LAND OFFICE

5:52:8P

No. 666

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, FORD CHAPMAN, JUDSON F. WILLIAMS, and JOHN MacGUIRE ("Assignors") do hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., P. O. BOX 1383, Midland, Texas, its heirs and assigns (herein collectively called "Assignee"), the following described oil and gas leases:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

W/2 SE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The Assignors herein reserve unto themselves, their heirs, successors or assigns, and except from this assignment an overriding royalty interest of an undivided 3.34% of 8/8th of all oil, gas, or other hydrocarbons produced, saved and sold from the above described lands under the terms of said oil and gas leases, if, as and when produced, saved and sold, but not otherwise. Such overriding royalty interest shall be free of all development, production, marketing and operating expenses and charges of any other nature; however, said interest shall bear and pay currently its share of gross production and/or pipe line taxes. It is agreed that the reservation and exception herein made imposes upon Assignee

herein, its successors and assigns, no duty or obligation to develop or operate the leased premises for oil, gas or other hydrocarbons not imposed by the provisions of said leases. If the interest herein assigned is less than the full and undivided leasehold estate in and to the lands herein above described then the overriding royalty interest herein reserved and excepted shall be reduced proportionately to correspond with the leasehold interest actually assigned hereby. The overriding royalty interest herein reserved shall be owned by the Assignors in the following proportions: Ford Chapman 35%, Judson F. Williams 13.2%, and John MacGuire 51.8%.

This assignment is made expressly subject to the terms, provisions and reservations of said leases and any assignments thereof, and to all overriding royalty interests which appear of record.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, Judson F. Williams, John MacGuire, and Orla Petco, Inc., as amended by Letter Agreement dated October 21, 1983.

This assignment is made without warranty of title, express or implied.

DATED the 17th day of January, 1984, but effective as of the date of first production from the Sand Bend "A" Well No. 1.

FORD CHAPMAN

JUDSON F. WILLIAMS

JOHN MacGUIRE

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 25237

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of Reeves }

I, Catherine Ashley, Clerk

of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original ASSIGNMENT OF OIL AND GAS LEASE FROM FORD CHAPMAN, ET AL TO ORLA PETCO, INC.

as the same appears of record in my office in book 441 page 126, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 21st day of February 19 84.

CATHERINE ASHLEY Clerk,

By Olga Fuentes Deputy.

Olga Fuentes

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 19th day of January, 1984, by FORD CHAPMAN.

Karis Bell
Notary Public, State of Texas
Karis Bell

My Commission expires:
12/08/86

STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on the 8th day of February, 1984, by JUDSON F. WILLIAMS.

Notary Public, State of Texas
GEORGE ANGELO

My Commission expires:
6-30-84

STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on the 8th day of February, 1984, by JOHN MacGUIRE.

Notary Public, State of Texas
GEORGE ANGELO

My Commission expires:
6-30-84

(42)

M 65125

Assignment

File dated 2-25-84

Garry Mauro, Commissioner

RECEIVED AS STATED

25.00

DATE 2-25-84

7924 8

GENERAL LAND OFFICE

S·SE·QN

No. 661

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS §
§
COUNTY OF REEVES §

WHEREAS, ORLA PETCO, INC. ("Assignor") owns the following described oil and gas leases insofar as they cover the lands hereinafter described situated in Reeves County, Texas:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

W/2 SE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194';

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Assignor for an adequate consideration in hand paid, the receipt of which is hereby acknowledged, does hereby BARGAIN, SELL, and ASSIGN unto ED R. KENNEDY ("Assignee") an overriding royalty equal to two percent of eight-eighths (2% of 8/8) of all oil which may be produced and saved from the lands described above under and by virtue of the leases described above, delivery of such oil to be made free of cost to the credit of Assignee into storage tanks provided by Assignee or into the pipeline to which the wells on said land may be connected. On dry gas or casinghead gas, when marketed from said premises, Assignee shall be paid 2% of 8/8 part of the net proceeds at the well derived therefrom, and on casinghead gas or other gaseous or vaporous substances produced from said lands and utilized by Assignor in the manufacture of gasoline or other products, Assignee shall be paid 2% of 8/8 part of the current market value at the well or wells of the casinghead gas or other gaseous or vaporous substances so utilized.

Fuel oil and gas for operating the premises and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should this lease be operated jointly with other premises through the use of such plant) shall be conducted before said overriding royalties on oil or gas are computed. It is expressly agreed that operations, if any, on said premises, and the extent and duration thereof, as well as the preservation of the leasehold estate by rental payments or otherwise shall be solely at the will of Assignor, its successors and assigns.

If the lessors in the above-described leases own a lesser interest in the premises covered thereby than the entire and undivided fee, then said overriding royalties shall be paid to Assignee herein in the proportion which the interest of the lessors in said lands bear to the entire and undivided fee.

Assignee hereby authorizes Assignor to unitize, pool, and combine the land covered by the above-described lease in any manner which conforms with the laws of the State of Texas and the rules and regulations of the Texas Railroad Commission or other lawful authority.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, Judson F. Williams, and Orla Petco, Inc., as amended by Letter Agreement dated October 21, 1983.

This assignment is made without warranty of title, express or implied.

The terms hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives, successors, and assigns.

DATED the 13th day of February, 1984, but effective as of the date of first production from the Sand Bend "A" Well No. 1.

ORLA PETCO, INC.

By: Adalbert von Gontard, III
Vice President

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 25237

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6684, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of Reeves }

I, Catherine Ashley, Clerk

of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original ASSIGNMENT OF OVERRIDING ROYALTY INTEREST FROM ORLA PETCO, INC. TO ED R. KENNEDY

as the same appears of record in my office in book 441 page 129, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 21st day of February 19 84.

CATHERINE ASHLEY Clerk,

By Olga Fuentes Deputy.

Olga Fuentes

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on the 13th day of February, 1984, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/84

Pauline Grubb
Notary Public, State of Texas
Pauline Grubb

(a3)

M 65125

Assignment

File dated 2-25-84

Garry Mauro, Commissioner

RECEIVED AS STATED

25.00

2-25-84

79248

GENERAL LAND OFFICE

5.SP.84

No. 668

ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC. ("Assignor") does hereby GRANT, CONVEY and ASSIGN to the following named individuals and entities, their respective heirs, successors and assigns ("Assignees"), in the percentage shown below opposite the name of each Assignee, an undivided 79% interest in the following oil and gas leases:

(1) Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas,

(2) Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

W/2 SE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The interest covered by this assignment is bargained, sold, assigned and conveyed to Assignees herein and shall be held by them, their heirs, successors and assigns, in the following interest:

Tricentrol United States, Inc. Suite 2000, Five Post Oak Park Houston, Texas 77027	37.035%
Orla Drilling Fund No. 6 P. O. Box 1383 Midland, Texas 79702	19.447%
Bruce T. Pearson P. O. Box 1461 Midland, Texas 79702	7.407%

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 25237

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6684, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of Reeves }

I, Catherine Ashley, Clerk

of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original ASSIGNMENT OF INTEREST IN OIL AND GAS LEASE FROM ORLA PETCO, INC. TO TRICENTROL UNITED STATES, INC., ET AL

as the same appears of record in my office in book 441 page 132, Deed Records.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 21st day of February 19 84.

CATHERINE ASHLEY Clerk,

By Olga Fuentes Deputy.

Olga Fuentes

J. M. C. Ritchie P. O. Box 1383 Midland, Texas 79702	7.407%
Adalbert von Gontard, III P. O. Box 1383 Midland, Texas 79702	4.000%
Lisat Venture c/o Arden R. Grover P. O. Box 3666 Midland, Texas 79702	3.704%
	79.000%

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8 overriding royalty interest owned by Ed R. Kennedy, all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above-described leases and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

(1) Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, and Judson F. Williams, and Orla Petco, Inc., and amendment thereto dated October 21, 1983.

(2) Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Tricentrol United States, Inc., et al as Non-Operators.

This assignment is made without warranty of title, express or implied.

DATED the 14th day of February, 1984, but effective as of the date of first production from the Sand Bend "A" Well No. 1.

ORLA PETCO, INC.

By: Adalbert von Gontard, III
Adalbert von Gontard, III
Vice President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 14th day of February, 1984, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 4/30/84

Pauline Grubb
Notary Public, State of Texas
Pauline Grubb

(94)

M 65125

Assignment

File dated 2-25-84

Garry Mauro, Commissioner

RECEIVED AS STATED

25.00

DATE 2-25-84

KIND 79248

GENERAL LAND OFFICE

5.29.84

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

February 23, 1984

General Land Office
Oil and Gas Division - Legal Dept.
1700 North Congress Avenue
Austin, TX 78701

X 150.00 79248

(171)

Re: Three Corrected Assignments covering E/2 SW/4 of Section 38 and three Assignments covering the W/2 SE/4 of Section 38, all in Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas

Gentlemen:

Enclosed please find a certified copy of each of the following subject assignments for your files:

1. Corrected Assignment of Oil and Gas Leases dated January 16, 1984, from Ford Chapman, Judson Williams and John MacGuire to Orla Petco, Inc.

2. Corrected Assignment of Overriding Royalty Interest dated February 13, 1984 from Orla Petco, Inc. to Ed R. Kennedy.

3. Corrected Assignment of Interest in Oil and Gas Leases dated February 14, 1984 from Orla Petco, Inc. to Tricentrol United States, Inc., et al.

4. Assignment of Oil and Gas Leases dated January 17, 1984 from Ford Chapman, Judson Williams and John MacGuire to Orla Petco, Inc.

5. Assignment of Overriding Royalty Interest dated February 13, 1984, from Orla Petco, Inc. to Ed R. Kennedy.

6. Assignment of Interest in Oil and Gas Leases dated February 14, 1984, from Orla Petco, Inc. to Tricentrol United States, Inc., et al.

Our check no. 610 in the amount of $150.00 is enclosed to cover the filing fees.

Yours very truly,

Pauline Grubb

Pauline Grubb
Secretary, Land Dept.

/g

(a3)

M. E. 65125

CORRESPONDENCE FILE

To Oda Petco

From

Dated 2-23-8

5.52.9H

Garry Mauro
Commissioner
General Land Office

March 12, 1984

Orla-Petco, Inc.
P.O. Box 1383
Midland, Texas 79702

Re: Corrected Assignment of Relinquishment Act Lease
M-65125
Ford Chapman, et al to Orla Petco, Inc.
Reeves County, Texas

Corrected Assignment of Overriding Royalty Interest
of Relinquishment Act M-65125
Orla Petco, Inc. to Ed R. Kennedy
Reeves County, Texas

Corrected Assignment of Interest of Relinquishment Act Lease
M-65125
Orla Petco, Inc. to Tricentrol United States, Inc. et al
Reeves County, Texas

Assignment of Relinquishment Act Lease
M-65125
Ford Chapman, et al to Orla Petco, Inc.
Reeves County, Texas

Assignment of Overriding Royalty Interest
of Relinquishment Act Lease M-65125
Orla Petco, Inc. to Tricentrol United States, Inc. et al
Reeves County, Texas

Dear Ms. Grubbs:

The certified copies of assignments covering the captioned oil and gas lease have been filed in our records.

Your remittance of $150.00 has been applied as the required filing fees.

Sincerely,

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

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

(94)

M. F. 65125

CORRESPONDENCE FILE

To Orla Potter

~~From~~

Dated 3.12.84

THE PERMIAN CORPORATION

DIVISION ORDER

Lease No. 483708

March 1, 19 84

TO THE PERMIAN CORPORATION, P. O. BOX 1183, HOUSTON, TEXAS 77001

The undersigned, and each of us, certify and guarantee that we are the legal owners of and hereby warrant the title to our respective interests as set out below in all oil produced from all wells on the Orla Petco Inc. - Sand Bend 1A farm or lease, located in Reeves County, State of Texas, more particularly described as follows:

W/2 SE/4 of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas, limited in depth from the surface to 3194".

and commencing at 7 A.M., the _____ day of first runs, 19____, and until further written notice either from you or us you are authorized to receive oil therefrom, purchase it and pay for it as follows:

CREDIT TO	DIVISION OF INTEREST	POST OFFICE ADDRESS
ROYALTY INTERESTS		
The Commissioner of the General Land Office of the State of Texas	1/2 of 1/6 R.I. (.0833333)	
Adair Reynaud Sullivan, Executrix of the Estate of Sallie Wynne Reynaud, deceased	1/4 of 1/6 R.I. (.0416667)	
Ruth Wynne Hollinshead, Samuella Wynne Palmer, and Lela Mae Wynne, as their separate property	1/4 of 1/6 R.I. (.0416667)	
OVERRIDING ROYALTY INTERESTS		
Paul L. Davis	20/256 of 5% O.R.R.I. (.0039063)	
W. B. Collins	20/256 of 5% O.R.R.I. (.0039063)	
J. H. Herd	20/256 of 5% O.R.R.I. (.0039063)	
Interfirst Bank Dallas, N.A., Trustee of Sabine Royalty Trust	46/256 of 5% O.R.R.I. (.0089843)	
Geraldine Layton Chapman	150/256 of 5% O.R.R.I. (.0292968)	
Ed R. Kennedy	2% O.R.R.I. (.0200000)	

MAKE SURE YOUR CORRECT MAILING ADDRESS IS SHOWN ABOVE

Form 259 Rev. 4-1-63

GL Copy

The following covenants are also parts of this division order and shall be binding on the undersigned, their heirs, devisees, successors, legal representatives and assigns.

FIRST: The oil received and purchased hereunder shall become your property as soon as the same is received into your custody, or that of any pipe line company or carrier designated by you, and the undersigned agree to look solely to you for payment of oil purchased hereunder and shall have no claim or recourse against any subsequent purchaser of said oil.

SECOND: The oil received and purchased hereunder shall be delivered F. O. B. to any pipeline or carrier designated by you which gathers and receives said oil, and you shall pay for such oil to the respective owners according to the division of interest above set forth at the same price per barrel received by the operator of the lease covered by this division order. The word "oil" used herein shall mean crude oil and condensate (or distillate) delivered hereunder.

THIRD: Quality and quantity shall be determined in accordance with the conditions specified in the purchase agreement with lease operator. The oil shall be steamed when necessary to make merchantable and you may refuse to receive any oil not considered merchantable by you.

FOURTH: Settlements and payments shall be made monthly by check mailed from your office to the respective parties at the addresses above given, for the amount of such purchase price due said parties, respectively, less any taxes required by the law to be deducted and paid by you as purchaser.

FIFTH: Abstracts and other evidence of title satisfactory to you will be furnished to you at any time on demand. In the event of failure to so furnish such evidence of title, or in the event of any dispute or question at any time concerning title to the above lands, or the oil produced therefrom, you may hold the proceeds of all oil received and run, without interest, until indemnity satisfactory to you has been furnished or until such dispute or question of title is corrected or removed to your satisfaction. And in the event any action or suit is filed in any Court affecting title either to the real property above described or to the oil produced therefrom in which any of the undersigned are parties, written notice of filing of such action shall immediately be furnished you by the undersigned, stating the Court in which the same is filed and the title of such action or suit, and you or any carrier transporting oil for your account shall be held harmless from any judgment rendered in such suit and all reasonable costs and expenses incurred in defending against said claim, whether in your defense or in the defense of the carrier transporting oil for your account, and the undersigned shall pay said judgment and said costs and expenses.

SIXTH: The undersigned severally shall notify you of any change of ownership, and no transfer of interest shall be binding upon you until a transfer order and the recorded instrument evidencing such transfer, or a certified copy thereof, shall be furnished to you. Transfers of interest shall be made effective not earlier than the first day of the calendar month in which notice is received by you. You are relieved hereby of any responsibility for determining if and when any of the interests hereinabove set forth shall or should revert to or be owned by other parties as a result of the completion or discharge of money or other payments from said interest and the signers hereof whose interests are affected by such money or other payments, if any, assume said responsibility and shall give you notice in writing by registered letter addressed to you at the above address, when any such money or other payments have been completed or discharged or when any other division of interest than that set forth above shall, for any reason, become effective and to furnish transfer orders accordingly, and that in the event such notice shall not be received, you shall be held harmless in the event of, and are hereby released from any and all damage or loss which might arise out of any overpayment.

SEVENTH: This division order shall become valid and binding on each and every owner above named as soon as signed by him or her regardless of whether any of the other above named owners have so signed; and in consideration of the purchase of oil hereunder, consent is given hereby to you and any pipe line company which you may cause to connect with the wells or tanks on said land, to disconnect and remove such pipe lines. in case of termination by either you or us of purchases under this division order.

EIGHTH: Working interest owners and operators who sign this division order, and each of them, guarantee and warrant for your benefit and that of any pipe line or other carrier designated by you to run or transport said oil, that all oil tendered hereunder has been and will be produced and handled in compliance with the Fair Labor Standards Act of 1938, and any amendments thereto, and all other federal, state and municipal laws, rules and regulations.

IN ACCORDANCE WITH FEDERAL LAW, PLEASE INDICIATE YOUR SOCIAL SECURITY OR IDENTIFICATION NUMBER BELOW:

_____

WITNESS OF SIGNATURES	OWNERS SIGN BELOW

BE SURE YOUR SIGNATURE IS WITNESSED AND YOUR CORRECT ADDRESS IS SHOWN

Re: Lease No. 483708 - Orla Petco Inc. - Sand Bend 1A

OVERRIDING ROYALTY INTERESTS

Ford Chapman	35% of 3.34% O.R.R.I. (.0116900)
Judson F. Williams	13.2% of 13.34% O.R.R.I. (.0044088)
John MacGuire	51.8% of 3.34% O.R.R.I. (.0173012)

WORKING INTERESTS

Orla Petco, Inc.		21% of 5/6 W.I.
	less	21% of 10.34% (.1532860)
Tricentrol United States, Inc.		37.035% of 5/6 W.I.
	less	37.035% of 10.34% (.2703308)
Orla Drilling Fund #6		19.447% of 5/6 W.I.
	less	19.447% of 10.34% (.1419501)
Bruce T. Pearson		7.407% of 5/6 W.I.
	less	7.407% of 10.34% (.0540662)
Adalbert von Gontard III		4.000% of 5/6 W.I.
	less	4.000% of 10.34% (.0291973)
J.M.C. Ritchie		7.407% of 5/6 W.I.
	less	7.407% of 10.34% (.0540662)
Lisat Venture		3.704% of 5/6 W.I.
	less	3.704% of 10.34% (.0270367)

124

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

March 13, 1984

TO: INTEREST OWNERS

RE: Division Order for Lease No. 483708 - Sand Bend "A" Lease
W/2 SE/4 of Section 38, Block 57, T-2, T&P Ry. Co. Survey,
Reeves County, Texas

Enclosed please find two copies of a Division Order covering the above-captioned lease.

Will you kindly fill out the Division Order as specified by the attached instruction sheet and return one executed copy to The Permian Corporation.

Very truly yours,

Adalbert von Gontard, III

AvG/g

2 - Encls.

March 30, 1984

Permian Corporation
P.O. Box 1183
Houston, TX 77001

ATTENTION: MS. RUBY VINCENT

RE: State Lease m-65125
Sand Bend 1A Lease
Chapman Field
Reeves County, Texas

Dear Ms. Vincent:

This letter is issued in lieu of the ordinary form of "Division Order" prepared by the oil companies primarily for execution by the individual royalty owner.

Inasmuch as the statutes provide the royalties the State shall receive, it is felt that it would not be in conformity with the law for the General Land Office to execute your division order and thereby attempt to bind the State by the provisions contained therein.

The General Land Office, insofar as permitted under the law, acquiesces in the sale of the oil and/or gas to you from this lease, which oil and/or gas shall become your property when the State has been paid for same, as prescribed by law and under the terms and conditions as set out in the lease covering the area in question.

Very truly yours,

Marilyn Logan
Division Order Analyst
Energy Resources
Phone: (512) 475-2858

jrf
Enclosure
Copy of Division Order

M-65125

(97) Division Order

3-30-84 ml

(48)

WITHIN RAL M-65125

Make a check or money order payable to the **State Treasurer of Texas.** Address to: Railroad Commission of Texas, Oil and Gas Division, Drilling Permits, P. O. Drawer 12967, Capitol Station, Austin, Texas 78711

▶ File a copy of W-1 and plat in RRC District Office.

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

▶ Read Instructions on Back

Form W-1
Rev. 9/1/83
483-060

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

NW 4-19-84

1. Purpose of filing (mark appropriate boxes):
[X] Drill [ ] Deepen (below casing) [ ] Deepen (within casing) [ ] Plug Back [ ] Re-Enter
[ ] Directional Well [ ] Sidetrack [ ] Amended Permit (enter permit no. at right & explain fully in Remarks)

Enter here, if assigned: API No. ▶ 42-389-31500 Permit No. ▶ 233808 Rule 37 Case No. ▶

1. Operator's Name (exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.
3. RRC Operator No.: 626210
4. RRC District No.: 8
5. County of Well Site: Reeves
2. Address (including city and zip code): c/o Box 953, Midland, Texas 79702
6. Lease Name (32 spaces maximum): Sand Bend
7. RRC Lease/ID No.: *
8. Well No.: 2
9. Total Depth: 3200

10. Location
• Section 38 Block 57 Survey T & P, T-2 Abstract No. A-
• This well is to be located 3 miles in a SW direction from Orla which is the nearest town in the county of the well site.

016054

11. Distance from proposed location to nearest lease or unit line: 330 ft.
12. Number of contiguous acres in lease, pooled unit, or unitized tract: 320 (OUTLINE ON PLAT.)

13. FIELD NAME (Exactly as shown on RRC proration schedule). List all established and wildcat zones of anticipated completion. Attach additional Form W-1's as needed to list these zones. One zone per line.	14. Completion depth	15. Spacing pattern (ft.)	16. Density pattern (acres)	17. Number of acres in drilling unit for this well. OUTLINE ON PLAT.	18. Is this acreage assigned to another well on this lease & in this reservoir? If so, explain in Remarks	19. Distance from proposed location to nearest applied for, permitted, or completed well, this lease & reservoir. (ft.)	20. Oil, gas, or other type well (Specify)	21. No. of applied for, permitted, or completed locations (including this one) on lease in this reservoir: OIL	GAS
Chapman 17029 001	2900	330/660	10	10	no	2954'	oil	2	0

Unitized 3-1-7/84

22. Perpendicular surface location from two nearest designated lines:
• Lease/Unit 330' FWL and 342' FNL
• Survey/Section 2310' FSL and 990' FEL

If a directional well, show also projected bottom-hole location:
• Lease/Unit
• Survey/Section

23. Is this a pooled unit?
Yes [ ] ▶ (Attach Form P-12 and certified plat.) No [X]

24. Is there a less than Item 16 (substandard acreage for any field applied for)?
Yes [ ] ▶ (Attach Form W-1A) No [ ]

25. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes [ ] No [X] If subject to Rule 36, is Form H-9 filed? Yes [ ] No [ ] ▶ If not filed, explain in Remarks.

26. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? If not, and if the well requires a Rule 37 or 38 exception, see Instructions for Rule 37. Yes [X] No [ ]

I certify that information stated on this application is true and complete, to the best of my knowledge.

Signature: Ann E. Ritchie
Ann E. Ritchie, Agent
Name and title of operator's representative

Date: 3-21-84 (mo. day yr.)
Tel.: 915 (Area Code) 684-6381, 684-4762 (Number)

Remarks

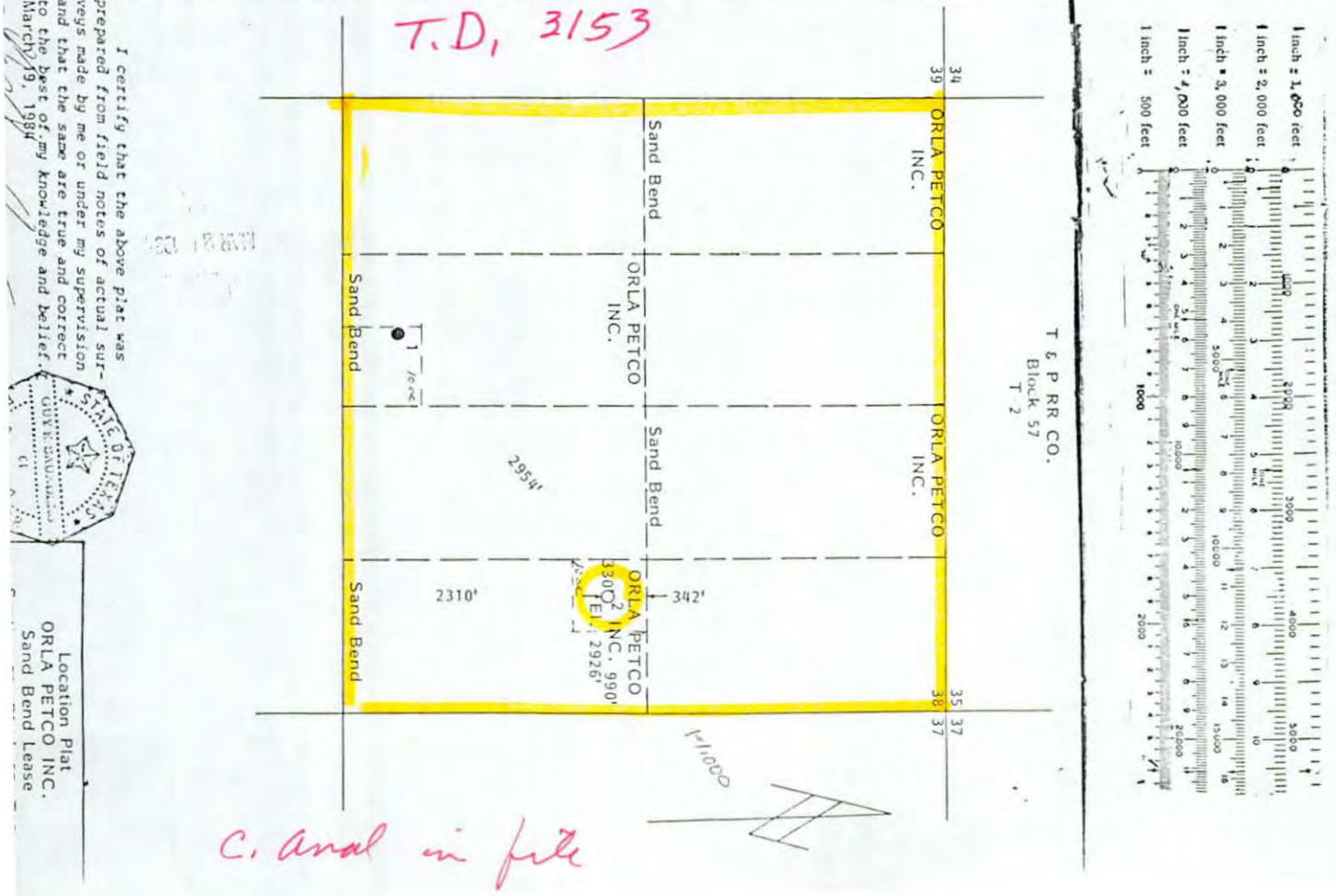
* Well #1 was transfered from the Chapman, S (Olds) by filing of Form P-4 on 3-14-84, to the Chapman field. We have not been assigned a lease number to date.

• RRC Use Only •
217001 MAR 26 84
236122

4-11-84

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

Comp: 5-21-84
P & A
T.D. 3153



C. and in file

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

IT NUMBER	DATE OF PERMIT	DISTRICT
233808	3/27/84	08
UMBER	**FORM W-1 (dated)**	**COUNTY**
42 389 31500	3/21/84	REEVES
OF OPERATION		**ACRES**
DRILL		320

ATOR 626210

ORLA PETCO, INC.
BOX 953
MIDLAND TX 79701

NOTICE
NO ALLOWABLE WILL BE ASSIGNED unless well protects all fresh water sands with sufficient surface casing. Where Commission rules do not specify surface casing requirements, contact the Texas Department of Water Resources for depth to which fresh water sands must be protected.

District Office Telephone No.: 915 684-5581

E NAME	WELL NUMBER
SAND BEND	2
TION	**TOTAL DEPTH**
3 MILES SW FROM ORLA	3,200

ION, BLOCK and/or SURVEY

SEC=>38 BLK=>57 SVY=>T & P, T-2 AB=>

ANCE -- LEASE LINES	**-- SURVEY LINES**	**-- NEAREST WELL ON LEASE**
990 FWL - 342 FNL	2310 FSL - 990 FEL	2954

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

D(S)

HIS PERMIT AND ANY ALLOWABLE ASSIGNED MAY BE REVOKED IF A CHECK TENDERED TO *
HE COMMISSION IS NOT HONORED. *

CHAPMAN

** LIMITATIONS **

DATE STAMPED 03/26/84.
REGULAR PROVIDED THIS WELL IS NEVER COMPLETED IN VIOLATION OF APPLICABLE SPECIAL FIELD OR STATEWIDE SPACING RULES.

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

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

Based upon the representations made on the FORM W-1 and those made on any plat or plats filed therewith, it is believed that the ration indicated, when carried out at that point which you have represented to be the location of the above designated Well, complies as of date thereof, with the provisions of the applicable spacing rule SUBJECT TO THE LIMITATIONS, IF ANY, SET OUT ABOVE. Compliance h the applicable Commission spacing rule renders it unnecessary that you secure a special Commission permit to cover this indicated ration at the location shown, the same being classed as regular.

PHONE: (512) 445-1314

DIRECT INQUIRIES TO: DRILLING PERMIT SECTION, OIL AND GAS DIVISION

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

DEPTH OF USABLE-QUALITY GROUND WATER TO BE PROTECTED

SC 1547

The information requested is esse[illegible] in order for this agency to provide an appropriate r[illegible]nse. Please allow for receipt of this form in our offices at least one week before your operation begins. Due to the volume of these requests, it is difficult for us to handle telephone inquiries, and such only serve to delay the processing of these forms. Complete, keep the bottom sheet (yellow) for your files, and mail the top 4 sheets of this 5-sheet set of carbon-backed forms to the address below; 1 of them will be returned to you bearing our response and others will be sent to the Austin and appropriate district office of the Railroad Commission.

REFER TO: SC- 1547 if commenting on the recommendation below

Surface Casing
Texas Department of Water Resources
P.O. Box 13087
Austin, Texas 78711 (Phone: 512/475-6176)

Date 3-22-84

Ann E. Ritchie 915 684-6381
Name of person preparing this request & Telephone No. w/AC

Orla Petco, Inc.
Company (operator's name as on RRC form W-1)

Box X 953
Mailing Address

Midland, Texas 79702
City and State Zip Code

Do not write in this space

#8

SC 1392 DD

Lease Name Sand Bend Well No. 2

County Reeves Railroad Commission District No. 8

Section No. 38 Block No. 57 Township 2

Survey T & P No. ____ Abstract No. A-

Distances, in feet, and directions measured at right angles from each of two intersecting Section or Survey lines

(NOT LEASE LINES) 2310 feet from South line and 990 feet from East line

Distance (in miles) and direction from a nearby town in this County (name the town).

3 miles SW from Orla

Elevation (if available) ____ Proposed Total Depth 3200

Geologic Formation at T.D. ~~Delaware~~ Delaware

Map (Attach a map showing surrounding Surveys and your well site. The map may be a Xerox or other, including hand drawn, copy of an ownership map but must show Surveys, etc. The scale should be either 1"=4,000' or 1"=3,000'. A part of an ownership map such as those by Heydrick, Tobin, South Texas, Southwest, Midland, Zingery, etc., is preferable to a surveyor's plat.

Additional data (check if attached):

Log of same or nearby well ____ (The applicable type of well log of a nearby well that shows the aquifers).
ALWAYS attach the electric log of any well that is to be reentered.

old

TYPE OR PRINT IN INK

The TEXAS DEPARTMENT OF WATER RESOURCES' recommendation for the protection of usable-quality ground water at the referenced location is as follows:

old

DO NOT WRITE HERE
FOR TDWR USE ONLY

Water-bearing strata must be protected from the land surface to the base of the Rustler, estimated to occur at a depth of 800 feet.

Very truly yours,

R. N. Webster
Geologist, Surface Casing, TDWR

Date 4/10/84 dh
typed by TDWR

NOTE: The depth to which we recommend that usable-quality water strata should be protected is intended to apply only to the subject well. Approval of the well-completion methods for protection of this ground water falls under the jurisdiction of the Railroad Commission of Texas. **This recommendation is intended for normal drilling and production operations only and does not apply to salt water disposal operations. It should not be used as a recommendation for fieldwide usable-quality water protection rules.**

TDWR-0051 (Rev. 5-4-81)

(101)

M.F. 65125

APPLICATION TO DRILL

WELL # 2

FILED 6 - 8 19 84

GARRY MAURO, COMMISSIONER

BY: HDK

6-8-84

M-65125

Plugging Record

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

FORM W-3
Rev. 10/78

#818380

API NO. (if available) 42-389-31500

1. RRC District: 8

FILE IN DUPLICATE WITH DISTRICT OFFICE OF DISTRICT IN WHICH WELL IS LOCATED WITHIN THIRTY DAYS AFTER PLUGGING

4. RRC Lease or Id. Number:

2. FIELD NAME (as per RRC Records): Chapman

3. Lease Name: Sand Bend

5. Well Number: 2

6. OPERATOR: ORLA PETCO, INC.

6a. Original Form W-1 Filed in Name of: Orla Petco, Inc.

10. County: Reeves

7. ADDRESS: Post Office Box 1383, Midland, Texas 79701

6b. Any Subsequent W-1's Filed in Name of:

11. Date Drilling Permit Issued: 3-27-84

8. Location of Well, Relative to Nearest Lease Boundaries of Lease on which this Well is Located: 330 Feet From West Line and 342 Feet From North Line of the Sand Bend Lease

12. Permit Number: 233808

9a. SECTION, BLOCK, AND SURVEY: Sec. 38 Blk. 57 T&P T-2

9b. Distance and Direction From Nearest Town in this County: 3 Miles SW Orla

13. Date Drilling Commenced: 4-12-84

16. Type Well (Oil, Gas, Dry): Dry

Total Depth: 3153

17. If Multiple Completion List All Field Names and Oil Lease or Gas ID No.'s

GAS ID or OIL LEASE #	Oil - O Gas - G	WELL #

14. Date Drilling Completed: 4-16-84

16a. If Gas, Amt. of Cond. on Hand at time of Plugging:

15. Date Well Plugged: 5-21-84

CEMENTING TO PLUG AND ABANDON DATA:	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7	PLUG #8
*19. Cementing Date 1984	5/21	5/21	5/21	5/21				
20. Size of Hole or Pipe in which Plug Placed (inches)	4-1/2	4-1/2	4-1/2	4-1/2				
21. Depth to Bottom of Tubing or Drill Pipe (ft.)	2990	850	400	50				
*22. Sacks of Cement Used (each plug)	20	20	20	5				
*23. Slurry Volume Pumped (cu. ft.)	23.6	23.6	23.6	5.9				
*24. Calculated Top of Plug (ft.)	2732	592	142	Surface				
25. Measured Top of Plug (if tagged) (ft.)								
*26. Slurry Wt. #/Gal.	15.6	15.6	15.6	15.6				
*27. Type Cement	H	H	H	H				

28. CASING AND TUBING RECORD AFTER PLUGGING

SIZE	WT. #/FT.	PUT IN WELL (ft.)	LEFT IN WELL (ft.)	HOLE SIZE (in.)
8 5/8	15.5	358	351	12 1/4
4 1/2	9.5	3153	3153	7 7/8

29. Was any Non-Drillable Material (Other than Casing) Left in This Well? ☐ Yes ☒ No

29a. If answer to above is "Yes" state depth to top of "junk" left in hole and briefly describe non-drillable material. (Use Reverse Side of Form if more space is needed.)

30. LIST ALL OPEN HOLE AND/OR PERFORATED INTERVALS

FROM 2990	TO 2998	FROM	TO
FROM	TO	FROM	TO
FROM	TO	FROM	TO
FROM	TO	FROM	TO
FROM	TO	FROM	TO

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

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

Roland Munne, Cementer

Signature of Cementer or Authorized Representative

HALLIBURTON SERVICES

Name of Cementing Company

CERTIFICATE:

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

James M. A. Rutherford

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

SIGNATURE: REPRESENTATIVE OF RAILROAD COMMISSION

31. Was Well filled with Mud-Laden Fluid, according to the regulations of the Railroad Commission — [xx] Yes [ ] No

32. How was Mud Applied? Pump

33. Mud Weight 12.6 LBS/GAL

34. Total Depth 3153'

Depth of Deepest Fresh Water 150'

Other Fresh Water Zones by T.D.W.R.

TOP	BOTTOM

35. Have all Abandoned Wells on this Lease been Plugged according to R R C Rules? [ ] Yes [ ] No

36. If NO, Explain

37. Name and Address of Cementing or Service company who mixed and pumped cement plugs in this well
Halliburton Services, Drawer Y, Monahans, Texas 79756

Date RRC District Office notified of plugging

38. Names and Addresses of Surface Owner of Well Site and Operators of Offset Producing Leases

39. Was Notice Given Before Plugging to Each of the Above?
Yes

FILL IN BELOW FOR DRY HOLES ONLY

40. For Dry Holes, this Form must be accompanied by either a Driller's, Electric, Radioactivity or Acoustical/Sonic Log or such Log must be released to a Commercial Log Service.

[ ] Log Attached [xx] Log released to West Texas Electric Log Service Date 4-20-84

Type Logs:

[ ] Driller's [ ] Electric [ ] Radioactivity [ ] Acoustical/Sonic

41. Date FORM P-8 (Special Clearance) Filed?

42. Amount of Oil produced prior to Plugging None bbls*

* File FORM P-1 (Oil Production Report) for month this oil was produced

RRC USE ONLY

Nearest Field

REMARKS

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

DAILY DRILLING REPORT

SAND BEND NO. 2

LOCATION: 2310' FSL & 990' FEL of Section 38, Blk 57, T-2, T & P RR Co. Survey, Reeves County, Texas

ELEVATION: Gl 2926' KB
EST. TD.: 3100'
CONTRACTOR: Roper Energy, Rig 1

4/10/84 — Spudding today 10 PM

4/11/84 — 350' — Formation, surface. Operations: Waiting on Float equipment. Deviation: 1/2 ° @ 249', 3/4° @ 350'
Mud: 9.0 lbs., 31 Vis., 8 PH
Time Record:
Drilling - 7 hrs.
Slope - 3/4 hr.
Waiting on water - 6 1/4 hrs.
Circulate - 3/4 hr.
Drill Rathole & Mousehole - 2 hrs.
Wait on float Equipment - 1/2 hr.
Move & rig up - 5 hrs.

4/12/84 — 1000' — Anhydrite & Red Bed. Operations: Drilling. Slope: 1° at 850'. MW 10, Vis. 29, pH 9. Set 8-5/8" casing at 350' with 270 sx Class "C", 2% CaCl. Circulated 63 sx to pit.
Time Record:
Drilling - 8-3/4 hrs.
Slope - 1/4 hr.
Trip - 3/4 hr.
Cement - 1/2 hr.
WOC - 4 hrs.
Circulate - 1/2 hr.
NU - 4 hrs.
Test BOP - 1 hr.
WO float equipment - 1-1/4 hrs.
Running casing - 3/4 hr.
Drill cement - 2-1/4 hrs.

4/13/84 — 1930' — Anhydrite & Salt. Operations: Drilling. Footage in 24 hrs.- 930! Slope: 1-1/4° @ 1317'; 1° @ 1808'. MW 10.1, Vis. 29, pH 9.
Time Record: Drilling - 23 hrs.
Slope - 1 hr.

4/14/84 — 2710' — Anhydrite. Operations: Drilling. Footage in 24 hrs. - 780'. Slope: 3/4° @ 2351'. MW 10.3, Vis. 30, pH 11.
Time Record: Drilling - 23-3/4 hrs.
Slope - 1/4 hr.

4/15/83 3165' Anhydrite, Sand & Lime. Operations: Circulating for logs. Footage in 24 hrs. - 455'. Slope: 3/4° @ 2794', 3/4° @ 3165'. MW 10.4, Vis. 32, pH 11.
Time record: Drilling - 13-3/4 hrs.
Slope - 1/4 hr.
Trip - 8-1/4 hrs.
Circulate for logs - 1 hr.
Ream 60' to bottom - 3/4 hr

4/16/84 TD 3165' Anhydrite, Sand & Lime. Operations: Circulating - WO Halliburton.
Spudded 4/10/84 - 10 p.m.
Reached TD 4/15/84 - 6 a.m.
Ran 79 jts. 9.50# 4-1/2" casing, total pipe 3151.82', set at 3151' RTM, one cutoff left on location.* MW 10.4, Vis. 32, pH 11.
Time record: Slope - 1/4 hr.
WOO - 2-1/4 hrs.
Trip for logs - 4 hrs.
Lay down DP - 1-3/4 hrs.
Lay down DC - 1 hr.
Log - 6-1/4 hrs.
Circulate for logs - 3 hrs.
WO casing crew - 1-3/4 hrs.
Run casing - 2-3/4 hrs.
Circulate to cement - 3/4 hr.
Wash 5' to bottom - 1/4 hr.

* Cemented with 750 sx HLC, 250 sx Class "C", 2% CaCl. Plugged down at 8 a.m. Lost circulation after dropping plug. Temperature survey ordered out for 4 p.m.

4/17/84 TD 3165' Operations: WOL. Survey: 3/4° @ 3165'. Rig released 12 Noon. Ran Temperature Survey, TOC 700'.
Time Record: Cement - 1 hr.
ND - 3 hrs.
Install head - 1 hr.
Rig down - 3 hrs.
WOL - 16 hrs.

4/18/84 WOCU

4/19/84 TD 3165' Ran correlation logs; perf @ 2990-2998, 2 SPF, 16 holes. Ran tubing and packer in hole; set packer @ 2898', base of tubing @ 2934'. Hooked up Western Co. to frac. Packer did not hold pressure; released Western Co. Pulled packer out of hole; set up job for this a.m.

4/20/84 Ran in hole with packer; set packer @ 2916', base of tubing @ 2944'. Pressured up back side 500#; frac with 5000 gals. Mini-Max III-30, 6000# 20/40 sand. SI overnight

4/21/84 Opened well at 8 a.m. Had 230# TP. Flowing wide open with 220# pressure. Will have gauge tomorrow.

4/22/84 Recovered all load in 8 hrs. 16 hr. gauge, well flowed 176 barrels total fluid, 2 to 3% oil. Flowing with 280# TP on 14/64" choke. Recovered 4 BO.

4/23/84	TD 3165'	24 hr. gauge, recovered 261 barrels total fluid; flowing on 240#TP, 14/64" choke. Recovered 6 BO, 255 BW.
4/24/84		24 hr. gauge, recovered 5 BO, 196 BW, TP 220#, 14/64" choke, (2 to 3% oil - maximum oil recovered in 3 days - 15 bbls.)
4/25/84		24 hr. gauge, recovered 219 barrels fluid, 1.5 BO, 14/64" choke, 200# TP (1 to 2% oil).
4/26-29/84		No reports
4/30/84		Running tracer survey this a.m. Will have report this p.m.
4/30/84 p.m.		Ran tracer survey, found communication up to Ramsey Sand 2944' and Upper Olds 2970'. Released unit.
5/1/84		Prep to squeeze Thursday and drill out Monday.
5/2/84		Prep to squeeze Upper Olds and Ramsey on 5/3/84.
5/3/84		Circulated hole with brine water to kill well. Pulled tubing, RIH with retrievable bridge plug and set at 2986', dropped 10' of sand on bridge plug. Came out of hole with retrieving tool. RIH with perfing gun, perforated well 2962-2966' with 2SPF; came out of hole with perfing gun. WIH with cement retainer; set retainer @ 2900'. Hooked up Halliburton, attempted to squeeze with 75 sx Class "C", 3/10th Hallad 4, 3# sand and 2# salt. Did not get squeeze, cleared tubing and retainer of cement. Will squeeze Friday morning.
5/4/84		Hooked up Halliburton, set down on retainer and squeezed with 100 sx Class "C", 3/10th Hallad 4, 3# sand and 2# salt. Got a good squeeze, squeezed to 2000#, pulled tubing out of hole. Will start drilling cement on Tuesday, the 8th.
5/5-7/84		No report
5/8/84		Drilling on cement retainer.
5/9/84	TD 2902'	Drilling on retainer and cement.
5/10/84		Drilled out plug and tested squeeze to 500#. TOH with bit and TIH to retrieve bridge plug. Hooked up CRC Wireline, re-perf'd from 2990-2998'. Started in hole with packer and tubing to acidize. Dropped packer in hole, presently fishing for packer. Will attempt to acidize Friday a.m.
5/11/84		Recovered packer. Ran tubing & packer in hole; set packer at 2970'; acidized with 3000 gals. 7-1/2% mud acid; treated at 500# with 1-1/2 to 2 BPM. SI for 2 hrs. Started swabbing at 1 p.m. 84 bbls. of load to recover. Will have gauge Monday morning.

5/12/84	TD 2902'	Well flowing on 18/64" choke at rate of 9-1/2 BFPH, 50# TP, less than 1% oil. Recovered 230 BTF.
5/13/84		Recovered 164 bbls. clear water in 22 hrs., no oil.
5/14/84		Flowing on 18/64" choke, 100# TP, 21-1/2 hr. gauge, flowed 166 BW, no oil.
5/15/84		24 hr. gauge, flowed 187 BW, no oil. 120# TP, 18/64" choke.
5/16/84		Preparing to P&A on Monday, 5/21/84.
5/17-20/84		No reports
5/21/84		P&A well on 5/21/84 with the following plugs:

Plug #1	20 sx	from 2990'	to 2890'
" #2	20 sx	" 850'	to 750'
" #3	20 sx	" 400'	to 300'
" #4	5 sx	to surface	

FINAL REPORT

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

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

#586270

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
ORLA PETCO, INC.		8	Reeves

Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
	42-	

Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
Sand Bend			2

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date			4/16/84			
13. •Drilled hole size			7-7/8			
•Est. % wash or hole enlargement						
14. Size of casing (in. O.D.)			4-1/2			
15. Top of liner (ft.)						
16. Setting depth (ft.)			3153			
17. Number of centralizers used			20			
18. Hrs. waiting on cement before drill-out						
1st Slurry — 19. API cement used: No. of sacks ▶			750			
1st Slurry — Class ▶			HLC			
1st Slurry — Additives ▶			1/4# Flocele.			
2nd Slurry — No. of sacks ▶			250			
2nd Slurry — Class ▶			"C"			
2nd Slurry — Additives ▶			2% Calcium Chloride			
3rd Slurry — No. of sacks ▶						
3rd Slurry — Class ▶						
3rd Slurry — Additives ▶						
1st — 20. Slurry pumped: Volume (cu. ft.) ▶			1477			
1st — Height (ft.) ▶			6484			
2nd — Volume (cu. ft.) ▶			330			
2nd — Height (ft.) ▶			1449			
3rd — Volume (cu. ft.) ▶						
3rd — Height (ft.) ▶						
Total — Volume (cu. ft.) ▶			1807			
Total — Height (ft.) ▶			7933			
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?			NO			

22. Remarks

OVER ▶

ENTING TO PLUG AND ABANDON	PLUG # 1	PLUG # 2	PLUG # 3	PLUG # 4	PLUG # 5	PLUG # 6	PLUG # 7	PLUG # 8
cementing date								
ize of hole or pipe plugged (in.)								
Depth to bottom of tubing or drill pipe (ft.)								
6. Sacks of cement used (each plug)								
7. Slurry volume pumped (cu. ft.)								
8. Calculated top of plug (ft.)								
9. Measured top of plug, if tagged (ft.)								
0. Slurry wt. (lbs/gal)								
1. Type cement								

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

Rick Hansen - Cementer | HALLIBURTON SERVICES | Rick Hansen

Name and title of cementer's representative | Cementing Company | Signature

Drawer Y | Monahans, Texas 79756 | 915/943-2721 | 4/16/84

Address | City, State, Zip Code | Tel.: Area Code Number | Date: mo. day yr.

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

Typed or printed name of operator's representative | Title | Signature

Address | City, State, Zip Code | Tel.: Area Code Number | Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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

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

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

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

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

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

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

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

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

RA ROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form W-12
(1-1-71)

6. RRC District

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

7. RRC Lease Number. (Oil completions only)

FIELD NAME (as per RRC Records or Wildcat)

2. LEASE NAME: Sand Bend

8. Well Number: 2

OPERATOR: Orla Petco, Inc.

9. RRC Identification Number (Gas completions only)

ADDRESS: P.O. Box 1383 Midland, TX 79702

10. County: Reeves

LOCATION (Section, Block, and Survey): 2310' FSL, 990' FEL, Sec 38, Blk 57, T-2, T&P RR Co Svy

RECORD OF INCLINATION

Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
249	249	1/2	.87	2.17	2.17
350	101	3/4	1.31	1.32	3.49
850	500	1	1.75	8.75	12.24
1317	467	1 1/4	2.18	10.18	22.42
1808	491	1	1.75	8.59	31.01
2351	543	3/4	1.31	7.11	38.12
2794	443	3/4	1.31	5.80	43.92
3165	371	3/4	1.31	4.86	48.78

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

Is any information shown on the reverse side of this form? ☐ yes ☒ no

Accumulative total displacement of well bore at total depth of 3165 feet = 48.78 feet.

Inclination measurements were made in – ☐ Tubing ☐ Casing ☐ Open hole ☒ Drill Pipe

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

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

Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? _____

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

INATION DATA CERTIFICATION

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

ture of Authorized Representative

Fred Roper Vice-President
of Person and Title (type or print)

Roper Energy Company
of Company

phone: 915 694-5933
Area Code

OPERATOR CERTIFICATION

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

Signature of Authorized Representative

Name of Person and Title (type or print)

Operator

Telephone: _____ _____
Area Code

Commission Use Only:

ved By: _____ Title: _____ Date: _____

ignates items certified by company that conducted the inclination surveys.

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

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

#536269

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
UNA PETRO, INC.		8	Reeves

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
	42-	

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
Sand Bend			2

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date		4/11/84					
13. *Drilled hole size		12-1/4					
*Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)		8-5/8					
15. Top of liner (ft.)							
16. Setting depth (ft.)		351					
17. Number of centralizers used		3					
18. Hrs. waiting on cement before drill-out							
1st Slurry	19. API cement used: No. of sacks ▶	270					
	Class ▶	"C"					
	Additives ▶	2% Calcium Chloride					
2nd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶	356					
	Height (ft.) ▶	863					
2nd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶	356					
	Height (ft.) ▶	863					
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?		YES					

22. Remarks

OVER ▶

UTOR 4/16/84

ING TO PLUG AND ABANDON	PLUG # 1	PLUG # 2	PLUG # 3	PLUG # 4	PLUG # 5	PLUG # 6	PLUG # 7	PLUG # 8
enting date								
of hole or pipe plugged (in.)								
pth to bottom of tubing or drill pipe (ft.)								
Sacks of cement used (each plug)								
Slurry volume pumped (cu. ft.)								
Calculated top of plug (ft.)								
Measured top of plug, if tagged (ft.)								
Slurry wt. (lbs/gal)								
Type cement								

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

Richard Harmon - Cementer HALLIBURTON SERVICES

Dewey Y. Morahan, Texas 79756 915/563-2721 Rick Harmon 4/11/84

Name and title of cementer's representative — Cementing Company — Signature

Address — City, State, Zip Code — Tel.: Area Code Number — Date: mo. day yr.

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

or printed name of operator's representative — Title — Signature

ss — City, State, Zip Code — Tel.: Area Code Number — Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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- Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting **dry holes**, operators must complete Form **W-15, in addition to Form W-3, to show any casing cemented in the hole.**

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

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

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

161

June 1, 1984

TO: WORKING INTEREST OWNERS

RE: ORLA PETCO, INC. - SAND BEND WELL No. 2
2310' FSL & 990' FEL of Section 28, Block 57, T-2,
T&P RR Co. Survey, Reeves County, Texas

Enclosed please find a copy each of the following covering the above-captioned well:

1. Permit to Drill
2. Texas Department of Water Resources' recommendation concerning depth of usable-quality ground water to be protected
3. Cementing Report for Surface Casing - Form W-15
4. Cementing Report for Production Casing - Form W-15
5. Inclination Report -Form W-12
6. Plugging Report - Form W-3
7. Daily Drilling Report

Should you desire any additional information, please let us know.

Yours very truly,

Pauline Grubb

Pauline Grubb
Land Secretary

/g

(102)

M-65125

PLUGGING RECORD WELL #2

6-8-84

6.8.84

	Initials	Date
Prepared By	SW	6/29/84
Approved By	-	

G. A. Wynne B Lease

STATE LEASE Chapman Fields, Reeves County, Texas OPERATOR For S. Chapman

	1	2	3	4	5	6
MONTH	MCF	GROSS VALUE	ROYALTY DUE	ROYALTY PAID	ADDITIONAL ROYALTY DUE	NO. DAYS LATE	PENALTY DUE AT 1% PER 30 DAY PERIOD
Jan 1983 - Mar 1983		144520	12064.35	-0-	12064.35	4123	1650.00
April		16380	1364	-0-	1364	381	173
May		16380	1364	-0-	1364	351	160
June		16380	1364	-0-	1364	320	145
July		16380	1364	-0-	1364	289	131
			12589.1	-0-	12589.1		1710.9
TOTAL ROYALTY DUE		125891					
TOTAL PENALTY DUE		1710.9					
TOTAL DUE		14301.00					

915-682-3217
Michael Smith

© WILSON JONES COMPANY U.S.A. • "COLUMN WRITE" G7606 PADDED / WG7606 "WYRING" BOUND •

IMPORTANT: RETAIN WHITE COPY AND RETURN BLUE COPY WITH SEPARATE CHECK FOR THE TOTAL DUE.

June 29, 1984

Ford Chapman
P.O. Box 2376
Midland, TX 79702

ATTENTION: ACCOUNTING MANAGER

RE: State Lease M-65125
G.A. Wynne B Lease
Chapman Field
Reeves County, Texas

Gentlemen:

Examination of your Gas Reports (Form MA-2), and your royalty payments received for the subject lease indicates for the period January, 1973 through July, 1983, gas royalty has been underpaid $1,258.91. (See attached schedule.)

It appears that we have not received payment on this lease since its inception.

If your records show this royalty has been paid, please advise the total amount of the check and the approximate date it was mailed. If royalty has not been paid, please pay or make arrangement for payment of $1,430.00 which includes $1,258.91 additional royalty and the required statutory delinquency penalty of $171.09 as provided by Sec. 52.131, Texas Natural Resources Code. Penalty is calculated at the rate of 1% for each 30 day period of delinquency, or fractional period thereof; provided, however, that each such penalty shall never be less than Five Dollars ($5). The delinquency penalty is computed for the period February, 1973 through May, 1984.

Sincerely yours,

Jeff Dusenbury, Unit Supervisor
Energy Resources
Telephone No. (512) 475-2858

BS/jrf
Enclosures

M.F. # 65125

CORRESPONDENCE FILE

TO Ford Chapman

FROM _____

DATED 6-29-84

INDEX # 103

Garry Mauro
Commissioner
General Land Office

IMPORTANT: RETAIN WHITE COPY AND RETURN BLUE COPY WITH SEPARATE CHECK FOR THE TOTAL DUE.

September 27, 1984

Ford Chapman
P.O. Box 2376
Midland, TX 79702

RE: STATE LEASE M-65125
Sec. 38, Blk. 47, Tsp. 2
T&P RY
Reeves

Gentlemen:

Our records show the statutory 10¢ per acre rental in the amount of $64.00 on the subject lease was due on 9-21-84.

The minimum rental is due the State although the lease is producing.

At an early date, please forward your check in the amount of $64.00 to pay the minimum rental due on the subject lease.

Sincerely yours,

Carl Liberty, Supervisor
Resource Accounting
Telephone No. 512-475-2858

RW/dm

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

106

M. F. 65125
CORRESPONDENCE FILE
TO
Ted Chapman
FROM
DATED 9-27-84

No. 3385

ASSIGNMENT OF INTEREST
IN
OIL AND GAS LEASES

M-65125

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC., P. O. Box 1383, Midland, Texas 79702 ("Assignor") does hereby GRANT, CONVEY and ASSIGN, in equal shares, to JAMES M. C. RITCHIE, JR., P. O. Box 1401, Midland, Texas 79702 and BETTY JANE RANDELL, 3413 Wedgewood, Midland, Texas 79707, their respective heirs, successors and assigns (herein collectively called "Assignee"), an undivided 4% interest in the following oil and gas leases:

(1) Dated September 21, 1970, between Lela Mae Wynne Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas,

(2) Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas,

insofar as said leases cover the following described lands, to-wit:

(A) W/2 SE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194';

(B) E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G. A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8ths overriding royalty interest owned by Ed R.

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 25237

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of REEVES }

I, CATHERINE ASHLEY, Clerk

of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original RECORDED ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES FROM ORLA PETCO, INC. TO JAMES M. C RITCHIE, JR., ET AL

as the same appears of record in my office in book 448 page 384, Deed Record.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 26th day of Sept. 19 84.

CATHERINE ASHLEY Clerk,

By Billie Jo Freeman Deputy.

(Billie Jo Freeman)

Kennedy, all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above-described leases and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

(1) Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, and Judson F. Williams, and Orla Petco, Inc., and amendment thereto dated October 21, 1983.

(2) Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Tricentrol United States, Inc., et al as Non-Operators.

This assignment is made without warranty of title, express or implied.

WITNESS the execution hereof this 20th day of September, 1984.

ORLA PETCO, INC.

By _____
J. M. C. Ritchie, President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 20th day of September, 1984, by J. M. C. RITCHIE, President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/88

_____
Notary Public in and for the
State of Texas

Filed for record on the 25th day of Sept. A.D. 1984 at 1:42 P.M. Duly recorded on the 26th day of Sept. A.D. 1984 at 9:00 A M.

By s/ Billie JO Freeman, Deputy

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

(107)

M 65125.

Assignment

File dated 9.29-84

Garry Mauro, Commissioner

RECEIVED AS STATED
#25.00

DATE 9-29-84
Reg. No. 09810

GENERAL LAND OFFICE

8.SA.9H

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

September 27, 1984

Mr. V. C. Morelle
Oil & Gas Division
General Land Office
1700 North Congress Avenue
Austin, Texas 78701

X 50.00 09810

Re: Orla Petco, Inc. - Cumberland Lease
State Lease #M-86049
S/2 of Section 16, Block 57, T-2, T&P RR Co. Survey,
Reeves County, Texas

Orla Petco, Inc. - Sand Bend Lease
State Lease #M-65125
W/2 SE/4 and E/2 SW/4 of Section 38, Block 57, T-2, T&P
RR Co. Survey, Reeves County, Texas

Dear Mr. Morelle:

In reference to the above captioned leases, enclosed please find a certified copy of two Assignments of Interest in Oil and Gas Leases both dated September 20, 1984, from Orla Petco, Inc. to James M. C. Ritchie, Jr. and Betty Jane Randell.

Our check #794 in the amount of $50.00 is enclosed to cover the required filing fees.

Very truly yours,

Pauline Grubb
Land Secretary

RECEIVED
OCT 1984
LEGAL SERVICES DIVISION

(108)

M. E. 65125

CORRESPONDENCE FILE

To Orla Peters, Inc.

From

Dated 9-27-84

3.58.84

Garry Mauro
Commissioner
General Land Office

October 17, 1984

Ms. Pauline Grubb
Orla Petco, Inc.
P.O.Box 1383
Midland, Texas 79702

Re: Assignment of Relinquishment Act Lease
M-65125
Orla Petco, Inc. to James M. C. Ritchie, Jr., et al
Reeves County, Texas

Assignment of Relinquishment Act Lease
M-86049
Orla Petco, Inc. to James M. C. Ritchie, Jr., et al
Reeves County, Texas

Dear Ms. Grubb:

The certified copies of assignments covering the captioned oil and gas leases have been filed in our records.

Your remittance of $50.00 has been applied as the required filing fee(s).

Sincerely,

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

/dd
9/29/84

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

109

M. F. 05125

CORRESPONDENCE FILE

To Orla Peter Inc.

~~From~~

Dated 10-17-84

Garry Mauro
Commissioner
General Land Office

SECOND REQUEST

October 30, 1984

Ford Chapman
P.O. Box 2376
Midland, TX 79702

RE: STATE LEASE M-65125
Sec. 38, Blk. 47, Tsp. 2
T&P RY
Reeves County, TX

Gentlemen:

Enclosed is a copy of our letter to you dated September 27, 1984 and as of this date we have not received a reply to this letter.

In order to expedite the handling of your correspondence, please direct your reply to the undersigned Supervisor.

Your prompt attention to this matter is requested.

Sincerely yours,

Carl Liberty, Supervisor
Revenue Processing
Telephone No. (512) 475-2858

RW/dm
Enclosure

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

M. F. 65125
CORRESPONDENCE FILE
TO
Ford Chapman
FROM
DATED 10/30/84

REMITTANCE
STATEMENT

FORD CHAPMAN DRILLING
AND PRODUCTION ACCOUNT
P.O. BOX 2376 MIDLAND, TEXAS 79702

INVOICE DATE	VOUCHER NO.	INVOICE NUMBER	GROSS AMOUNT	DISCOUNT	NET AMOUNT
		State Lease M-65125 Sec 38 Blk 47 T-2 Reeves Co. 10¢ per acre rental 9-21- 1984/1985			26005 $64.00

VENDOR NUMBER	CHECK NO. 3345	CHECK DATE 11-6-84	AMOUNT OF CHECK ▶	$64.00

(111) MM-65125
Rental Payment
11-20-84

Type or print only

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Form W-2
Rev. 4/1/83
483-046

API No. 42-389 31553

7. RRC District No. 8

8. RRC Lease No. 28240

Oil Well Potential Test, Completion or Recompletion Report, and Log

1. FIELD NAME (as per RRC Records or Wildcat): Chapman, S. (OLDS)

2. LEASE NAME: Sand Bend

9. Well No. 3

3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.

RRC Operator No. 626210

10. County of well site: Reeves

4. ADDRESS: P. O. Box 953, Midland, Texas 79702

11. Purpose of filing
- Initial Potential [X]
- Retest [ ]
- Reclass [ ]
- Well record only (explain in Remarks) [ ]

5. If Operator has changed within last 60 days, name former operator

6a. Location (Section, Block, and Survey): Sec. 38, Blk. 57, T-2, T&P

6b. Distance and direction to nearest town in this county.: 3 miles SW from Orla

12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no.

FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL NO.

13. Type of electric or other log run: Depth Correlation

14. Completion or recompletion date: 1-19-85

SECTION I: POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified in field rules.

15. Date of test	16. No. of hours tested	17. Production method (Flowing, Gas Lift, Jetting, Pumping—Size & Type of pump)	18. Choke size
2-27-85	24	Pumping	-

19. Production during Test Period ▶	Oil - BBLS	Gas — MCF	Water - BBLS	Gas - Oil Ratio	Flowing Tubing Pressure
	10	1	70	100	- PSI
20. Calculated 24-Hour Rate ▶	**Oil - BBLS**	**Gas — MCF**	**Water — BBLS**	**Oil Gravity—API—60°**	**Casing Pressure**
				40	- PSI

21. Was swab used during this test? Yes [ ] No [XX]

22. Oil produced prior to test (New & Reworked wells): 150 BBLS.

23. Injection Gas—Oil Ratio -

REMARKS:

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

WELL TESTER'S CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete, to the best of my knowledge.

Orla Petco, Inc.

Signature: Well Tester | Name of Company | RRC Representative

OPERATOR'S CERTIFICATION

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

Ann E. Ritchie
Typed or printed name of operator's representative

Agent
Title of Person

915 684-6381
Telephone: Area Code Number

Date: 3 / 20 / 85
mo. day year

Signature

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

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

25. Permit to Drill, Plug Back or Deepen — DATE 8-30-84 — PERMIT 2499
Rule 37 Exception — CASE
Water Injection Permit — PERMIT
Salt Water Disposal Permit — PERMIT
Other — PERMIT

26. Notice of Intention to Drill this well was filed in Name of: Orla Petco, Inc.

27. Number of producing wells on this lease in this field (reservoir) including this well: 2

28. Total number of acres in this lease: 320

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 9-8-84; Completed 9-14-84

30. Distance to nearest well, Same Lease & Reservoir: 2859'

31. Location of well, relative to nearest lease boundaries of lease on which this well is located: 467 Feet From South Line and 467 Feet from West Line of the Sand Bend Lease

32. Elevation (DF, RKB, RT, GR, ETC.)

33. Was directional survey made other than inclination (Form W—12)? [ ] Yes [ ] No

34. Top of Pay	35. Total Depth	36. P. B. Depth	37. Surface Casing Determined by:
2978	3160	-	Field Rules [X]; Recommendation of T.D.W.R. [ ] Dt. of Letter; Railroad Commission (Special) [ ] Dt. of Letter

38. Is well multiple completion? NO

39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No.

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

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

41. Name of Drilling Contractor: Roper Energy

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

43. CASING RECORD (Report All Strings Set in Well)

CASING SIZE	WT #/FT.	DEPTH SET	MULTISTAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL cu. ft.
8 5/8"	24#	351	-	275 sx CL. C	12 1/4"	Surface	363
4 1/2"	9.5#	3160		425 sl CL. C	7 7/8"	1740'	675

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set
2 3/8"	2926'	-

46. Producing Interval (this completion) Indicate depth of perforation or open hole

From	2978	To	2984
From		To	
From		To	
From		To	

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

Depth Interval	Amount and Kind of Material Used
2978 - 2984	500 gals 7 1/2 % NE acid
	4000 gals gelled KCL water
	6000 # 20/40 Sand

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

Formations	Depth	Formations	Depth
Base Salt	2724	Top Olds	2955
Top Delaware	2896		

REMARKS: Filed amended W-1 this date to include the Chapman S (Olds) field. W-1 filed 8-28-84 listed Chapman field only.

11-2

WITHIN RAL M-65125

▶ Return each W-1 with plat and $100.00 fee. Make a check or money order payable to the State Treasurer of Texas. Address to: Railroad Commission of Texas, Oil and Gas Division, Drilling Permits, P. O. Drawer 12967, Capitol Station, Austin, Texas 78711

▶ File a copy of W-1 and plat in RRC District Office

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

▶ Read Instructions on Back

Form W-1
Rev. 9-1-83
483000

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

API No. ▶ 42-389-31553 /dmc

Purpose of filing (mark appropriate boxes):
[X] Drill [ ] Deepen (below casing) [ ] Deepen (within casing) [ ] Plug Back [ ] Re-Enter
[ ] Directional Well [ ] Sidetrack [ ] Amended Permit (enter permit no. at right & explain fully in Remarks)

Enter here if assigned: Permit No. ▶ 249985
Rule 37 Case No. ▶

1. Operator's Name (exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.
3. RRC Operator No.: 626210
4. RRC District No.: 8
5. County of Well Site: REEVES

2. Address (including city and zip code): C/O Box 953, Midland, Texas 79702

6. Lease Name (32 signs maximum): SAND BEND per plat
7. RRC Lease/ID No.: 28240
8. Well No.: 3
9. Total Depth: 3200

10. Location
• Section 38 Block 57 Survey T-2, T&P Abstract No. A-
• This well is to be located 3 miles in a SW direction from Orla, which is the nearest town in the county of the well site.

11. Distance from proposed location to nearest lease or unit line: 467 ft.
12. Number of contiguous acres in lease, pooled unit, or unitized tract: 320 (OUTLINE ON PLAT)

Wanted 3-27-85

13. FIELD NAME (Exactly as shown on RRC proration schedule). List all established and wildcat zones of anticipated completion. Attach additional Form W-1's as needed to list these zones. One zone per line.		14. Completion depth	15. Spacing pattern (ft.)	16. Density pattern (acres)	17. Number of acres in drilling unit for this well. OUTLINE ON PLAT.	18. Is this acreage assigned to another well on this lease & in this reservoir? If so, explain in Remarks.	19. Distance from proposed location to nearest applied for, permitted, or completed well, this lease & reservoir. (ft.)	20. Oil, gas, or other type well (Specify)	21. No. of applied for, permitted, or completed locations (including this one) on lease in this reservoir. OIL	GAS
~~Chapman~~ CHAPMAN	17029001	2900	330/660	10	10	No	-	Oil	1	0
Chapman, S. (Olds)	17033500	2900	467/1200	40	40	No	2859'	Oil	2	0
			0.0.C							

22. Perpendicular surface location from two nearest designated lines:
• Lease/Unit 467 FNL & 467 FSL
• Survey/Section 2176 FEL & 2185 FNL

If a directional well, show also projected bottom-hole location:
• Lease/Unit
• Survey/Section

23. Is this a pooled unit? Yes [ ] ▶ (Attach Form P-12 and certified plat.) No [X]

24. Is Item 17 less than Item 16 (substandard acreage for any field applied for)? Yes [ ] ▶ (Attach Form W-1A) No [X]

25. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes [ ] No [X] If subject to Rule 36, is Form H-9 filed?) Yes [ ] No [ ] ▶ If not filed, explain in Remarks.

26. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? Yes [X] No [ ]
If not, and if the well requires a Rule 37 or 38 exception, see Instructions for Rule 37.

Remarks: Filed to include the Chapman, S (Olds) Field.

I certify that information stated in this application is true and complete, to the best of my knowledge.

Signature: Ann E. Ritchie
Name and title of operator's representative: Ann E. Ritchie

Date: 3 mo. 20 day 85 yr. Tel: 915 Area Code 684-6381 Number

218705 MAR 26 85 ✓ • RRC Use Only •

278764

4885

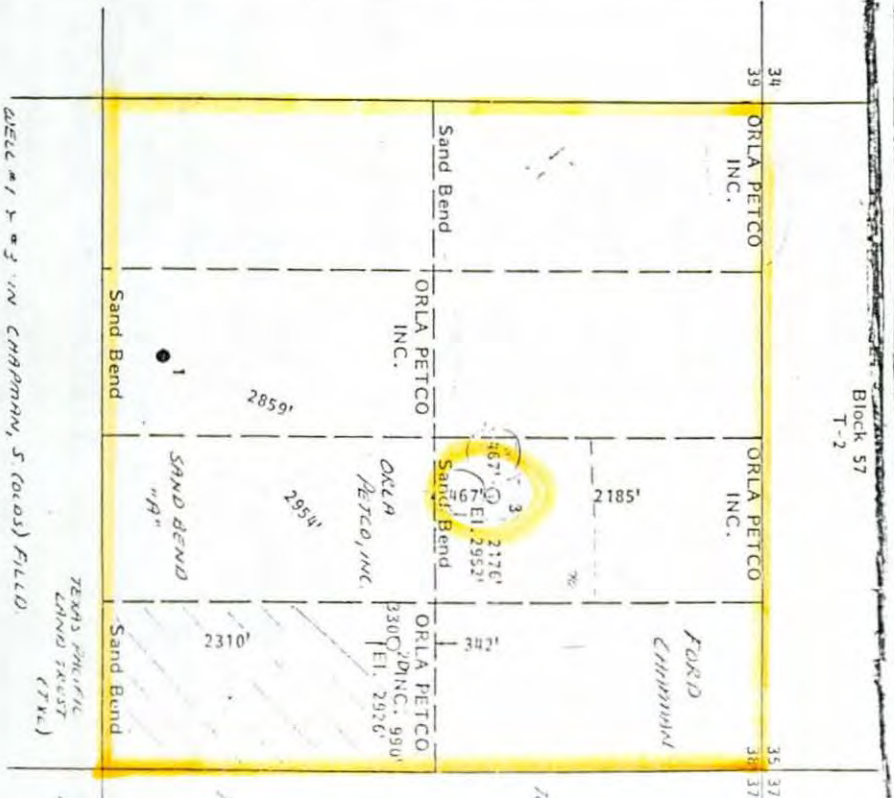
STRAUBE PLAT SERVICE

I certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.
March 19, 1984, Aug. 27, 1984

GUY E. STRAUBE

Location Plat
ORLA PETCO INC.
Sand Bend Lease
Section 38, Block 57, T-2
T & P RR CO.

WELL NO. 3 IN CHAPMAN, S (OLDS) FIELD



SCALE OF MAP

1 inch = 1,000 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet
1 inch = 500 feet

```
                    *** OIL AND GAS W-2/G-1 RECORD ***          INQUIRY
API #: 389   31553                                        SOURCE: RRC
DIST:  08  LSE/ID: 28240_   WELL#:    3     TYPE:  OIL    CNTY: REEVES
FLD:   CHAPMAN, S. (OLDS)                 LSE: SAND BEND
OPER:  ORLA PETCO, INC.
COMPLETION:  01 19 85                        DRILLING PERMIT   #:  249985
W2-G1:       03 25 85    BUILT: 05 20 85     R-37 EXCEP CASE   #:
ATTACHMENTS:  ON FILE                        WATER INJECT PERM #:
KEY 'S' TO VIEW ATTACH: _                    SALT WATER DISP   #:
                                             DOCKET   NUMBER:
DRILL COMPLETED:   09 14 84
ELEVATION:
TOTAL DEPTH:       3160                      WELLBORE PLUGGED:
PLUGBACK DEPTH:
LOCATION  SEC: 38          BLK: 57             ABST:
          SUR: T & P RR T-2
SUR/SECT:   002185 FT FROM NL          AND   002176 FT FROM  EL
NOTE=> NO REMARKS ON FILE FOR THIS DATE
 * SCREEN OPTIONS: 12=FORM/SQZE 13=REMARKS 14=WATER 19=PERMITS/WELLIDS
 * SELECT OPTION:  __    (01=RETURN TO MENU, 00= HELP AND OTHER OPTIONS)
PRESS 'ENTER' FOR NEXT SCREEN
```

perfs 2978' to 2984'

(113)

M.F 65125

APPLICATION TO DRILL

WELL # 3

FILED 6-19 19 85

GARRY MAURO, COMMISSIONER

BY: D Bright

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

March 28, 1985

TO: Interest Owners

RE: Orla Petco, Inc. - Sand Bend No. 3
467' FWL & 467' FSL of Section 38,
Block 57, T-2, T&P RR Co. Survey,
Reeves County, Texas

Enclosed please find a copy of the following for your files covering the above subject well:

1. Two Cementing Reports (Form W-15) for Surface Casing and Production Casing

2. Inclination Report (Form W-12)

3. Oil Well Potential Test (Form W-2)

4. Daily Drilling Report

Should you need any additional information concerning this well, please let us know.

Very truly yours,

Pauline Grubb
Land Secretary

/g

Copy to: General Land Office

(114)

File No. 6525
ltr from Orla Petco Inc

Date Filed: 6-A-A85
Jerry E. Patterson, Commissioner

By _____

2-12-92

Garry Mauro
Commissioner
General Land Office

June 10, 1985

Orla Petco, Inc.
Box 953
Midland, Texas 79702

RE: State Lease M-65125
Tract No. Sec. 38, Blk. 57, T&PRR
Well No. 3
Reeves County, Texas

Dear Gentlemen:

We note the recent completion of the captioned well, however, we have not received the following reports or surveys, which are marked below, as required by your Oil and Gas Lease:

_____ Form W-1 Application to Drill
_x_ Form W-2 Oil Well Potential Test/Completion Report
_____ Form W-3 Plugging Record
_____ Form G-1 Gas Well Pressure Test and Completion Report
_____ Form G-10 Gas Well Status Report
_____ Form W-12 Inclination Report
_____ Form W-15 Cementing Report
_____ Electrical Log
_____ Directional Survey

We also have a W-1 from the Railroad Commission on:
Tract No. Sec. 4, Blk. 57, T-2, T&P
Well No. 1
Lease Eastham

This land is Relinquishment Act and the minerals belong to the State of Texas. We need a status report on this well. We do not show that a lease has been negotiated and approved by our office.

Your cooperation will be appreciated.

Sincerely yours,

Diane Hyatt

Diane Hyatt, Geologist
Petroleum & Minerals Division
(512) 475-0727, Ext. 68

DH/db

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

(115)

File No. 65126
ltr to Orla Petro Inc

Date Filed: 6·19·1985
Jerry E. Patterson, Commissioner

By

Type or print only

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

M-65125 9W

Form W-2
Rev. 4/1/83
483-046

API No. 42- 389 31553

7. RRC District No. 8

8. RRC Lease No. 28240

Oil Well Potential Test, Completion or Recompletion Report, and Log

1. FIELD NAME (as per RRC Records or Wildcat): Chapman, S. (OLDS)

2. LEASE NAME: Sand Bend

9. Well No. 3

3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report): Orla Petco, Inc. ✓

RRC Operator No. 626210

10. County of well site: Reeves

4. ADDRESS: P. O. Box 953, Midland, Texas 79702

11. Purpose of filing
- Initial Potential [X]
- Retest [ ]
- Reclass [ ]
- Well record only (explain in Remarks) [ ]

5. If Operator has changed within last 60 days, name former operator

6a. Location (Section, Block, and Survey): Sec. 38, Blk. 57, T-2, T&P

6b. Distance and direction to nearest town in this county.: 3 miles SW from Orla

12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no.

FIELD & RESERVOIR	GAS ID or OIL LEASE #	Oil - O Gas - G	WELL NO.

13. Type of electric or other log run: Depth Correlation

14. Completion or recompletion date: 1-19-85

SECTION I: POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified in field rules.

15. Date of test	16. No. of hours tested	17. Production method (Flowing, Gas Lift, Jetting, Pumping—Size & Type of pump)	18. Choke size
2-27-85	24	Pumping	-

19. Production during Test Period ▶	Oil - BBLS	Gas — MCF	Water - BBLS	Gas - Oil Ratio	Flowing Tubing Pressure
	10	1	70	100	- PSI
20. Calculated 24-Hour Rate ▶	**Oil - BBLS**	**Gas — MCF**	**Water — BBLS**	**Oil Gravity—API—60°**	**Casing Pressure**
				40	- PSI

21. Was swab used during this test? Yes [ ] No [XX]

22. Oil produced prior to test (New & Reworked wells): 150 BBLS.

23. Injection Gas—Oil Ratio -

REMARKS:

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

WELL TESTER'S CERTIFICATION

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete, to the best of my knowledge.

Orla Petco, Inc.

Signature: Well Tester | Name of Company | RRC Representative

OPERATOR'S CERTIFICATION

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

Ann E. Ritchie
Typed or printed name of operator's representative

Agent
Title of Person

915 684-6381
Telephone: Area Code Number

Date: 3 / 20 / 85
mo. day year

Signature

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

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

25. Permit to Drill, Plug Back or Deepen — DATE: 8-30-84 — PERMIT NO.: 249985
Rule 37 Exception — CASE NO.:
Water Injection Permit — PERMIT NO.:
Salt Water Disposal Permit — PERMIT NO.:
Other — PERMIT NO.:

26. Notice of Intention to Drill this well was filed in Name of: Orla Petco, Inc.

27. Number of producing wells on this lease in this field (reservoir) including this well: 2

28. Total number of acres in this lease: 320

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced: 9-8-84; Completed: 9-14-84

30. Distance to nearest well, Same Lease & Reservoir: 2859'

31. Location of well, relative to nearest lease boundaries of lease on which this well is located: 467 Feet From South Line and 467 Feet from West Line of the Sand Bend Lease

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

33. Was directional survey made other than inclination (Form W—12)? [ ] Yes [ ] No

34. Top of Pay	35. Total Depth	36. P. B. Depth	37. Surface Casing Determined by:
2978	3160	-	Field Rules [X]; Recommendation of T.D.W.R. [ ] Dt. of Letter; Railroad Commission (Special) [ ] Dt. of Letter

38. Is well multiple completion? NO

39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No.

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

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

41. Name of Drilling Contractor: Roper Energy

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

43. CASING RECORD (Report All Strings Set in Well)

CASING SIZE	WT #/FT.	DEPTH SET	MULTISTAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL. cu. ft.
8 5/8"	24#	351	-	275 sx CL. C	12 1/4"	Surface	363
4 1/2"	9.5#	3160		425 sl CL. C	7 7/8"	1740'	675

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set
2 3/8"	2926'	-

46. Producing Interval (this completion) Indicate depth of perforation or open hole

From	2978	To	2984
From		To	
From		To	
From		To	

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

Depth Interval	Amount and Kind of Material Used
2978 - 2984	500 gals 7 1/2 % NE acid
	4000 gals gelled KCL water
	6000 # 20/40 Sand

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

Formations	Depth	Formations	Depth
Base Salt	2724	Top Olds	2955
Top Delaware	2896		

REMARKS: Filed amended W-1 this date to include the Chapman S (Olds) field. W-1 filed 8-28-84 listed Chapman field only.

WITHIN RAL zip 65125

MJ 9-24-84

Return each W-1 with plat and $100.00 fee. Make a check or money order payable to the State Treasurer of Texas. Address to: Railroad Commission of Texas, Oil and Gas Division, Drilling Permits, P. O. Drawer 12967, Capitol Station, Austin, Texas 78711

▶ File a copy of W-1 and plat in RRC District Office.

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Form W-1
Rev. 9/1/83
483-060

▶ Read Instructions on Back

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

Purpose of filing (mark appropriate boxes):
[X] Drill [ ] Deepen (below casing) [ ] Deepen (within casing) [ ] Plug Back [ ] Re-Enter
[ ] Directional Well [ ] Sidetrack [ ] Amended Permit (enter permit no. at right & explain fully in Remarks)

Enter here, if assigned: API No. ▶ 42- 389-31853 Permit No. ▶ 249985 Rule 37 Case No. ▶

1. Operator's Name (exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.
3. RRC Operator No.: 626210
4. RRC District No.: 8
5. County of Well Site: Reeves
2. Address (including city and zip code): Box 953, Midland, Texas 79702
6. Lease Name (32 spaces maximum): Sand Bend
7. RRC Lease/ID No.: 28240
8. Well No.: 3
9. Total Depth: 3200

10. Location
• Section 38 Block 57 Survey T & P RR T-2 Abstract No. A-
• This well is to be located 3 miles in a SW direction from Orla, which is the nearest town in the county of the well site.

SEP 27 1984

11. Distance from proposed location to nearest lease or unit line: 467 ft.
12. Number of contiguous acres in lease, pooled unit, or unitized tract: 320 (OUTLINE ON PLAT.)

Granted 8/30/84

13. FIELD NAME (Exactly as shown on RRC proration schedule). List all established and wildcat zones of anticipated completion. Attach additional Form W-1's as needed to list these zones. One zone per line.	14. Completion depth	15. Spacing pattern (ft.)	16. Density pattern (acres)	17. Number of acres in drilling unit for this well. OUTLINE ON PLAT.	18. Is this acreage assigned to another well on this lease & in this reservoir? If so, explain in Remarks.	19. Distance from proposed location to nearest applied for, permitted, or completed well, this lease & reservoir. (ft.)	20. Oil, gas, or other type well (Specify)	21. No. of applied for, permitted, or completed locations (including this one) on lease in this reservoir. OIL	GAS
Chapman	2900	330/660	10	10	No	2859	Oil	2	0
17029 001		Code C							

22. Perpendicular surface location from two nearest designated lines:
• Lease/Unit 467' FWL & 467' FSL
• Survey/Section 2185' FNL & 2176' FEL

If a directional well, show also projected bottom-hole location:
• Lease/Unit
• Survey/Section

23. Is this a pooled unit? Yes [ ] ▶ (Attach Form P-12 and certified plat.) No [X]
24. Is Item 17 less than Item 16 (substandard acreage for any field applied for)? Yes [ ] ▶ (Attach Form W-1A) No [X]
25. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes [ ] No [X] If subject to Rule 36, is Form H-9 filed? Yes [ ] No [X] ▶ If not filed, explain in Remarks.
26. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? If not, and if the well requires a Rule 37 or 38 exception, see Instructions for Rule 37. Yes [ ] No [ ] NA

Remarks

I certify that information stated in this application is true and complete, to the best of my knowledge.

Signature: Jean Ellison
Jean Ellison (Agent)
Name and title of operator's representative

Date: 8/28/84 (mo. day yr.) Tel: 915 (Area Code) 684-6381 (Number)

232094 AUG 2984 • RRC Use Only •

255180

9-11-84

Statewide PLAT SERVICE
P. O. DRAWER 1862, AUSTIN, TEXAS 78767

I certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.
March 29, 1984 / Aug. 27, 1984

STATE OF TEXAS — COY E. CRUMLEY — REGISTERED PUBLIC SURVEYOR

Location Plat
ORLA PETCO INC.
Sand Bend Lease
Section 38, Block 57, T-2

SCALE OF MAP
1 inch = 500 feet
1 inch = 1,000 feet
1 inch = 2,000 feet
1 inch = 3,000 feet
1 inch = 4,000 feet

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

August 31, 1984

TO: Interest Owners

RE: Orla Petco, Inc. - Sand Bend No. 3
467' FWL & 467' FSL of Section 38,
Block 57, T-2, T&P RR Co. Survey
Reeves County, Texas

Enclosed please find a copy of the following for your files covering the above subject well:

1. Application for Permit to Drill (Form W-1)
2. Location Plat

We will continue to furnish you additional information on this proposed well as it becomes available.

Very truly yours,

Pauline Grubb

Pauline Grubb
Secretary, Land Dept.

/g

Make a check or money order payable to the **State Treasurer of Texas.** Address to:
Railroad Commission of Texas
Oil and Gas Division, Drilling Permits
P. O. Drawer 12967, Capitol Station
Austin, Texas 78711
▶ File a copy of W-1 and plat in RRC District Office.

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Application for Permit to Drill, Deepen, Plug Back, or Re-Enter

▶ Read Instructions on Back

Form W-1
Rev. 9/1/83
483-060

Purpose of filing (mark appropriate boxes):
[X] Drill [ ] Deepen (below casing) [ ] Deepen (within casing) [ ] Plug Back [ ] Re-Enter
[ ] Directional Well [ ] Sidetrack [ ] Amended Permit (enter permit no. at right & explain fully in Remarks)

Enter here, if assigned: API No. ▶ 42-
Permit No. ▶

1. Operator's Name (exactly as shown on Form P-5, Organization Report): Orla Petco, Inc.
3. RRC Operator No.: 626210
4. RRC District No.: 8
5. County of Well Site: Reeves
Rule 37 Case No. ▶

2. Address (including city and zip code): Box 953, Midland, Texas 79702
6. Lease Name (32 spaces maximum): Sand Bend
7. RRC Lease/ID No.: 28240
8. Well No.: 3
9. Total Depth: 3200

10. Location
• Section 38 Block 57 Survey T & P RR Abstract No. A-
• This well is to be located 3 miles in a SW direction from Orla, which is the nearest town in the county of the well site.

11. Distance from proposed location to nearest lease or unit line: 467 ft.
12. Number of contiguous acres in lease, pooled unit, or unitized tract: 320 (OUTLINE ON PLAT.)

13. FIELD NAME (Exactly as shown on RRC proration schedule). List all established and wildcat zones of anticipated completion. Attach additional Form W-1's as needed to list these zones. One zone per line.	14. Completion depth	15. Spacing pattern (ft.)	16. Density pattern (acres)	17. Number of acres in drilling unit for this well. OUTLINE ON PLAT.	18. Is this acreage assigned to another well on this lease & in this reservoir? If so, explain in Remarks.	19. Distance from proposed location to nearest applied for, permitted, or completed well, this lease & reservoir. (ft.)	20. Oil, gas, or other type well (Specify)	21. No. of applied for, permitted, or completed locations (including this one) on lease in this reservoir. OIL	GAS
Chapman	2900	330/660	10	10	No	2859	Oil	2	0

22. Perpendicular surface location from two nearest designated lines:
• Lease/Unit 467' FWL & 467' FSL
• Survey/Section 2185' FNL & 2176' FEL

If a directional well, show also projected bottom-hole location:
• Lease/Unit
• Survey/Section

23. Is this a pooled unit?
Yes [ ] ▶ (Attach Form P-12 and certified plat.) No [X]

24. Is Item 17 less than Item 16 (substandard acreage for any field applied for)?
Yes [ ] ▶ (Attach Form W-1A) No [X]

25. Is this wellbore subject to Statewide Rule 36 (hydrogen sulfide area)? Yes [ ] No [X]
If subject to Rule 36, is Form H-9 filed? Yes [ ] No [X] ▶ If not filed, explain in Remarks.

26. Do you have the right to develop the minerals under any right-of-way that crosses, or is contiguous to, this tract? If not, and if the well requires a Rule 37 or 38 exception, see instructions for Rule 37.
Yes [ ] No [ ]
NA

Remarks

I certify that information stated in this application is true and complete, to the best of my knowledge.

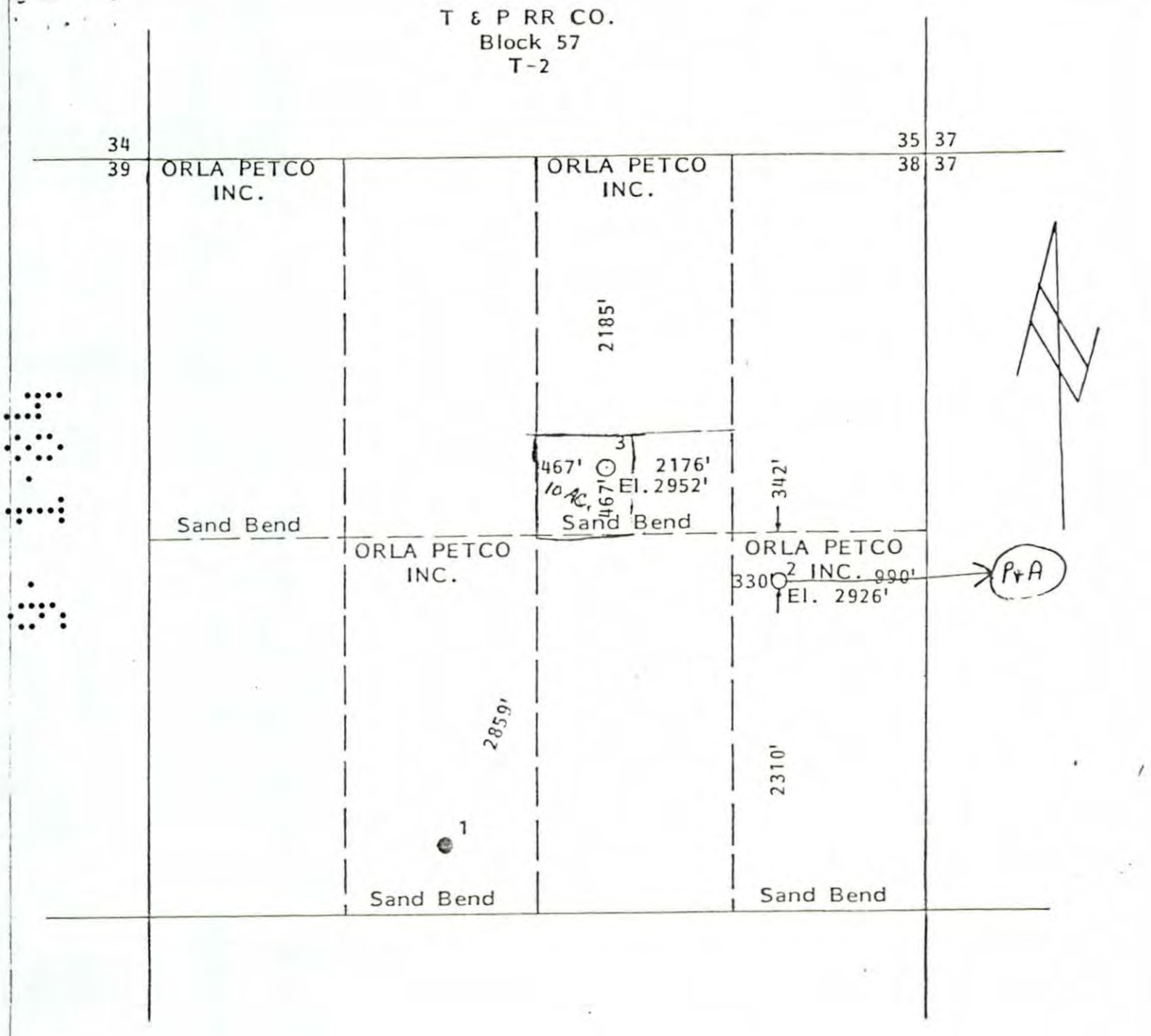
Signature

Jean Ellison (Agent)
Name and title of operator's representative

8/28/84
Date: mo. day yr.

915 684-6381
Tel.: Area Code Number

• RRC Use Only •



I certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

March 19, 1984, Aug. 27, 1984

Registered Public Surveyor
Licensed State Land Surveyor

STATE OF TEXAS
GUY E. SAUNDERS
04
REGISTERED PUBLIC SURVEYOR

3/36

"E" LOG

Location Plat
ORLA PETCO INC.
Sand Bend Lease
Section 38, Block 57, T-2
T & P RR CO.
Reeves County, Texas
Scale: 1" = 1000'

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

March 28, 1985

TO: Interest Owners

RE: Orla Petco, Inc. - Sand Bend No. 3
467' FWL & 467' FSL of Section 38,
Block 57, T-2, T&P RR Co. Survey,
Reeves County, Texas

Enclosed please find a copy of the following for your files covering the above subject well:

1. Two Cementing Reports (Form W-15) for Surface Casing and Production Casing

2. Inclination Report (Form W-12)

3. Oil Well Potential Test (Form W-2)

4. Daily Drilling Report

Should you need any additional information concerning this well, please let us know.

Very truly yours,

Pauline Grubb

Pauline Grubb
Land Secretary

/g

Copy to: General Land Office

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

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

#891439 483-045

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
ORLA PETCO, INC.	626210	8	Reeves

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
CHAPMAN, S (COLOS)	42-	249985

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
Sand Bend		28240	3

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date		9/9/84					
13. *Drilled hole size		12-1/4					
*Est. % wash or hole enlargement		—					
14. Size of casing (in. O.D.)		8-5/8					
15. Top of liner (ft.)		—					
16. Setting depth (ft.)		351					
17. Number of centralizers used		3					
18. Hours waiting on cement before drill-out		12					
1st Slurry	19. API cement used: No. of sacks ▶	275					
	Class ▶	"C"					
	Additives ▶	2% Calcium Chloride.					
2nd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶					—	
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶	363					
	Height (ft.) ▶	879					
2nd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶	363					
	Height (ft.) ▶	879					
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?		YES					

22. Remarks

OVER ▶

LR

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

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

Roland Mumme - Cementer HALLIBURTON SERVICES Roland Mumme

Name and title of cementer's representative | Cementing Company | Signature

Drawer Y Monahans, Texas 79756 915/943-2721 9/9/84

Address | City, State, Zip Code | Tel.: Area Code Number | Date: mo. day yr.

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

EDDIE JOE ROPER AGENT

Typed or printed name of operator's representative | Title | Signature

C/o BOX 953 MIDLAND TX 79702 915 6846381 9-9-84

Address | City, State, Zip Code | Tel.: Area Code Number | Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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

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

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

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

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

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

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

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

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

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

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

#891786 483-045

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
ORLA PETCO, INC.		8	Reeves

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
	42-	

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
Sand Bend			3

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date				9/14/84			
13. •Drilled hole size				7-7/8			
•Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)				4-1/2			
15. Top of liner (ft.)							
16. Setting depth (ft.)				3160			
17. Number of centralizers used				20			
18. Hrs. waiting on cement before drill-out							
19. API cement used: 1st Slurry	No. of sacks ▶			175			
	Class ▶			HLC			
	Additives ▶			1/4# Flocele.			
2nd Slurry	No. of sacks ▶			250			
	Class ▶			"C"			
	Additives ▶			2% Calcium Chloride.			
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
20. Slurry pumped: 1st	Volume (cu. ft.) ▶			345			
	Height (ft.) ▶			1515			
2nd	Volume (cu. ft.) ▶			330			
	Height (ft.) ▶			1449			
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶			675			
	Height (ft.) ▶			2964			
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?				NO			

22. Remarks

Copy to: WTOR 9/19/84

OVER ▶

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

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

G. D. White - Cementer | HALLIBURTON SERVICES | Signature

me and title of cementer's representative | Cementing Company

Drawer Y | Monahans, Texas 79756 | 915/943-2721 | 9/14/84

Address | City, State, Zip Code | Tel.: Area Code Number | Date: mo. day yr.

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

Typed or printed name of operator's representative | Title | Signature

Address | City, State, Zip Code | Tel.: Area Code Number | Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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

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

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

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

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

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

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

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

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

F ILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

Form W-12
(1-1-71)

6. RRC District

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

7. RRC Lease Number. (Oil completions only)

FIELD NAME (as per RRC Records or Wildcat)

2. LEASE NAME
Sand Bend

8. Well Number
3

OPERATOR
Orla Petco, Inc.

9. RRC Identification Number (Gas completions only)

ADDRESS
P.O. Box 1383, Midland, Texas 79702

10. County
Reeves

LOCATION (Section, Block, and Survey)
2185' FNL, 2176' FEL. Sec. 38, Blk 57 T-2 T&P RR Co Sy

RECORD OF INCLINATION

Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
260	260	1/2	.87	2.26	2.26
351	91	1/2	.87	.79	3.05
847	496	1/2	.87	4.32	7.37
1340	493	2	3.49	17.21	24.58
1680	340	2	3.49	11.87	36.45
2110	430	1 1/2	2.62	11.27	47.72
2602	492	3/4	1.31	6.45	54.17
3160	558	1	1.75	9.77	63.94

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

any information shown on the reverse side of this form? ☐ yes ☒ no

cumulative total displacement of well bore at total depth of 3160 feet = 63.94 feet.

inclination measurements were made in — ☐ Tubing ☐ Casing ☐ Open hole ☒ Drill Pipe

istance from surface location of well to the nearest lease line _____ feet.

inimum distance to lease line as prescribed by field rules _____ feet.

as the subject well at any time intentionally deviated from the vertical in any manner whatsoever? _____

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

NATION DATA CERTIFICATION

eclare under penalties prescribed in Sec. 91.143, Texas Natural ces Code, that I am authorized to make this certification, that I rsonal knowledge of the inclination data and facts placed on both this form and that such data and facts are true, correct, and com- to the best of my knowledge. This certification covers all data as ed by asterisks (*) by the item numbers on this form.

Fred Roper

e of Authorized Representative
Fred Roper, Vice-President

Person and Title (type or print)
Roper Energy Company

Company
915 683-2167
Area Code

OPERATOR CERTIFICATION

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

Signature of Authorized Representative

Name of Person and Title (type or print)

Operator

Telephone: _____ _____
Area Code

Commission Use Only:

ed By: _____ Title: _____ Date: _____

ems items certified by company that conducted the inclination surveys.

9/20/84
WTOR

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

SAND BEND NO. 3

LOCATION: 2185' FNL & 2176' FEL of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas
ELEVATION: GL - 2952'; KB - 2964'
EST. TD: 3130'
CONTRACTOR: Roper Energy Rig #1

9/9/84	351'	Spud: 9/8/84 at 6:30 p.m. Present operations: WOC. Ran 9 jts. 24# 8-5/8" casing, set at 351'(RTM) w/275 sx Class "C", 2% CaCl. Circulated 20 sx to surface. Plugged down at 5:45 a.m. 9/9/84. Total pipe 378.48', one landing joint left on location. Slope: 1/2° @ 260'; 1/2° @ 351'. MW 8.7, Vis. 34, pH 9.
9/10/84	1310'	Anhydrite. Present operations: Drilling. Footage in 12 hrs. - 959, Slope: 1/2° @ 847'. MW 10, Vis. 29, pH 11.
9/11/84	2110'	Anhydrite. Present operations: Drilling. Footage in 24 hrs. - 700. Slope: 2° @ 1340', 2° @ 1680', 1-1/2° @ 2110'. MW 10, Vis. 29, pH 11. Time Record: Drilling - 22-1/4 hrs. Slope - 1-1/2 hrs. Service rig - 1/4 hr.
9/12/84	2565'	Anhydrite & Salt. Present operations: Drilling. Footage in 24 hrs. - 445'. MW 10.1, Vis. 29, pH 11. Top of Salt - 2558' Time Record: Drilling - 17-3/4 hrs. Service rig - 1/4 hr. Trip for hole - 5-1/2 hrs. Wash 40' to bottom - 1/2 hr. B/Salt - 2723' (+241) - 3' low to 1-A Sand Bend. T/Upper Olds - 2958'.
9/13/84	2959'	Sand & Anhydrite. Present operations: TOH for Core. Slope: 3/4° @ 2602'. Footage in 24 hrs. - 394'. MW 10.4, Vis. 37, WL 18, pH 10. Time Record: Drilling - 14 hrs. Slope - 3/4 hr. Service rig - 1/2 hr. Trip - 3-1/4 hrs. Circulate - 3-3/4 hrs. Pick up core barrel - 1-1/2 hrs. Attempt to work thru bridge @ 410' - 1/4 hr. (Couldn't get thru bridge; came out of hole and stood core barrel back in derrick; RIH with bit; knocked out bridge; coming out now.)

9/14/84	3160'	Anhydrite & Sand. Present operations: Circulating to run casing. Footage in 24 hrs. - 201'. MW 10.3, Vis. 35, pH 10. Time Record: Drilling - 5-3/4 hrs. Trip - 9-1/2 hrs. Ream - 1-1/4 hrs. Core - 5 hrs. Lay down core barrel - 1 hr. Lay down core - 1-1/2 hrs. Core # 1 - 2956'-3008' Recovered 52', good shows of oil 2956-60' (Upper Olds) and 2976-97' (Lower Olds). Strap pipe - 3' correction 2959 = 2956'. Corrected T/Upper Olds 2955', Lower Olds 2977' to 2996' by core time. T/Lower Olds is 5' high to Sand Bend 1-A.
9/15/84	3160'	Ran 3160' of 4-1/2" 10.50# casing, total depth 3160'. Cemented with 175 sx HLC and 250 sx Class "C". Plugged down at 10 p.m. on 9/14/84. Rig released 4 a.m. 9/15/84.
9/16/84		No report
9/17/84		Ran Gamma Ray with Cement Bond Log. TOC 1740', PBTD 3108'. Pulling unit moving in 9/18/84. Preparing to perforate 9/19.
9/18/84		WOCU.
9/19/84		WOCU
9/20/84		WOCU
9/21/84		Perf 2978-2984 w/2SPF; ran tubing and packer, set packer at 2895'.* Swab'd dry in 3 runs. Treated with 500 gals. 7-1/2% Mud Acid; formation broke at 1900# back to 700#. Treated at 2 BPM. ISIP - 400#; 10' SIP 400#. Will open well Friday morning. *Base of tubing at 2926'. 10:30 a.m. Report Opened well at 8 a.m.; swab'd dry in 4 runs; total load recovered - 13 bbls. with trace of oil. Well dead.
9/24/84		Preparing to frac well with 4,000 gals. Mini-Max III-30, 6000# 20/40 sand. Will have report tomorrow morning. 3:00 p.m. Report Opened well at 10 a.m. 9/24; well dead. Swab'd dry. Hooked up Western Co. and frac with 4,000 gals. Mini-Max III-30, 6000# 20/40 sand. Av. Treating Pressure - 1200#; Av. Injection Rate - 6-1/2 BPM; ISIP - 500#; 10' SIP - 500#. SI well; will open well at 8 a.m. on 9/25.
9/25/84		4:00 p.m. Report Well flowing on 12/64" choke, 190# TP. As of 4 p.m 9/25, well flowed 118 BTF, 1-2% oil. Recovered 11 bbls. over our load.

9/26/84	Well flowing on 12/64" choke, 260# TP; made 225 BTF. Last sample cut showing 8 to 10% oil. Will have a better breakdown this afternoon. 4:00 p.m. Report Well flowing at rate of 5-1/2 BFPH, 12/64" choke, 250# TP. Still 1-2% oil. Have recovered 270 BTF.
9/27/84	Well flowing at the rate of 6.5 BFPH, 12/64" choke, 200# TP. 24 hrs. recovered 3 BO and 153 BW.
9/28/84	In 18 hrs. well flowed 199 BTF, 15/64" choke, TP 140#. The sample might be 2% oil.
9/29/84	24 hr. test, well flowed 165 BTF, 15/64" choke, TP100#, 3 to 4% oil.
10/1/84	48 hr. test, well flowed 214 BTF, 13/64" choke, TP 100#, 3 to 4% oil. Changed back to 15/64" choke.
10/2/84	No Report
10/3/84	24 hr. test, well flowed 165 BTF on 15/64" choke, 100# TP, 4% oil. Total oil recovered - 35 bbls. Will let well continue flowing as long as possible.
10/4/84	Well flowing. No gauge report.
10/5/84	Well flowing. No gauge report. Report for Oct. 3 & 4: 48 hrs. gauge, well flowed 250 BTF, 15/64" choke, 160# TP, 4% oil. Report for Oct. 5: 24 hr. gauge, well flowed 109 BTF, 15/64" choke, 130# TP, 3-4% oil.
10/6/84	24 hr. gauge, well flowed 107 BTF, 15/64" choke, TP 130#, 4% oil.
10-7/8-84	48 hr. gauge, well flowed 195 BTF, 15/64" choke, TP 130#, 4% oil.
10/9/84	24 hr. gauge, well flowed 95 BTF, 15/64" choke, TP 120#, 4% oil.
10/10/84	24 hr. gauge, well flowed 80 BTF, 15/64" choke, TP 110#, 4% oil.
10/11/84	24 hr. gauge, well flowed 85 BTF, 15/64" choke, fluctuating between 90 to 110# TP. Made a total of 80 BO since well was opened on Sept. 26.
10/12/84	No report
10/13-14/84	No report
10/15/84	24 hr. gauge, well flowed 83 BTF, 15/64" choke, fluctuating between 60 and 110# TP, 4% oil.

10/16/84	Well has made a total of 100 BO since opened up; still flowing on 15/64" choke; fluctuating between 60 and 100# TP, making 80 BTF per day, 5% oil; averaging out 4 BOPD.
10/17/84	No report. Well flowing.
10/18/84	Well making approx. 4 BOPD and 71 BWPD. TP fluctuating between 50 to 100# on 15/64" choke.
10-19/22-84	No report. Well flowing.
10/23/84	Well making approx. 80 BTF per day, 5% oil, TP 50 to 100#, on 15/64" choke.
1/19/85	Pumping at the rate of 74 barrels of total fluid per day, 4 BO and 70 BW.
3/27/85	Well potentialed - 10 BODP, 70 BWPD, 1 MCF Gas.

117

M.F 65125

APPLICATION TO DRILL

WELL 3

FILED 6-27 19 85

GARRY MAURO, COMMISSIONER

BY: A Bright

N. 5-92

	Initials	Date
Prepared By	BJ2	7/29/85
Approved By		

G. A. Wynne "B" Lease

STATE LEASE M - 65153 OPERATOR

Chapman Field Ford Chapman

	MONTH	GROSS VALUE	ROYALTY DUE %	ROYALTY PAID	ADDITIONAL ROYALTY DUE	ACCUMULATED SHORTAGE	INTEREST DUE 6%/ANNUM
1	JAN 73	11340	945	-0-	945	945	05
2	Feb ✓					1890	09
3	MAR ✓					2835	14
4	APR ✓					3780	19
5	MAY ✓					4725	24
6	JUN ✓					5670	28
7	JUL ✓					6615	33
8	Aug ✓					7560	38
9	Sep ✓					8505	43
10	Oct ✓					9450	47
11	Nov ✓					10395	52
12	Dec ✓					11340	57
13	JAN 74					12285	61
14	Feb ✓					13230	66
15	MAR ✓					14175	71
16	APR ✓					15120	76
17	May ✓					16065	80
18	JUN ✓					17010	85
19	JUL ✓					17955	90
20	Aug ✓					18900	95
21	Sep ✓					19845	99
22	OCT ✓					20790	104
23	Nov ✓					21735	109
24	Dec ✓					22680	113
25	JAN 75					23625	118
26	Feb ✓					24570	123
27	MAR ✓					25515	128
28	APR ✓					26460	132
29	May ✓					27405	137
30	JUN ✓					28350	142
31	JUL ✓	11340	945	-0-	945	29295	146
32							
33			29295	-0-	29295		2344
34							
35			6% Interest on $29295 Computed				
36			From Oct 1, '75 Through July 31, 1985				17138
37							
38			Interest Due				$ 19482
39							
40							
41							
42							
43		See Attached Gas Report & Letter with Schedule,					
44		For Initial production Reported					
45							
46							
47							
48							
49							
50							

© WILSON JONES COMPANY U.S.A. - "COLUMN WRITE" G7606 PADDED / WG7606 "WYRING" BOUND -

FORM MA-2
Rev. 8/74

GENERAL LAND OFFICE LEASE NUMBER M-65125

GAS REPORT

Production Month March, 1983

	PART OR AREA	SECTION OR TRACT	BLOCK	GRANTEE	ACRES	COUNTY
1.	Chapman	38	57		640	Reeves

2. Name of Operator Ford Chapman 14646
3. Address P.O. Box 2376 Midland, TX 79702
4. Purchaser(s) Chevron (Oil)
5. Royalty Paid by Ford Chapman
6. Name of Field (s) Chapman
7. Lease or Unit Name G. A. Wynne B
8. R.R.C. Lease/I.D. #'s 21721
9. Number of Wells Producing Gas: _____ Gas Wells and 1 Oil Wells
10. Interstate ☐ Intrastate ☐

11. NON-PROCESSED GAS ☒ Oil Well Gas and Gas Lift Gas ☐ Gas Well Gas

A. Gross Price $ Schedule 1 per M.C.F. or $_____ per MMBTU

Disposition of Non-Processed Gas		M.C.F.	GROSS VALUE
B. Gas Lift and Injection on Lease			$
C. Other Use on Lease (fuel, etc.) See Schedule1		11,070	$ 14,452.20
D. Used Off Lease			$
E. Total Sales (ATTACH PURCHASE STATEMENT)	(1)(2)		$
F. Vented or Flared			$
G. Total M.C.F. and Value	(3)	11,070	$ 14,452.20

H. Royalty on Non-Processed Gas .0833333 DECIMAL $ 1,204.35

12. PROCESSED GAS ☐ Oil Well Gas and Gas Lift Gas ☐ Gas Well Gas

A. Liquids G.P.M. _____ B. Meter No. _____
C. Plant Name and Operator _____
D. Total Lease M.C.F. to Processing Plant (4) _____ M.C.F.
E. Residue Gas Price: $_____ per M.C.F. or $_____ per MMBTU

		M.C.F.	GROSS VALUE
F. Gasoline: State Royalty Settlement Value			$
G. Other Liquids: State Royalty Settlement Value			$
Disposition of Residue Gas			
H. Returned for Gas Lift & Injection on Lease			$
I. Returned for Other Use on Lease			$
J. Returned and Used Off Lease			$
K. Vented or Flared			$
L. Residue Gas Sales (ATTACH STATEMENT)	(5)(6)		$
M. Totals	(7)		$

N. Royalty on Processed Gas _____ DECIMAL $ -0-

13. SULPHUR OR OTHER A. GROSS VALUE $ _____
B. Royalty on Sulphur or Other Product _____ DECIMAL (8) $ -0-

14. TOTAL ROYALTIES DUE STATE (Add 11 H + 12 N + 13 B) $ _____

15. F.P.C. SUSPENDED RATE DATA

	M.C.F.	GROSS VALUE
A. Suspended Rate _____ ¢/M.C.F.		$
B. Royalty on F.P.C. Suspended Rate _____ DECIMAL		$1,204.35

16. REMARKS:

I certify that this is a true and correct statement of the production and disposition thereof for the period indicated.

Reporting Company FORD CHAPMAN
Signature Michael J. Smith
Telephone (915) 682-3217 Title: Controller

Sworn and subscribed to before me the undersigned authority, on this 26th day of April, 1983

Paris Bell Notary Public in and for Midland County, State of Texas

LAND OFFICE USE ONLY

RECEIVING STAMP

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
POST OFFICE BOX 2376
MIDLAND, TEXAS 79702

340 GIBRALTAR SAVINGS
CENTER BUILDING

(915) 682-3217

April 22, 1983

General Land Office
Attn: Elsa Villarreal
1700 N. Congress Ave.
Austin, TX 78701

Re: G. A. Wynne B Lease
M-65125

Dear Ms. Villarreal:

Enclosed is the MA-2 Gas Report for the Wynne B lease from the inception of the well thru March of 1983. Please disregard any previous reports received. If the enclosed report is correct please contact me and I will remit the balance due the State of $1,204.35.

Very truly yours,

Michael L. Smith

MICHAEL L. SMITH

MLS/kp
Enclosure: Form MA-2

340 GIBRALTAR SAVINGS
CENTER BUILDING

FORD CHAPMAN
DRILLING CONTRACTOR & PRODUCER
POST OFFICE BOX 2376
MIDLAND, TEXAS 79702

682-3217

G. A. Wynne B Lease

Sec. 38 Blk 57

Reeves Co. Texas

First Production		MCF's
January 1973 - December 1973	90 MCF/month	1,080
January 1974 - December 1974	90 MCF/month	1,080
January 1975 - December 1975	90 MCF/month	1,080
January 1976 - December 1976	90 MCF/month	1,080
January 1977 - December 1977	90 MCF/month	1,080
January 1978 - December 1978	90 MCF/month	1,080
January 1979 - December 1979	90 MCF/month	1,080
January 1980 - December 1980	90 MCF/month	1,080
January 1981 - December 1981	90 MCF/month	1,080
January 1982 - May 1982	90 MCF/month	450
June 1982 - March 1983	90 MCF/month	900
TOTAL TO DATE		11,070
10,170 MCF @ 1.26		$12,814.20
900 MCF @ 1.82		1,638.00
Gross Value		$14,452.20

SCHEDULE 1

	Initials	Date
Prepared By	[illegible]	7/19/85
Approved By		

G.A. Wynne "B" Lease

STATE LEASE: M-65153 OPERATOR: Ford Chapman

Reeves County Chapman Field

	1	2	3	4	5	6
	MONTH	GROSS VALUE	ROYALTY DUE	ROYALTY PAID	ADDITIONAL ROYALTY	NO. DAYS LATE	PENALTY DUE AT 1%/30 DAY PERIOD
1	Aug 75	11340	945	-0-	945	3577	1134
2	Sep "					3546	1125
3	Oct "					3516	1115
4	Nov "					3485	1106
5	Dec "					3454	1096
6	Jan 76					3425	1087
7	Feb "					3394	1077
8	Mar "					3364	1068
9	Apr "					3333	1058
10	May "					3303	1049
11	Jun "					3272	1040
12	Jul "					3241	1030
13	Aug "					3211	1021
14	Sep "					3180	1002
15	Oct "					3150	992
16	Nov "					3119	983
17	Dec "					3088	973
18	Jan 77					3060	964
19	Feb "					3029	954
20	Mar "					2999	945
21	Apr "					2968	936
22	May "					2938	926
23	Jun "					2907	917
24	Jul "					2876	907
25	Aug "					2846	898
26	Sep "					2815	888
27	Oct "					2785	879
28	Nov "					2754	869
29	Dec "					2723	860
30	Jan 78					2695	851
31	Feb "					2664	841
32	Mar "					2634	832
33	Apr "					2603	822
34	May "					2573	813
35	Jun "					2542	803
36	Jul "					2511	710
37	Aug "					2481	784
38	Sep "					2450	775
39	Oct "					2420	765
40	Nov "					2389	756
41	Dec "					2358	747
42	Jan 79					2330	737
43	Feb "					2299	728
44	Mar "					2269	718
45	Apr "					2238	709
46	May "					2208	699
47	Jun "					2177	690
48	Jul "					2146	680
49	Aug "					2116	671
50	Sep "	11340	945	-0-	945	2085	662
							44692

	Initials	Date
Prepared By	BJD	7/9/85
Approved By		

G.A. Wynne "B" Lease

STATE LEASE: M-65153 OPERATOR: Ford Chapman

Reeves County Chapman Field

	MONTH	GROSS VALUE	ROYALTY DUE	ROYALTY PAID	ADDITIONAL ROYALTY	NO. DAYS LATE	PENALTY DUE AT 1%/30 DAY PERIOD	
		1	2	3	4	5	6	
1	OCT 79	11340	945	-0-	945	2055	652	1
2	NOV ✓					2024	643	2
3	Dec ✓					1993	633	3
4	JAN. 80					1964	624	4
5	Feb ✓					1933	614	5
6	MAR ✓					1903	605	6
7	Apr ✓					1872	595	7
8	MAY ✓					1842	586	8
9	JUN ✓					1811	576	9
10	JUL ✓					1780	567	10
11	Aug ✓					1750	558	11
12	Sep ✓					1719	548	12
13	OCT ✓					1689	539	13
14	NOV ✓					1658	529	14
15	Dec ✓					1627	520	15
16	JAN 81					1599	510	16
17	Feb ✓					1568	501	17
18	MAR ✓					1538	491	18
19	Apr ✓					1507	482	19
20	MAY ✓					1477	473	20
21	JUN ✓					1446	463	21
22	JUL ✓					1415	454	22
23	Aug ✓					1385	444	23
24	Sep ✓					1354	435	24
25	Oct ✓					1324	425	25
26	NOV ✓					1293	416	26
27	Dec ✓					1262	406	27
28	JAN 82					1234	397	28
29	Feb ✓					1203	387	29
30	MAR ✓					1173	378	30
31	Apr ✓					1142	369	31
32	MAY ✓	11340	945	-0-	945	1112	359	32
33	JUN ✓	16380	1364	-0-	1364	1081	505	33
34	JUL ✓					1050	477	34
35	Aug ✓					1020	464	35
36	Sep ✓					989	450	36
37	Oct ✓					959	436	37
38	NOV ✓					928	423	38
39	Dec ✓					897	409	39
40	JAN 83					869	396	40
41	Feb ✓					838	382	41
42	MAR ✓					808	368	42
43	Apr ✓					777	355	43
44	MAY ✓					747	341	44
45	JUN ✓					716	327	45
46	JUL ✓					685	314	46
47	Aug ✓					655	300	47
48	Sep ✓					624	286	48
49	OCT ✓					594	273	49
50	NOV ✓	16380	1364	-0-	1364	563	259	50
							22944	

	Initials	Date
Prepared By		
Approved By		

G.A. Wynne "B" Lease

STATE LEASE: M-65153 OPERATOR: Ford Chapman

Reeves County Chapman Field

	MONTH	GROSS VALUE	ROYALTY DUE	ROYALTY PAID	ADDITIONAL ROYALTY	NO. DAYS LATE	PENALTY DUE AT 1%/30 DAY PERIOD
		1	2	3	4	5	6
1	Dec 83	16380	1364	-0-	1364	532	246
2	Jan 84	″	″	″	″	503	232
3	Feb ″	″	″	″	″	472	218
4	Mar ″	″	″	″	″	442	205
5	Apr ″	″	″	″	″	411	191
6	Jun ″	16380	1364	-0-	1364	350	164
7							
8			110226		110226		68892
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Garry Mauro
Commissioner
General Land Office

July 22, 1985

Mr. Ford Chapman
P.O. Box 2376
Midland, Texas 79702

RE: State Lease M-65125
G. A. Wynne B Lease
Chapman Field
Reeves County, Texas

Dear Mr. Chapman:

Examination of your gas reports (Form MA-2) and royalty payments received for the subject lease indicate gas royalty has been underpaid $1,395.21 for the period January, 1973 through June, 1984 (see attached schedule).

Our records indicate no payments have been received for gas production since the inception of this lease.

If your records show this royalty has been paid, please advise the total amount of the check and the approximate date it was mailed. If royalty has not been paid, please pay $2,278.95 which includes $1,395.21 additional royalty and the required statutory delinquency penalty of $688.92 and interest of $194.82. Failure to submit royalties when due subjects the amount owed to a statutory penalty of 1% of the amount owed for each thirty day period or fractional part thereof as provided by Section 52.131, Texas Natural Resources Code. Additional royalty due for months prior to August, 1975 accrue interest at 6% per annum for late payments. However, no penalty may be less than Five Dollars ($5.00).

Payment should be received in this office no later than August 22, 1985. If you have any questions please feel free to contact me or Mr. Solis at (512) 475-2858.

Sincerely,

Deborah Shaw

Deborah Shaw, CPA
Division Director
Royalty Management Division

DS/PS/jlw

Attachment

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

(118)

M.F. # 65125

CORRESPONDENCE FILE

TO Jack Chapman

FROM DS/PS

DATED July 22, 1985

INDEX #

Garry Mauro
Commissioner
General Land Office

August 23, 1985

Mr. Ford Chapman
P.O. Box 2376
Midland, Texas 79702

RE: State Lease M-65125
G. A. Wynne B Lease
Chapman Field
Reeves County, Texas

Dear Gentlemen:

Enclosed is a copy of our letter to you dated July 22, 1985 requesting additional royalty of $1,395.21 plus penalty of $688.92. As of this date, we have not received the additional royalty and penalty requested nor a reply to this letter.

Be advised that the penalty amount is hereby adjusted to $701.42 and the interest to $196.28 which is computed through August 31, 1985. The total amount now due is $2,292.91.

You are also hereby notified that if the aforementioned amount now due is not received in this office by September 6, 1985, this lease will be forwarded to the Commissioner of the General Land Office and recommended for forfeiture under Section 52.176 of the Texas Natural Resources Code.

If you have any questions please feel free to contact me or Pete Solis at (512) 475-2858.

Sincerely,

Pedro Solis

for Teresa Burr
Division Supervisor
Royalty Management Division

TB/PS/jlw

Attachment

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

M.F. # M-65125

CORRESPONDENCE FILE

TO Mr. Lord Chapman

FROM GLO

DATED 8-23-75

INDEX # 119

Garry Mauro
Commissioner
General Land Office

September 24, 1985

Mr. Ford Chapman
P.O. Box 2376
Midland, Texas 79702

RE: State Lease M-65125
G. A. Wynne B Lease
Chapman Field
Reeves County, Texas

Dear Mr. Chapman:

Enclosed are copies of letters to you dated July 22, 1985 and August 23, 1985. As of this date, we have not received a reply to either of these letters.

You are hereby notified that this lease has been forwarded to the Commissioner with a recommendation for forfeiture under Section 52.176 of the Texas Natural Resources Code.

Sincerely,

Teresa Burr
Division Supervisor
Royalty Management Division

TB/PS/jlw

Attachment

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

B.L.F. # 65125

CORRESPONDENCE FILE

TO Mr. Faud Chapman

FROM OLO

DATED 9-24-85

INDEX # 120

Garry Mauro
Commissioner
General Land Office

IMPORTANT: RETAIN WHITE COPY AND RETURN BLUE COPY
WITH SEPARATE CHECK FOR THE TOTAL DUE

November 26 1985

Orla Petco, Inc.
P.O. Box 953
Midland, TX 79702

ATTENTION: JEAN ELLISON

State Lease M-55738, State Lease M-65125
Eastland State Lease, Sand Bend Lease
Sullivan Field, Chapman So. Field
Reeves County, Texas

Dear Ms. Ellison:

Examination of Permian Oil Purchase Statements and Permian Royalty Payments for the subject leases indicates oil royalty has been underpaid $1,056.76 for the period September 1984 thru July 1985.

This underpayment is the result of Permian making royalty payments based on a net value after deducting for transportation costs. In accordance with established Land Office policy, royalties due the state shall be computed on gross value and paid without deductions for production or severance taxes, or for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas, and other products produced there from ready for sale or use.

If your records show this royalty has been paid, please advise the total amount of the check and the approximate date it was mailed. If royalty has not been paid, please pay $1,178.98 which includes $1,056.76 additional royalty and the required statutory delinquent penalty of $122.22. Failure to submit royalties when due for period August 1984 thru June 1985 subjects the amount owed to a statutory penalty of 1% of the amount owed for each thirty day period or fractional part thereof as provided by Section 52.131, Texas Natural Resources Code. However, no penalty may be less than five dollars ($5.00).

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

Failure to submit royalties when due for July 1985 and thereafter subjects the amount owed to a 5% penalty for the first 30 days after due date, and an additional 5% penalty beginning on the 31st day after due date. Minimum penalty shall be $25.00. Interest at 12% begins to accrue on the 61st day. New penalty and interest are in accordance with Revision to Section 52.131 Texas Natural Resources Code, effective September 1, 1985.

Payment should be received in this office no later than December 27, 1985.
If you have any questions, please feel free to contact me or Tracey Howard at (512) 475-2858.

Sincerely

Peter Brady
Supervisor
Energy Resources/Royalty Audit

Attachment:

PB/TH/rgg

(121) Transportation Request Ctr

M-65125
11/26/85 R88

Operator: Orla Petco, Inc.

	Lease Number	1 Additional Royalty Due	2 Penalty @ 1% Per 30 day Period	3 Total Due	4	5	6
1	M-55738	33085	4599	37684			
2	M-65125	72591	7623	80214			
3		105676	12222	117898			
4							
5							
6							
7							
8							
9							
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LEASE NUMBER: 55738 OPERATOR: ORLA PETCO, INC

	MONTH / YEAR	1 GROSS VALUE OF OWNER'S INTEREST *	2 NET VALUE OF OWNER'S INTEREST *	3 ADDITIONAL ROYALTY VALUE DUE	4 PENALTY @ 10% PER 30 DAY PERIOD OR FRACTIONAL PART	5 TOTAL DUE	6
1	9/84	82435	79960	2475	297	2772	1
2	10/84	147890	143453	4437	488	4925	2
3	11/84	74917	72551	2366	237	2603	3
4	12/84	126222	122105	4117	371	4488	4
5	1/85	-0-	-0-	-0-	-0-	-0-	5
6	2/85	67843	65021	2822	198	3020	6
7	3/85	73933	70976	2957	177	3134	7
8	4/85	68966	66259	2707	135	2842	8
9	5/85	72414	69622	2792	112	2904	9
10	6/85	72329	69514	2815	84	2899	10
11	7/85	142423	136826	5597	*2500	8097	11
12	Total	929372	896287	33085	4599	37684	12
13							13
14	* Minimum Applied						14
15							15
16							16
17							17
18							18
19							19
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21							21
22							22
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LEASE NUMBER: 65125 OPERATOR: ORLA PETCO INC.

	MONTH / YEAR	1 GROSS VALUE OF OWNER'S INTEREST *	2 NET VALUE OF OWNER'S INTEREST *	3 ADDITIONAL ROYALTY VALUE DUE	4 PENALTY @ 1% PER 30 DAY PERIOD OR FRACTIONAL PART	5 TOTAL DUE	6
1	9/84	204649	198500	6149	738	6887	1
2	10/84	286365	278241	8624	949	9573	2
3	11/84	189411	183415	5996	596	6592	3
4	12/84	148964	144187	4777	430	5207	4
5	1/85	241845	232054	9791	783	10574	5
6	2/85	133869	128288	5581	391	5972	6
7	3/85	207575	199252	8323	499	8822	7
8	4/85	107846	103606	4240	212	4452	8
9	5/85	178555	171658	6897	276	7173	9
10	6/85	212451	204164	8287	249	8536	10
11	7/85	99766	95840	3926	* 2500	6426	11
12		2011796	1939205	72591	7603	80014	12
13							13
14							14
15	* MINIMUM APPLIED 7/85						15
16							16
17							17
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© WILSON JONES COMPANY G7206 GREEN 7206 BUFF MADE IN U.S.A.

File No. 65125 (121)

transp. request ltr

Date Filed: 11·26·1985

Jerry E. Patterson, Commissioner

By

3511

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, FORD CHAPMAN, JUDSON F. WILLIAMS, and JOHN MacGUIRE ("Assignors") do hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., P. O. Box 1383, Midland, Texas, its heirs and assigns (herein collectively called "Assignee"), the following described oil and gas leases:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases covers the following described land, to-wit:

W/2 NE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

This assignment is made expressly subject to the terms, provisions and reservations of said leases and any assignments thereof, and to all overriding royalty interests which appear of record.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, Judson F. Williams, John MacGuire, and Orla Petco, Inc., as amended by Letter Agreement dated October 21, 1983.

This assignment is made without warranty of title, express or implied.

DATED the 21 day of October, 1985, but effective as of the date of first production from the Sand Bend Well No. 3.

FOR SALE BY STAFFORD-LOWDON CO. FORT WORTH 25237

E 503—CERTIFICATE OF TRUE COPY OF PAPERS RECORDED—Class 1. (Arts. 6600-6625-6634, R. S. 1925) Texas Standard Form

THE STATE OF TEXAS

County of REEVES }

I, CATHERINE ASHLEY, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing is a true and correct copy of the original RECORDED ASSIGNMENT OF OIL AND GAS LEASES FROM FORD CHAPMAN, ET AL TO ORLA PETCO, INC.

as the same appears of record in my office in book 461 page 620, Deed Record.

Given under my Hand and Seal of said Court, at office in Pecos, Texas

this 9th day of December 19 85.

CATHERINE ASHLEY Clerk,

By Billie Jo Freeman Deputy.

(Billie JO Freeman)

FORD CHAPMAN

JUDSON F. WILLIAMS

JOHN MacGUIRE

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 14th day of October, 1985, by FORD CHAPMAN.

Notary Public, State of Texas

My Commission expires:
Dec 8 1986

KARIS BELL
Notary Public, State of Texas
My Commission Expires Dec. 8, 1986

STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on the 21th day of October, 1985, by JUDSON F. WILLIAMS.

(SEAL)

Notary Public, State of Texas
Sarah R. Rians

My Commission expires:
10-29-88

STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on the 21st day of October, 1985, by JOHN MacGUIRE.

(SEAL)

Notary Public, State of Texas
Sarah R. Rians

My Commission expires:
10-29-88

Filed for record on the 6th day of December, A.D. 1985 at 9:37 A.M. Duly recorded on the 9th day of December, A.D. 1985 at 10:30 A.M.

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

By s/ Billie JO Freeman, Deputy

(122)

M 6512 -

Assignment

File dated 12-20-84

Garry Mauro, Commissioner

RECEIVED AS STATED

$25.00

Date 12-20-84

Reg No 24593

GENERAL LAND OFFICE

15.50.02

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS }
}
COUNTY OF REEVES }

WHEREAS, ORLA PETCO, INC., P. O. Box 1383, Midland, Texas 79702, ("Assignor") owns the following described oil and gas leases insofar as it covers the lands hereinafter described situated in Reeves County, Texas:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records of Reeves County, Texas;

insofar as said leases cover the following described land, to-wit:

W/2 NE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260';

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS; That Assignor for an adequate consideration in hand paid, the receipt of which is hereby acknowledged, does hereby BARGAIN, SELL and ASSIGN unto ED R. KENNEDY, JR., P. O. DRAWER 432, Midland, Texas 79702, ("Assignee") an overriding royalty equal to two percent of eight-eighths (2% of 8/8ths) of all oil which may be produced and saved from the lands described above under and by virtue of the leases described above, delivery of such oil to be made free of cost to the credit of Assignee into storage tanks provided by Assignee or into the pipeline to which the wells on said land may be connected. On dry gas or casinghead gas, when marketed from said premises, Assignee shall be paid 2% of 8/8ths part of the net proceeds at the well derived therefrom, and on casinghead gas or other gaseous or vaporous substances produced from said lands and utilized by Assignor in the manufacture of gasoline or other products, Assignee shall be paid 2% of 8/8ths part of the current

market value at the well or wells of the casinghead gas or other gaseous or vaporous substances so utilized.

Fuel oil and gas for operating the premises and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should this lease be operated jointly with other premises through the use of such plant) shall be conducted before said overriding royalties on oil or gas are computed. It is expressly agreed that operations, if any, on said premises, and the extent and duration thereof, as well as the preservation of the leasehold estate by rental payments or otherwise shall be solely at the will of Assignor, its successors and assigns.

If the lessors in the above described leases own a lesser interest in the premises covered thereby than the entire and undivided fee, then said overriding royalties shall be paid to Assignee herein in the proportion which the interest of the lessors in said lands bear to the entire and undivided fee.

Assignee hereby authorizes Assignor to unitize, pool and combine the land covered by the above described leases in any manner which conforms with the laws of the State of Texas and the rules and regulations of the Texas Railroad Commission or other lawful authority.

This Assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, Judson F. Williams, John MacGuire, and Orla Petco, Inc., as amended by Letter Agreement dated October 21, 1983.

This assignment is made without warranty of title, express or implied.

The terms hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives, successors and assigns.

DATED the 2nd day of December, 1985, but effective as of the first production from the Sand Bend Well No. 3.

ORLA PETCO, INC.

By: _____
J. M. C. Ritchie, President

STATE OF TEXAS }

COUNTY OF MIDLAND }

This instrument was acknowledged before me on the 2nd day of December, 1985, by J. M. C. RITCHIE, President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/88

Filed for record on the 6th day of December, A.D. 1985 at 9:37 A.M. Duly recorded on the 9th day of December, A.D. 1985 at 10:30 A.M.

By s/ Billie JO Freeman, Deputy

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

THE STATE OF TEXAS }

COUNTY OF REEVES }

I, CATHERINE ASHLEY, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing instrument is a true and correct copy of the original recorded ASSIGNMENT OF OVERRIDING ROYALTY INTEREST FROM ORLA PETCO, INC. TO ED R. KENNEDY, JR., as the same appears of record in my Office in Vol. 461, Page 622, Deed Records of Reeves County, Texas.

Witness my Hand and Seal of the County Court of said County at my Office in Pecos, Texas this the 9th day of December, A.D. 1985.

By Billie Jo Freeman DEPUTY

(Billie JO Freeman)

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

M 65125. (125)

Assignment

File dated 12-20-86

Garry Mauro, Commissioner

RECEIVED AS STATED

$25.00

Date 12-30-05

Rec No 24593

GENERAL LAND OFFICE

13-30-02

ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES

THE STATE OF TEXAS }
}
COUNTY OF REEVES }

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC., P. O. Box 1383, Midland, Texas 79702, ("Assignor") does hereby GRANT, CONVEY and ASSIGN to the following named individuals and entities, their respective heirs, successors and assigns ("Assignees"), in the percentage shown below opposite the name of each Assignee, an undivided 79% interest in the following oil and gas lease:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records, Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records, Reeves County, Texas;

   Insofar as said leases cover the following described land, to-wit:

   W/2 NE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The interest covered by this assignment is bargained, sold, assigned and conveyed to Assignees herein and shall be held by them, their heirs, successors and assigns, in the following interest:

Wintershall Oil & Gas Corp. Five Post Oak Park, Suite 2000 Houston, Texas 77027	37.035%
Orla Drilling Fund No. 6 P. O. Box 1383 Midland, Texas 79702	19.447%

Bruce T. Pearson P. O. Box 1461 Midland, Texas 79702	7.407%
J. M. C. Ritchie P. O. Box 1383 Midland, Texas 79702	7.407%
Adalbert von Gontard, III P. O. Box 2452 Midland, Texas 79702	4.000%
Lisat Venture P. O. Box 3666 Midland, Texas 79702	3.704%
James M. C. Ritchie, Jr. P. O. Box 1401 Midland, Texas 79702	2.000%
Betty Jane Randell 3413 Wedgewood Midland, Texas 79707	2.000%
	83.000%

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8ths overriding royalty interests owned by Ed R. Kennedy, Jr. all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above described lease and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

1. Farmout Agreement dated March 4, 1983, betweem Ford Chapman, Judson F. Williams, John MacGuire, and Orla Petco, Inc., and amendment thereto dated October 21, 1983.

2. Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Wintershall Oil and Gas Corporation, et al, as Non-Operators.

This assignment is made without warranty of title, express or implied.

Dated the 2nd day of December, 1985, but effective as of the date of first production from the Sand Bend Well No. 3.

ORLA PETCO, INC.

By _____
J. M. C. Ritchie
President

THE STATE OF TEXAS }
}
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me the 2nd day of December, 1985, by J. M. C. RITCHIE, President of Orla Petco, Inc., a Delaware corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/89

Filed for record on the 6th day of December, A.D. 1985 at 9:38 A.M. Duly recorded on the 9th day of December, A.D. 1985 at 10:30 A.M.

By s/ Billie JO Freeman, Deputy

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

THE STATE OF TEXAS }

COUNTY OF REEVS }

I, CATHERINE ASHLEY, Clerk of the County Court of Reeves County, Texas, do hereby certify that the foregoing instrument is a true and correct copy of the original recorded ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES FROM ORLA PETCO, INC. TO WINTERSHALL OIL & GAS CORP., ET AL, as the same appears of record in my Office in Vol. 461, Page 625, Deed Records of Reeves County, Texas.

Witness my Hand and Seal of the County Court of said County at my Office in Pecos, Texas this the 9th day of December, A.D. 1985.

By Billie Jo Freeman DEPUTY

(Billie JO Freeman)

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

12d

M 6512 S.

Assignment

File dated 12-20-05

Garry Mauro, Commissioner

RECEIVED AS STATED

Amount $25.00

Date 12-20-05

Rec No 24593

GENERAL LAND OFFICE

12-30-05

ORLA PETCO, INC.

P. O. BOX 1383, MIDLAND, TEXAS 79702
TELEPHONE 915 684-4762

December 18, 1985

171

General Land Office
Oil and Gas Division - Legal Dept.
1700 North Congress Avenue
Austin, Texas 78701

Re: W/2 NE/4 of Section 38, Block 57,
T-2, T&P Ry. Co. Survey, Reeves County,
Texas, limited in depth from the surface
down to 3260 feet
Orla Petco, Inc. - Sand Bend No. 3 Well
State Lease #M-65125

X-75.00 24593

Gentlemen:

Enclosed please find a certified copy of each of the following assignments for your files:

1. Assignment of Oil and Gas Leases dated October 21, 1985, from Ford Chapman, Judson Williams and John MacGuire to Orla Petco, Inc.

2. Assignment of Overriding Royalty Interest dated December 2, 1985, from Orla Petco, Inc. to Ed R. Kennedy, Jr.

3. Assignment of Interest in Oil and Gas Leases dated December 2, 1985, from Orla Petco, Inc. to Wintershall Oil & Gas Corporation, Inc., et al.

Our check No. 954 in the amount of $75.00 is enclosed to cover the filing fees.

Yours very truly,

Pauline Grubb

Pauline Grubb
Land Secretary

/g

ORLA Petco, INC

RECEIVED
DEC 20 1985
SERVICES DIVISION

125

M. F. 65125

CORRESPONDENCE FILE

TO Orla Petco

~~From~~

Dated 12-18-84

15-50-92

Garry Mauro
Commissioner
General Land Office

January 2, 1986

Ms. Pauline Grubb
Orla Petco, Inc.
P.O. Box 1383
Midland, Texas 79702

Re: Assignment of Relinquishment Act Lease M-65125
Ford Chapman, et al to Orla Petco, Inc.
Assignment of Overriding Royalty Interest of Relinquishment Act Lease M-65125
Orla Petco, Inc. to Ed R. Kennedy, Jr.
Assignment of Interest of Relinquishment Act Lease M-65125
Orla Petoc, Inc. to Wintershall Oil and Gas Corporation, Inc., et al
Reeves County, Texas

Dear Ms. Grubb:

The certified copies of assignments covering the captioned oil and gas lease have been filed in our records.

Your remittance of $75.00 has been applied as the required filing fee.

Sincerely,

Diana Dickson
Oil and Gas Section
Legal Services Division
512 475-4246

/dd

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

124

M. F. 65125

CORRESPONDENCE FILE

TO Okla Pet Co

~~From~~

Dated 1-2-86

File Copy

THE PERMIAN CORPORATION

AMENDED **DIVISION ORDER**

Lease No. 482691

January 11, 1985

TO THE PERMIAN CORPORATION, P. O. BOX 1183, HOUSTON, TEXAS 77001

The undersigned, and each of us, certify and guarantee that we are the legal owners of and hereby warrant the title to our respective interests as set out below in all oil produced from all wells on the

Orla Petco Inc. - Sand Bend

farm or lease, located in Reeves County, State of Texas, more particularly described as follows:

E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G. A. Wynne B #3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950'

and commencing at 7 A.M., the 1st day of December, 1984, and until further written notice either from you or us you are authorized to receive oil therefrom, purchase it and pay for it as follows:

CREDIT TO	DIVISION OF INTEREST	POST OFFICE ADDRESS

Effective 7:00 a.m., December 1, 1984, the .1603000 W.I. formerly credited to Orla Petco, Inc. shall be credited as follows:

James M. C. Ritchie, Jr.	2% of 5/6 W.I. less 2% of 7% (.0152667)	
Betty Jane Randell	2% of 5/6 W.I. less 2% of 7% (.0152667)	
Orla Petco, Inc.	17% of 5/6 W.I. less 17% of 7% (.1297666)	

MAKE SURE YOUR CORRECT MAILING ADDRESS IS SHOWN ABOVE

Form 259 Rev. 4-1-63

TOTAL RAL LEASES BY PAYING COMPANY

121

COMPANY NAME: ORLA PETCO INC COMPANY TAXID: 175128308490D
ADDRESS : BOX 1383
MIDLAND TX 79702

CONTACT PERSON: ~~ELLISON, JEAN~~ Betty Randell
PHONE NUMBER: (915)~~684-6781~~ 684-4762

RAL LEASES

LEASE NUMBER	COMPANY LEASE NAME
MF065125	SAND BEND
MF082458	SLOUSON

3/19/87

Lessee is: Orla Petco, Inc.
P. O. Box 1383
Midland, TX 79702

No surface owners are receiving a payment on either lease.

Division order on Sand Bend and Slouson are enclosed.

Please note change on contact person and phone number.

Thank you,

Betty Randell

Betty Randell

MAR 23 RECD

THE PERMIAN CORPORATION

DIVISION ORDER

Lease No. 482691

October 4, 19 83

TO THE PERMIAN CORPORATION, P. O. BOX 1183, HOUSTON, TEXAS 77001

The undersigned, and each of us, certify and guarantee that we are the legal owners of and hereby warrant the title to our respective interests as set out below in all oil produced from all wells on the Orla Petco Inc. - Sand Bend farm or lease, located in Reeves County, State of Texas, more particularly described as follows:

E/2 SW/4 of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G. A. Wynne B No. 3B well located in the E/2 SW/4 of Section 38 insofar as it covers those depths from the surface down to 2950'.

and commencing at 7 A.M., the _____ day of first runs, 19____, and until further written notice either from you or us you are authorized to receive oil therefrom, purchase it and pay for it as follows:

CREDIT TO	DIVISION OF INTEREST	POST OFFICE ADDRESS
	ROYALTY INTEREST	
The Commissioner of the General Land Office of the State of Texas	1/2 of 1/6 R.I. (.0833334)	
Adair Reynaud Sullivan, separate property	1/4 of 1/6 R.I. (.0416667)	
Ruth Wynne Hollinshead, Samuella Wynne Palmer and Lela Mae Wynne, separate property	1/4 of 1/6 R.I. (.0416667)	
	OVERRIDING ROYALTY INTEREST	
Paul L. Davis	20/256 of 5% O.R.R.I. (.0039063	
W. B. Collins	20/256 of 5% O.R.R.I. (.0039064)	
J.H. Herd	20/256 of 5% O.R.R.I. (.0039064)	
Interfirst Bank Dallas, N.A., Trustee of Sabine Royalty Trust	46/256 of 5% O.R.R.I. (.0089843)	
Geraldine Layton Chapman	150/256 of 5% O.R.R.I. (.0292968)	
Ed R. Kennedy	2% O.R.R.I. (.0200000)	

MAKE SURE YOUR CORRECT MAILING ADDRESS IS SHOWN ABOVE

Re: Lease No. 482691 - Orla Petco Inc. - Sand Bend

WORKING INTEREST

Orla Petco, Inc.	less	21% of 5/6 W.I. 21% of 7% (.1603000)
Tricentrol United States,Inc.	less	37.035% of 5/6 W.I. 37.035% of 7% (.2827010)
Orla Drilling Fund #6	less	19.447% of 5/6 W.I. 19.447% of 7% (.1484450)
Bruce T. Pearson	less	7.407% of 5/6 W.I. 7.407% of 7% (.0565400)
Adalbert von Gontard III	less	4.000% of 5/6 W.I. 4.000% of 7% (.0305330)
J.M.C. Ritchie	less	7.407% of 5/6 W.I. 7.407% of 7% (.0565400)
Lisat Venture	less	3.704% of 5/6 W.I. 3.704% of 7% (.0282740)

MF-65125

DIVISION ORDER

(127)

(127)

Texas General Land Office
Garry Mauro, Commissioner

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

October 30, 1996

I, Garry Mauro, Commissioner of the General Land Office of the State of Texas, do hereby certify that the papers, records, and documents of said office show:

That on October 6, 1876, J.J. Groos, Commissioner of the Texas General Land Office, issued Land Scrip Certificate 5087, entitling the Texas and Pacific Railway Company, by virtue of having completed railway improvements, to 640 acres of land, which land was to be located upon any of the vacant, unreserved, and unappropriated public domain of the State of Texas, in accordance with the provisions of its charter and the General Laws governing the same, the grant having been made upon the condition that an alternate section be surveyed for the State, as well as the odd-numbered section for the railway company, and said Land Scrip Certificate was filed in the Texas General Land Office on August 9, 1877, in File Bexar Scrip 23805, and is endorsed, "640 acres patented, (dated) Dec 14/77, (signed) J.J. Groos, Commr.";

> That the file wrapper for Bexar Scrip 23805 is endorsed: "Abst. 636", "FN of #38 in F-91544", "Both surveys correct on map, (dated) Oct 18/77, (signed) Wm L Thomason";

That on November 3, 1906, Section 38, Block 57, Township 2, T&P Ry. Co. Survey, Certificate 5087, 640 acres in Reeves County was awarded to L.T. Cox on his application filed in the Texas General Land Office on September 26, 1906, in School File 91544, and which application was filed to purchase said land under the provisions of Title LXXXVII, Chapter 12A, Revised Civil Statutes of 1895, and the amendments thereto by the Act of May 19, 1897, and the Acts relating to the sale and lease of Public Free School and Asylum lands, approved April 19, 1901, and April 15, 1905, without settlement, said tract applied for having been classified as mineral and dry grazing;

That on August 20, 1876, James L. Peck, Deputy Surveyor for the Texas and Pacific Railway Company, surveyed 640 acres in Reeves County for the Texas & Pacific Railway Company, by virtue of Certificate 5087, and compiled field notes thereon, designating it as Section 38, Block 57, Township 2, which field notes were recorded in Book B4, Page 144, Surveyor's Records, Reeves County, and were filed in the Texas General Land Office on August 9, 1877, originally in Bexar Scrip 23805 and now filed in School File 91544, marked correct on map for 640 acres on May 29, 1950, and are endorsed as patented on May 31, 1950;

Printed on recycled paper with soybean ink

That the old file wrapper for School File 91544 is endorsed: "Abst. 2027", "P/O 91542", "patent to original with M/R";

That the new file wrapper for School File 91544 is endorsed: "Old File Inside";

That on May 31, 1950, payment in full for 640 acres, Section 38, Block 57, Township 2, T&P Ry. Co. Survey, Certificate 5087, Reeves County, was received in the Texas General Land Office, and said land, having been classified mineral and dry grazing, with minerals reserved to the State, was patented on May 31, 1950, to L.T. Cox, his heirs, and assigns, by Patent Number 206, Volume 15B, under Abstract 2027 and School File 91544;

That on September 21, 1970, Mrs. Sallie Wynne Reynaud, individually, and as agent for the State of Texas, executed and delivered a State Relinquishment Act Oil & Gas Lease, covering all of Section 38, Block 57, Township 2, T&P Ry. Co. Survey, 640 acres in Reeves County, to Ford Chapman, for a primary term of 45 days, with a cash bonus of $5,600.00, with like amounts payable each to landowner and State, and a royalty of 1/12th, one-half payable each to landowner and State, and a certified copy of said lease was filed in the Texas General Land Office on December 8, 1970, in Mineral File M-65125;

That on September 21, 1970, Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, individually, and as agent for the State of Texas, executed and delivered a State Relinquishment Act Oil & Gas Lease, covering all of Section 38, Block 57, Township 2, T&P Ry. Co. Survey, 640 acres in Reeves County, to Ford Chapman, for a primary term of 45 days, with a cash bonus of $5,600.00, with like amounts payable each to landowner and State, and a royalty of 1/12th, one-half payable each to landowner and State, and a certified copy of said lease was filed in the Texas General Land Office on December 8, 1970, in Mineral File M-65125;

That on November 30, 1970, Ford Chapman assigned to Rudy Janosek, Judson F. Williams, and John MacGuire, various interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 297, Page 820, O&GL Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on April 9, 1971, in Mineral File M-65125;

That on February 23, 1973, John MacGuire assigned to Judson Williams, various interests in the lease in Mineral File M-65125, and reference to said assignment is

herein made for all purposes to the instrument which was filed of record in Book 336, Page 286, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 6, 1983, in Mineral File M-65125;

That on April 5, 1972, Rudy Janosek conveyed to John MacGuire and Judson Williams, all his interest in the lease in Mineral File M-65125, and reference to said Warranty Deed is herein made for all purposes to the instrument which was filed of record in Book 308, Page 301, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 6, 1983, in Mineral File M-65125;

That on September 7, 1983, Ford Chapman, Judson F. Williams, and John MacGuire assigned to Orla Petco, Inc., various interests in the E/2 & SW/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 435, Page 430, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 22, 1983, in Mineral File M-65125;

That on September 12, 1983, Orla Petco, Inc. assigned to Ed R. Kennedy, various overriding royalty interests in the E/2 & SW/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 435, Page 432, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 22, 1983, in Mineral File M-65125;

That on September 13, 1983, Orla Petco, Inc. assigned to Tricentral United States, Inc, Orla Drilling Fund #6, Bruce T. Pearson, Adalbert von Gontard, III, J.M.C. Ritchie, and Lisat Venture, various interests in the E/2 & SW/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 435, Page 435, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 22, 1983, in Mineral File M-65125;

That on September 25, 1983, Railroad Commission Form W-2, Oil Well Potential Test, Completion or Recompletion Report and Log, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 1, Chapman, S. (Olds), Sand Bend, was completed as a new well on July 19, 1983;

That on January 16, 1984, effective as of the date of first production from the Sand Bend Well No. 1, Ford Chapman, Judson F. Williams, and John MacGuire executed

a corrected assignment to Orla Petco, Inc., in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 117, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on January 17, 1984, effective as of the date of first production from the Sand Bend "A" Well No. 1, Ford Chapman, Judson F. Williams, and John MacGuire assigned to Orla Petco, Inc., various interests in the W/2 & SE/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 126, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on February 13, 1984, effective as of the date of first production from the Sand Bend Well No. 1, Orla Petco, Inc. executed a corrected assignment of overriding royalty interest to Ed R. Kennedy, in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 120, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on February 13, 1984, effective as of the date of first production from the Sand Bend "A" Well No. 1, Orla Petco, Inc. assigned to Ed R. Kennedy, various overriding royalty interests in the W/2 & SE/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 129, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on February 14, 1984, effective as of the date of first production from the Sand Bend "A" Well No. 1, Orla Petco, Inc. assigned to Tricentral United States, Inc, Orla Drilling Fund #6, Bruce T. Pearson, Adalbert von Gontard, III, J.M.C. Ritchie, and Lisat Venture, various interests in the W/2 & SE/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 441, Page 132, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on February 14, 1984, effective as of the date of first production from the Sand

Bend Well No. 1, Orla Petco, Inc. executed a corrected assignment to Tricentral United States, Inc., Orla Drilling Fund #6, Bruce T. Pearson, Adalbert von Gontard, III, J.M.C. Ritchie, and Lisat Venture, in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 123, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on February 15, 1984, Railroad Commission Form W-2, Oil Well Potential Test, Completion or Recompletion Report and Log, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 1, Chapman, Sand Bend A, was completed as a new well on December 15, 1983;

That on June 8, 1984, Railroad Commission Form W3, Plugging Record, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 2, Chapman, Sand Bend, was completed on April 16, 1984, and was plugged on May 21, 1984;

That on September 20, 1984, Orla Petco, Inc. assigned to James M.C. Ritchie, Jr., and Betty Jane Randall, various interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 448, Page 384, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 29, 1984, in Mineral File M-65125;

That on April 2, 1985 and on June 15, 1985, Railroad Commission Form W-2, Oil Well Potential Test, Completion or Recompletion Report and Log, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 3, Chapman, S. (olds), Sand Bend, was completed as a new well on January 19, 1985;

That on October 21, 1985, effective as of the date of first production from the Sand Bend Well No. 3, Ford Chapman, Judson F. Williams, and John MacGuire, assigned to Orla Petco, Inc., various interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 461, Page 620, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on December 20, 1985, in Mineral File M-65125;

That on December 2, 1985, effective as of the date of first production from the Sand Bend Well No. 3, Orla Petco, Inc. assigned to Wintershall Oil & Gas Corp., Orla Drilling

Fund No. 6, Bruce T. Pearson, J.M.C. Ritchie, Adalbert von Gontard, III, Lisat Venture, James M.C. Ritchie, Jr., and Betty Jane Randall, various interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 461, Page 625, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on December 20, 1985, in Mineral File M-65125;

That on December 2, 1985, effective as of the date of first production from the Sand Bend Well No. 3, Orla Petco, Inc. assigned to Ed R. Kennedy, Jr., various overriding royalty interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 461, Page 622, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on December 20, 1985, in Mineral File M-65125;

That the latest royalty payments for lease M-65125 were received in the Texas General Land Office on October 3, 1996, for oil produced during August, 1996, and on September 9, 1994, for gas produced during July, 1994;

IN TESTIMONY WHEREOF, I hereto set my hand and seal of said office the first date above written.

GARRY MAURO
COMMISSIONER

GM/MC

Mr. Richard J. Ganem
400 North Marienfeld, Ste. 100
Midland, TX 79701-4324

Fee: $100.00
Register No. 10236
Dicta No. 97-033
Files: Bexar Scrip 23805, School File 91544, Mineral File M-65125

(128)

FILE NO. M-65125

Reeves COUNTY

C/7 97-033

FILED 11-1 19 96

GARRY MAURO, COM'R

BY M Carroll

TEXAS GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

November 30, 2007

CERTIFIED MAIL 7003 2260 0003 0395 0729

MS BECKY HILL
KIMLAR OIL COMPANY INC
206 W HIGHWAY 302
KERMIT TX 79745-1217

RE: Notice of non-payment on State Lease MF065125

Dear Ms. Hill:

The Royalty Management Division of the Texas General Land Office has completed a limited review of the above-referenced lease operated by KIMLAR OIL COMPANY INC. Through this review, it was determined that $5,162.94 is due for production starting April 2004 through August 2007. This amount is comprised of $3,430.20 in royalty, $1,061.48 in penalty, and $671.26 in interest, which has been computed through 12/31/2007, in accordance with Section 52.131 of the Texas Natural Resources Code.

The following documents are attached in support of our findings:

A brief summary of our review (Attachment I);

Schedule supporting our royalty, penalty, and interest calculation (Attachment II's); and

Procedures used for assessment of penalties and interest (Attachment III).

To ensure your company remains in good standing with the General Land Office, please respond to this notice within 30 days of the above date. If your records reflect this royalty has been paid, please provide us with documentation of payments made and remittance dates. Payment of this notice should be submitted separately from monthly royalty payments you may be remitting. In order to ensure proper credit, your payment should be mailed to my attention along with a copy of this letter.

If you have any questions, please call Mike May, Auditor, at (512) 463-5379 to discuss payment and production royalty data.

Sincerely,

Mike Nicklaus

Mike Nicklaus, Team Leader
Royalty Management Division
Energy Resources Program

ATTACHMENT I

REVIEW SUMMARY

State Lease: 65125

Volumes reported to the Texas General Land Office (GLO) were compared to volumes reported to the Texas Railroad Commission (RRC) on wells under RRC wells 08-28575 and 08-28240 which are within State Lease mf065125.

Royalty has not been paid on gas production since May 2004. Attachment II-Gas details royalty due and additional penalty and interest for June 2004 through August 2007 production. Since there are no reports to review, the price and btu used are pulled from reports filed on State Lease mf040133 which is adjacent to this lease.

An improper credit was taken for October 2006 oil production. Attachment II-Oil details additional oil royalty due and the associated penalty and interest. No amended reports were filed and the sales volume reported to the GLO and RRC is the same.

We have concluded that additional royalty is due in the following amount.

Oil Summary

Royalty	Penalty	Interest	Total
$584.87	$58.49	$61.93	$705.29

Gas Summary

Royalty	Penalty	Interest	Total
$2,845.33	$1,002.99	$609.33	$4,457.65

Oil & Gas Summary

Royalty	Penalty	Interest	Total
$3,430.20	$1,061.48	$671.26	$5,162.94

KIMLAR OIL COMPANY INC
STATE LEASE MF065125
LEASE: SAND BEND
FIELD: CHAPMAN, S. (OLDS)
REEVES COUNTY, TEXAS
STATE'S ROYALTY DECIMAL: .083333

ATTACHMENT II-OIL

AUDITOR: MM

11/30/07

PENALTY/
INTEREST DATE:
12/31/07

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
MONTH/ YEAR	SALES VOLUME (A)	PRICE (B)	GROSS VALUE (2) X (3)	ROYALTY DUE (4) X .083333	ROYALTY PAID	ADDITIONAL ROYALTY DUE (5)-(6)	NUMBER OF DAYS LATE	PENALTY DUE (C)	INTEREST DUE (C)	TOTAL DUE (7)+(9)+(10)
Oct-06	167.110000	$56.306000	$9,409.30	$784.11	$199.24	$584.87	381	$58.49	$61.92	$705.28
TOTALS:						$584.87		$58.49	$61.93	$705.28

COMMENTS:

(A) SALES VOLUME OBTAINED FROM GLO-1 REPORTS

(B) PRICES OBTAINED FROM GLO-1 REPORTS.

(C) SEE ATTACHMENT III "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATIONS.

KIMLAR OIL COMPANY INC
STATE LEASE MF065125
LEASE: SAND BEND
FIELD: CHAPMAN, S. (OLDS)
REEVES COUNTY, TEXAS
STATE'S ROYALTY DECIMAL: .083333

ATTACHMENT II-GAS

AUDITOR: MM

11/30/2007

PENALTY/
INTEREST DATE:
12/31/2007

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
MONTH/ YEAR	RRC SALES VOLUME (A)	PRICE (B)	BTU (B)	GROSS VALUE (2)X(3)x(4)	ROYALTY DUE (5) X .083333	NUMBER OF DAYS LATE	PENALTY DUE (C)	INTEREST DUE (C)	TOTAL DUE (6)+(8)+(9)
Apr-04	10	$5.100000	0.986000	$50.29	$4.19	1294	$25.00	$1.70	$30.89
May-04	158	$5.477000	0.986000	$853.25	$71.10	1264	$25.00	$28.17	$124.27
Jun-04	564	$6.039000	0.986000	$3,358.31	$279.85	1233	$27.99	$108.01	$415.85
Jul-04	117	$5.592000	0.998800	$653.48	$54.45	1202	$25.00	$20.46	$99.91
Aug-04	140	$5.131000	0.986000	$708.28	$59.02	1172	$25.00	$21.60	$105.62
Sep-04	135	$4.497500	0.983300	$597.02	$49.75	1141	$25.00	$17.70	$92.45
Oct-04	177	$4.909500	0.984100	$855.16	$71.26	1111	$25.00	$24.65	$120.91
Nov-04	161	$6.269500	0.983900	$993.14	$82.76	1080	$25.00	$27.78	$135.54
Dec-04	129	$6.154300	0.985200	$782.15	$65.18	1049	$25.00	$21.21	$111.39
Jan-05	115	$5.550700	0.984800	$628.63	$52.38	1021	$25.00	$16.57	$93.95
Feb-05	95	$5.505000	0.984700	$514.97	$42.91	990	$25.00	$13.13	$81.04
Mar-05	95	$5.830700	0.984900	$545.55	$45.46	960	$25.00	$13.47	$83.93
Apr-05	183	$6.402100	0.983200	$1,151.90	$95.99	929	$25.00	$27.46	$148.45
May-05	159	$6.177000	0.987500	$969.87	$80.82	899	$25.00	$22.32	$128.14
Jun-05	155	$5.880000	1.000000	$911.40	$75.95	868	$25.00	$20.20	$121.15
Jul-05	139	$6.780700	0.987332	$930.58	$77.55	837	$25.00	$19.84	$122.39
Aug-05	147	$7.239200	1.000000	$1,064.16	$88.68	807	$25.00	$21.81	$135.49
Sep-05	74	$9.006600	0.981400	$654.09	$54.51	776	$25.00	$12.85	$92.36
Oct-05	132	$10.002200	0.981880	$1,296.37	$108.03	746	$25.00	$24.40	$157.43
Nov-05	16	$10.228400	0.981500	$160.63	$13.39	715	$25.00	$2.89	$41.28
Dec-05	126	$9.431800	0.981200	$1,166.06	$97.17	684	$25.00	$19.97	$142.14
Jan-06	113	$8.072670	0.993300	$906.10	$75.51	656	$25.00	$14.82	$115.33
Feb-06	116	$6.698800	0.981131	$762.40	$63.53	625	$25.00	$11.82	$100.35
Mar-06	115	$5.965400	0.983600	$674.77	$56.23	595	$25.00	$9.91	$91.14
Apr-06	139	$5.744400	0.984200	$785.86	$65.49	564	$25.00	$10.87	$101.36
May-06	179	$5.579900	0.982700	$981.52	$81.79	534	$25.00	$12.77	$119.56
Jun-06	94	$5.192370	0.981800	$479.20	$39.93	503	$25.00	$5.83	$70.76
Jul-06	94	$5.341000	0.984200	$494.12	$41.18	472	$25.00	$5.59	$71.77
Aug-06	177	$6.229500	0.983400	$1,084.32	$90.36	442	$25.00	$11.38	$126.74
Sep-06	121	$5.936800	0.984100	$706.93	$58.91	411	$25.00	$6.82	$90.73
Nov-06	124	$6.419500	0.982200	$781.85	$65.15	350	$25.00	$6.23	$96.38
Dec-06	110	$6.587500	0.983700	$712.81	$59.40	319	$25.00	$5.08	$89.48
Jan-07	77	$5.793200	0.985600	$439.65	$36.64	291	$25.00	$2.79	$64.43
Feb-07	155	$6.676800	0.991300	$1,025.90	$85.49	260	$25.00	$5.65	$116.14
Mar-07	125	$6.502900	0.985900	$801.40	$66.78	230	$25.00	$3.75	$95.53
Apr-07	116	$6.177100	0.985900	$706.44	$58.87	199	$25.00	$2.71	$86.58
May-07	157	$6.780500	0.978100	$1,041.23	$86.77	169	$25.00	$3.14	$114.91
Jun-07	146	$6.916000	0.978800	$988.33	$82.36	138	$25.00	$2.14	$109.50
Jul-07	178	$6.213350	0.982300	$1,086.40	$90.53	107	$25.00	$1.43	$116.96
Aug-07	157	$5.455800	0.980800	$840.11	$70.01	77	$25.00	$0.41	$95.42
TOTALS					$2,845.33		$1,002.99	$609.33	$4,457.65

KIMLAR OIL COMPANY INC
STATE LEASE MF065125
LEASE: SAND BEND
FIELD: CHAPMAN, S. (OLDS)
REEVES COUNTY, TEXAS
STATE'S ROYALTY DECIMAL: .083333

ATTACHMENT II-GAS

AUDITOR: MM

11/30/2007

PENALTY/
INTEREST DATE:
12/31/2007

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
MONTH/ YEAR	RRC SALES VOLUME (A)	PRICE (B)	BTU (B)	GROSS VALUE (2)X(3)x(4)	ROYALTY DUE (5) X .083333	NUMBER OF DAYS LATE	PENALTY DUE (C)	INTEREST DUE (C)	TOTAL DUE (6)+(8)+(9)

COMMENTS:

(A) SALES VOLUMES PER RAILROAD COMMISSION

(B) PRICE AND BTU PER REPORTS FILED ON STATE LEASE MF040133 WHICH IS ADJACENT TO THE SUBJECT LEASE.

(C) SEE ATTACHMENT III "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATIONS.

ATTACHMENT III

SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES FOR DELINQUENT ROYALTIES AND DELINQUENT REQUIRED REPORTS OR DOCUMENTS

	DUE BEFORE 10-1-75 (Production Prior to 8-1-75)	**DUE AFTER 10-1-75 AND BEFORE 9-1-85 (Production 8-1-75 thru 6-30-85)**	**DUE AFTER 9-1-85 (Production 7-1-85 Forward)**
PENALTY (3)			
• For delinquent royalty	NONE	The greater of 1% of the delinquent amount or $5.00 for each 30-day delinquency	For delinquencies of 30 days or less, the greater of 5% of the delinquent amount or $25.00
• For delinquent report, affidavit, or other document	NONE	$5.00 per document for each 30-day period of delinquency	For delinquencies of more than 30 days, the greater of 10% of the delinquent amount or $25.00 $10.00 per document for each 30-day period of delinquency
INTEREST			
• For delinquent royalty	6% per year, simple interest; accrual begins 30 days after due date (1)	6% per year, simple interest; accrual begins 30 days after due date (1)	12% per year, simple; accrual begins 60 days after due date (2)

(1) Tex. Rev. Civ. Stat. Ann., Article 5069-1.03 and related case law.

(2) Tex. Nat. Res. Code Ann. § 52.131 (g).

(3) Penalties are not assessed in cases of title dispute as to the state's portion of the royalty or to royalty in dispute as to fair market value except when fraud is involved, in which case the fraud penalty is applicable. Penalty provisions are found at Tex. Nat. Res. Code Ann. § 52.131 (e), (f), & (h).

A royalty payment that is not accompanied by the required royalty affidavit identifying the GLO lease number is delinquent.

The State's power to forfeit a lease shall not be affected by the assessment or payment of any delinquency, penalty, or interest.

revised 5/28/02

(129)

File No. 65125

Billing Letter

Date Filed: 11/30/07

Jerry E. Patterson, Commissioner

By M. May

TEXAS GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

July 6, 2012

Natalie Holeman
Exploration Land Services, LLC
PO Box 52105
Lafayette, LA 70505-2105

RE: GLO Assignment ID # 8192

Dear Ms. Holman,

The General Land Office received the following instrument(s) and has filed them in the appropriate files. Please see attached "Exhibit A" for reference.

(1) Assignment of Oil and Gas Lease, effective January 1, 2012, from Martha Scott Chapman Fowler, to Petrohawk Properties, LP as Assignee. MF065125, Reeves Co. Vol. 920, P. 661

(2) Assignment of Oil and Gas Lease, effective January 1, 2012, from Boldrick Family Properties, LP, as Assignor, to Petrohawk Properties, LP, as Assignee. MF065125, Reeves Co. Vol. 928 P. 637.

(3) Assignment of Oil and Gas Lease, effective January 1, 2012 from Penwell Energy, Inc., as Assignor, to Petrohawk Properties, LP as Assignee. MF065125, Reeves Co. Vol. 924, P. 255.

(4) Assignment of Oil and Gas Lease, effective March 1, 2012, from Lagniappe Hydrocarbons, LLC, as Assignor, to Petrohawk Properties LP, as Assignee. MF065125, Reeves Co. #12-03352

I have also enclosed a copy of my fax to you on 5/30/12 requesting copies of the assignments into the above referenced Assignors. You may email me copies of those.

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495
Post Office Box 12873 • Austin, Texas 78711-2873
512-463-5001 • 800-998-4GLO
www.glo.state.tx.us

Filing fees of $100.00 were received in connection with the above assignment. If

If you have questions, please feel free to contact me.

Sincerely,

Beverly Boyd

Beverly Boyd
Beverly.boyd@glo.texas.gov
Mineral Leasing
Energy Resources
512-463-6521

Exhibit "A"

GLO ID	*County*	*Lease*
8192	*Reeves*	MF065125

EXPLORATION LAND SERVICES, LLC

P O Box 52105 • Lafayette, Louisiana 70505-2105 • Phone: 337.234.3500 • Fax: 337.234.3525 • Email: contact@explorationland.com

May 10, 2012

Via FedEx

Mr. Drew Reid
Texas General Land Office
1700 Congress Avenue
Stephen F. Austin Building, RM 847
Austin, Texas 78701

Re: Oil, Gas and Mineral Leases/Assignments
Reeves County, Texas

Dear Drew:

Enclosed herewith, please find three (3) certified copies of leases and four (4) certified copies of assignments, taken in the name of the State of Texas, in favor of Petrohawk Properties, LP, listed as follows:

Lease No.	**Date**	**Lessor**
ELS-0032X	03/15/2012	Mike Wallis
ELS-0032Y	03/15/2012	Lynda Dodd
ELS-0032Z	03/15/2012	Debbie Carter
HK-0050A	01/01/2012	Penwell Energey, Inc.
HK-0050B	01/01/2012	Martha Scott Chapman Fowler
HK-0050C	01/01/2012	Boldrick Family Properties, LP
HK-0050D	03/01/2012	Lagniappe Hydrocarbons, L.L.C.

Also enclosed, please find one (1) certified copy of an act of correction, listed as follows:

Lease No.	**Date**	**Lessor**
ELS-0014B	02/24/2011	Kay Frances Hicks Biros

Lastly enclosed, please find a check in the amount of $200.00. This amount covers the filing fees for the 3 leases, 4 assignments and 1 correction @ $25/per lease, which covers all required fees associated with the above listed leases. Please be advised that the filing fees for the tracts under leases ELS-0032X, Y & Z were previously paid by check number 3090, issued October 25, 2011.

Please sign and return the copy of the check to me in the enclosed prepaid envelope.

I trust that you will not hesitate to call me with any questions that you may have concerning this matter.

Sincerely yours,

Natalie Holeman

Natalie Holeman

NHOLEMAN@EXPLORATIONLAND.COM

encl.

12-03350K-D050D

FILED FOR RECORD
REEVES COUNTY, TEXAS
Nov 07, 2012 at 09:22:00 AM

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: your social security number or your driver's license number.

MF065125

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS }
}
COUNTY OF REEVES }

KNOW ALL MEN BY THESE PRESENTS:

THIS ASSIGNMENT ("Assignment") is effective as of March 1, 2012, at 7:00 a.m. CDT ("Effective Time"), by and between **LAGNIAPPE HYDROCARBONS, L.L.C.**, (hereinafter "Assignor"), whose address is Post Office Box 10668, Midland, Texas 79702, and **PETROHAWK PROPERTIES, LP**, ("Assignee"), whose address is 6100 South Yale Avenue, Suite 500, Tulsa, Oklahoma 74136.

W I T N E S S E T H:

FOR Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby grants, conveys and assigns to Assignee, subject to the reservations herein, the following:

(a) All of Assignor's leasehold interests in and to the oil & gas leases described in Exhibit "A" attached hereto and made a part hereof by reference, and all of the following rights and interests attributable to those interests;

(b) All rights, privileges, benefits and powers with respect thereto and use and occupancy of the surface and subsurface depths under the surface covered thereby which are necessary or incidental to the possession and enjoyment thereof or any interest therein under the terms of the leases applicable thereto; and

(c) All agreements, contracts and rights of Assignor insofar as the same relate to the lands described on Exhibit "A". All properties and rights (contractual and otherwise) described in (a) through (c) above and conveyed hereby, are sometimes referred to hereinafter as the "Properties".

ASSIGNOR HEREBY EXPRESSLY EXCEPTS, RESERVES AND RETAINS, unto itself its successors and assigns, an overriding royalty (referred to hereinafter as "Assignor's Overriding Royalty") on all oil and gas and other minerals produced from or allocated to the Properties as to each of the leases described on Exhibit "A", equal to Twenty-Five (25.0%), less existing burdens (including the royalty reserved to the owners of the minerals covered by oil and gas leases under the terms of such leases), of;

(a) All oil, distillate, condensate and other liquid or liquefiable hydrocarbons produced and saved, which shall be delivered free of all cost and expense, except taxes on production, at the well or wells or, at Assignor's option, to the credit of Assignor into the pipeline to which said well or wells may be connected; and

(b) The market value at the well of all gas and casinghead gas produced and saved, which shall be paid to Assignor free of all costs and expenses, except taxes on production; and

(c) All other minerals produced and saved, free of all costs and expenses, except taxes on production.

With respect to Assignor's Overriding Royalty, Assignor and Assignee agree as follows:

(a) "Existing Burdens" shall mean all royalties, overriding royalties, production payments, net profits obligations, carried working interests, and all other payments out of production with which the Properties are burdened as of the Effective Time.

(b) In the event a lease hereby assigned covers less than all of the oil and gas and mineral rights in the entire oil and gas mineral estate in the land described therein (whether or not such lease purports to cover a whole or fractional interest), or, in the event the leasehold interest hereby assigned in a lease is less than the whole leasehold interest in such lease, the Assignor's Overriding Royalty with respect to such lease shall be proportionately reduced in accordance with the extent of the oil and gas mineral rights covered by such lease, or the portion of the leasehold interest in such lease which is hereby assigned, whichever is applicable, and further;

(c) If Assignee exercises any pooling rights contained in any of the leases compromising the Properties, Assignor's overriding royalty insofar as it covers such leases shall be unitized and paid on a unitized basis.

TO HAVE AND TO HOLD the Properties, subject to the following terms and conditions:

1. Term of Assignment. This Assignment shall be for a term of Three (3) years from the effective date ("primary term") and for so long thereafter as oil and/or gas are produced in paying

Original filed in Reeves County Clerks Office

21.11.5

quantities from the properties or from lands validly pooled therewith or for so long as the Assignment is otherwise maintained in effect pursuant to the provisions hereof.

2. Extension by Drilling or Reworking.

(a) If at the expiration of the Primary Term, oil and/or gas are not being produced from the Properties or lands validly pooled herewith, but Assignee is then engaged in drilling or reworking operations thereon, this Assignment shall remain in force so long as drilling or reworking operations are prosecuted (whether on the same well or different wells), with no cessation of more than ninety (90) consecutive days, and, if they result in production, for so long thereafter as oil and/or gas are produced in paying quantities from the Properties or lands validly pooled therewith. If oil and/or gas on the Properties or lands validly pooled therewith should cease producing in paying quantities from any cause, this Assignment nevertheless shall continue in force and effect as long as additional drilling operations or reworking operations are conducted on the Properties or on lands validly pooled therewith, with no cessation of more than ninety (90) consecutive days and, if production in paying quantities is obtained, this Assignment shall continue as long thereafter as oil and/or gas is produced in paying quantities from the Properties or lands validly pooled therewith.

(b) Notwithstanding anything herein to the contrary, after the continuous development program described in paragraph 3(a) has expired, each unit for production for a well shall be deemed to be a separate lease for the purpose of continuation by production and drilling and/or reworking such that if production in paying quantities ceases from a particular well and additional drilling and/or reworking operations are not commenced as provided for in paragraph 2(a) above, this assignment shall terminate as to the proration or spacing unit for such well.

3. Continuous Development and Shut-in Well.

(a) If Assignee, at the expiration of the Primary Term, is engaged in actual drilling operations, this Assignment shall remain in full force and effect as to all lands covered hereby for so long as such operations continue to completion or abandonment and for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between the completion or abandonment of one well and the commencement of actual drilling operations on another well; or

(b) If at the expiration of the Primary Term, Assignee is not conducting actual drilling operations, but Assignee has completed a well on the Properties prior to the expiration of the Primary Term which is capable of producing oil and/or gas in paying quantities, this Assignment shall remain in full force and effect for so long as actual drilling operations on an additional well are commenced within 180 days following the expiration of the Primary Term, and this Assignment shall continue in force for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between completion or abandonment of one well and the commencement of actual drilling operations on the next succeeding well.

(c) At such time as Assignee (1) fails to commence said continuous development, or (2) once commenced, fails to continue same, this Assignment shall automatically terminate as to all land not included within a proration unit assigned to a well then producing oil or gas in paying quantities and said lands shall automatically revert to Assignor without the necessity of any action on the part of any person. If no special field rules have been adopted by the governmental authority having jurisdiction, then such proration unit shall be deemed to be 40 acres for vertical oil wells, 160 acres for vertical gas wells, 320 acres for horizontal oil wells and 640 acres for horizontal gas wells. In the event the governmental authority having jurisdiction prescribes or permits, pursuant to its regulations, the assignment of more acreage than that specified herein in this paragraph to a well for purposes of well spacing, or density, or allowable determination without an exception to such regulations, then this term assignment shall continue in force and effect as to the amount of acreage surrounding each well required or permitted by such regulations to be included in the drilling unit for such well or required or permitted in order for the well to be assigned the maximum producing allowable.

(d) Notwithstanding any other provision herein to the contrary, this Assignment shall remain in full force and effect for so long as Lessee is conducting continuous drilling operations as provided for herein. Upon the expiration of the assignment term or upon cessation of continuous drilling operations, whichever date is later, this Assignment shall terminate save and except all depths as assigned herein and described in Exhibit "A" down to 100 feet below the stratigraphic equivalent of the deepest depth drilled.

(e) Notwithstanding the automatic nature of such reversion, Assignee shall within thirty (30) days of such cessation prepare and provide Assignor with a recordable reassignment conforming record title to the true state of facts. All lands reassigned shall be free and clear of all liens, claims and encumbrances created by, through or under Assignee. No termination and reversion hereunder shall relieve Assignee of its obligation to properly plug and abandon any well operated by Assignor on the lands and to clean the surrounding lands in compliance with the terms of the applicable agreements, rules, regulations, laws and ordinances. Similarly, no such termination or reversion shall relieve Assignee of its obligation to defend and indemnify Assignor as set forth herein.

(f) The "completion date" for any well drilled pursuant to this assignment shall be the earlier of 1) the date the official well completion report is filed with the Texas Railroad Commission or any successor agency, or 2) thirty (30) days after the release of the drilling rig from the location.

STATE OF TEXAS REEVES COUNTY
True and Correct copy of Original filed in Reeves County Clerks Office

21.11.5

4. Indemnities and Assumption of Obligations and Condition of the Properties.

(a) Assignee shall fully protect, indemnify and defend Assignor, its officers, agents and/or employees and hold them harmless from any and all claims, losses, damages, demands, suits, causes of action, and liabilities relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property, except as specifically set out in paragraph 4(c) below, arising out of or connected with the ownership or operation of the Properties, or any part thereof, by Assignee.

(b) Assignor shall fully protect, indemnify and defend Assignee, its officers, agents and/or employees and hold them harmless from any and all claims, relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property, except as specifically set out in paragraph 4(c) below, arising out of or in connection with Assignor's ownership or operation of the Properties, or any part thereof, accruing before the Effective Time.

(c) Assignee shall timely perform and discharge all duties and obligations of the owner of the Properties, including but not limited to: restoration of the surface, environmental and pollution clean up, plugging and abandonment of any and all existing and future wells; and Assignor shall incur no liability for Assignee's failure to properly perform and discharge such duties and obligations. Assignee shall fully protect, indemnify, defend and hold Assignor, its officers, agents and/or employees harmless against any and all claims for pollution and/or environmental damage of any kind, any fines or penalties assessed on account of such damage, caused by or arising out of ownership or operations conducted on the Properties during the term of this Assignment.

5. Drilling of Wells. It is agreed that Assignor shall at all times have full and unrestricted access to each well drilled hereunder, and all its drilling, testing coring, logging and completion records, reports and interpretations. That Assignor shall receive daily drilling reports on each and every well drilled hereunder with no undue delay, said information to be mailed, faxed or phoned daily to the parties listed above as Assignors at their respective addresses or appointed fax and phone numbers. In the event Assignee, its successors or assigns, wish any well drilled hereunder to be drilled and/or completed as a "tight hole", then it is agreed that Assignee shall still provide Assignor with this information in a timely manner, with no delay, and Assignor, upon being advised that the well is a "tight hole", agrees that the information shall be kept strictly confidential.

6. Assignment. Assignee shall not assign, sell or transfer the Properties without the consent of the Assignor, or his representative, which consent will not be unreasonably withheld, it being the intent that Assignor is informed of all changes of ownership regarding the Properties.

7. Reassignment. Within thirty (30) days after complete termination of this Agreement under provisions of Paragraphs 1, 2 or 3 hereof, Assignee shall execute and deliver to Assignor a reassignment of all acreage required to be reassigned.

8. Assignor does not warrant title to the rights, powers and interests assigned through this Term Assignment, except that the Assignor warrants title to every person claiming by, through or under Assignor, but not otherwise.

EXECUTED AS OF THE 29th DAY OF MARCH, 2012, but to be effective as of the Effective Time.

Assignor:

LAGNIAPPE HYDROCARBONS, L.L.C.

Miles Boldrick
Manager

Assignee:

PETROHAWK PROPERTIES, LP
By: P-H Energy, LLC
Its General Partner

D.R. Deffenbaugh
Vice President - Land

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

STATE OF TEXAS · REEVES COUNTY

Acknowledgments

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 29th day of March, 2012, by Miles Boldrick, as Manager of LAGNIAPPE HYDROCARBONS, L.L.C., a Texas limited partnership, on behalf of said limited partnership.

Stacy L Mathews
Notary Public in and for the State of Texas
My commission expires: 02.05.2014

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 02-05-2014

STATE OF OKLAHOMA

COUNTY OF TULSA

The foregoing instrument was acknowledged before me this 24th day of April, 2012, by D. R. Deffenbaugh, Vice President - Land, of P-H Energy, LLC, general partner of Petrohawk Properties, LP, a Texas limited partnership, on behalf of said limited partnership.

Rita Kay Walker
Notary Public in and for the State of Oklahoma
My commission expires: Aug. 27, 2012

RITA KAY WALKER
NOTARY PUBLIC
#04007821
EXP. 08/27/12
STATE OF OKLAHOMA

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

21.11.5

Exhibit "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, effective March 1, 2012, at 7:00 a.m. CDT, from LAGNIAPPE HYDROCARBONS, L.L.C., as Assignor, in favor of PETROHAWK PROPERTIES, LP, as Assignee.

1. Lessor: Mrs. Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Dated September 21, 1970
   Recorded: Volume 297, Page 485, File Number 3432, Deed Records of Reeves County, Texas
   Description: Section 38, Block 57, Township 2, A-2027, T&P RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, LESS AND EXCEPT all depths from the surface of the earth down to 4,595 feet beneath the surface of the earth. All depths below 4,595 feet being assigned herein.

2. Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Dated September 21, 1970
   Recorded: Volume 297, Page 489, File Number 3433, Deed Records of Reeves County, Texas
   Description: Section 38, Block 57, Township 2, A-2027, T&P RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, LESS AND EXCEPT all depths from the surface of the earth down to 4,595 feet beneath the surface of the earth. All depths below 4,595 feet being assigned herein.

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

12-03352
DIANNE O. FLOREZ
COUNTY CLERK
2012 May 07 at 09:22 AM
REEVES COUNTY, TEXAS
By: AC ACalanchi, DEPUTY

THE STATE OF TEXAS
COUNTY OF REEVES

I, Dianne O. Florez, Clerk of the County Court in and for said County and State do hereby certify that the foregoing is a true and correct copy of Assignment of Oil & Gas Lease dated March 1 2012, filed for record in my office this 7th day of May 2012 at 9:22A M, under Clerk's File No. 12-03352, to be recorded in the Official Public Records of Reeves County, Texas.

TO CERTIFY WHICH, Witness my hand and official seal at Pecos, Texas this 2nd day of May, 2012.

DIANNE O. FLOREZ
DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

By Mary Vela, Deputy.

2.11.15

MF065125

HK-00508

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: your social security number or your driver's license number.

12-00530
FILED FOR RECORD
REEVES COUNTY, TEXAS
May 23, 2012 at 02:46:00 PM

ASSIGNMENT OF OIL AND GAS LEASES

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

VOL 0920 PG 0661

THIS ASSIGNMENT ("Assignment") is effective as of January 1, 2012, at 7:00 a.m. CDT ("Effective Time"), by and between **MARTHA SCOTT CHAPMAN FOWLER**, (hereinafter "Assignor"), whose address is Post Office Box 1453, Kihei, Hawaii 96753, and **PETROHAWK PROPERTIES, LP**, ("Assignee"), whose address is 6100 South Yale Avenue, Suite 500, Tulsa, Oklahoma 74136.

W I T N E S S E T H:

FOR Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby grants, conveys and assigns to Assignee, subject to the reservations herein, the following:

(a) All of Assignor's leasehold interests in and to the oil & gas leases described in Exhibit "A" attached hereto and made a part hereof by reference, and all of the following rights and interests attributable to those interests;

(b) All rights, privileges, benefits and powers with respect thereto and use and occupancy of the surface and subsurface depths under the surface covered thereby which are necessary or incidental to the possession and enjoyment thereof or any interest therein under the terms of the leases applicable thereto; and

(c) All agreements, contracts and rights of Assignor insofar as the same relate to the lands described on Exhibit "A". All properties and rights (contractual and otherwise) described in (a) through (c) above and conveyed hereby, are sometimes referred to hereinafter as the "Properties".

ASSIGNOR HEREBY EXPRESSLY EXCEPTS, RESERVES AND RETAINS, unto itself its successors and assigns, an overriding royalty (referred to hereinafter as "Assignor's Overriding Royalty") on all oil and gas and other minerals produced from or allocated to the Properties as to each of the leases described on Exhibit "A", equal to Twenty-Five (25.0%), less existing burdens (including the royalty reserved to the owners of the minerals covered by oil and gas leases under the terms of such leases), of;

(a) All oil, distillate, condensate and other liquid or liquefiable hydrocarbons produced and saved, which shall be delivered free of all cost and expense, except taxes on production, at the well or wells or, at Assignor's option, to the credit of Assignor into the pipeline to which said well or wells may be connected; and

(b) The market value at the well of all gas and casinghead gas produced and saved, which shall be paid to Assignor free of all costs and expenses, except taxes on production; and

(c) All other minerals produced and saved, free of all costs and expenses, except taxes on production.

With respect to Assignor's Overriding Royalty, Assignor and Assignee agree as follows:

(a) "Existing Burdens" shall mean all royalties, overriding royalties, production payments, net profits obligations, carried working interests, and all other payments out of production with which the Properties are burdened as of the Effective Time.

(b) In the event a lease hereby assigned covers less than all of the oil and gas and mineral rights in the entire oil and gas mineral estate in the land described therein (whether or not such lease purports to cover a whole or fractional interest), or, in the event the leasehold interest hereby assigned in a lease is less than the whole leasehold interest in such lease, the Assignor's Overriding Royalty with respect to such lease shall be proportionately reduced in accordance with the extent of the oil and gas mineral rights covered by such lease, or the portion of the leasehold interest in such lease which is hereby assigned, whichever is applicable, and further;

(c) If Assignee exercises any pooling rights contained in any of the leases compromising the Properties, Assignor's overriding royalty insofar as it covers such leases shall be unitized and paid on a unitized basis.

TO HAVE AND TO HOLD the Properties, subject to the following terms and conditions:

1. Term of Assignment. This Assignment shall be for a term of Three (3) years from the effective date ("primary term") and for so long thereafter as oil and/or gas are produced in paying

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

quantities from the properties or from lands validly pooled therewith or for so long as the Assignment is otherwise maintained in effect pursuant to the provisions hereof.

2. Extension by Drilling or Reworking.

(a) If at the expiration of the Primary Term, oil and/or gas are not being produced from the Properties or lands validly pooled herewith, but Assignee is then engaged in drilling or reworking operations thereon, this Assignment shall remain in force so long as drilling or reworking operations are prosecuted (whether on the same well or different wells), with no cessation of more than ninety (90) consecutive days, and, if they result in production, for so long thereafter as oil and/or gas are produced in paying quantities from the Properties or lands validly pooled therewith. If oil and/or gas on the Properties or lands validly pooled therewith should cease producing in paying quantities from any cause, this Assignment nevertheless shall continue in force and effect as long as additional drilling operations or reworking operations are conducted on the Properties or on lands validly pooled therewith, with no cessation of more than ninety (90) consecutive days and, if production in paying quantities is obtained, this Assignment shall continue as long thereafter as oil and/or gas is produced in paying quantities from the Properties or lands validly pooled therewith.

(b) Notwithstanding anything herein to the contrary, after the continuous development program described in paragraph 3(a) has expired, each unit for production for a well shall be deemed to be a separate lease for the purpose of continuation by production and drilling and/or reworking such that if production in paying quantities ceases from a particular well and additional drilling and/or reworking operations are not commenced as provided for in paragraph 2(a) above, this assignment shall terminate as to the proration or spacing unit for such well.

3. Continuous Development and Shut-in Well.

(a) If Assignee, at the expiration of the Primary Term, is engaged in actual drilling operations, this Assignment shall remain in full force and effect as to all lands covered hereby for so long as such operations continue to completion or abandonment and for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between the completion or abandonment of one well and the commencement of actual drilling operations on another well; or

(b) If at the expiration of the Primary Term, Assignee is not conducting actual drilling operations, but Assignee has completed a well on the Properties prior to the expiration of the Primary Term which is capable of producing oil and/or gas in paying quantities, this Assignment shall remain in full force and effect for so long as actual drilling operations on an additional well are commenced within 180 days following the expiration of the Primary Term, and this Assignment shall continue in force for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between completion or abandonment of one well and the commencement of actual drilling operations on the next succeeding well.

(c) At such time as Assignee (1) fails to commence said continuous development, or (2) once commenced, fails to continue same, this Assignment shall automatically terminate as to all land not included within a proration unit assigned to a well then producing oil or gas in paying quantities and said lands shall automatically revert to Assignor without the necessity of any action on the part of any person. If no special field rules have been adopted by the governmental authority having jurisdiction, then such proration unit shall be deemed to be 40 acres for vertical oil wells, 160 acres for vertical gas wells, 320 acres for horizontal oil wells and 640 acres for horizontal gas wells. In the event the governmental authority having jurisdiction prescribes or permits, pursuant to its regulations, the assignment of more acreage than that specified herein in this paragraph to a well for purposes of well spacing, or density, or allowable determination without an exception to such regulations, then this term assignment shall continue in force and effect as to the amount of acreage surrounding each well required or permitted by such regulations to be included in the drilling unit for such well or required or permitted in order for the well to be assigned the maximum producing allowable.

(d) Notwithstanding any other provision herein to the contrary, this Assignment shall remain in full force and effect for so long as Lessee is conducting continuous drilling operations as provided for herein. Upon the expiration of the assignment term or upon cessation of continuous drilling operations, whichever date is later, this Assignment shall terminate save and except all depths as assigned herein and described in Exhibit "A" down to 100 feet below the stratigraphic equivalent of the deepest depth drilled.

(e) Notwithstanding the automatic nature of such reversion, Assignee shall within thirty (30) days of such cessation prepare and provide Assignor with a recordable reassignment conforming record title to the true state of facts. All lands reassigned shall be free and clear of all liens, claims and encumbrances created by, through or under Assignee. No termination and reversion hereunder shall relieve Assignee of its obligation to properly plug and abandon any well operated by Assignor on the lands and to clean the surrounding lands in compliance with the terms of the applicable agreements, rules, regulations, laws and ordinances. Similarly, no such termination or reversion shall relieve Assignee of its obligation to defend and indemnify Assignor as set forth herein.

(f) The "completion date" for any well drilled pursuant to this assignment shall be the earlier of 1) the date the official well completion report is filed with the Texas Railroad Commission or any successor agency, or 2) thirty (30) days after the release of the drilling rig from the location.

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

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4. Indemnities and Assumption of Obligations and Condition of the Properties.

(a) Assignee shall fully protect, indemnify and defend Assignor, its officers, agents and/or employees and hold them harmless from any and all claims, losses, damages, demands, suits, causes of action, and liabilities relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property, except as specifically set out in paragraph 4(c) below, arising out of or connected with the ownership or operation of the Properties, or any part thereof, by Assignee.

(b) Assignor shall fully protect, indemnify and defend Assignee, its officers, agents and/or employees and hold them harmless from any and all claims, relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property, except as specifically set out in paragraph 4(c) below, arising out of or in connection with Assignor's ownership or operation of the Properties, or any part thereof, accruing before the Effective Time.

(c) Assignee shall timely perform and discharge all duties and obligations of the owner of the Properties, including but not limited to: restoration of the surface, environmental and pollution clean up, plugging and abandonment of any and all existing and future wells; and Assignor shall incur no liability for Assignee's failure to properly perform and discharge such duties and obligations. Assignee shall fully protect, indemnify, defend and hold Assignor, its officers, agents and/or employees harmless against any and all claims for pollution and/or environmental damage of any kind, any fines or penalties assessed on account of such damage, caused by or arising out of ownership or operations conducted on the Properties during the term of this Assignment.

5. Drilling of Wells. It is agreed that Assignor shall at all times have full and unrestricted access to each well drilled hereunder, and all its drilling, testing coring, logging and completion records, reports and interpretations. That Assignor shall receive daily drilling reports on each and every well drilled hereunder with no undue delay, said information to be mailed, faxed or phoned daily to the parties listed above as Assignors at their respective addresses or appointed fax and phone numbers. In the event Assignee, its successors or assigns, wish any well drilled hereunder to be drilled and/or completed as a "tight hole", then it is agreed that Assignee shall still provide Assignor with this information in a timely manner, with no delay, and Assignor, upon being advised that the well is a "tight hole", agrees that the information shall be kept strictly confidential.

6. Assignment. Assignee shall not assign, sell or transfer the Properties without the consent of the Assignor, or his representative, which consent will not be unreasonably withheld, it being the intent that Assignor is informed of all changes of ownership regarding the Properties.

7. Reassignment. Within thirty (30) days after complete termination of this Agreement under provisions of Paragraphs 1, 2 or 3 hereof, Assignee shall execute and deliver to Assignor a reassignment of all acreage required to be reassigned.

8. Assignor does not warrant title to the rights, powers and interests assigned through this Term Assignment, except that the Assignor warrants title to every person claiming by, through or under Assignor, but not otherwise. .

EXECUTED AS OF THE 16th DAY OF December, 20 11, but to be effective as of the Effective Time.

Assignor:

Martha Scott Chapman Fowler

MARTHA SCOTT CHAPMAN FOWLER

Assignee:

PETROHAWK PROPERTIES, LP
By: P-H Energy, LLC
Its General Partner

gmd

D.R. Deffenbaugh
Vice President - Land

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

Acknowledgments

STATE OF HAWAII

COUNTY OF Maui

BEFORE ME, the undersigned authority, on this 16th day of December, 20 11, personally appeared MARTHA SCOTT CHAPMAN FOWLER, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

CHARLES D. DANDO, JR. NOTARY PUBLIC No. 02-526 STATE OF HAWAII

Notary Public in and for the State of Hawaii
My commission expires: 11/3/2014

STATE OF OKLAHOMA

COUNTY OF TULSA

The foregoing instrument was acknowledged before me this 18th day of January, 2012, by D. R. Deffenbaugh, Vice President - Land, of P-H Energy, LLC, general partner of Petrohawk Properties, LP, a Texas limited partnership, on behalf of said limited partnership.

RITA KAY WALKER NOTARY #04007821 EXP. 08/27/12 PUBLIC STATE OF OKLAHOMA

Notary Public in and for the State of Oklahoma
My commission expires: _____

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

VOL 0920 PG 0664

21.11.5

Exhibit "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, effective January 1, 2012, at 7:00 a.m. CDT, from MARTHA SCOTT CHAPMAN FOWLER, as Assignor, in favor of PETROHAWK PROPERTIES, LP, as Assignee.

1. Lessor: Mrs. Sallie Wynne Reynaud MF 065125
   Lessee: Ford Chapman
   Dated: September 21, 1970
   Recorded: Volume 297, Page 485, File Number 3432, Deed Records of Reeves County, Texas
   Description: Section 38, Block 57, Township 2, A-2027, T&P RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, LESS AND EXCEPT all depths from the surface of the earth down to 4,595 feet beneath the surface of the earth. All depths below 4,595 feet being assigned herein.

2. Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman MF 065125A
   Dated: September 21, 1970
   Recorded: Volume 297, Page 489, File Number 3433, Deed Records of Reeves County, Texas
   Description: Section 38, Block 57, Township 2, A-2027, T&P RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, LESS AND EXCEPT all depths from the surface of the earth down to 4,595 feet beneath the surface of the earth. All depths below 4,595 feet being assigned herein.

12-00530
DIANNE O. FLOREZ
COUNTY CLERK
2012 Jan 23 at 02:46 PM
REEVES COUNTY, TEXAS
By: JF [signature] DEPUTY

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

21.11.5

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. 920, PAGE 661, THRU 665.

I hereby certified on 05 1 2012

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
BY Myra Aranda DEPUTY

HK-0050C

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: your social security number or your driver's license number.

12-01749
FILED FOR RECORD
REEVES COUNTY, TEXAS
DEC 12, 2012 at 10:08:00 AM

ASSIGNMENT OF OIL AND GAS LEASES

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

VOL 0928 PG 0637

THIS ASSIGNMENT ("Assignment") is effective as of January 1, 2012, at 7:00 a.m. CDT ("Effective Time"), by and between **BOLDRICK FAMILY PROPERTIES, LP**, (hereinafter "Assignor"), whose address is Post Office Box 10648, Midland, Texas 79702, and **PETROHAWK PROPERTIES, LP**, ("Assignee"), whose address is 6100 South Yale Avenue, Suite 500, Tulsa, Oklahoma 74136.

W I T N E S S E T H:

FOR Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby grants, conveys and assigns to Assignee, subject to the reservations herein, the following:

(a) All of Assignor's leasehold interests in and to the oil & gas leases described in Exhibit "A" attached hereto and made a part hereof by reference, and all of the following rights and interests attributable to those interests;

(b) All rights, privileges, benefits and powers with respect thereto and use and occupancy of the surface and subsurface depths under the surface covered thereby which are necessary or incidental to the possession and enjoyment thereof or any interest therein under the terms of the leases applicable thereto; and

(c) All agreements, contracts and rights of Assignor insofar as the same relate to the lands described on Exhibit "A". All properties and rights (contractual and otherwise) described in (a) through (c) above and conveyed hereby, are sometimes referred to hereinafter as the "Properties".

ASSIGNOR HEREBY EXPRESSLY EXCEPTS, RESERVES AND RETAINS, unto itself its successors and assigns, an overriding royalty (referred to hereinafter as "Assignor's Overriding Royalty") on all oil and gas and other minerals produced from or allocated to the Properties as to each of the leases described on Exhibit "A", equal to Twenty-Five (25.0%), less existing burdens (including the royalty reserved to the owners of the minerals covered by oil and gas leases under the terms of such leases), of;

(a) All oil, distillate, condensate and other liquid or liquefiable hydrocarbons produced and saved, which shall be delivered free of all cost and expense, except taxes on production, at the well or wells or, at Assignor's option, to the credit of Assignor into the pipeline to which said well or wells may be connected; and

(b) The market value at the well of all gas and casinghead gas produced and saved, which shall be paid to Assignor free of all costs and expenses, except taxes on production; and

(c) All other minerals produced and saved, free of all costs and expenses, except taxes on production.

With respect to Assignor's Overriding Royalty, Assignor and Assignee agree as follows:

(a) "Existing Burdens" shall mean all royalties, overriding royalties, production payments, net profits obligations, carried working interests, and all other payments out of production with which the Properties are burdened as of the Effective Time.

(b) In the event a lease hereby assigned covers less than all of the oil and gas and mineral rights in the entire oil and gas mineral estate in the land described therein (whether or not such lease purports to cover a whole or fractional interest), or, in the event the leasehold interest hereby assigned in a lease is less than the whole leasehold interest in such lease, the Assignor's Overriding Royalty with respect to such lease shall be proportionately reduced in accordance with the extent of the oil and gas mineral rights covered by such lease, or the portion of the leasehold interest in such lease which is hereby assigned, whichever is applicable, and further;

(c) If Assignee exercises any pooling rights contained in any of the leases compromising the Properties, Assignor's overriding royalty insofar as it covers such leases shall be unitized and paid on a unitized basis.

TO HAVE AND TO HOLD the Properties, subject to the following terms and conditions:

1. Term of Assignment. This Assignment shall be for a term of Three (3) years from the effective date ("primary term") and for so long thereafter as oil and/or gas are produced in paying

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

21.11.5

quantities from the properties or from lands validly pooled therewith or for so long as the Assignment is otherwise maintained in effect pursuant to the provisions hereof.

2. Extension by Drilling or Reworking.

(a) If at the expiration of the Primary Term, oil and/or gas are not being produced from the Properties or lands validly pooled herewith, but Assignee is then engaged in drilling or reworking operations thereon, this Assignment shall remain in force so long as drilling or reworking operations are prosecuted (whether on the same well or different wells), with no cessation of more than ninety (90) consecutive days, and, if they result in production, for so long thereafter as oil and/or gas are produced in paying quantities from the Properties or lands validly pooled therewith. If oil and/or gas on the Properties or lands validly pooled therewith should cease producing in paying quantities from any cause, this Assignment nevertheless shall continue in force and effect as long as additional drilling operations or reworking operations are conducted on the Properties or on lands validly pooled therewith, with no cessation of more than ninety (90) consecutive days and, if production in paying quantities is obtained, this Assignment shall continue as long thereafter as oil and/or gas is produced in paying quantities from the Properties or lands validly pooled therewith.

(b) Notwithstanding anything herein to the contrary, after the continuous development program described in paragraph 3(a) has expired, each unit for production for a well shall be deemed to be a separate lease for the purpose of continuation by production and drilling and/or reworking such that if production in paying quantities ceases from a particular well and additional drilling and/or reworking operations are not commenced as provided for in paragraph 2(a) above, this assignment shall terminate as to the proration or spacing unit for such well.

3. Continuous Development and Shut-in Well.

(a) If Assignee, at the expiration of the Primary Term, is engaged in actual drilling operations, this Assignment shall remain in full force and effect as to all lands covered hereby for so long as such operations continue to completion or abandonment and for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between the completion or abandonment of one well and the commencement of actual drilling operations on another well; or

(b) If at the expiration of the Primary Term, Assignee is not conducting actual drilling operations, but Assignee has completed a well on the Properties prior to the expiration of the Primary Term which is capable of producing oil and/or gas in paying quantities, this Assignment shall remain in full force and effect for so long as actual drilling operations on an additional well are commenced within 180 days following the expiration of the Primary Term, and this Assignment shall continue in force for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between completion or abandonment of one well and the commencement of actual drilling operations on the next succeeding well.

(c) At such time as Assignee (1) fails to commence said continuous development, or (2) once commenced, fails to continue same, this Assignment shall automatically terminate as to all land not included within a proration unit assigned to a well then producing oil or gas in paying quantities and said lands shall automatically revert to Assignor without the necessity of any action on the part of any person. If no special field rules have been adopted by the governmental authority having jurisdiction, then such proration unit shall be deemed to be 40 acres for vertical oil wells, 160 acres for vertical gas wells, 320 acres for horizontal oil wells and 640 acres for horizontal gas wells. In the event the governmental authority having jurisdiction prescribes or permits, pursuant to its regulations, the assignment of more acreage than that specified herein in this paragraph to a well for purposes of well spacing, or density, or allowable determination without an exception to such regulations, then this term assignment shall continue in force and effect as to the amount of acreage surrounding each well required or permitted by such regulations to be included in the drilling unit for such well or required or permitted in order for the well to be assigned the maximum producing allowable.

(d) Notwithstanding any other provision herein to the contrary, this Assignment shall remain in full force and effect for so long as Lessee is conducting continuous drilling operations as provided for herein. Upon the expiration of the assignment term or upon cessation of continuous drilling operations, whichever date is later, this Assignment shall terminate save and except all depths as assigned herein and described in Exhibit "A" down to 100 feet below the stratigraphic equivalent of the deepest depth drilled.

(e) Notwithstanding the automatic nature of such reversion, Assignee shall within thirty (30) days of such cessation prepare and provide Assignor with a recordable reassignment conforming record title to the true state of facts. All lands reassigned shall be free and clear of all liens, claims and encumbrances created by, through or under Assignee. No termination and reversion hereunder shall relieve Assignee of its obligation to properly plug and abandon any well operated by Assignor on the lands and to clean the surrounding lands in compliance with the terms of the applicable agreements, rules, regulations, laws and ordinances. Similarly, no such termination or reversion shall relieve Assignee of its obligation to defend and indemnify Assignor as set forth herein.

(f) The "completion date" for any well drilled pursuant to this assignment shall be the earlier of 1) the date the official well completion report is filed with the Texas Railroad Commission or any successor agency, or 2) thirty (30) days after the release of the drilling rig from the location.

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4. Indemnities and Assumption of Obligations and Condition of the Properties.

(a) Assignee shall fully protect, indemnify and defend Assignor, its officers, agents and/or employees and hold them harmless from any and all claims, losses, damages, demands, suits, causes of action, and liabilities relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property, except as specifically set out in paragraph 4(c) below, arising out of or connected with the ownership or operation of the Properties, or any part thereof, by Assignee.

(b) Assignor shall fully protect, indemnify and defend Assignee, its officers, agents and/or employees and hold them harmless from any and all claims, relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property, except as specifically set out in paragraph 4(c) below, arising out of or in connection with Assignor's ownership or operation of the Properties, or any part thereof, accruing before the Effective Time.

(c) Assignee shall timely perform and discharge all duties and obligations of the owner of the Properties, including but not limited to: restoration of the surface, environmental and pollution clean up, plugging and abandonment of any and all existing and future wells; and Assignor shall incur no liability for Assignee's failure to properly perform and discharge such duties and obligations. Assignee shall fully protect, indemnify, defend and hold Assignor, its officers, agents and/or employees harmless against any and all claims for pollution and/or environmental damage of any kind, any fines or penalties assessed on account of such damage, caused by or arising out of ownership or operations conducted on the Properties during the term of this Assignment.

5. Drilling of Wells. It is agreed that Assignor shall at all times have full and unrestricted access to each well drilled hereunder, and all its drilling, testing coring, logging and completion records, reports and interpretations. That Assignor shall receive daily drilling reports on each and every well drilled hereunder with no undue delay, said information to be mailed, faxed or phoned daily to the parties listed above as Assignors at their respective addresses or appointed fax and phone numbers. In the event Assignee, its successors or assigns, wish any well drilled hereunder to be drilled and/or completed as a "tight hole", then it is agreed that Assignee shall still provide Assignor with this information in a timely manner, with no delay, and Assignor, upon being advised that the well is a "tight hole", agrees that the information shall be kept strictly confidential.

6. Assignment. Assignee shall not assign, sell or transfer the Properties without the consent of the Assignor, or his representative, which consent will not be unreasonably withheld, it being the intent that Assignor is informed of all changes of ownership regarding the Properties.

7. Reassignment. Within thirty (30) days after complete termination of this Agreement under provisions of Paragraphs 1, 2 or 3 hereof, Assignee shall execute and deliver to Assignor a reassignment of all acreage required to be reassigned.

8. Assignor does not warrant title to the rights, powers and interests assigned through this Term Assignment, except that the Assignor warrants title to every person claiming by, through or under Assignor, but not otherwise.

EXECUTED AS OF THE 31st DAY OF January, 2012, but to be effective as of the Effective Time.

Assignor:

BOLDRICK FAMILY PROPERTIES, LP

Miles Boldrick
Manager

Assignee:

PETROHAWK PROPERTIES, LP
By: P-H Energy, LLC
Its General Partner

D.R. Deffenbaugh
Vice President - Land

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

21.11.5

Acknowledgments

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 31st day of January, 2012, by Miles Boldrick, as Manager of BOLDRICK FAMILY PROPERTIES, LP, a Texas limited partnership, on behalf of said limited partnership.

Stacy L. Mathews
Notary Public in and for the State of Texas
My commission expires: 02.05.14

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 02-05-2014

STATE OF OKLAHOMA

COUNTY OF TULSA

The foregoing instrument was acknowledged before me this 8th day of February, 2012, by D. R. Deffenbaugh, Vice President - Land, of P-H Energy, LLC, general partner of Petrohawk Properties, LP, a Texas limited partnership, on behalf of said limited partnership.

Rita Kay Walker
Notary Public in and for the State of Oklahoma
My commission expires: _____

RITA KAY WALKER
NOTARY PUBLIC
#04007821
EXP. 08/27/12
STATE OF OKLAHOMA

VOL 0928 PG 0640

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

21.11.5

Exhibit "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, effective January 1, 2012, at 7:00 a.m. CDT, from BOLDRICK FAMILY PROPERTIES, LP, as Assignor, in favor of PETROHAWK PROPERTIES, LP, as Assignee.

1. Lessor: Mrs. Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Dated September 21, 1970
   Recorded: Volume 297, Page 485, File Number 3432, Deed Records of Reeves County, Texas
   Description: Section 38, Block 57, Township 2, A-2027, T&P RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, LESS AND EXCEPT all depths from the surface of the earth down to 4,595 feet beneath the surface of the earth. All depths below 4,595 feet being assigned herein.

2. Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Dated September 21, 1970
   Recorded: Volume 297, Page 489, File Number 3433, Deed Records of Reeves County, Texas
   Description: Section 38, Block 57, Township 2, A-2027, T&P RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, LESS AND EXCEPT all depths from the surface of the earth down to 4,595 feet beneath the surface of the earth. All depths below 4,595 feet being assigned herein.

12-01749
DIANNE O. FLOREZ
COUNTY CLERK
2012 Mar 12 at 10:08 AM
REEVES COUNTY, TEXAS
By: EF DEPUTY

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

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. 938, PAGE 637, THRU 641.

I hereby certified on 05 1 2012

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BY: Myra Aranda DEPUTY

mF065125

HK-0050A

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: your social security number or your driver's license number.

ASSIGNMENT OF OIL AND GAS LEASES

FILED FOR RECORD
REEVES COUNTY, TEXAS
FEB 23 2012 at 08:21 AM

STATE OF TEXAS)(
)(KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF REEVES)(

VOL

0924

PG

0255

THIS ASSIGNMENT ("Assignment") is effective as of January 1, 2012, at 7:00 a.m. CDT ("Effective Time"), by and between **PENWELL ENERGY, INC.**, (hereinafter "Assignor"), whose address is 310 W. Wall, Suite 1001, Midland, Texas 79701, and **PETROHAWK PROPERTIES, LP**, ("Assignee"), whose address is 6100 South Yale Avenue, Suite 500, Tulsa, Oklahoma 74136.

W I T N E S S E T H:

FOR Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby grants, conveys and assigns to Assignee, subject to the reservations herein, the following:

(a) All of Assignor's leasehold interests in and to the oil & gas leases described in Exhibit "A" attached hereto and made a part hereof by reference, and all of the following rights and interests attributable to those interests;

(b) All rights, privileges, benefits and powers with respect thereto and use and occupancy of the surface and subsurface depths under the surface covered thereby which are necessary or incidental to the possession and enjoyment thereof or any interest therein under the terms of the leases applicable thereto; and

(c) All agreements, contracts and rights of Assignor insofar as the same relate to the lands described on Exhibit "A". All properties and rights (contractual and otherwise) described in (a) through (c) above and conveyed hereby, are sometimes referred to hereinafter as the "Properties".

ASSIGNOR HEREBY EXPRESSLY EXCEPTS, RESERVES AND RETAINS, unto itself its successors and assigns, an overriding royalty (referred to hereinafter as "Assignor's Overriding Royalty") on all oil and gas and other minerals produced from or allocated to the Properties as to each of the leases described on Exhibit "A", equal to Twenty-Five (25.0%), less existing burdens (including the royalty reserved to the owners of the minerals covered by oil and gas leases under the terms of such leases), of;

(a) All oil, distillate, condensate and other liquid or liquefiable hydrocarbons produced and saved, which shall be delivered free of all cost and expense, except taxes on production, at the well or wells or, at Assignor's option, to the credit of Assignor into the pipeline to which said well or wells may be connected; and

(b) The market value at the well of all gas and casinghead gas produced and saved, which shall be paid to Assignor free of all costs and expenses, except taxes on production; and

(c) All other minerals produced and saved, free of all costs and expenses, except taxes on production.

With respect to Assignor's Overriding Royalty, Assignor and Assignee agree as follows:

(a) "Existing Burdens" shall mean all royalties, overriding royalties, production payments, net profits obligations, carried working interests, and all other payments out of production with which the Properties are burdened as of the Effective Time.

(b) In the event a lease hereby assigned covers less than all of the oil and gas and mineral rights in the entire oil and gas mineral estate in the land described therein (whether or not such lease purports to cover a whole or fractional interest), or, in the event the leasehold interest hereby assigned in a lease is less than the whole leasehold interest in such lease, the Assignor's Overriding Royalty with respect to such lease shall be proportionately reduced in accordance with the extent of the oil and gas mineral rights covered by such lease, or the portion of the leasehold interest in such lease which is hereby assigned, whichever is applicable, and further:

(c) If Assignee exercises any pooling rights contained in any of the leases compromising the Properties, Assignor's overriding royalty insofar as it covers such leases shall be unitized and paid on a unitized basis.

TO HAVE AND TO HOLD the Properties, subject to the following terms and conditions:

1. Term of Assignment. This Assignment shall be for a term of Three (3) years from the effective date ("primary term") and for so long thereafter as oil and/or gas are produced in paying

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

quantities from the properties or from lands validly pooled therewith or for so long as the Assignment is otherwise maintained in effect pursuant to the provisions hereof.

2. Extension by Drilling or Reworking.

(a) If at the expiration of the Primary Term, oil and/or gas are not being produced from the Properties or lands validly pooled herewith, but Assignee is then engaged in drilling or reworking operations thereon, this Assignment shall remain in force so long as drilling or reworking operations are prosecuted (whether on the same well or different wells), with no cessation of more than ninety (90) consecutive days, and, if they result in production, for so long thereafter as oil and/or gas are produced in paying quantities from the Properties or lands validly pooled therewith. If oil and/or gas on the Properties or lands validly pooled therewith should cease producing in paying quantities from any cause, this Assignment nevertheless shall continue in force and effect as long as additional drilling operations or reworking operations are conducted on the Properties or on lands validly pooled therewith, with no cessation of more than ninety (90) consecutive days and, if production in paying quantities is obtained, this Assignment shall continue as long thereafter as oil and/or gas is produced in paying quantities from the Properties or lands validly pooled therewith.

(b) Notwithstanding anything herein to the contrary, after the continuous development program described in paragraph 3(a) has expired, each unit for production for a well shall be deemed to be a separate lease for the purpose of continuation by production and drilling and/or reworking such that if production in paying quantities ceases from a particular well and additional drilling and/or reworking operations are not commenced as provided for in paragraph 2(a) above, this assignment shall terminate as to the proration or spacing unit for such well.

3. Continuous Development and Shut-in Well.

(a) If Assignee, at the expiration of the Primary Term, is engaged in actual drilling operations, this Assignment shall remain in full force and effect as to all lands covered hereby for so long as such operations continue to completion or abandonment and for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between the completion or abandonment of one well and the commencement of actual drilling operations on another well; or

(b) If at the expiration of the Primary Term, Assignee is not conducting actual drilling operations, but Assignee has completed a well on the Properties prior to the expiration of the Primary Term which is capable of producing oil and/or gas in paying quantities, this Assignment shall remain in full force and effect for so long as actual drilling operations on an additional well are commenced within 180 days following the expiration of the Primary Term, and this Assignment shall continue in force for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between completion or abandonment of one well and the commencement of actual drilling operations on the next succeeding well.

(c) At such time as Assignee (1) fails to commence said continuous development, or (2) once commenced, fails to continue same, this Assignment shall automatically terminate as to all land not included within a proration unit assigned to a well then producing oil or gas in paying quantities and said lands shall automatically revert to Assignor without the necessity of any action on the part of any person. If no special field rules have been adopted by the governmental authority having jurisdiction, then such proration unit shall be deemed to be 40 acres for vertical oil wells, 160 acres for vertical gas wells, 320 acres for horizontal oil wells and 640 acres for horizontal gas wells. In the event the governmental authority having jurisdiction prescribes or permits, pursuant to its regulations, the assignment of more acreage than that specified herein in this paragraph to a well for purposes of well spacing, or density, or allowable determination without an exception to such regulations, then this term assignment shall continue in force and effect as to the amount of acreage surrounding each well required or permitted by such regulations to be included in the drilling unit for such well or required or permitted in order for the well to be assigned the maximum producing allowable.

(d) Notwithstanding any other provision herein to the contrary, this Assignment shall remain in full force and effect for so long as Lessee is conducting continuous drilling operations as provided for herein. Upon the expiration of the assignment term or upon cessation of continuous drilling operations, whichever date is later, this Assignment shall terminate save and except all depths as assigned herein and described in Exhibit "A" down to 100 feet below the stratigraphic equivalent of the deepest depth drilled.

(e) Notwithstanding the automatic nature of such reversion, Assignee shall within thirty (30) days of such cessation prepare and provide Assignor with a recordable reassignment conforming record title to the true state of facts. All lands reassigned shall be free and clear of all liens, claims and encumbrances created by, through or under Assignee. No termination and reversion hereunder shall relieve Assignee of its obligation to properly plug and abandon any well operated by Assignor on the lands and to clean the surrounding lands in compliance with the terms of the applicable agreements, rules, regulations, laws and ordinances. Similarly, no such termination or reversion shall relieve Assignee of its obligation to defend and indemnify Assignor as set forth herein.

(f) The "completion date" for any well drilled pursuant to this assignment shall be the earlier of 1) the date the official well completion report is filed with the Texas Railroad Commission or any successor agency, or 2) thirty (30) days after the release of the drilling rig from the location.

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

21.11.5

4. Indemnities and Assumption of Obligations and Condition of the Properties.

(a) Assignee shall fully protect, indemnify and defend Assignor, its officers, agents and/or employees and hold them harmless from any and all claims, losses, damages, demands, suits, causes of action, and liabilities relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property, except as specifically set out in paragraph 4(c) below, arising out of or connected with the ownership or operation of the Properties, or any part thereof, by Assignee.

(b) Assignor shall fully protect, indemnify and defend Assignee, its officers, agents and/or employees and hold them harmless from any and all claims, relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property, except as specifically set out in paragraph 4(c) below, arising out of or in connection with Assignor's ownership or operation of the Properties, or any part thereof, accruing before the Effective Time.

(c) Assignee shall timely perform and discharge all duties and obligations of the owner of the Properties, including but not limited to: restoration of the surface, environmental and pollution clean up, plugging and abandonment of any and all existing and future wells; and Assignor shall incur no liability for Assignee's failure to properly perform and discharge such duties and obligations. Assignee shall fully protect, indemnify, defend and hold Assignor, its officers, agents and/or employees harmless against any and all claims for pollution and/or environmental damage of any kind, any fines or penalties assessed on account of such damage, caused by or arising out of ownership or operations conducted on the Properties during the term of this Assignment.

5. Drilling of Wells. It is agreed that Assignor shall at all times have full and unrestricted access to each well drilled hereunder, and all its drilling, testing coring, logging and completion records, reports and interpretations. That Assignor shall receive daily drilling reports on each and every well drilled hereunder with no undue delay, said information to be mailed, faxed or phoned daily to the parties listed above as Assignors at their respective addresses or appointed fax and phone numbers. In the event Assignee, its successors or assigns, wish any well drilled hereunder to be drilled and/or completed as a "tight hole", then it is agreed that Assignee shall still provide Assignor with this information in a timely manner, with no delay, and Assignor, upon being advised that the well is a "tight hole", agrees that the information shall be kept strictly confidential.

6. Assignment. Assignee shall not assign, sell or transfer the Properties without the consent of the Assignor, or his representative, which consent will not be unreasonably withheld, it being the intent that Assignor is informed of all changes of ownership regarding the Properties.

7. Reassignment. Within thirty (30) days after complete termination of this Agreement under provisions of Paragraphs 1, 2 or 3 hereof, Assignee shall execute and deliver to Assignor a reassignment of all acreage required to be reassigned.

8. Assignor does not warrant title to the rights, powers and interests assigned through this Term Assignment, except that the Assignor warrants title to every person claiming by, through or under Assignor, but not otherwise.

EXECUTED AS OF THE 19th DAY OF December, 2011, but to be effective as of the Effective Time.

Assignor:

PENWELL ENERGY, INC.

John D. Bergman
Vice-President

Assignee:

PETROHAWK PROPERTIES, LP
By: P-H Energy, LLC
Its General Partner

D.R. Deffenbaugh
Vice President - Land

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

21.11.5

Acknowledgments

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me this 19 day of December, 2011, by JOHN D. BERGMAN, as VICE-PRESIDENT of PENWELL ENERGY, INC., a Texas corporation, on behalf of said corporation.

Susan Denise Carlisle
Notary Public in and for the State of Texas
My commission expires: 4-6-15

SUSAN DENISE CARLISLE
Notary Public
STATE OF TEXAS
My Comm. Exp. April 06, 2015

STATE OF OKLAHOMA

COUNTY OF TULSA

The foregoing instrument was acknowledged before me this 10th day of January, 2012, by D. R. Deffenbaugh, Vice President - Land, of P-H Energy, LLC, general partner of Petrohawk Properties, LP, a Texas limited partnership, on behalf of said limited partnership.

Rita Kay Walker
Notary Public in and for the State of Oklahoma
My commission expires: _____

RITA KAY WALKER
NOTARY
04007821
EXP. 08/27/12
PUBLIC
STATE OF OKLAHOMA

VOL 0924 PG 0258

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

21.11.5

Exhibit "A"

Attached to and made a part of that certain Assignment of Oil and Gas Leases, effective January 1, 2012, at 7:00 a.m. CDT, from PENWELL ENERGY, INC., as Assignor, in favor of PETROHAWK PROPERTIES, LP, as Assignee.

1. Lessor: Mrs. Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Dated September 21, 1970
   Recorded: Volume 297, Page 485, File Number 3432, Deed Records of Reeves County, Texas
   Description: Section 38, Block 57, Township 2, A-2027, T&P RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, LESS AND EXCEPT all depths from the surface of the earth down to 4,595 feet beneath the surface of the earth. All depths below 4,595 feet being assigned herein.

2. Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Dated September 21, 1970
   Recorded: Volume 297, Page 489, File Number 3433, Deed Records of Reeves County, Texas
   Description: Section 38, Block 57, Township 2, A-2027, T&P RR Co. Survey, Reeves County, Texas, containing 640 acres, more or less, LESS AND EXCEPT all depths from the surface of the earth down to 4,595 feet beneath the surface of the earth. All depths below 4,595 feet being assigned herein.

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

#13

File No. MF 065125
assignment # 8192

Date Filed: BBoyd

Jerry E. Patterson, Commissioner

By 5-11-12

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. 924, PAGE 235, THRU 239.

I hereby certified on 05 1 2012

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BY Myra Aranda DEPUTY

****
*** TX REPORT ***
****

TRANSMISSION OK

TX/RX NO	4186
RECIPIENT ADDRESS	93372343525
DESTINATION ID	
ST. TIME	05/30 06:59
TIME USE	01'32
PAGES SENT	7
RESULT	OK

GENERAL LAND OFFICE
1700 NORTH CONGRESS, SUITE 640
AUSTIN, TEXAS 78701
TELEPHONE: 512/463-5042
FAX: 512/475-1543

FACSIMILE TRANSMITTAL SHEET

TO: Natalie Holeman
FROM: Beverly Boyd
COMPANY: Exploration Land Services
DATE: 5-30-12
FAX NUMBER: 337-234-3525
TOTAL NO. OF PAGES INCLUDING COVER: 7
PHONE NUMBER:
SENDER'S REFERENCE NUMBER:
RE: TITLE MF065125 - REEVES Co. TX
YOUR REFERENCE NUMBER:

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Natalie,

Attached you will find the latest Certificate of Fact done on this lease. I hope you can read my scribbles, I just need you to email the WI title forward. Particularly the depth restrictions. I do not have any assignments into Martha Scott Chapman Fowler, Boldrick Family Properties, Pennwell Energy or Lagniappe Hydrocarbons.

I'll get those in our files and bring the title forward. Once I get them all entered into the database, I'll send you acknowledgment letters.

Thanks so much for your help.

Beverly Boyd
Texas General Land Office

Texas General Land Office
Garry Mauro, Commissioner

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

October 30, 1996

I, Garry Mauro, Commissioner of the General Land Office of the State of Texas, do hereby certify that the papers, records, and documents of said office show:

That on October 6, 1876, J.J. Groos, Commissioner of the Texas General Land Office, issued Land Scrip Certificate 5087, entitling the Texas and Pacific Railway Company, by virtue of having completed railway improvements, to 640 acres of land, which land was to be located upon any of the vacant, unreserved, and unappropriated public domain of the State of Texas, in accordance with the provisions of its charter and the General Laws governing the same, the grant having been made upon the condition that an alternate section be surveyed for the State, as well as the odd-numbered section for the railway company, and said Land Scrip Certificate was filed in the Texas General Land Office on August 9, 1877, in File Bexar Scrip 23805, and is endorsed, "640 acres patented, (dated) Dec 14/77, (signed) J.J. Groos, Commr.";

That the file wrapper for Bexar Scrip 23805 is endorsed: "Abst. 636", "FN of #38 in F-91544", "Both surveys correct on map, (dated) Oct 18/77, (signed) Wm L Thomason";

That on November 3, 1906, Section 38, Block 57, Township 2, T&P Ry. Co. Survey, Certificate 5087, 640 acres in Reeves County was awarded to L.T. Cox on his application filed in the Texas General Land Office on September 26, 1906, in School File 91544, and which application was filed to purchase said land under the provisions of Title LXXXVII, Chapter 12A, Revised Civil Statutes of 1895, and the amendments thereto by the Act of May 19, 1897, and the Acts relating to the sale and lease of Public Free School and Asylum lands, approved April 19, 1901, and April 15, 1905, without settlement, said tract applied for having been classified as mineral and dry grazing;

That on August 20, 1876, James L. Peck, Deputy Surveyor for the Texas and Pacific Railway Company, surveyed 640 acres in Reeves County for the Texas & Pacific Railway Company, by virtue of Certificate 5087, and compiled field notes thereon, designating it as Section 38, Block 57, Township 2, which field notes were recorded in Book B4, Page 144, Surveyor's Records, Reeves County, and were filed in the Texas General Land Office on August 9, 1877, originally in Bexar Scrip 23805 and now filed in School File 91544, marked correct on map for 640 acres on May 29, 1950, and are endorsed as patented on May 31, 1950;

Printed on recycled paper with soybean ink

That the old file wrapper for School File 91544 is endorsed: "Abst. 2027", "P/O 91542", "patent to original with M/R";

That the new file wrapper for School File 91544 is endorsed: "Old File Inside";

That on May 31, 1950, payment in full for 640 acres, Section 38, Block 57, Township 2, T&P Ry. Co. Survey, Certificate 5087, Reeves County, was received in the Texas General Land Office, and said land, having been classified mineral and dry grazing, with minerals reserved to the State, was patented on May 31, 1950, to L.T. Cox, his heirs, and assigns, by Patent Number 206, Volume 15B, under Abstract 2027 and School File 91544;

That on September 21, 1970, Mrs. Sallie Wynne Reynaud, individually, and as agent for the State of Texas, executed and delivered a State Relinquishment Act Oil & Gas Lease, covering all of Section 38, Block 57, Township 2, T&P Ry. Co. Survey, 640 acres in Reeves County, to Ford Chapman, for a primary term of 45 days, with a cash bonus of $5,600.00, with like amounts payable each to landowner and State, and a royalty of 1/12th, one-half payable each to landowner and State, and a certified copy of said lease was filed in the Texas General Land Office on December 8, 1970, in Mineral File M-65125;

That on September 21, 1970, Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, individually, and as agent for the State of Texas, executed and delivered a State Relinquishment Act Oil & Gas Lease, covering all of Section 38, Block 57, Township 2, T&P Ry. Co. Survey, 640 acres in Reeves County, to Ford Chapman, for a primary term of 45 days, with a cash bonus of $5,600.00, with like amounts payable each to landowner and State, and a royalty of 1/12th, one-half payable each to landowner and State, and a certified copy of said lease was filed in the Texas General Land Office on December 8, 1970, in Mineral File M-65125;

(3590)

That on November 30, 1970, Ford Chapman assigned to Rudy Janosek, Judson F. Williams, and John MacGuire, various interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 297, Page 820, O&GL Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on April 9, 1971, in Mineral File M-65125;

Janosek 10%
Williams 10%
MacGuire 45%

Judson Williams John MacGuire → .014242483

That on February 23, 1973, ~~John MacGuire~~ assigned to ~~Judson Williams~~, various interests in the lease in Mineral File M-65125, and reference to said assignment is

herein made for all purposes to the instrument which was filed of record in Book 336, Page 286, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 6, 1983, in Mineral File M-65125;

That on April 5, 1972, Rudy Janosek conveyed to John MacGuire and Judson Williams, all his interest in the lease in Mineral File M-65125, and reference to said Warranty Deed is herein made for all purposes to the instrument which was filed of record in Book 308, Page 301, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 6, 1983, in Mineral File M-65125;

That on September 7, 1983, Ford Chapman, Judson F. Williams, and John MacGuire assigned to Orla Petco, Inc., various interests in the E/2 & SW/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 435, Page 430, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 22, 1983, in Mineral File M-65125;

That on September 12, 1983, Orla Petco, Inc. assigned to Ed R. Kennedy, various overriding royalty interests in the E/2 & SW/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 435, Page 432, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 22, 1983, in Mineral File M-65125;

That on September 13, 1983, Orla Petco, Inc. assigned to Tricentral United States, Inc, Orla Drilling Fund #6, Bruce T. Pearson, Adalbert von Gontard, III, J.M.C. Ritchie, and Lisat Venture, various interests in the E/2 & SW/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 435, Page 435, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 22, 1983, in Mineral File M-65125;

That on September 25, 1983, Railroad Commission Form W-2, Oil Well Potential Test, Completion or Recompletion Report and Log, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 1, Chapman, S. (Olds), Sand Bend, was completed as a new well on July 19, 1983;

That on January 16, 1984, effective as of the date of first production from the Sand Bend Well No. 1, Ford Chapman, Judson F. Williams, and John MacGuire executed

a corrected assignment to Orla Petco, Inc., in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 117, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on January 17, 1984, effective as of the date of first production from the Sand Bend "A" Well No. 1, Ford Chapman, Judson F. Williams, and John MacGuire assigned to Orla Petco, Inc., various interests in the W/2 & SE/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 126, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

W/2 SE/4 Surface to 3194'

That on February 13, 1984, effective as of the date of first production from the Sand Bend Well No. 1, Orla Petco, Inc. executed a corrected assignment of overriding royalty interest to Ed R. Kennedy, in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 120, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on February 13, 1984, effective as of the date of first production from the Sand Bend "A" Well No. 1, Orla Petco, Inc. assigned to Ed R. Kennedy, various overriding royalty interests in the W/2 & SE/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 129, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

2020 0 - 3194'

That on February 14, 1984, effective as of the date of first production from the Sand Bend "A" Well No. 1, Orla Petco, Inc. assigned to Tricentral United States, Inc, Orla Drilling Fund #6, Bruce T. Pearson, Adalbert von Gontard, III, J.M.C. Ritchie, and Lisat Venture, various interests in the W/2 & SE/4 of the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 441, Page 132, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

W/2 SE/4 0 - 3,194'

That on February 14, 1984, effective as of the date of first production from the Sand

Bend Well No. 1, Orla Petco, Inc. executed a corrected assignment to Tricentral United States, Inc., Orla Drilling Fund #6, Bruce T. Pearson, Adalbert von Gontard, III, J.M.C. Ritchie, and Lisat Venture, in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 441, Page 123, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on February 25, 1984, in Mineral File M-65125;

That on February 15, 1984, Railroad Commission Form W-2, Oil Well Potential Test, Completion or Recompletion Report and Log, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 1, Chapman, Sand Bend A, was completed as a new well on December 15, 1983;

That on June 8, 1984, Railroad Commission Form W3, Plugging Record, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 2, Chapman, Sand Bend, was completed on April 16, 1984, and was plugged on May 21, 1984;

That on September 20, 1984, Orla Petco, Inc. assigned to James M.C. Ritchie, Jr., and Betty Jane Randall, various interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Book 448, Page 384, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on September 29, 1984, in Mineral File M-65125; W/2 SE/4 0 - 3,194' / E/2 SW/4 0 - 4695' S+E Wynne B #3B (0 - 2950') 4%

That on April 2, 1985 and on June 15, 1985, Railroad Commission Form W-2, Oil Well Potential Test, Completion or Recompletion Report and Log, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 3, Chapman, S. (olds), Sand Bend, was completed as a new well on January 19, 1985;

That on October 21, 1985, effective as of the date of first production from the Sand Bend Well No. 3, Ford Chapman, Judson F. Williams, and John MacGuire, assigned to Orla Petco, Inc., various interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 461, Page 620, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on December 20, 1985, in Mineral File M-65125; W/2 NE/4 0 - 3,260'

That on December 2, 1985, effective as of the date of first production from the Sand Bend Well No. 3, Orla Petco, Inc. assigned to Wintershall Oil & Gas Corp., Orla Drilling

↓ 37.0357% ↓ 19.4479%

Fund No. 6, Bruce T. Pearson, J.M.C. Ritchie, Adalbert von Gontard, III, Lisat Venture, James M.C. Ritchie, Jr., and Betty Jane Randall, various interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 461, Page 625, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on December 20, 1985, in Mineral File M-65125;

That on December 2, 1985, effective as of the date of first production from the Sand Bend Well No. 3, Orla Petco, Inc. assigned to Ed R. Kennedy, Jr., various overriding royalty interests in the lease in Mineral File M-65125, and reference to said assignment is herein made for all purposes to the instrument which was filed of record in Volume 461, Page 622, Deed Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on December 20, 1985, in Mineral File M-65125;

That the latest royalty payments for lease M-65125 were received in the Texas General Land Office on October 3, 1996, for oil produced during August, 1996, and on September 9, 1994, for gas produced during July, 1994;

IN TESTIMONY WHEREOF, I hereto set my hand and seal of said office the first date above written.

GARRY MAURO
COMMISSIONER

GM/MC

Mr. Richard J. Ganem
400 North Marienfeld, Ste. 100
Midland, TX 79701-4324

Fee: $100.00
Register No. 10236
Dicta No. 97-033
Files: Bexar Scrip 23805, School File 91544, Mineral File M-65125

#131

File No. MF065125

Request for TITLE

Date Filed: 5/30/12

Jerry E. Patterson, Commissioner

By B Boyd

EXPLORATION LAND SERVICES, LLC
P O Box 52105 • Lafayette, Louisiana 70505-2105 • Phone: 337.234.3500 • Fax: 337.234.3525 • Email: contact@explorationland.com

July 25, 2012

Via FedEx

Ms. Beverly Boyd
Texas General Land Office
1700 Congress Avenue
Stephen F. Austin Building, Suite 640
Austin, Texas 78701

Re: GLO Assignment ID # 8192
Reeves County, Texas

Dear Beverly:

Enclosed herewith, please find copies of title documents into the name of Petrohawk Properties, LP, covering Section 38, Block 57, Township 2, A-2027, T&P RR Co Survey, Reeves County, Texas, as you have requested. All documents hi-lighted in yellow and orange on the enclosed spreadsheet are included herein. All documents listed on said spreadsheet are included on the enclosed disk for your convenience.

I trust that you will not hesitate to call me with any questions that you may have concerning this matter.

Sincerely yours,

Natalie Holeman

Natalie Holeman

encl.

ID	Date Received
8192	May 11, 2012

Submittor

Exploration Land Services, LLC

ANY FILE NUMBER MF100796 OR ABOVE MAY BE REQUIRED TO SHOW FISCAL RESPONSIBILITY WITH FILING

Contact	Title	Salutation
Natalie Holeman		Dear Ms. Holman

Address	Address2:	Problem File ?
PO Box 52105		☐

Fee Paid	City	State	Zip Code	Acknowledgement Letter Sent?
$100.00	Lafayette	LA	70505-2105	☑

Search Options

Search by Lease Number | Search by Assignor | Search by Submitter | Search by Assignee | Search by ID Number | Search RECAP by Remitter | Search RECAP by FY

Title Deficiencies/Actions:

No title into these Assignors, requested assignments to bring title forward. As of 7/6/12, have not received.

Rec

7-26-12

Comments

Assignment of Oil & Gas Lease. All rights. 4 Assignments.

Lease Numbers

Mineral File	County
MF065125	Reeves

Assignment Attributes

Assignor	Assignee	Execution Date	Volume	Page	Percent Assi
Penwell Energy Inc	Petrohawk Properties LP	January 01, 2012	924	255	all rights
Boldrick Family Properties LP	Petrohawk Properties LP	January 01, 2012	928	637	all rights
Martha Scott Chapman Fowler	Petrohawk Properties LP	January 01, 2012	920	661	all rights
Lagniappe Hydrocarbons LLC	Petrohawk Properties LP	March 01, 2012	12-03352		all rights

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File No. MF065125
Letter w/ title requested

Date Filed: 7-26-12
Jerry E. Patterson, Commissioner
By BBoyd

MF065125
Section 38
Block 57-T2
T+P RR Co.
Reeves County, TX

MF065125

Lease Type	Control	Basefile	County
RAL	07-108998	091544	REEVES

Survey	T & P Ry Co		
Block	57		
Block Name			
Township	2-S		
Section/Tract	38		
Land Part			
Acres	Net: 640.000000	Gross: 640.000000	
Depth Below	Depth Above	Depth Other	Allow All Depths
Name	FORD CHAPMAN		
Lease Date	9/21/1970		
Primary Term	1 months		
Bonus	$11,200.00		
Lease Royalty	0.08333300		
Paid Up	NA		

Leasing:_____

Maps:_____

GIS:_____

Scanlab:_____

CAUTION

Documents in this file have been placed in Table of Contents order and scanned.

Please help keep documents in content order and let the ScanLab know when new documents are added to this file.

Thank you for your assistance.

Archives and Records Staff

MF-065125
PART 2 OF 2

Abstract 2027 Index

INSTRUMENT NO	*PAGE NO*	*INSTRUMENT TYPE*	*GRANTOR*	*GRANTEE*	*DOCUMENT TITLE*	*COB/FOLIO*	*FILE NO*	*RECORDED DATE*	*INSTRUMENT DATE*
1.	1.	UNRECORDED	IN THE MATTER OF ESTATE OF JAMES PRATT BOLDRICK	THE PUBLIC	AGREEMENT		389-0000JPBOLDRICK	NONE	4/25/2011
2.	18.	PATENT RECORDS	STATE OF TEXAS	L T COX	PATENT	6/154	389-6-154	6/5/1950	5/31/1950
3.	20.	DEED RECORDS	FORD CHAPMAN	GERALDINE LAYTON CHAPMAN	WARRANTY DEED	148/627	389-148-627	8/25/1953	8/18/1953
4.	23.	DEED RECORDS	ESTATE OF MAE SAMUELLA MAGRUDER WYNNE MCFARLAND DECEASED	THE PUBLIC	CERTIFIED COPY OF PROBATE PROCEEDINGS	222/384	389-222-384	6/29/1962	5/29/1962
5.	48.	DEED RECORDS	SALLIE WYNNE REYNAUD RUTH WYNNE THOMASON AND SAMUELLA WYNNE SHAVER	I B MCFARLAND	MINERAL DEED	258/383	389-258-383	6/20/1966	6/20/1966
6.	52.	RELEASE RECORDS	HUMBLE OIL & REFINING COMPANY	APOLONIO Q CARRASCO ET AL	RELEASE OF OIL AND GAS LEASES	28/11	389-28-11	3/4/1968	3/1/1968
7.	55.	OFFICIAL PUBLIC RECORDS	LELA MAE WYNNE SAMUELLA WYNNE PALMER AND RUTH WYNNE HOLLINSHEAD	FORD CHAPMAN	OIL, GAS AND MINERAL LEASE	292/534	389-292-534	3/19/1970	3/4/1970
8.	59.	OFFICIAL PUBLIC RECORDS	MRS SALLIE WYNNE REYNAUD	FORD CHAPMAN	OIL AND GAS LEASE	297/485	389-3432	3/19/1970	9/21/1970
9.	64.	OFFICIAL PUBLIC RECORDS	MRS SALLIE WYNNE REYNAUD	FORD CHAPMAN	OIL, GAS AND MINERAL LEASE	292/536	389-292-536	3/26/1970	3/4/1970
10.	68.	DEED RECORDS	FORD CHAPMAN	GERALDINE LAYTON CHAPMAN WIFE OF FORD CHAPMAN	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	296/833	389-296-833	9/14/1970	9/9/1970
11.	70.	DEED RECORDS	FORD CHAPMAN	RUDY JANOSEK JUDSON F WILLIAMS JOHN MACGUIRE	ASSIGNMENT OF OIL AND GAS LEASES	296/891	389-296-891	9/16/1970	9/15/1970
12.	73.	RELEASE RECORDS	FORD CHAPMAN RUDY JANOSEK JUDSON F WILLIAMS JOHN MACGUIRE	SALLIE WYNNE REYNAUD LELA MAE WYNNE SAMUELLA WYNNE PALMER RUTH WYNNE HOLLINSHEAD	RELEASE OF OIL AND GAS LEASES	30/562	389-30-562	11/9/1970	9/21/1970
13.	76.	OFFICIAL PUBLIC RECORDS	LELA MAE WYNNE SAMUELLA WYNNE PALMER AND RUTH WYNNE HOLLINSHEAD	FORD CHAPMAN	OIL AND GAS LEASE	297/489	389-3433	11/12/1970	9/21/1970
14.	81.	DEED RECORDS	FORD CHAPMAN	GERALDINE LAYTON CHAPMAN WIFE OF FORD CHAPMAN	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	297/690	389-297-690	12/3/1970	11/27/1970
15.	83.	DEED RECORDS	FORD CHAPMAN	RUDY JANOSEK ET AL	ASSIGNMENT OF OIL AND GAS LEASES	297/820	389-297-820	12/4/1970	11/30/1970
16.	86.	DEED RECORDS	IKE B MCFARLAND	SALLIE WYNNE REYNAUD RUTH WYNNE THOMASON SAMUELLA WYNNE SHAVER	CERTIFIED COPY OF DEED	307/153	389-307-153	12/15/1971	1/2/1963
17.	102.	DEED RECORDS	RUDY JANOSEK	JOHN MACGUIRE ET AL	WARRANTY DEED	308/301	389-308-301	4/11/1972	4/5/1972
18.	105.	DEED RECORDS	GERALDINE LAYTON CHAPMAN	PAUL L DAVIS W B COLLINS J H HERD SABINE ROYALTY CORPORATION GERALDINE LAYTON CHAPMAN	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	315/791	389-315-791	12/14/1972	12/12/1972
19.	108.	DEED RECORDS	FORD CHAPMAN ET AL	COASTAL STATES GAS PRODUCING COMPANY	AGREEMENT	323/887	389-323-887	6/21/1973	3/22/1973
20.	116.	OIL & GAS RECORDS	JUDSON WILLIAMS	JOHN MACGUIRE	ASSIGNMENT	336/286	389-336-286	5/9/1975	2/23/1973
21.	118.	OIL & GAS RECORDS	FORD CHAPMAN ET AL	COASTAL STATES GAS PRODUCING COMPANY	ASSIGNMENT	336/610	389-336-610	5/21/1975	4/15/1975
22.	122.	OIL & GAS RECORDS	COASTAL STATES GAS PRODUCING COMPANY	FORD CHAPMAN ET AL	ASSIGNMENT	342/757	389-342-757	3/12/1976	11/3/1975
23.	125.	RELEASE RECORDS	FIRST CITY NATIONAL BANK OF HOUSTON	GEORGE F THAGARD JR	FULL RELEASE OF LIEN(S)	39/189	389-39-189	3/22/1979	2/25/1979
24.	128.	DEED RECORDS	SABINE CORPORATION	INTERFIRST BANK DALLAS NA	CONVEYANCE	432/841	389-432-841	6/16/1983	1/31/1983
25.	135.	DEED RECORDS	FORD CHAPMAN ET AL	ORLA PETCO INC	ASSIGNMENT OF OIL AND GAS LEASES	435/430	389-435-430	9/14/1983	9/7/1983

26.	138.	DEED RECORDS	ORLA PETCO INC	ED R KENNEDY	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	435/432	389-435-432	9/14/1983	9/12/1983
27.	142.	DEED RECORDS	ORLA PETCO INC	TRICENTROL UNITED STATES INC	ASSIGNMENT OF OIL AND GAS LEASES	435/435	389-435-435	9/14/1983	9/13/1983
28.	146.	DEED RECORDS	FORD CHAPMAN ET AL	ORLA PETCO INC	CORRECTION ASSIGNMENT OF OIL AND GAS LEASES	441/117	389-441-117	2/17/1984	1/16/1984
29.	150.	DEED RECORDS	ORLA PETCO INC	ED R KENNEDY	CORRECTION	441/120	389-441-120	2/17/1984	2/13/1984
30.	154.	DEED RECORDS	ORLA PETCO INC	TRICENTROL UNITED STATES INC ET AL	CORRECTION	441/123	389-441-123	2/17/1984	2/14/1984
31.	158.	DEED RECORDS	FORD CHAPMAN ET AL	ORLA PETCO INC	ASSIGNMENT OF OIL AND GAS LEASES	441/126	389-441-126	2/17/1984	1/17/1984
32.	162.	DEED RECORDS	ORLA PETCO INC	ED R KENNEDY	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	441/129	389-441-129	2/17/1984	2/13/1984
33.	166.	DEED RECORDS	ORLA PETCO INC	TRICENTROL UNITED STATES INC ET AL	ASSIGNMENT OF OIL AND GAS LEASES	441/132	389-441-132	2/17/1984	2/14/1984
34.	169.	DEED RECORDS	TRICENTROL UNITED STATES INC	WINTERSHALL OIL AND GAS CORPORATION	ASSIGNMENT	448/7	389-448-7	9/11/1984	6/20/1984
35.	176.	DEED RECORDS	ORLA PETCO INC	JAMES M C RITCHIE JR ET AL	ASSIGNMENT OF OIL AND GAS LEASES	448/384	389-448-384	9/25/1984	9/20/1984
36.	179.	DEED RECORDS	FORD CHAPMAN ET AL	ORLA PETCO INC	ASSIGNMENT OF OIL AND GAS LEASES	461/620	389-461-620	12/6/1985	10/21/1985
37.	182.	DEED RECORDS	ORLA PETCO INC	ED R KENNEDY JR	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	461/622	389-461-622	12/6/1985	12/2/1985
38.	186.	DEED RECORDS	ORLA PETCO INC	WINTERSHALL OIL & GAS CORP ET AL	ASSIGNMENT OF OIL AND GAS LEASES	461/625	389-461-625	12/6/1985	12/2/1985
39.	190.	DEED RECORDS	THE ESTATE OF LELA MAE WYNNE	WILLIAM BRYAN SHAVER JR	EXECUTOR'S DEED	468/616	389-468-616	7/15/1986	4/28/1986
40.	194.	DEED RECORDS	VALERO TRANSMISSION COMPANY	VALERO MANAGEMENT PARTNERSHIP, L.P.	ASSIGNMENT, BILL OF SALE AND CONVEYANCE	475/8	389-705	3/27/1987	3/24/1987
41.	226.	DEED RECORDS	AVG PETROLEUM INC	ORLA PETCO INC	ASSIGNMENT OF OIL AND GAS LEASES	478/1	389-478-1	7/21/1987	7/15/1987
42.	230.	DEED RECORDS	RUTH W HOLLINSHEAD	SAMUELLA W PALMER ET AL TRUSTEES	GENERAL WARRANTY DEED	481/227	389-481-227	12/9/1987	11/18/1987
43.	233.	DEED RECORDS	SAMUELLA W PALMER	SAMUELLA W PALMER ET AL TRUSTEES	GENERAL WARRANTY DEED	481/229	389-481-229	12/9/1987	11/18/1987
44.	236.	DEED RECORDS	AVG PETROLEUM INC	ORLA PETCO INC	CORRECTION ASSIGNMENT OF INTEREST IN OIL AND GAS LEASE	481/783	389-481-783	1/5/1988	12/29/1987
45.	240.	DEED RECORDS	AVG PETROLEUM INC	ORLA PETCO INC	ASSIGNMENT	485/406	389-485-406	5/9/1988	4/12/1988
46.	245.	DEED RECORDS	MARY F DAVIS ET AL	DAVIS PARTNERS LTD	DEED	487/356	389-487-356	8/8/1988	7/27/1988
47.	250.	DEED RECORDS	WILLIAM BRYAN SHAVER JR	WILLIAM B SHAVER JR ET AL TRUSTEES	GENERAL WARRANTY DEED	491/9	389-491-9	1/3/1989	11/18/1987
48.	253.	DEED RECORDS	WINTERSHALL CORPORATION	CLINT YOUNG INC	ASSIGNMENT OF OIL AND GAS LEASES AND BILL OF SALE	492/446	389-492-446	3/15/1989	2/28/1989
49.	258.	DEED RECORDS	CLINT YOUNG INC	NORTH CENTRAL CASING PULLERS INC	ASSIGNMENT OF OIL AND GAS LEASES AND BILL OF SALE	495/707	389-495-707	8/9/1989	6/1/1989
50.	263.	OFFICIAL PUBLIC RECORDS	PACIFIC ENTERPRISES OIL COMPANY	PACIFIC ENTERPRISES ABC CORP	CONVEYANCE, ASSIGNMENT, AND BILL OF SALE	521/669	521/669/2466	11/19/1992	10/2/1992
51.	274.	OFFICIAL PUBLIC RECORDS	DAVIS PARTNERS LTD	PAUL L DAVIS JR	DEED	523/304	389-523-304	12/31/1992	12/30/1992
52.	278.	OFFICIAL PUBLIC RECORDS	LLOYD HILL	WESTERN NATIONAL BANK	ASSIGNMENT OF OIL & GAS INTERESTS	541/456	389-541-456	9/23/1994	9/16/1994
53.	282.	OFFICIAL PUBLIC RECORDS	NORTH CENTRAL CASING PULLERS INC	LLOYD HILL	ASSIGNMENT AND BILL OF SALE	541/459	389-541-459	9/23/1994	9/6/1994
54.	287.	OFFICIAL PUBLIC RECORDS	LISAT VENTURE	LLOYD HILL	ASSIGNMENT AND BILL OF SALE	541/463	389-541-463	9/23/1994	8/31/1994
55.	292.	OFFICIAL PUBLIC RECORDS	J M C RITCHIE	LLOYD HILL	ASSIGNMENT AND BILL OF SALE	541/467	389-541-467	9/23/1994	9/7/1994
56.	297.	OFFICIAL PUBLIC RECORDS	J M C RITCHIE JR	LLOYD HILL	ASSIGNMENT AND BILL OF SALE	541/471	389-541-471	9/23/1994	9/1/1994
57.	302.	OFFICIAL PUBLIC RECORDS	BETTY JANE RANDELL	LLOYD HILL	ASSIGNMENT AND BILL OF SALE	541/475	389-541-475	9/23/1994	9/19/1994
58.	307.	OFFICIAL PUBLIC RECORDS	MIGNON R PEARSON	LLOYD HILL	ASSIGN AND BILL OF SALE	541/479	389-541-479	9/23/1994	9/1/1994
59.	312.	OFFICIAL PUBLIC RECORDS	ORLA DRILLING FUND NO. 6	LLOYD HILL	ASSIGNMENT AND BILL OF SALE	541/483	389-541-483	9/23/1994	9/7/1994

60.	317.	OFFICIAL PUBLIC RECORDS	ORLA PETCO INC	LLOYD HILL	ASSIGNMENT AND BILL OF SALE	541/487	389-541-487	9/23/1994	8/30/1994
61.	322.	OFFICIAL PUBLIC RECORDS	JUDSON F WILLIAMS ET UX	STATEWIDE MINERALS LC	DEED	543/633	389-543-633	11/14/1994	10/24/1994
62.	324.	OFFICIAL PUBLIC RECORDS	THE ESTATE OF MARGARET C COLLINS ET AL	COLLINS PARTNERS LTD	CONVEYANCE	544/315	389-544-315	11/28/1994	11/9/1994
63.	328.	DEED RECORDS	OASIS PIPE LINE CO	WESTERN GAS RESOURCES TEXAS	ASSIGNMENT AND CONVEYANCE	544/696	2730	12/12/1994	12/5/1994
64.	358.	OFFICIAL PUBLIC RECORDS	MARTHA SCOTT CHAPMAN FOWLER AND JERRY HUDGENS CO INDEPENDENT EXECUTORS OF THE ESTATE OF NETTLES FORD CHAPMAM JR AND GERALDINE LAYTON CHAPMAN CO TRUSTEES OF THE CHAPMAN FAMILY TAX FREE TRUST THE GERALDINE LAYTON CHAPMAN COMMUNITY PROPERTY TRUST AND THE CHAPMAN RESIDUARY TRUSTCREATED UNDER THE WILL OF NETTLES FORD CHAPMAN JR AND CO TRUSTEES OF THE CHAPMAN GST TRUST CREATED UNDER THE WILL OF GERALD LAYTON CHAPMAN	MARTHA SCOTT CHAPMAN FOWLER	DISTRIBUTION DEED	557/226	389-557-226	12/19/1995	9/30/1995
65.	361.	OFFICIAL PUBLIC RECORDS	MARTHA CHAPMAN FOWLER	CAPROCK PRODUCING LLC	ASSIGNMENT	569/641	389-569-641	12/11/1996	11/14/1996
66.	367.	OFFICIAL PUBLIC RECORDS	JUDSON F WILLIAMS ET UX	CAPROCK PRODUCING LLC	ASSIGNMENT AND BILL OF SALE	569/646	389-569-646	12/11/1996	10/25/1996
67.	371.	OFFICIAL PUBLIC RECORDS	JOHN MACGUIRE ET UX	CAPROCK PRODUCING LLC	ASSIGNMENT AND BILL OF SALE	569/649	389-569-649	12/11/1996	11/19/1996
68.	375.	OFFICIAL PUBLIC RECORDS	THE ESTATE OF SALLIE WHNNE RENAUD ET AL	SULLIVAN PARTNERS LTD	DEED WITHOUT WARRANTY	570/609	389-570-609	1/7/1997	12/31/1996
69.	379.	DEED RECORDS	STATEWIDE MINERALS INC	BOLDRICK PARTNERS	ASSIGNMENT, BILL OF SALE AND CONVEYANCE	570/647	389-570-647	1/10/1997	12/26/1996
70.	405.	OFFICIAL PUBLIC RECORDS	THE WILLIAM B SHAVER JR TRUST ET AL	W G PARTNERS LTD ET AL	DEED	573/6	389-573-6	3/24/1997	2/27/1997
71.	409.	OFFICIAL PUBLIC RECORDS	STATE STREET BANK AND TRUST COMAPNY	MANAGEMENT PARTNERSHIP	PARTIAL RELEASE OF LIEN	581/216	389-581-216	11/7/1997	10/28/1997
72.	488.	OFFICIAL PUBLIC RECORDS	CAPROCK PRODUCING LLC	PENWELL ENERGY INC	ASSIGNMENT	590/445	389-590-445	6/22/1998	7/22/1997
73.	491.	OFFICIAL PUBLIC RECORDS	PENWELL ENERGY INC	PAUL R BARWIS ET AL	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	594/586	389-594-586	9/25/1998	9/18/1998
74.	497.	OFFICIAL PUBLIC RECORDS	PENWELL ENERGY INC	MCNIC OIL & GAS PROPERTIES INC	ASSIGNMENT OF OIL AND GAS LEASE	594/614	389-594-614	9/25/1998	9/18/1998
75.	502.	OFFICIAL PUBLIC RECORDS	McNIC OIL & GAS PROPERTIES, INC.	PENWELL ENERGY, INC.	ASSIGNMENT, BILL OF SALE AND CONVEYANCE	601/2	224	1/28/1999	1/21/1999
76.	525.	OFFICIAL PUBLIC RECORDS	TEXAS FIRMS, INC.	PBR PROPERTIES JOINT VENTURE; PECOS BEND ROYALTIES, INC., TOMMY VASCOCU	QUITCLAIM DEED	603/566	389-603-566	4/20/1999	4/9/1999
77.	532.	OFFICIAL PUBLIC RECORDS	ARNULFO GOMEZ, SHERIFF OF REEVES COUNTY	TEXAS FIRMS, INC.	SHERIFFS TAX DEED	603/585	389-603-585	4/20/1999	4/6/1999
78.	538.	OFFICIAL PUBLIC RECORDS	TEXAS FIRMS, INC.	MAP RESOURCES, INC.	QUITCLAIM DEED	604/100	389-604-100	4/23/1999	4/12/1999
79.	544.	OFFICIAL PUBLIC RECORDS	LLOYD HILL	LARRY HILL ET AL	ASSIGNMENT AND BILL OF SALE	626/706	389-626-706	11/13/2000	10/30/2000
80.	549.	OFFICIAL PUBLIC RECORDS	PENWELL ENERGY INC	SILVER OIL AND GAS CO INC	ASSIGNMENT	628/40	389-628-40	12/19/2000	12/7/2000
81.	559.	OFFICIAL PUBLIC RECORDS	PAUL L DAVIS JR	PAUL DAVIS LTD	MINERAL AND ROYALTY DEED	631/320	389-631-320	2/15/2001	12/31/2000
82.	563.	OFFICIAL PUBLIC RECORDS	BOLDRICK PARTNERS DBA STATEWIDE MINERALS CO	MILES BOLDRICK JAMES P BOLDRICK	ASSIGNMENT AND CONVEYANCE	634/189	389-634-189	4/11/2001	4/1/2001
83.	565.	OFFICIAL PUBLIC RECORDS	PACIFIC ENTERPRISES ABC CORPORATION	SEMPRA ENERGY PRODUCTION COMPANY	CERT OF NAME CHANGE	638/670	638/670/2063	7/24/2001	4/16/2001

84.	567.	OFFICIAL PUBLIC RECORDS	JAMES P BOLDRICK	WINDOM ROYALTIES LLC	ASSIGNMENT, DEED AND BILL OF SALE	747/288	389-747-288	10/16/2006	9/29/2006
85.	578.	OFFICIAL PUBLIC RECORDS	MILES BOLDRICK DBA STATEWIDE MINERALS COMPANY	WINDOM ROYALTIES LLC	ASSIGNMENT, DEED AND BILL OF SALE	747/307	389-747-307	10/16/2006	9/29/2006
86.	589.	OFFICIAL PUBLIC RECORDS	MILES BOLDRICK INDIVIDUALLY AND AS DBA STATEWIDE MINERALS CO	BOLDRICK FAMILY PROPERTIES L P	ASSIGNMENT AND CONVEYANCE	753/405	389-753-405	1/12/2007	1/9/2007
87.	592.	OFFICIAL PUBLIC RECORDS	WINDOM ROYALTIES LLC	PASCOE FAMILY INVESTMENTS LLC ET AL	CONVEYANCE	773/655	389-773-655	9/17/2007	11/1/2006
88.	613.	OFFICIAL PUBLIC RECORDS	N NOBLE FLP LLP	NOBLE ROYALTY ACCESS FUND I LP	QUITCLAIM DEED	781/486	389-781-486	1/11/2008	11/1/2007
89.	624.	OFFICIAL PUBLIC RECORDS	MARTHA CHAPMAN FOWLER	RYAN L FOWLER ET AL	GIFT WARRANTY DEED	785/721	389-785-721	3/7/2008	3/3/2008
90.	627.	OFFICIAL PUBLIC RECORDS	OBI ENTITIES LLC	WINDOM ROYALTIES LLC ET AL	CONVEYANCE	833/418	389-833-418	12/10/2009	9/15/2009
91.	642.	OFFICIAL PUBLIC RECORDS	THE ESTATE OF KARL OHS	WINDOM ROYALTIES LLC ET AL	CONVEYANCE	847/4	389-847-4	7/6/2010	4/13/2010
92.	657.	OFFICIAL PUBLIC RECORDS	CHRISTINA J BOLDRICK INDIVIDUALLY AND JAMES MILES BOLDRICK AND STARR B BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P BOLDRICK DECEASED	LAGNIAPPE HYDROCARBONS LLC JAMES MILES BOLDRICK MANAGER	CONVEYANCE	888/413	389-888-413	4/1/2011	5/19/2011
93.	662.	OFFICIAL PUBLIC RECORDS	RICHARD W MUNN	WINDOM ROYALTIES LLC ET AL	CONVEYANCE	895/74	389-895-74	8/15/2011	10/20/2010
94.	677.	OFFICIAL PUBLIC RECORDS	CLINT HURT	THE PUBLIC	AFFIDAVIT OF DEATH, HEIRSHIP AND MARITAL HISTORY		389-12-02086	3/21/2012	1/18/2012
95.	679.	OFFICIAL PUBLIC RECORDS	JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED	LAGNIAPPE HYDROCARBONS L.L.C., JAMES MILES BOLDRICK, MANAGER	CONVEYANCE		389-12-02087	3/21/2012	1/16/2012

IN THE MATTER OF ESTATE OF JAMES PRATT BOLDRICK

TO

THE PUBLIC

AGREEMENT

DATED:	04/25/2011
FILED:	NONE
BOOK/PAGE:	NONE/NONE
FILE NUMBER:	389-0000JPBOLDRICK
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: AFFECTS OIL AND GAS INTERESTS IN SEC. 38, BLK. 57, T-2, T & P RAILWAY COMPANY SURVEY AND OTHER PROPERTIES

STATE OF SOUTH CAROLINA

CERTIFICATION OF VITAL RECORD

DEATH CERTIFICATION

STATE FILE NUMBER : 139-10-029171

DECEDENT'S NAME: JAMES PRATT BOLDRICK* SEX: MALE
AKA's: NA SOCIAL SECURITY NUMBER: [redacted]
ARMED FORCES: YES
DATE OF BIRTH: NOVEMBER 15, 1938 AGE: 71 YEARS
TYPE OF PLACE OF DEATH: HOSPITAL-EMERGENCY ROOM/OUTPATIENT COUNTY OF DEATH: BEAUFORT
NAME AND ADDRESS OF PLACE OF DEATH: HILTON HEAD REGIONAL MEDICAL CENTER, HILTON HEAD ISLAND, SC 29926
PLACE OF DISPOSITION: THE ISLAND CREMATORY
DISPOSITION LOCATION: HILTON HEAD ISLAND, SOUTH CAROLINA
METHOD OF DISPOSITION: CREMATION
DECEDENT'S RESIDENCE: 23 RIDGEWOOD LANE, HILTON HEAD ISLAND, BEAUFORT COUNTY, SC, 29928
PLACE OF BIRTH: TEXAS MARITAL STATUS: MARRIED
SURVIVING SPOUSE'S NAME: CHRISTINA WASHBURN JORDAN
FATHER'S NAME: JOHN BOLDRICK
MOTHER'S NAME PRIOR TO FIRST MARRIAGE: JANE PRATT
INFORMANT'S NAME: CHRISTINA BOLDRICK RELATIONSHIP: WIFE
MAILING ADDRESS: 23 RIDGEWOOD LANE, HILTON HEAD ISLAND, SC, 29928
FUNERAL HOME: THE ISLAND FUNERAL HOME AND CREMATORY-HILTON HEAD, 4 CARDINAL RD., HILTON HEAD ISLAND, SC, 29926-3721
FUNERAL DIRECTOR: ALLEN L. RICHARDSON LICENSE NUMBER: 1702
EMBALMER'S NAME: NOT EMBALMED LICENSE NUMBER: NA
ACTUAL OR PRESUMED DATE OF DEATH : SEPTEMBER 23, 2010 MANNER OF DEATH : NATURAL
ACTUAL OR PRESUMED TIME OF DEATH: 1358
CAUSE OF DEATH - PART I
HYPERTENSIVE AND ATHEROSCLEROTIC CARDIOVASCULAR DISEASE

OTHER SIGNIFICANT CONDITIONS - PART II:
NA

CORONER CONTACTED? YES AUTOPSY PERFORMED? YES AUTOPSY AVAILABLE? YES
DATE OF INJURY: NA TIME OF INJURY: NA INJURY AT WORK? NA
PLACE OF INJURY: NA
LOCATION OF INJURY: NA
HOW THE INJURY OCCURRED?
NA

CERTIFIER NAME AND TITLE: CORONER J. EDWARD ALLEN LICENSE NUMBER: NA
CERTIFIER'S ADDRESS: POST OFFICE DRAWER 1228, BEAUFORT, SC, 29901
DATE FILED: SEPTEMBER 28, 2010
DATE OF ISSUANCE: OCTOBER 14, 2010
SPECIAL INSTRUCTIONS :
NA

SC 00959477

This is a true certification of the facts on file in the Division of Vital Records, SC Department of Health and Environmental Control.

C. Earl Hunter
Commissioner and State Registrar

Guang Zhao
Assistant State Registrar

This copy is not valid unless prepared on an engraved border displaying the state seal and issuing agency logo.

Revision Date: 05/01/2008

D H E C

PROMOTE PROTECT PERFORM

South Carolina Department of Health and Environmental Control

ANY ALTERATION OR ERASURE VOIDS THIS CERTIFICATE

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

IN THE MATTER OF ESTATE OF
JAMES PRATT BOLDRICK

IN THE PROBATE COURT
CERTIFICATE OF APPOINTMENT

CASE NUMBER: 2010ES0700742

This is to certify that

STARR B. BAUER

JAMES MILES BOLDRICK

is/are the duly qualified

☒ PERSONAL REPRESENTATIVE
☐ GUARDIAN
☐ CONSERVATOR
☐ TRUSTEE

In the above matter and that this appointment, having been executed on the 15th day of April, 2011 is now in full force and effect, including authorization to receive all monies, income, principal, interest & dividends of and belonging to said estate.

RESTRICTIONS: **None.**

Executed this 25th **day of** April , 2011 .

Do not accept a copy of this certificate without the raised seal of the Probate Court.

Francis M. Simon
FRANCIS M. SIMON, PROBATE JUDGE

FORM #141PC (1/91)
62-1-308, 62-3-103, 62-5-304, 62-5-421, 62-7-201

RECEIVED BY
BEAUFORT COUNTY
PROBATE COURT
11 MAR 31 PM 12 52

STATE OF SOUTH CAROLINA)
) IN THE PROBATE COURT
COUNTY OF BEAUFORT)
)
)
IN THE MATTER OF THE ESTATE OF)
JAMES PRATT BOLDRICK) CASE NUMBER: 2010ES0700742
)
)
)

ORDER

Based on the Application for Approval of Compromise, and the Settlement Agreement and Waivers of Notice executed by or on behalf of all interested persons, This Court finds the "Mediated Family Settlement Agreement and Release" dated March 11, 2011 to be in good faith and that the effect of the agreement is just and reasonable.

THEREFORE, IT IS HEREBY ORDERED that the "Mediated Family Settlement Agreement and Release" dated March 11, 2011 is approved and that all parties and fiduciaries subject to this jurisdiction are bound to its terms.

Executed this 1st day of April, 2011.

Kenneth E. Fulp, Jr.
Associate Probate Judge

HILTONHEAD 739453v1 102337.00002

STATE OF SOUTH CAROLINA

MEDIATED FAMILY SETTLEMENT AGREEMENT AND RELEASE

BEAUFORT COUNTY

THIS FAMILY SETTLEMENT AGREEMENT AND RELEASE (hereinafter "Agreement") is made and entered into this 11th day of March, 2011, by, between, and among Christina Jordan Boldrick, as a Beneficiary and the Personal Representative of the Estate of James Pratt Boldrick (the "Estate"); Christina Jordan Boldrick, as a Beneficiary and co-Trustee of the James Pratt Boldrick Revocable Trust u/a/d June 10, 2009 (the "Revocable Trust"); Michael L.M. Jordan, as co-Trustee of the Revocable Trust; Starr Boldrick Bauer, as a Beneficiary of the Estate and the Revocable Trust; James Miles Boldrick, as a Beneficiary of the Estate and the Revocable Trust; Kelly Boldrick Barbour, as a Beneficiary of the Estate and the Revocable Trust; Eric McAdams Zink, as a Beneficiary of the Revocable Trust; Alexander Boles Zink, as a Beneficiary of the Revocable Trust; Lee Jordan Zink, as a Beneficiary of the Revocable Trust; James Miles Boldrick, as parent and natural guardian of each of Hayden Boldrick and Blakeney Boldrick, each a minor and a contingent Beneficiary of the Revocable Trust; Starr Boldrick Bauer, as parent and natural guardian of each of Walker Bauer, Jackson Bauer and Katie Bauer, each a minor and a contingent Beneficiary of the Revocable Trust; and Kelly Boldrick Barbour, as parent and natural guardian of Boldrick Barbour, a minor and a contingent Beneficiary of the Revocable Trust (collectively, the "Parties").

Andrea C. Chomakos and Susan Taylor Wall of the law firm of Parker, Poe, Adams & Bernstein, LLP represent Christina Jordan Boldrick, in her capacity as Beneficiary of the Estate and Revocable Trust. Michael L.M. Jordan of the McNair Law Firm, P.A. represents himself, in his capacity as co-Trustee of the Revocable Trust, and Christina Jordan Boldrick, in her capacity as co-Trustee of the Revocable Trust and as Personal Representative of the Estate. John Alphin and J. Preston Strom, Jr. of the Strom Law Firm represent each of Starr Boldrick Bauer, James Miles Boldrick and Kelly Boldrick Barbour, as Beneficiaries of the Estate and Revocable Trust.

RECITALS

WHEREAS, James Pratt Boldrick ("Jim Boldrick"), a resident of Beaufort County, South Carolina, died on September 23, 2011, leaving a Last Will and Testament dated June 10, 2009 (the "Will"), which has been probated in the Office of the Clerk of Probate Court of Beaufort County under the Estate File 201ES0700742.

WHEREAS, Jim Boldrick is survived by his wife, Christina Jordan Boldrick ("Chris Boldrick"), and children: Starr Boldrick Bauer ("Starr"), James Miles Boldrick ("Miles"), and Kelly Boldrick Barbour ("Kelly").

WHEREAS, Miles has two minor children, Hayden Boldrick and Blakeney Boldrick; Starr has three minor children, Walker Bauer, Jackson Bauer and Katie Bauer;

and, Kelly has one minor child, Boldrick Barbour. Hayden Boldrick, Blakeney Boldrick, Walker Bauer, Jackson Bauer, Katie Bauer, and Boldrick Barbour are all current living grandchildren of Jim Boldrick.

WHEREAS, Chris Boldrick qualified in Beaufort County as the Personal Representative of the Estate. The Estate is ongoing and Chris Boldrick currently is serving as Personal Representative of the Estate.

WHEREAS, on June 10, 2009, Jim Boldrick, as grantor and initial trustee, entered into the James Pratt Boldrick Revocable Trust.

WHEREAS, under the terms of Jim Boldrick's Will, after providing for the payments of debts, taxes and expenses, the Personal Representative is directed to distribute the residue of the Estate to the Revocable Trust.

WHEREAS, under the terms of the Revocable Trust, at Jim Boldrick's death, Chris Boldrick and Michael L.M. Jordan ("Michael Jordan") are named as the successor co-Trustees and they are presently serving as co-Trustees of the Revocable Trust.

WHEREAS, Article VI of the Revocable Trust contains several specific bequests, including the direction to distribute (1) Jim Boldrick's personal jewelry to his children, (2) Jim Boldrick's share of the house located at 23 Ridgewood Lane on Hilton Head Island, South Carolina (the "Hilton Head House") and the personal household furnishings and artwork in the Hilton Head House to the Boldrick Residence Trust, created under the Revocable Trust, (3) $250,000 to Kelly, (4) $25,000 to each of Chris Boldrick' sons, Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink, and (5) the remainder of Jim Boldrick's personal property to Chris Boldrick. Chris Boldrick has delivered Jim Boldrick's jewelry to Starr, Miles and Kelly.

WHEREAS, Article VII of the Revocable Trust directs that the balance of the trust property, after payment of debts, expenses and taxes, and the specific bequests in Article VI, is to be divided into two shares, the marital trust share (the "QTIP Trust") and the Boldrick Family Share. The QTIP Trust is to be funded with an amount equal to the greater of (i) one half of the balance of the trust property, or (ii) four million ($4,000,000) dollars. The remaining trust property, if any, shall constitute the Boldrick Family Share. The Boldrick Family Share is to be divided equally as among Jim Boldrick's children, and distributed to each of them, outright and free of trust.

WHEREAS, Chris Boldrick is the sole beneficiary of both the Boldrick Residence Trust and the QTIP Trust for her lifetime and all income is required to be distributed to her. At Chris Boldrick's death, the property remaining in the Boldrick Residence Trust is to be distributed in equal shares to Jim Boldrick's children and Chris Boldrick's children. With regard to the QTIP Trust, at Chris Boldrick's death, the property remaining in the QTIP Trust is to be distributed (i) $250,000 to Kelly, and (ii) the balance divided into equal shares for Jim Boldrick's children.

JJA
CLL

WHEREAS, Jim Boldrick owned the following assets at his death, which assets were titled in his name, the disposition of which is not controlled by beneficiary designation and that otherwise constitute assets of his Estate, and from which payment of his debts, expenses of his Estate and satisfaction of his specific bequests are to be made: (i) 28,125 shares of Doreal Energy Corporation (value unknown/unavailable), (ii) 250 shares of PowerSecure International, Inc. (estimated value of $2,275.00), (iii) 2,500 shares of Tall City Bancshares, Inc. (estimated value of $25,000.00), (iv) Bank of America Checking Account (date of death balance of $37,924.30), (v) Wells Fargo Prime Checking Account (date of death balance of $8,460.45), (vi) Promissory Note receivable from Starr Bauer (principal balance of $25,503.07), (vii) Promissory Note receivable from Starr Bauer (principal balance of $150,000.00), (viii) Interest in VSC Investors (a hedge fund) (capital commitment of $500,000.00, capital paid in to date of $197,094.00), (ix) Interest in Money Makers Investment Club (interest liquidated for $2,169.87), (x) 1.60% interest in Wilco Building Partners, Ltd. (value unknown/unavailable), (xi) State income tax refunds (aggregate of $59,019.40), (xii) appraised artwork and furnishings (appraised value of $204,405.00)("Jim's Artwork and Furnishings"), (xiii) 50% interest in the Hilton Head House, (xiv) various interests in oil and gas wells, titled either in Jim Boldrick's name or through a "d/b/a" account (collectively, "Jim's Oil and Gas Interests"), and (xv) various interests in oil and gas wells, titled with Chris Boldrick as a joint tenant (the "Joint Oil and Gas Interests"). Assets listed in this paragraph in items (i) – (xv) constitute the "Probate Estate Assets."

WHEREAS, the Hilton Head House is encumbered by a mortgage, the principal balance of which is approximately $448,000.00 (the "Mortgage").

WHEREAS, all furniture, furnishings and items of tangible personal property located in the Hilton Head House, other than Jim Boldrick's jewelry, Jim's Artwork and Furnishings included in Probate Estate Assets and the furnishings and other items of tangible personal property that Chris Boldrick owned prior to her marriage to Jim Boldrick, were jointly owned with Chris Boldrick (the "Joint Personal Property").

WHEREAS, in addition to the Probate Estate Assets, Jim owned an investment account (the "Investment Account"), held with Biondo Asset Management, which is titled "transfer on death" and Chris Boldrick is designated as the sole beneficiary of the Investment Account. The value of the Investment Account as of August 31, 2010 was approximately $3,898,929.00.

WHEREAS, Jim Boldrick also owned an individual retirement account (the "IRA"), also held with Biondo Asset Management, and Chris Boldrick is designated as the primary beneficiary of the IRA. The value of the IRA as of August 31, 2010 was approximately $1,883,041.00.

WHEREAS, Jim Boldrick and Chris Boldrick had maintained 2 joint checking accounts at Bank of America (the "Bank of America Joint Accounts"), which account were titled joint with right of survivorship.

JBA
CBB

WHEREAS, John Hancock had issued a policy insuring Jim Boldrick's life with a death benefit of $1,000,000 (the "Life Insurance Policy"). The owner and beneficiary of the Life Insurance Policy is Chris Boldrick, as trustee of the James Boldrick Trust.

WHEREAS, the Parties have not located any trust agreement or document related to ownership of the Life Insurance Policy.

WHEREAS, to date, the Estate has incurred certain expenses in connection with its administration, the payment of Jim Boldrick's final debts and expenses, and maintaining the Probate Estate Assets (the "Estate Expenses").

WHEREAS, to date, there have been no claims made against the Estate, all of Jim Boldrick's final debts have been paid, and there are no current outstanding claims or expenses of the Estate.

WHEREAS, the Parties desire to resolve any and all outstanding differences among them concerning the Revocable Trust, the Estate, the Life Insurance Policy, the Investment Account, the IRA, the Bank of America Joint Accounts, the Probate Estate Assets and any and all dealings by, among, or concerning each other, the Revocable Trust, the Estate, the Life Insurance Policy, the Investment Account, the IRA, the Bank of America Joint Accounts and the Probate Estate Assets.

WHEREAS, the Parties agreed to mediate and selected the Honorable Thomas W. Cooper, Jr., Retired Circuit Court Judge, to conduct mediation.

WHEREAS, during the mediation, the Parties reached an agreement to resolve their differences regarding the Revocable Trust, the Estate, the Life Insurance Policy, the Investment Account, the IRA, the Bank of America Joint Accounts, the Probate Estate Assets and all other matters related to the Estate and the Revocable Trust, and they desire to enter into this Agreement to memorialize the resolution of all disputes between them.

WHEREAS, the Parties are entering into this Agreement pursuant to the provisions of South Carolina General Statute Section 62-3-912.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Recitals Incorporated into Agreement**. All of the Recitals contained in this Agreement that are referenced above, are true and correct to the best of each Party's knowledge, and incorporated herein and made a part of this Agreement.

2. **Property Already Received Shall Remain with Receiving Party**. Miles, Starr and Kelly shall respectively retain all property each of them has in their possession as previously received from the Trust and/or the Estate, specifically Jim Boldrick's jewelry. Chris Boldrick shall retain ownership of all property received by her

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in any manner, including as a matter of, or by, operation of law, from the Revocable Trust and/or the Estate, specifically, the Investment Account, the IRA, the Bank of America Joint Accounts and the Joint Personal Property.

3. **Payment of Estate Expenses and Mortgage**. The Parties agree to and hereby approve the prior payment of the Estate Expenses as expenses of the Estate payable from the Probate Estate Assets. The Parties acknowledge that the Mortgage is a debt of the Estate, also payable from the Probate Estate Assets, but that Chris Boldrick shall assume the Mortgage (the principal balance of which is approximately $448,000.00).

4. **Waiver of Specific Bequests**. Each of Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink waives their right to receive the specific bequest set forth in Article VI of the Revocable Trust.

5. **Disposition of Probate Estate Assets**. Promptly upon the approval of the Agreement by the Court (but in no case, not later than 10 days after the entry of an order approving the Agreement), the Personal Representative and/or the co-Trustees of the Revocable Trust shall distribute the Probate Estate Assets as follows:

a. Hilton Head House. The Estate's 50% interest in the Hilton Head House to Chris Boldrick, outright and free of trust, subject to the Mortgage.

b. Personal Property. The Joint Personal Property to Chris Boldrick, outright and free of trust.

c. Balance. Chris Boldrick shall execute a qualified disclaimer with regard to her interest in the remainder of the Probate Estate Assets and the Revocable Trust. Each of Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink shall execute a qualified disclaimer with regard to each of their interests in the remainder of the Probate Estate Assets and the Revocable Trust. The purpose and intent of such disclaimers shall be that each of Chris Boldrick. Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink relinquish their rights in and to the balance of the Probate Estate Assets.

6. **Disposition of Life Insurance Policy**. Promptly upon the approval of the Agreement by the Court (but in no case, not later than 10 days after the entry of an order approving the Agreement), Chris Boldrick shall cause the payment and distribution of the balance held in an account with John Hancock, containing the full amount of the death benefit proceeds of the Life Insurance Policy and interest paid thereon, to Starr, Miles and Kelly in such portions as they shall direct. John Hancock has paid interest on the death benefit proceeds of the Life Insurance Policy, the aggregate amount paid in calendar year 2010 was approximately $4,000 and Chris Boldrick has engaged a certified public accountant to prepare the required Federal and State income tax return related to

this interest income, the cost of which and the income tax liability shall be paid from the Life Insurance Policy prior to distribution to the Boldrick children.

7. **Agreement to Terminate the QTIP Trust and the Boldrick Residence Trust**. Upon Court approval of this Agreement, the Parties agree and acknowledge that neither the QTIP Trust nor the Boldrick Residence Trust will be funded and both are treated as terminated as a result of this Agreement. The Parties further agree and acknowledge that they are relinquishing current and future rights to both trusts and the property that otherwise would be distributable to both trusts.

8. **Oil and Gas Interests**. Miles shall undertake to prepare all deed and title work necessary to transfer Jim's Oil and Gas Interests, the portion of the Joint Oil and Gas Interests included as Probate Estate Assets, and Chris Boldrick's share of the Joint Oil and Gas Interests (as set forth below), to Starr, Miles and Kelly in such shares and portions as they shall determine. Chris Boldrick shall execute such deed and title work that is presented to her for execution in order to transfer ownership of Jim's Oil and Gas Interests and the Joint Oil and Gas Interests, such transfer to be made effective as of April 1, 2011.

9. **Purchase of VSC Investors from the Estate**. Promptly upon the approval of the Agreement by the Court (but in no case, not later than 10 days after the entry of an order approving the Agreement), Chris Boldrick shall purchase from the Estate the interest in VSC Investors for the aggregate sum of $500,000. Chris Boldrick shall solely be responsible for any and all capital calls with regard to the interest in VSC Investors. The Parties agree that this Agreement, as well as the required court approval of this Agreement, satisfy the provisions of South Carolina General Statute Sections 62-3-713 and 62-7-1009 with regard to the purchase by Chris Boldrick of the Estate's interest in VSC Investors.

10. **Chris Boldrick's Share of Joint Oil and Gas Interests**. Chris Boldrick shall transfer to Miles, Starr and Kelly, in such shares as they shall direct and provide, her individual interest in the Joint Oil and Gas Interests. Miles shall undertake to prepare the necessary deed and title work as set forth above, and such transfer to be made effective as of April 1, 2011.

11. **2010 Federal and State Income Tax Return**. Chris Boldrick and Jim Boldrick had filed joint Federal and State income tax returns in prior years and planned to do so for the 2010 year. Chris Boldrick and Jim Boldrick shall file joint Federal and State income tax returns for the 2010 tax year and Chris Boldrick shall be solely responsible for the joint income tax liability for the joint 2010 income tax returns.

12. **Co-Trustees of the Revocable Trust and Personal Representative of the Estate**. Chris Boldrick and Michael Jordan shall resign as co-Trustees of the Revocable Trust, effective immediately upon approval of the Court of this Agreement. Additionally, Chris Boldrick shall resign as Personal Representative of the Estate, upon approval of the Court of this Agreement and upon execution of the necessary

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documentation to petition the Court for the appointment of Starr Bauer and Miles Boldrick as joint Personal Representatives of the Estate, which shall occur not later than 10 days after the entry of an order approving the Agreement. Neither Chris Boldrick nor Michael Jordan shall be entitled to compensation for services provided as co-Trustee of the Revocable Trust. Chris Boldrick shall not be entitled to compensation or commissions for services provided as Personal Representative of the Estate.

13. **Estate Tax Return and Basis Step Up Pursuant to IRC Section 1014.** The Parties hereto agree that the assets of the Estate shall be entitled to a basis adjustment pursuant to Internal Revenue Code Section 1014, as assets included in the Estate of Jim Boldrick.

14. **Releases.**

a. Chris Boldrick. In consideration of the promises, terms and conditions set forth in this Agreement, each of Starr, Miles and Kelly, for himself or herself, and his or her respective successors, heirs (including each of their respective minor children), executors, administrators, representatives, agents, attorneys and assigns forever waives, releases, and fully discharges Chris Boldrick, in her individual capacity and as Personal Representative of the Estate and as co-Trustee of the Revocable Trust, and as trustee of the trust owning the Life Insurance Policy from liability for any and all claims, causes of actions, damages, demands, expenses, and liabilities, whether known or unknown, arising directly, or indirectly, in whole, or in part, out of, or in any way relating to the Estate, the Revocable trust, the Probate Estate Assets, the IRA, the Investment Account, Jim's Oil and Gas Interests, the Joint Oil and Gas Interests, the Bank of America Joint Accounts, the Life Insurance Policy and any asset transfers, or other transactions, made by Jim Boldrick during his lifetime, except for the performance of the obligations of this Agreement.

b. Michael Jordan. In consideration of the promises, terms and conditions set forth in this Agreement, each of Starr, Miles and Kelly, for himself or herself, and his or her respective successors, heirs (including each of their respective minor children), executors, administrators, representatives, agents, attorneys and assigns forever waives, releases, and fully discharges Michael Jordan, in his individual capacity and as co-Trustee of the Revocable Trust, from liability for any and all claims, causes of actions, damages, demands, expenses, and liabilities, whether known or unknown, arising directly, or indirectly, in whole, or in part, out of, or in any way relating to the Will, the Revocable Trust, the Estate, the Probate Estate Assets, the IRA, the Investment Account, the Joint Oil and Gas Interests, the Bank of America Joint Accounts, the Life Insurance Policy and any asset transfers, or other transactions, made by Jim Boldrick during his

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lifetime, except for the performance of the obligations of this Agreement.

c. Starr Boldrick Bauer, James Miles Boldrick and Kelly Boldrick Barbour. In consideration of the promises, terms and conditions set forth in this Agreement, each of Chris Boldrick, Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink, for himself or herself, and his or her respective successors, heirs, executors, administrators, representatives, agents, attorneys and assigns forever waives, releases, and fully discharges each of Starr, Miles and Kelly from liability for any and all claims, causes of actions, damages, demands, expenses, and liabilities, whether known or unknown, arising directly, or indirectly, in whole, or in part, out of, or in any way related to the Will, the Revocable Trust, the Probate Estate Assets, the Life Insurance Policy and any asset transfers, or other transactions, made by Jim Boldrick during his lifetime, except for the performance of the obligations of this Agreement.

15. **Attorney Fees / Mediation Cost**.

a. Attorneys' Fees. Chris Boldrick agrees that she shall bear and be responsible for her legal fees for the services provided by the law firm of Parker, Poe, Adams & Bernstein, LLP. Starr, Miles and Kelly agree that they shall bear and be responsible for their legal fees for the services provided by the Strom Law Firm. The Parties agree that the legal services provided by the McNair Law Firm to the Estate and the Revocable Trust, to the extent invoiced as of the date of this Agreement, the final invoice of which shall be paid from the Estate by March 14, 2011 and the Estate has sufficient cash to fully satisfy this final invoice, shall be paid from the Estate and that neither the McNair Law Firm nor Chris Boldrick shall be liable to any of the Estate, the Revocable Trust or any Beneficiaries of the Estate or Revocable Trust for any legal fees paid to the McNair Law Firm in connection with the administration of the Estate and Revocable Trust.

b. Mediation Cost. The Parties further agree to be responsible for payment of the mediation fee to be invoiced by the Honorable Thomas W. Cooper, Jr. as follows: (i) one-half by Chris Boldrick, and (ii) one-half by Starr, Miles and Kelly, jointly and severally.

16. **Specific Performance**. The Parties hereby acknowledge that the obligations contained herein are personal to the Parties and that failure by any Party to perform their obligations contained herein shall cause irreparable damage to the other and therefore acknowledges that the obligations contained herein are subject to enforcement for specific performance.

17. **Further Assurances**. The Parties hereto shall execute any and all such other documents and take any additional action necessary to effectuate this Agreement, including, but not limited to, filing the proper documents with the appropriate Court for approval of this Agreement as provided herein.

18. **Court Approval Required and Appointment of Guardian ad Litem(s)**.

a. Petition in Beaufort County, South Carolina Probate Court. It is specifically agreed that court approval of this Agreement, and the transactions contemplated herein, is required and that in the event court approval is not granted, then this Agreement shall be null and void and it shall be deemed that the Parties never entered into it. The Parties shall execute such petition and other documents as is necessary and appropriate to seek the approval of the Beaufort County, South Carolina Probate Court (the "Petition").

b. Guardian ad Litem(s). The Parties acknowledge and agree that a Guardian ad Litem may be necessary to be appointed to represent the interests of the minor beneficiaries and the unborn heirs of the beneficiaries who have interests in the Revocable Trust. The Parties shall seek the appointment of such Guardian ad Litems as are necessary to sufficiently represent the interests of the minor and unborn beneficiaries in the Petition to approve this Agreement. Each Party seeking such appointment shall bear their respective costs.

19. **South Carolina Law Applies**. This Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina. Any action concerning this Agreement shall be brought in the South Carolina Probate Court in Beaufort County.

20. **Successor and Assigns Bound**. This Agreement shall be binding upon and inure to the benefit of the Parties of this Agreement and the Parties respective successors, heirs and assigns.

21. **No Waiver**. The waiver of any breach of this Agreement shall not be construed as a waiver of any subsequent breach.

22. **Entire Agreement**. This Agreement constitutes the entire Agreement and understanding of the Parties and supersedes all prior and contemporaneous agreements, understandings and negotiations, whether written or not. This Agreement may not be amended or modified except in writing signed by each of the Parties to this Agreement.

23. **Counterparts**. This Agreement shall be executed in counterparts, which when taken together, shall constitute one Agreement.

24. **Triplicate Originals.** The Parties agree to execute three (3) originals of this Agreement.

IN WITNESS WHEREFORE, after having read this Agreement, and consulted with counsel, the Parties hereto set their hands and seals the day and year first written above and agree to its terms:

Signatures Pages to Follow

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_____(SEAL)
Christina Jordan Boldrick, individually and as Beneficiary and Personal Representative of the Estate, and as Beneficiary and co-Trustee of the Revocable Trust

_____
Witness

_____(SEAL)
Michael L.M. Jordan, individually and in his capacity as co-Trustee of the Revocable Trust

_____
Witness

_____(SEAL)
James Miles Boldrick, in his capacity as a Beneficiary of the Estate and Revocable Trust and as Parent and Natural Guardian of Hayden and Blakeny Boldrick, minors

_____
Witness

_____(SEAL)
Starr Boldrick Bauer, in her capacity as a Beneficiary of the Estate and Revocable Trust and as Parent and Natural Guardian of Walker Bauer, Katie Bauer, and Jackson Bauer, minors

_____
Witness

_____(SEAL)
Kelly Boldrick Barbour, in her capacity as a Beneficiary of the Estate and Revocable Trust and as Parent and Natural Guardian of Boldrick Barbour, minor

_____
Witness

(SEAL)
Christina Jordan Boldrick, in her capacity as agent under Power of Attorney for Eric McAdams Zink, Beneficiary of the Revocable Trust

Witness

(SEAL)
Christina Jordan Boldrick, in her capacity as agent under Power of Attorney for Alexander Boles Zink, Beneficiary of the Revocable Trust

Witness

(SEAL)
Christina Jordan Boldrick, in her capacity as agent under Power of Attorney for Lee Jordan Zink, Beneficiary of the Revocable Trust

Witness

STATE OF TEXAS

TO

L T COX

PATENT

DATED:	05/31/1950
FILED:	06/05/1950
BOOK/PAGE:	6/154
FILE NUMBER:	389-6-154
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

Filed for record on the 29th day of May A.D.1950 at 8:30 o'clock A.M. and recorded this 13th day of June A.D.1950 at 4:00 o'clock P.M.

Estelle Clinton
County Clerk, Reeves County, Texas.

File No. 2334 STATE OF TEXAS TO L. T. COX

(PATENT)

Vol. 15-B No. 206

IN THE NAME OF THE STATE OF TEXAS

TO ALL TO WHOM THESE PRESENTS SHALL COME, KNOW YE:

I, Allan Shivers, Governor of the State aforesaid, by virtue of the power vested in mg by law and in accordance with the laws of said State in such case made and provided, do by these presents Grant, to L. T. COX, his heirs and assign forever, SIX HUNDRED FORTY (640.) acres of land situated and described as follows, in Reeves County, known as Survey 38 Certificate 5087, Block 57, Township 2, T&P Ry Co about 35 miles North 45° West from Pecos, Texas.

Bought and fully paid for on the application of L.T.Cox filed in the General Land Office September 26, 1906 under the laws regulating the sale of Public Free School Land.

BEGINNING at a stake and earth mound, 4 pits, the Northwest corner of Survey 37, Township 2, Block 57;

THENCE West 1900 varas to corner st. earth mound and 4 pits;

THENCE South 1900 varas to corner st. earth mound and 4 pits;

THENCE East 1900 varas to corner st. earth mound and 4 pits;

THENCE North 1900 varas to the place of beginning.

All of the minerals in the above described land are reserved to the State.

Hereby relinquishing to him the said L.T.Cox and his heirs or assigns forever all the right and title in and to said heretofore held and possessed by the said State, and I do hereby issue this Letter Patent for the same.

(F-91544)

IN TESTIMONY WHEREOF, I have caused the Seal of the State to be affixed as well as the Seal of the General Land Office. Done at the City of Austin on the Thirty-First day of May in the year of Our Lord One Thousand Nine Hundred and fifty.

Bascom Giles — Allan Shivers

Commissioner of the General Land Office — Governor

(Seal) — (Seal)

Filed for record on the 5th day of June A.D.1950 at 8:30 o'clock A.M. and recorded this 14th day of June A.D. 1950 at 9:20 o'clock A.M.

Estelle Clinton
County Clerk, Reeves County, Texas.

File No. 2335 STATE OF TEXAS TO ERNEST ILES

(PATENT)

Vol. 15-B No. 207

IN THE NAME OF THE STATE OF TEXAS

TO ALL TO WHOM THESE PRESENTS SHALL COME, KNOW YE:

I, Allan Shivers, Governor of the State aforesaid, by virtue of the power vested in me by law and in accordance with the laws of said State in such case made and provided, do by these presents Grant to Ernest Iles, his heirs and assigns forever, EIGHTY (80.) acres of land situated and described as follows in Reeves County, known as South 1/2 of Southwest 1/4 of Survey 14, Block C 8 Public School, about 12 miles South 36° West from Pecos.

Bought and fully paid for on the application of Ernest Iles filed in the General Land Office July 6, 1948, under the laws regulating the sale of Public Free School Land.

FORD CHAPMAN

TO

GERALDINE LAYTON CHAPMAN

WARRANTY DEED

DATED:	08/18/1953
FILED:	08/25/1953
BOOK/PAGE:	148/627
FILE NUMBER:	389-148-627
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: IT BEING THE INTENTION TO CONVEY ALL OF GRANTOR'S INTEREST IN THE DELAWARE BASIN OIL COMPANY, LTD.

company to cover any loss incurred on any improvements located on the hereinbefore described property with the loss clause payable to the Veterans' Land Board of Texas. The original insurance policy to be filed with the buyer's contract in the General Land Office of the State of Texas.

7. Buyer understands that the property purchased hereunder shall not be transferred, sold or conveyed in whole or in part until he shall have enjoyed possession for a period of three (3) years from purchase date; provided, however, that he shall have the right to transfer, sell or convey the property at any time after the entire indebtedness to the Board has been paid.

8. Buyer agrees to furnish to the Veterans' Land Board by not later than May 1st of each year during the term of this contract evidence that all taxes for the past year have been paid.

9. Seller agrees to execute a deed under its seal to the original purchaser of the land when the entire indebtedness due the State under this contract of sale is paid.

10. It is agreed between buyer and seller that all of the conditions, limitations and requirements as well as all benefits and penalties contained in the provisions of Acts 51st Leg., R. S., 1949, Ch. 318, as amended by Acts 52nd Leg., R. S., 1951, Ch. 324, together with all rules and regulations promulgated by the Veterans' Land Board, shall be binding upon the parties hereto in the same manner as if they were fully recited herein. The failure of buyer to comply with the terms hereof or with the provisions stated shall subject the contract to forfeiture as provided in the aforementioned Act.

WITNESS Our hands this 12 day of Aug., 1953.

Dennis Wallace, Acting Chairman
Veterans' Land Board
c/o General Land Office
Austin, Texas

James F. Harber
Buyer
Pecos, Texas
Address

STATE OF TEXAS, I
COUNTY OF TRAVIS I

On this day personally appeared before me, the undersigned authority, Dennis Wallace, acting in his capacity as Chairman of the Veterans' Land Board of Texas, known to me to be the person whose name is affixed hereto and acknowledged to me that he executed the foregoing instrument upon the express conditions stipulated therein and in the capacity therein stated.

Sworn to and subscribed to before me this 12 day of Aug., 1953.

(Seal)

Madge M. Sanford
Notary Public in and for
Travis County, Texas

STATE OF TEXAS, I
COUNTY OF REEVES I

On this day personally appeared before me James F. Harber, known to me to be the person whose name is affixed hereto and acknowledged to me that he executed the foregoing instrument upon the express conditions stipulated therein.

Sworn to and subscribed to before me this 25 day of August, 1953.

(Seal)

J. M. Preston
Notary Public in and for
Reeves County, Texas

Filed for record on the 25 day of August, A. D. 1953 at 2:00 o'clock P. M., and duly recorded on the 28 day of August, A. D. 1953 at 9:45 o'clock A. M.

Eastern Clinton
County Clerk, Reeves County, Texas

File No. 3984 FORD CHAPMAN TO GERALDINE LAYTON CHAPMAN

I WARRANTY DEED I

THE STATE OF TEXAS, I
COUNTY OF REEVES I KNOW ALL MEN BY THESE PRESENTS:

That I, FORD CHAPMAN, of the County of Reeves, State of Texas for and in consideration

of the sum of Ten Dollars, and other good and valuable considerations, to me in hand paid by my wife, Geraldine Layton Chapman, out of her separate property and estate, have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said Geraldine Layton Chapman of the County of Reeves, State of Texas, as her separate property and estate, all that certain lot, tract or parcel of land more particularly described as follows, to-wit:

An undivided one-fourth (1/4th) interest in the seven-eighths (7/8ths) working interest in the oil and gas leases covering the following:

The S/2 of the NW/4 of Section 38; The N/2 of the SE/4 of Section 38;
The S/2 of the NW/4 of Section 46; The N/2 of the SE/4 of Section 46;
The S/2 of the SW/4 of Section 46; The S/2 of the SW/4 of Section 47;
The N/2 of the SE/4 of Section 47; The N/2 of the SE/4 of Section 39;
The NE/4 of Section 39; The S/2 of the SE/4 of Section 39; The S/2 of the SW/4 of Section 39;

An undivided one-fourth (1/4th) interest in the oil and gas leases covering the following:

An undivided one-half (1/2) interest in the S/2 of the SW/4 of Section 38;
An undivided one-half (1/2) interest in the N/2 of the NE/4 of Section 46;

All of said land being located in Block No. Fifty-Seven (57), Township Two (2), T&P Ry. Co. Survey, Reeves County, Texas.

It is my intention in this instrument to convey all of my interest in the DELAWARE BASIN OIL COMPANY, LTD., a limited partnership, which is operating said leases, subject to any and all liens against said property which may appear of record.

TO HAVE AND TO HOLD the above described premises, together with all and singular, the rights and appurtenances thereto in anywise belonging unto the said Geraldine Layton Chapman, as her separate property and estate, and her heirs and assigns forever; and I do hereby bind myself and my heirs, executors and administrators, to Warrant and Forever Defend all and singular the said premises unto the said Geraldine Layton Chapman and her heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.

Witness my hand at Pecos, Texas, this 18th day of August, A. D. 1953.

Ford Chapman

THE STATE OF TEXAS, I
COUNTY OF REEVES I

BEFORE ME, Ted Johnston, a Notary Public, in and for Reeves County, Texas, on this day personally appeared Ford Chapman, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, This 25 day of August, A. D. 1953.

(Seal)

Ted Johnston
Notary Public, Reeves County, Texas

Filed for record on the 25 day of August, A. D. 1953 at 2:15 o'clock P. M., and duly recorded on the 28 day of August, A. D. 1953 at 10:15 o'clock A. M.

Eastern Elliston
County Clerk, Reeves County, Texas

File No. 3985 BEN L. WILLEFORD ET UX TO EVERETT D. LEE

I WARRANTY DEED I

THE STATE OF TEXAS, I
COUNTY OF REEVES I

KNOW ALL MEN BY THESE PRESENTS:

That we, Ben L. Willeford and wife, Bessie Willeford, of the County of Reeves, State of Texas for and in consideration of the sum of Ten & No/100 ($10.00) Dollars, to us in hand paid by Everett D. Lee, and in further consideration of the assumption by the said Everett D. Lee of

ESTATE OF MAE SAMUELLA MAGRUDER WYNNE MCFARLAND DECEASED

TO

THE PUBLIC

CERTIFIED COPY OF PROBATE PROCEEDINGS

DATED:	05/29/1962
FILED:	06/29/1962
BOOK/PAGE:	222/384
FILE NUMBER:	389-222-384
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 1st day of June, A. D. 1962.

Richard L. Toll
Notary Public, Reeves County, Texas

Filed for Record on the 28th day of June A.D. 1962 at 4:10 o'clock P. M. Duly Recorded this the 3rd day of July A.D.1962 at 3:00 o'clock P. M.

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

By Catherine Oakley Deputy

File No. 4434

ESTATE OF MAE SAMUELLA MAGRUDER WYNNE McFARLAND, DEC'D.
TO THE PUBLIC
CERTIFIED COPY OF PROBATE PROCEEDINGS

No. 75877

613 07 1451

THE ESTATE OF MAE SAMUELLA MAGRUDER WYNNE McFARLAND, DECEASED	IN THE COUNTY COURT OF HARRIS COUNTY, TEXAS

TO THE HONORABLE JUDGE OF SAID COURT:

Your applicant I. B. McFarland shows to the court: That he resides and is domiciled in Harris County, Texas.

That Mae Samuella Magruder Wynne McFarland is dead. That she died at the age of seventy-seven years on the 7th day of January, 1962, at Houston, in the County of Harris, in the State of Texas.

That at and before her death the said Mae Samuella Magruder Wynne McFarland resided and had her domicile in the County of Harris aforesaid.

That at the time of her death the said Mae Samuella Magruder Wynne McFarland was seized and possessed of real and personal property of a probable value in excess of Ten Thousand ($10,000.00) Dollars; the nature of such estate being as follows: cash, notes, stocks, bonds and other personal property and real estate.

Mae Samuella Magruder Wynne McFarland left a written will, dated February 10, 1943, with codicils thereto, and at the date and at the time of the making of her will and the

codicils thereto she was over the age of twenty-one years and of sound mind. In such will and the codicils thereto, in

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which your applicant was appointed independent executor, the testatrix provided that her estate be administered independently of the County or Probate Court so far as is permitted by law. Such will and the codicils thereto are without subscribing witnesses, being holographic and wholly in the handwriting of such testatrix.

That after the making of such will and codicils thereto no child of the said decedent was born or adopted.

That your applicant, the executor named in such will, is qualified and is not disqualified by law to accept letters testamentary.

The decedent has never been divorced.

Wherefore your applicant prays that citation be issued as required by law, that said will and codicils thereto be admitted to probate, that letters testamentary be issued to your applicant, that it be ordered that he be independent executor and that no other action in this Court shall be had in the settlement of said estate than the probating and recording of such will, the filing of the oath and the return of an inventory appraisement and list of claims of the estate and that such other and further orders be made as to the Court may seem proper.

KUCERA, LAY & LIGHTFOOT
By Kenneth Lay
210 Liberty Savings Building
3505 Fannin
Houston, Texas
Jackson 9-4634

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Record, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By Maria Mass
Deputy

KUCERA, LAY & LIGHTFOOT
ATTORNEYS AT LAW
210 LIBERTY SAVINGS BUILDING
3505 TANNIN
HOUSTON 4, TEXAS

APPLICATION TO PROBATE WILL

HARRIS COUNTY

IN THE COUNTY COURT

OF

THE ESTATE OF

MAE SAMUELLA MAGRUDER

WYNNE McFARLAND,

DECEASED

NO. 75877

Office Of R. E. TURRENTINE, JR., COUNTY CLERK, HARRIS COUNTY, TEXAS, PROBATE COURT DEPARTMENT

COUNTY CLERK FEES		County Clerk Fees (Cont.)		COUNTY JUDGE FEES		SHERIFF OR CONSTABLE FEES		APPRAISERS FEES	
Docketing / Taxing	1 50	Trial (Hearing)		Order on		Posting			
Filing Instruments	2 00	Jury				Executing			
Recording		Witnesses		Lunacy Fee				TOTAL FEES APPRAISERS	
Letters - Transcript		Verdict		Inheritance Tax				MISCELLANEOUS FEES	
Issuing		Judgment		@ 2%				LAW LIBRARY	LL
Oaths Administered				Comm. @ ½ of 1%					
Certificate & Seal									
		TOTAL FEES COUNTY CLERK	3 50	TOTAL FEES COUNTY JUDGE		TOTAL FEES SHERIFF or CONST.			1 50

FEE VOUCHER NO.
№ 21275

Docket Number	Card No.	Film Code	Date	Inst. No.	Instrument or Transaction	Voucher or Receipt No.	Acct. No.	Fee Sub-Tot.	Fee Total	Debits	Credits	Deposit Balance
758771		6130714510205196 2			appl	fv21275	cc 11			3.50 1.50		

DATA FOR PROBATE COURT DOCKET SHEET

Docket Number	Card No.	Film Code	Date Filed	Inst. No.	Instrument of Transaction	Court	Description of Probate Action
						cj	appl pro will filed est maᵉ samuella magruder, et al, minors

Form No. CC-D02-03-01

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Record, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By Maud Mussa Deputy

PROBATE DOCKET
NO. 75,877

CITATION ON APPLICATION FOR PROBATE OF WILL

BY POSTING

613 13 0698

THE STATE OF TEXAS

To any Sheriff or any Constable within the State of Texas—Greeting:

You are hereby commanded to cause to be posted for ten days, exclusive of the day of posting, before the return day thereof, at the Courthouse door, in Harris County, Texas, a copy of the following citation:

THE STATE OF TEXAS
COUNTY OF HARRIS

To all persons interested in the Estate of MAE SAMUELLA MAGRUDER WYNNE McFARLAND, Deceased:

Know Ye, That I. B. McFARLAND has filed in the ~~Probate~~ County Court of Harris County, an application for the probate of the last will and testament (and codicils) of said MAE SAMUELLA MAGRUDER WYNNE McFARLAND, deceased, said will (and codicils) having been filed with said application, and for letters testamentary of the estate of MAE SAMUELLA MAGRUDER WYNNE McFARLAND, deceased.

This citation by posting is returnable to said Court on the first Monday after service of same has been perfected, being Monday, the 19th day of February, A. D., 19 62, and said application may be acted upon by said Court at the Courthouse of said County in the City of Houston, Texas, at any time after 9:00 o'clock A.M., on the following Tuesday, the 20th day of February, A. D., 19 62, and all persons interested in said estate should appear at the time and place herein stated and contest said application should they desire to do so.

Herein fail not, but have you before said Court, at the time aforesaid, this writ, with your return thereon, showing how you have executed the same.

Given under my hand and the seal of said Court, at my office in Houston, Texas, this 6th day of February, A. D., 19 62

R. E. TURRENTINE, JR.,
County Court, Harris County, Texas
~~Probate~~

By Mavis Dobson, Deputy.

OFFICER'S RETURN 613 13 0699

Came to hand, on this the 6 day of February, A. D., 19 62, at 4:30 o'clock, P .M., and executed on the 6 day of February, A. D., 19 62, at 5:00 o'clock, P .M., by posting a true copy of the within citation for ten days, exclusive of the day of posting, before the return day thereof, at the Courthouse door, of County of Harris, State of Texas, to-wit: 2-6-62 through 2-19-62, inclusive

W. L. "RED" McKASKLE, Constable,
Precinct 1, Harris County Texas
Constable, Harris County, Texas

Fee: $1.25

By Bessie Lomax, Deputy.

FILED
FEB 19 1962
R. E. TURRENTINE, JR., Clerk
COUNTY COURT HARRIS CO., TEX.
BY _____ DEPUTY

By _____ Mavis Dobson, Deputy.

R. E. TURRENTINE, JR., Clerk
County Court, Harris County, Texas
~~Probate~~

Issued this 6th day of February, 19 62

CITATION
PROBATE OF WILL

MAE SAMUELLA MAGRUDER WYNNE McFARLAND Deceased.

ESTATE OF

No. 75,877

Kucera, Lay & Lightfoot

VOL 222 PAGE 388

Office Of R. E. TURRENTINE, JR., COUNTY CLERK, HARRIS COUNTY, TEXAS, PROBATE COURT DEPARTMENT

COUNTY CLERK FEES		County Clerk Fees (Cont.)		COUNTY JUDGE FEES		SHERIFF OR CONSTABLE FEES		APPRAISERS FEES	
Docketing - Taxing	1	Trial (Hearing)		Order on		Posting	Cpt 1.25		
Filing - Insertions	2	Jury				Executing			
Recording	1 25	Witnesses		Lunacy Fee					
Letters - Transcript		Verdict		Inheritance Tax				TOTAL FEES APPRAISERS	
Issuing		Judgment		$ ..... @ 2%				MISCELLANEOUS FEES	
Oaths Administered				Comm. @ ½ of 1%				LAW LIBRARY 1 LL	
Certificate & Seal									
		TOTAL FEES COUNTY CLERK	1 25	TOTAL FEES COUNTY JUDGE		TOTAL FEES SHERIFF or CONST.	1 25		

FEE VOUCHER NO.
Nº 23742

Docket Number	Card No.	Film Code	Date	Inst. No.	Instrument or Transaction	Voucher or Receipt No.	Fee Cl.	Fee Acct. No.	Fees Sub-Tot.	Fees Total	Debits	Credits	Deposit Balance
758771		613130698	02191962		RET CIT	FV23742	HCC				1.25		
							HCN				1.25		
													V-4

DATA FOR PROBATE COUNTY DOCKET SHEET

Docket Number	Card No.	Film Code	Date Filed	Inst. No.	Instrument or Transaction	Court	Description of Probate Action
						CJ	CIT RET APPL PRO WILL, FILED EST. MAE SAMUELLA MAGRUDER WYNNE McFARLAND, DECD

Form No. CC-002-63-01

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Record, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By: Maurice Moss
Deputy

FILED
62 FEB 5 AM 8:50
615 16 0409
613 07 1454

PRESIDENT
MRS. I. D. McFARLAND
AS COURTLAND PLACE, HOUSTON

1ST VICE PRESIDENT
MISS WILLA STEPHENSON
824 WEST TWELFTH, DALLAS

2ND VICE PRESIDENT
MRS. W. G. ROBERTS
ROSEBUD

3RD VICE PRESIDENT
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1010 McGOWEN AVE., HOUSTON

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MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON

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HISTORIAN
MRS. SAM BROWNE
314 NORTH COLLEGE, TYLER

REGISTRAR
MRS. J. D. HARVEY
1309 MARSHALL LANE, AUSTIN

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200 WEST 12TH ST., AUSTIN

RECORDER OF CROSSES
MRS. JACK G. SMITH
COLORADO CITY

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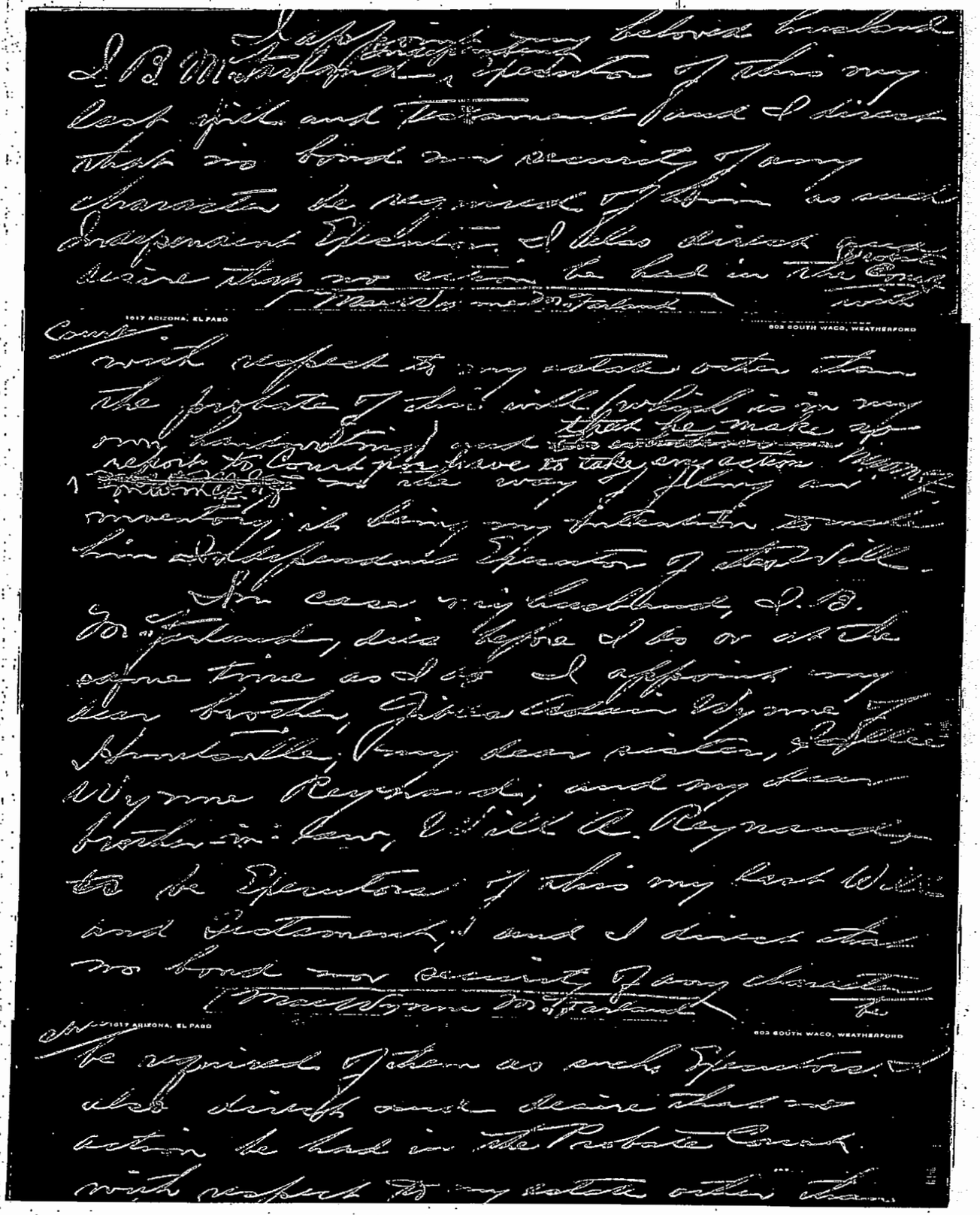
MRS. S. T. DOWDA
2040 SOUTH 7TH ST., ABILENE

REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR BARTHOLD
803 SOUTH WACO, WEATHERFORD

Texas Division
United Daughters of the Confederacy

Will of
Mae Wynne McFarland (Mrs. A.D.)
Made 10 January 1945

Know all men by these presents that I Mae Samuella Magruder McFarland (wife of Archibald McFarland) eldest daughter of the late Dr. J. Sidney Wynne and his wife Samuella Lake Wynne do hereby make and constitute this my Last Will and Testament.



I appoint my beloved husband
L. B. Mashburn Executor of this my
last will and Testament and I direct
that no bond or security for my
character be required of him as such
Independent Executor. I also direct that
no action be had in the Probate Court
with respect to my estate other than
the probate of this will, but that he make up
my inventory and file same with the Clerk of
said Court. In case my husband, L. B.
Mashburn, dies before I do or at the
same time as I do I appoint my
dear brother, Christian Schlosser
Mansfield, my dear sister, Gladys
Wynne Reynolds and my dear
brother-in-law, Elliott R. Reynolds
to be Executors of this my last Will
and Testament, and I direct that
no bond or security for any of them

(Mrs.) Mattie M. Farland

1017 ARIZONA, EL PASO 803 SOUTH WACO, WEATHERFORD

be required of them as such Executors
and that no action be had in the Probate Court
with respect to my estate other than

the probate of this will and testament is necessary in the way of filing an inventory of my estate, it being my intention to make this my last Will & Testament.

To my beloved husband, O. D. McFarland, I give and bequeath my entire share & community property without any reservations whatever and without any accounts or inventories whatever.

I hereby appoint my husband, O. D. McFarland, Executor of this my last Will & Testament and direct that he not be required to make bond as such Executor.

In witness whereof I have hereunto set my hand this the 25th day of January A.D. 1939.

Mrs. O. D. McFarland

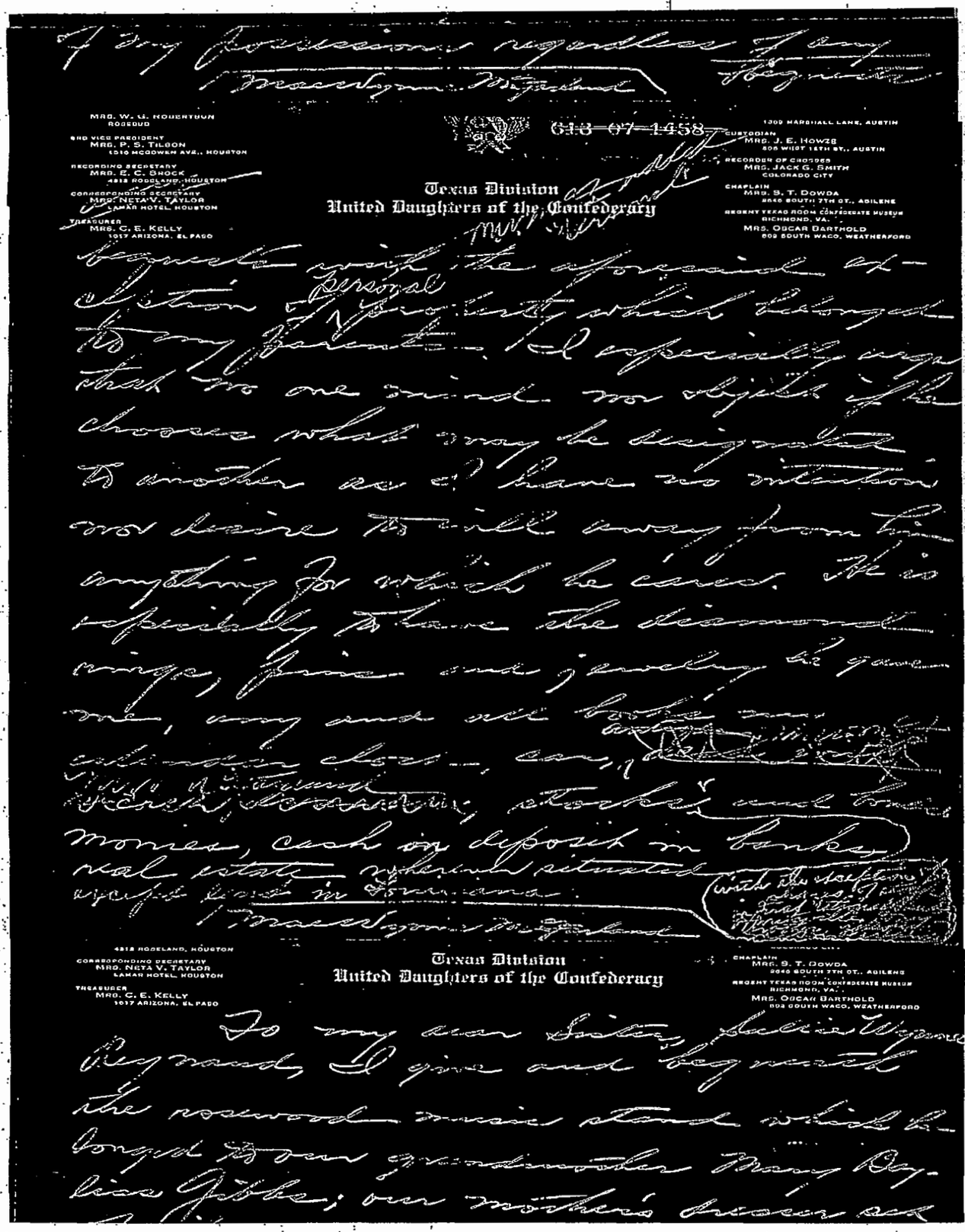
LAMAR HOTEL, HOUSTON
TREASURER
MRS. C. E. KELLY
1617 ARIZONA, EL PASO

United Daughters of the Confederacy

REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR BARTHOLD
203 SOUTH WACO, WEATHERFORD

Mrs. O. D. McFarland

Mr. & Mrs. Contract Plan, Hereby Sell Purchased February 1939, is in my name but the burden of completing the payments for it is on my husband, O. D. McFarland, I hereby give and bequeath to him immediately my entire interest in same, building site and necessaries thereon. I also desire that he have the choice of everything else I possess & posses part of my mother's estate and my shares of stock in the First National Bank of Whitehall, Texas and articles herein listed as having belonged to my mother or father. I want this to select whatever he wishes



MRS. W. G. NOUERTOUN
ROSEBUD

2ND VICE PRESIDENT
MRS. P. S. TILSON
1310 MCGOWEN AVE., HOUSTON

RECORDING SECRETARY
MRS. E. C. SHOCK
4818 ROSELAND, HOUSTON

CORRESPONDING SECRETARY
MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON

TREASURER
MRS. C. E. KELLY
1017 ARIZONA, EL PASO

GHS 07-1458

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United Daughters of the Confederacy

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806 WILDT 18TH ST., AUSTIN

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COLORADO CITY

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1309 MARSHALL LANE, AUSTIN

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RICHMOND, VA.
MRS. OSCAR BARTHOLD
202 SOUTH WACO, WEATHERFORD

VOL 222 PAGE 392

I Miller and Lue Glass; Minister
I am great grandfather William H.
Maples; three antique miniature
bar in round gold frame and two in
square black frames; other antique
and vintage keepsakes
pictures are really treasured on our
side of the family; the Telegram Bra-
ch given me by Minnie Clarke P.
Mustard; hair jewelry and two tea
candlesticks which were my mother's
the pair I have mentioned above. (Callie W.R.)

Mrs. W. Jno M. Farland

4018 ROSELAND, HOUSTON
CORRESPONDING SECRETARY
MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON
TREASURER
MRS. C. E. KELLY
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REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR BARTHOLD
802 SOUTH WACO, WEATHERFORD

To my beloved Sister Fitts Clark
Wynne Huntsville I bequeath my
large walnut library table now in the
home; $100 (one hundred dollars) in money
to be sent afterward only on his demand
Bellaire; my Jr. volume set of the
World's Best Poetry, which is still in
Huntsville; and stock in the
National Bank of Huntsville. has men-
tioned later;

Mrs. Jno M. Farland

MRS. E. C. BROCK
4018 ROSELAND, HOUSTON
CORRESPONDING SECRETARY
MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON
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1017 ARIZONA, EL PASO

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MRS. JACK G. SMITH
COLORADO CITY
CHAPLAIN
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2040 SOUTH 7TH ST., ABILENE
REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR BARTHOLD
802 SOUTH WACO, WEATHERFORD

To my dear sister-in-law,
Adaline W. Farland I bequeath my

VOL 222 PAGE 383

best and [illegible] silver [illegible] given me by my great aunt Mrs. Lelia S. Giles; [illegible] [illegible] [illegible]

VOL 222 PAGE 394

4310 HOBKLAND, HOUSTON

CORRESPONDING SECRETARY
MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON

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1617 ARIZONA, EL PASO

Texas Division
United Daughters of the Confederacy

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2040 SOUTH 7TH ST., ABILENE

REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR BARTHOLD
502 SOUTH WACO, WEATHERFORD

I do my dear sister-in-law, Lily
Mc Holland Bell (wife of Hutchison Bell Sr.)
I Wyatt bequeath that china afternoon
tea set given me by her great aunt Mrs.
Eugenia Andrews Rentlow, my Limoges
Dance pin with the request that it be
willed to my niece Adair Reynard. She
knows a member. Also, my antique
antique marble top table, one walnut
Table with oval wood top which has a leg
stained walnut);

Macedonia M. Holland

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MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON

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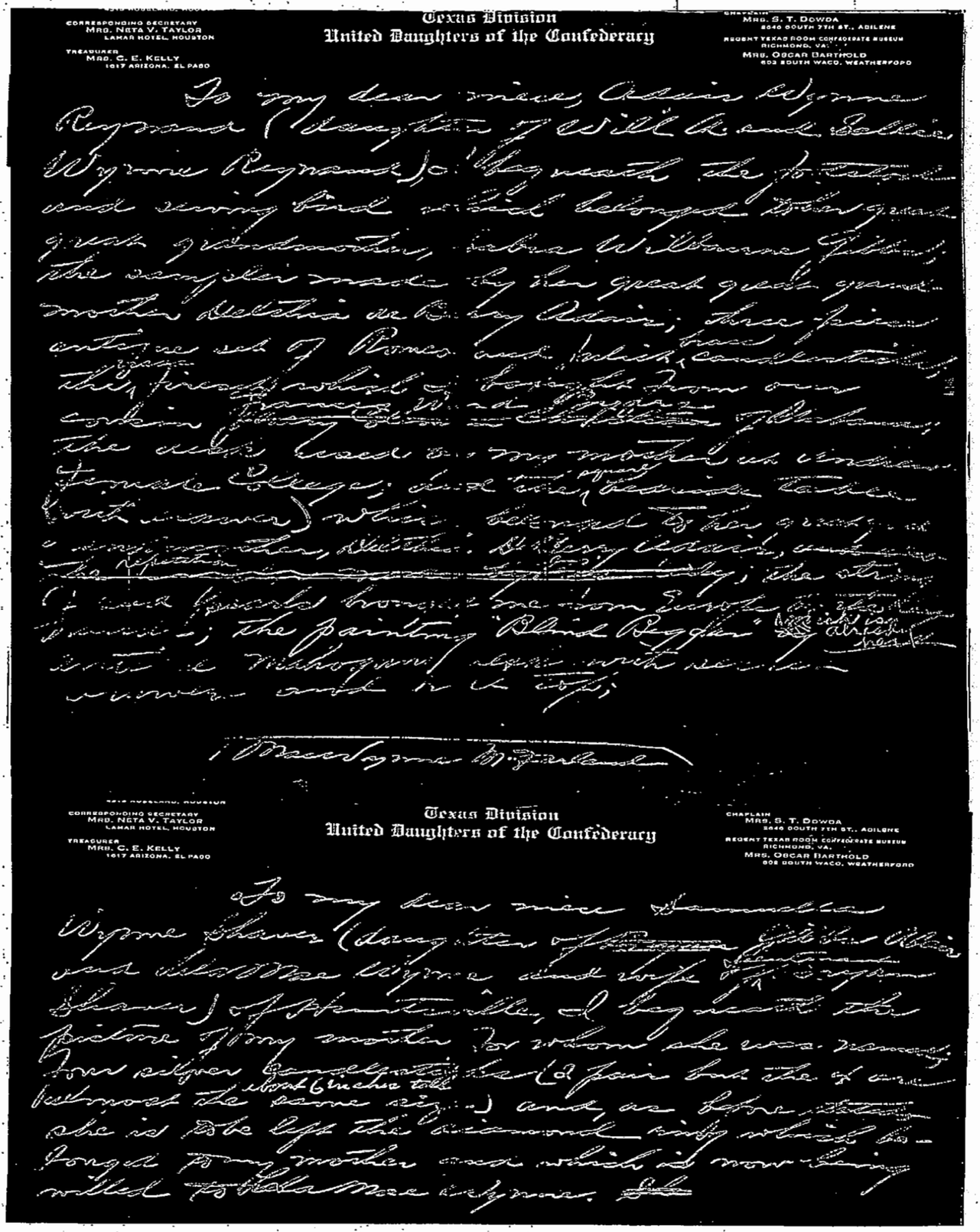
REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR BARTHOLD
502 SOUTH WACO, WEATHERFORD

I do my dear brother-in-law William
A Reynard (husband of my sister Bettie)
I bequeath also the silver stamp case
for his own personal pleasure; such items
books as he and she decide;

I do my dear sister-in-law Bettie
Holland M. Holland I bequeath also the
items for his own personal pleasure;
Void as he died April 1943

Macedonia M. Holland



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RICHMOND, VA.
MRS. OSCAR BARTHOLD
602 SOUTH WACO, WEATHERFORD

To my dear niece, Annie Wynne
Reynard (daughter of Willie Rand Betts,
Wynne Reynard Jr.) Beyond the fact that
she is very fond of that belonged to my grand
grandmother, Lotta Williams Perry,
the daughter made by her great great grand-
mother Nellie Rand; three fine
antique set of Roses and Violets, candlesticks,
the first which I bought from our
cabin Barney Gibson Chapter, Daughters
the other I received by my mother in Lindon
Female College, Lindon, Missouri, (Lotta Williams
Perry) which I received by her grandmother
Nellie Rand Williams. Both very dearly, and
the Reputation [illegible] by; the other
(a wood framed mirror) one from Europe
Dresden; the painting "Blind Beggar"
Mahogany [illegible] with
[illegible] and [illegible]

Mary Lynn Barthold

CORRESPONDING SECRETARY
MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON

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MRS. C. E. KELLY
1617 ARIZONA, EL PASO

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United Daughters of the Confederacy

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RICHMOND, VA.
MRS. OSCAR BARTHOLD
602 SOUTH WACO, WEATHERFORD

To my dear niece Jeannette
Wynne Reynard (daughter of Willie Rand Betts
and Willie Wynne and wife [illegible]
Reynard) of Whitesville, I bequeath the
picture of my mother for whom she was named;
four silver candlesticks (a pair and the [illegible]
almost the same size) and as before stated
she is to be left the diamond ring which
belonged to my mother and which is now being
worn by Mrs. Reynard.

VOL 222 PAGE 396

To my dear niece Ruth Wynne Thomson (daughter of the late Edwin and Lizzie Wynne and wife of Lieutenant John W. Thomson) of Huntsville, I bequeath the pair of antique walnut high backed side chairs given me by my grandmother, Mrs. Mary A. Jones for whom she was named; my ruby ring; and my four tall silver candlesticks all alike, and I direct that these articles be delivered to the said Ruth Wynne Thomson in the City of Huntsville, Texas on Federal Property.

Witness my Hand

CORRESPONDING SECRETARY
MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON

TREASURER
MRS. C. E. KELLY
1017 ARIZONA, EL PASO

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502 SOUTH WACO, WEATHERFORD

To my dear nephew Hatten Bell of El Paso, Texas I bequeath my gold watch as he said April 30, 1942

To my dear nephew, Irvin Bell of Garland, Texas, I bequeath my Tiffany opal ring given me by his grandfather for whom he was named. Antoine Pitcher with porcelain lining and little pink on the lip.

Witness my Hand

CORRESPONDING SECRETARY
MISS WILLA STEPHENSON
324 WEST TWELFTH, DALLAS

TREASURER
MRS. B. A. HASTINGS
COLUMBUS

REGENT TEXAS CONFEDERATE MUSEUM
MRS. FORREST H. FARLEY
BOX 522, HUTTO

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410 EAST FIFTH, DALLAS

615 16 0423

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819 SELDEN AVENUE, SHERMAN

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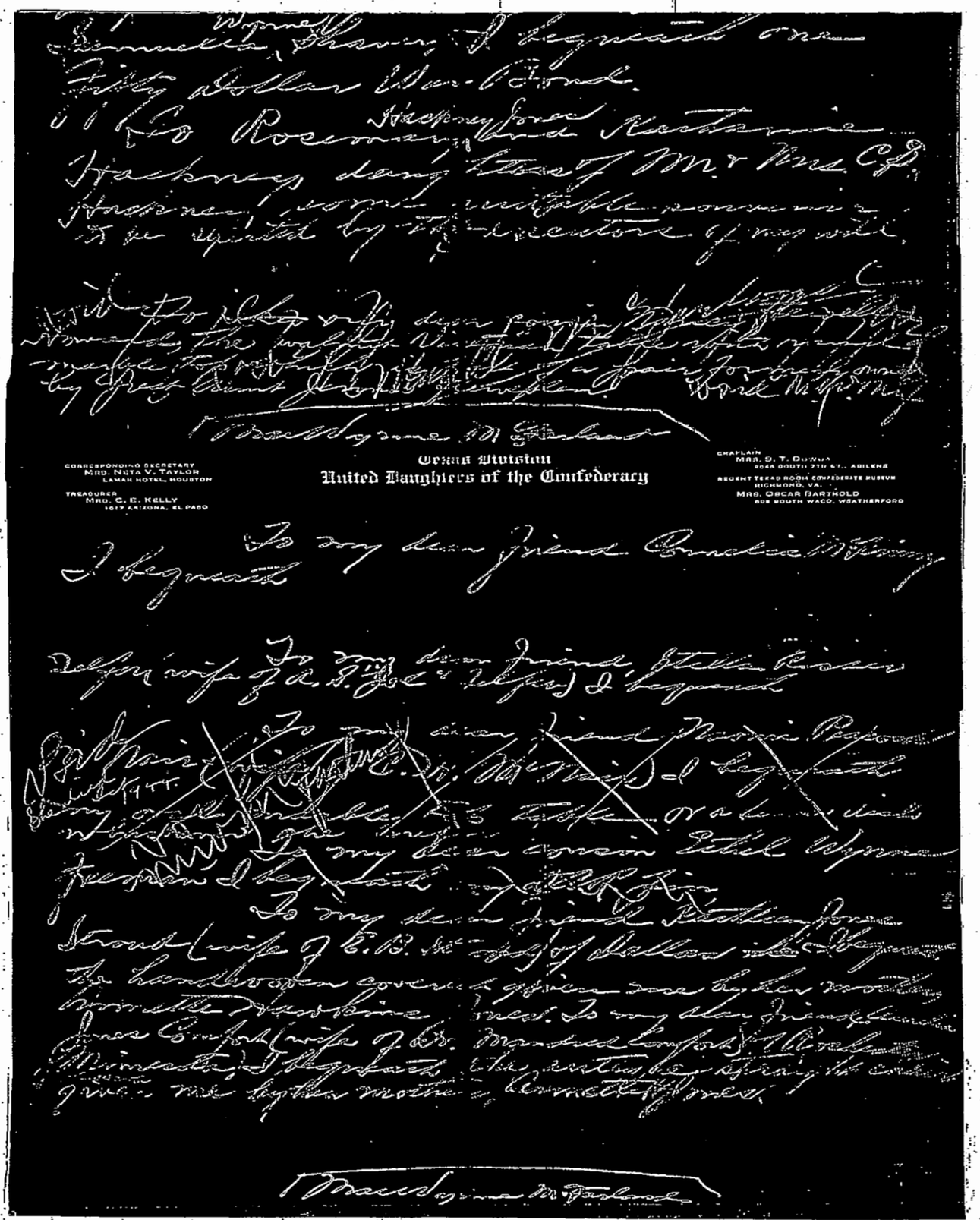
WEBSTER

REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR BARTHOLD
502 SOUTH WACO, WEATHERFORD

To my dear sister Nettie Jones Bell, daughter of Fletcher and Nancy Belle Jones, I bequeath one Fifty Dollar War Bond

To my dear sister Mattie Wilson Bryan Shaver Bryan, wife of Bryan Bryan



Texas Division
United Daughters of the Confederacy

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MRS. OSCAR BARTHOLD
308 SOUTH WACO, WEATHERFORD

VOL 222 PAGE 398

Texas Division
United Daughters of the Confederacy

4918 ROSELAND, HOUSTON
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MRS. C. E. KELLY
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2040 SOUTH 7TH ST., ABILENE
REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR HARTHOLD
503 SOUTH WACO, WEATHERFORD

I do the San Houston Historical College in Huntsville my file of Historical Magazines and Genealogical Records.

I do the Houston Public Library all the old D.A.R. Magazines, National Historical Magazines and some of my genealogical Records.

I do the Confederate Museum in Austin the Confederate Relic Department U.S.A. I give me by his daughter Mrs. Narcissa Powell Williamson

I do my faithful colored friend Gus Smith who is always [illegible] Mrs. Ella Morgan of Pecos Texas the sum of Fifty Dollars each and I wish [illegible] to have all the books library [illegible] now all the remainder of my estate I also bequeath fifty dollars or the present value of [illegible]

Texas Division
United Daughters of the Confederacy

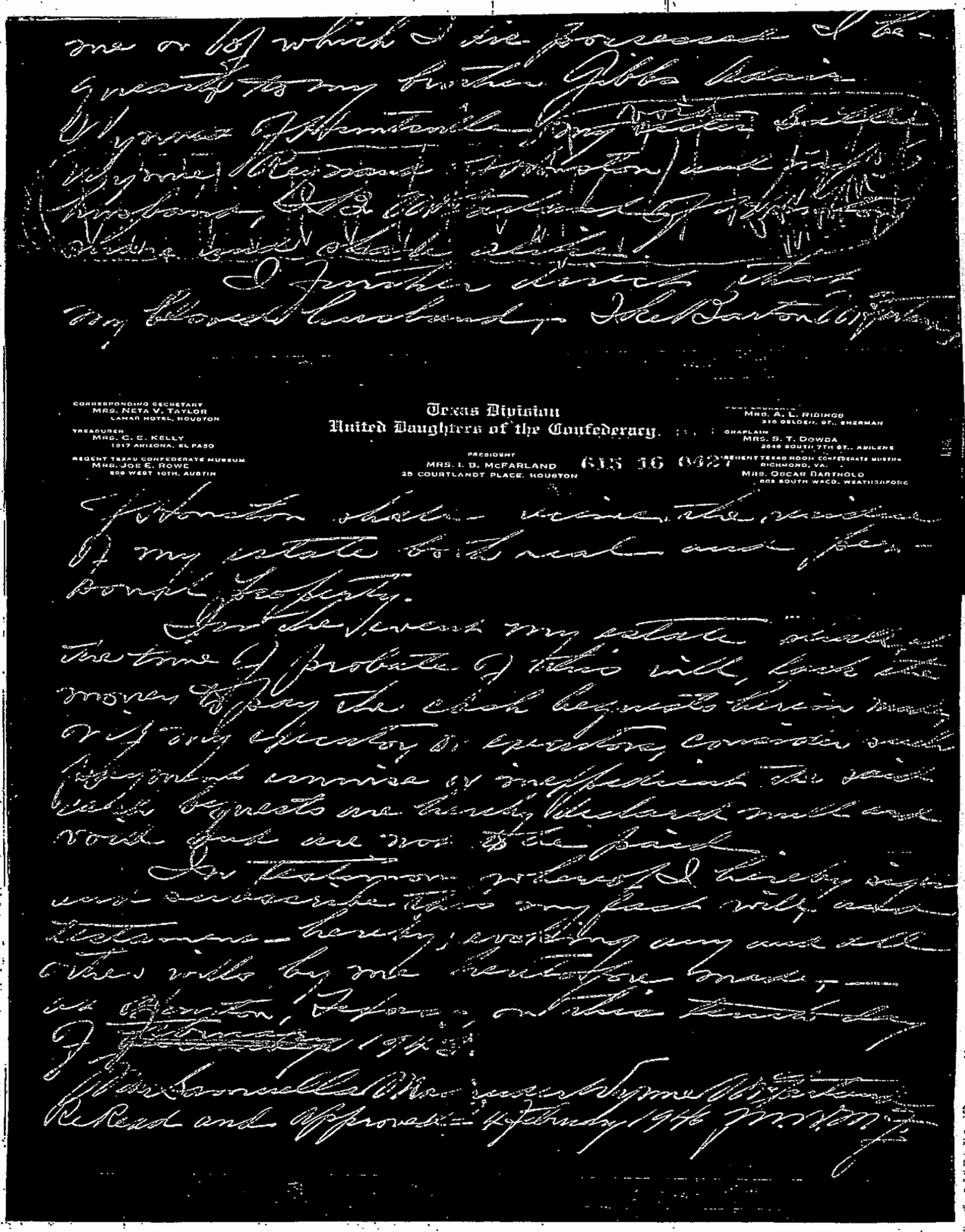
CORRESPONDING SECRETARY
MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON
TREASURER
MRS. C. E. KELLY
1617 ARIZONA, EL PASO
REGENT TEXAS CONFEDERATE MUSEUM
MRS. JOE E. ROWE
809 WEST 10TH, AUSTIN

PRESIDENT
MRS. I. D. McFARLAND
28 COURTLANDT PLACE, HOUSTON

MRS. A. L. RIDINGS
315 BELDEN ST., SHERMAN
CHAPLAIN
MRS. S. T. DOWDA
2040 SOUTH 7TH ST., ABILENE
REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR HARTHOLD
503 SOUTH WACO, WEATHERFORD

FILED
615 16 0426

I bequeath all the property inherited by me from my mother, the late Mrs. Emmella Gibbs Blythe with the exception of [illegible] shares of stock in the First National Bank of Huntsville to my sister Sallie Bryant and my brother Gibbs Blythe [illegible] and Shreveport. The shares of First National Bank of Huntsville now owned by



one or of which I give bequeath & grant to my brother Gibbs Hair Wynne Jefferson Long Peace Reed Wynne Reed Dawson Hudson & Ford Hudson & Co. all of Fort Worth Texas & Isabel Steele Waite.

I further direct that my Executor Hon Barton Warren

CORRESPONDING SECRETARY
MRS. NETA V. TAYLOR
LAMAR HOTEL, HOUSTON

TREASURER
MRS. C. C. KELLY
1917 ARIZONA, EL PASO

REGENT TEXAS CONFEDERATE MUSEUM
MRS. JOE E. ROWE
809 WEST 10TH, AUSTIN

Texas Division
United Daughters of the Confederacy.

PRESIDENT
MRS. I. B. McFARLAND
25 COURTLANDT PLACE, HOUSTON

615 16 0627

MRS. A. L. RIDINGS
316 OSLOE'H. ST., SHERMAN

CHAPLAIN
MRS. S. T. DOWDA
2048 SOUTH 7TH ST., ABILENE

REGENT TEXAS ROOM CONFEDERATE MUSEUM
RICHMOND, VA.
MRS. OSCAR BARTHOLD
803 SOUTH WACO, WEATHERFORD

protect shall - vest the residue of my estate in Trust and the proceeds Jointly.

In the event my estate should at the time of probate of this will, have not money to pay the debts bequests herein made & my Executor or Executrix, considers it beyond minor or inefficient to sell such bequests are hereby directed not to be paid

In Witness Whereof I hereby sign and subscribe this my last will and Testament hereby revoking any and all other wills by me heretofore made, in Galveston, Texas on this the 2nd day of January 1914.

Subscribed Sworn to & Acknowledged before me
Read and Approved 4 February 1916 [illegible]

Houston, Texas.
March 13, 1948.

Unto my dear sister, Sallie Wynne Reynolds, I bequeath the "Grandfather's Clock" which she so kindly gave me — it being the same which originally belonged to (Mrs.) Aunt Eleanor Bassett, who gave it to me but a few years before she died. I took it from her house (although she urged me to do so on many different occasions) and it went to our cousin, Wynne Lay, when he inherited all the Bassett estate. He left it to Sallie and she, knowing the circumstances, generously gave it to me. So I wish it to go back to her or if she predeceases me, it is to go to Admiral Wynne Edmund Jellicoe. Mae Wynne McFarland.

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Record, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By: Nancie Moore
Deputy

Cecil -
about Clock & D.O.R.

615 16 0431

Cecil
Clark

615 16 0431

613 07 1476

I appoint my beloved brother Robert Adair Wynne, and my dear wife Lelia Wynne Clement, the executors of my will, either one of them to serve without bond or any other action except that which may be required by law.

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Records, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By Deputy

Codicil
14 April 1952.

FILE CODE
615 16 0432
FILE NO.
613-07-1477

Any income from oil or other minerals which may be coming to me at the time of my death, or at any time during my lifetime and yet has not been received by me, shall become the property of my brother Robert Adair Wynne and my niece Mrs. Lelia Wynne Clement, share and share alike, and at their

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Records, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS

By: Muriel Mc Deputy

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Record, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By Marvin Moore
Deputy

613 27 1479

615 16 0434

Office Of R. E. TURRENTINE, JR., COUNTY CLERK, HARRIS COUNTY, TEXAS, PROBATE COURT DEPARTMENT

FEE VOUCHER NO. 42596

COUNTY CLERK FEES		COUNTY CLERK FEES (cont.)		COUNTY JUDGE FEES		SHERIFF OR CONSTABLE FEES		APPRAISERS FEES	
Docketing - Taxing		Trial (Hearing)		Order on		Posting			
Filing - Insertions		Jury				Executing			
Recording		Witnesses		Lunacy Fee				TOTAL FEES APPRAISERS	
Letters - Transcript		Verdict		Inheritance Tax				MISCELLANEOUS FEES	
Issuing		Judgment		$ @ 2%				LAW LIBRARY	LL
Oaths Administered				Comm. @ ½ of 1%					
Certificate & Seal									
		TOTAL FEES COUNTY CLERK	JPO	TOTAL FEES COUNTY JUDGE		TOTAL FEES SHERIFF or CONST.			

Docket Number	Card No.	Film Code	Date	Inst. No.	Instrument or Transaction	Voucher or Receipt No.	S	Acct No.	Fees Sub-Tot.	Fees Total	Debits	Credits	Deposit Balance
758771		615160409065291962			will	fv42596					5.00		Vol

DATA FOR PROBATE COURT DOCKET SHEET

Docket Number	Card No.	Film Code	Date Filed	Inst. No.	Instrument or Transaction	Court	Description of Probate Action
							will admitted to probate filed est Mae Samuella Magruder W McFarland, deed

Form No. CC-002-03-01

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Record, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By Marvin Moore
Deputy

KUCERA, LAY & LIGHTFOOT
ATTORNEYS AT LAW
210 LIBERTY SAVINGS BUILDING
3505 FANNIN
HOUSTON 4, TEXAS

'62 MAY 29 PM 12:10

NO. 75,877

ESTATE OF
MAE SAMUELLA MAGRUDER WYNNE McFARLAND,
DECEASED

IN THE COUNTY COURT
OF
HARRIS COUNTY, TEXAS

On this the 29th day of May, A.D. 1962, came on to be heard the application of I. B. McFarland, also known as Ike Barton McFarland, a resident of Harris County, Texas, for probate of the Last Will and Testament of Mae Samuella MaGruder Wynne McFarland, Deceased, filed for probate herein, with such application, on the 5th day of February 1962, and being dated February 10, 1943, with codicils thereto dated March 23, 1948, August 5, 1952, April 14, 1952 and November 20, 1952, now produced in Court, and the evidence, a statement of which is filed in this case, being heard and fully considered by the Court, and it appearing to the Court that citation thereof has been duly made as required by law, to which no objection has been made, and that said Mae Samuella Magruder Wynne McFarland was a resident of Harris County, Texas, at the time of her death and that I. B. McFarland is named and appointed in said will, Executor thereof, and that I. B. McFarland is not disqualified therefor;

And it further appearing to the Court that said will directs that no bond or security be required of the said Executor, and that no other action shall be had in the County Court in the administration of said estate than to prove and record said will and to return an Inventory and Appraisement of said estate, and list of claims;

It is therefore ORDERED, ADJUDGED and DECREED by the Court that said Last Will and Testament, with the above named codicils thereto of Mae Samuella Magruder Wynne McFarland, Deceased, is hereby admitted to probate and record, and the testimony shall be recorded in the Minutes of the Court.

It is further ADJUDGED, ORDERED and DECREED by the Court that Letters Testamentary be granted to the said I. B. McFarland, without bond, having first taken the

required oath and that no other action shall be had in this Court in the administration of this estate, than to return into this Court an Inventory and Appraisement of said estate and list of claims.

And it further appearing to the Court that H. A. Crabb Oscar Hillygerg and G.P. Pearson are citizens of Harris County, Texas, and disinterested persons in said estate, it is therefore ordered that they, or any two of them be and are hereby appointed to appraise the estate, both real and personal, of Mae Samuella Magruder Wynne McFarland, Deceased.

County Judge

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Record, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By: Deputy

KUGERA, LAY & LIGHTFOOT
ATTORNEYS AT LAW
210 LIBERTY SAVINGS BUILDING
5505 FANNIN
HOUSTON 4, TEXAS

ORDER PROBATING WILL

IN THE COUNTY COURT
OF
HARRIS COUNTY, TEXAS

ESTATE OF
MAE SAMUELLA MAGRUDER
WYNNE McFARLAND,
DECEASED.

NO. 75,871

Office Of R. E. TURRENTINE, JR., COUNTY CLERK, HARRIS COUNTY, TEXAS, PROBATE COURT DEPARTMENT

FEE VOUCHER NO. 42597

COUNTY CLERK FEES		County Clerk Fee (Cont.)		COUNTY JUDGE FEES		SHERIFF OR CONSTABLE FEES		APPRAISERS FEES	
Docketing - Taxing		Trial (Hearing)		Order on C J	2.00	Posting			
Filing - Insertions		Jury		Lunacy Fee		Executing			
Recording	1.50	Witnesses		Inheritance Tax				TOTAL FEES APPRAISERS	
Letters - Transcript		Verdict		$ ..... @ 2%				MISCELLANEOUS FEES	
Issuing		Judgment		Comm. @ ½ of 1%				LAW LIBRARY	LL
Oaths Administered									
Certificate & Seal									
TOTAL FEES COUNTY CLERK	1.50	TOTAL FEES COUNTY JUDGE	2.00			TOTAL FEES SHERIFF or CONST.			

Docket Number	Card No.	Film Code	Date	Inst. No.	Instrument or Transaction	Voucher or Receipt No.	Acct. No.	Fees Sub-Tot.	Fees Total	Debits	Credits	Deposit Balance
75871		01516043505291962	order		fv#42597	cc cj				1.50 2.00		

DATA FOR PROBATE COURT DOCKET SHEET

Docket Number	Card No.	Film Code	Date Filed	Inst. No.	Instrument or Transaction	Court	Description of Probate Action
						cj	order to protate will filed I.B. McFarland executor & H.A. Crabb Oscar Hillygerg G.P. Pearson, apprsrs filed

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF HARRIS

The foregoing is a true and correct photographic copy of the original record, now in my lawful custody and possession, filed on the date stamped thereon and recorded in the Record, Volume and Page as stamped thereon, I hereby certify on JUN 19 1962

R. E. TURRENTINE, JR.,
COUNTY CLERK
HARRIS COUNTY, TEXAS
By Deputy

Filed for Record on the 29th day of June A.D. 1962 at 8:30 o'clock A. M. Duly Recorded this the 3rd day of July A.D.1962 at 3:00 o'clock P. M.

By Deputy

ESTELLE CLINTON, County Clerk
Reeves County, Texas.

File No. 4442

TOWN OF PECOS CITY, TEXAS TO UNITED STATES OF AMERICA

RESOLUTION AUTHORIZING EXECUTION OF A RELEASE

WHEREAS, The Town of Pecos City, Texas, is a municipal corporation and a body politic duly incorporated and existing under the General Laws of the State of Texas, and,

WHEREAS, under date of November 1, 1949, the United States of America, acting by and through the General Services Administrator, under and pursuant to the powers and authority contained in the provisions of the Federal Property and Administrative Services Act of 1949, and the Surplus Property Act of 1944, as amended thereby, and regulations and orders promulgated thereunder, did convey to the Town of Pecos City, Texas, by an Instrument of Transfer, which instrument is filed for record in Deed Record Volume 125 on pages 462-471 thereof, certain lands and property located and situated in Reeves County, Texas, and did surrender, subject to the same terms and conditions, its leasehold interest in and to other lands and property, constituting the airport formerly known as the Pecos Army Airfield and now known as the Pecos Municipal Airport, and,

WHEREAS, the transfer of the lands to the Town of Pecos City, Texas, by said instrument was made subject to certain reservations, restrictions and conditions, set forth therein, to which said instrument reference is here made, and,

WHEREAS, The Town of Pecos City, Texas, now desires to make certain land conveyed by said instrument available for development

SALLIE WYNNE REYNAUD

RUTH WYNNE THOMASON AND

SAMUELLA WYNNE SHAVER

TO

I B MCFARLAND

MINERAL DEED

DATED:	06/20/1966
FILED:	06/20/1966
BOOK/PAGE:	258/383
FILE NUMBER:	389-258-383
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: THIS DEED IS ONLY GOOD UNTIL THE DEATH OF I B MCFARLAND AND AT HIS DEATH IT WILL REVERT BACK TO GRANTORS AS FOLLOWS:
UNDIVIDED 1/2 INTEREST TO SALLIE WYNNE REYNAUD
UNDIVIDED 1/4 INTEREST TO RUTH WYNNE THOMASON AND
UNDIVIDED 1/4 INTEREST TO SAMUELLA WYNNE SHAVER

26. Lessee is hereby granted the right to pool or unitize the royalty interest of the owner of the soil under this lease with any other leasehold or mineral interest for the exploration, development and production of oil and gas or either of them upon the same terms as shall be approved by the School Land Board and the Commissioner of the General Land Office for the pooling or unitizing of the interest of the State under this lease pursuant to Article 5382-c, Revised Civil Statutes of Texas and other applicable laws.

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

NSM _____
Individually and as agent for the State of Texas

DHM: _____
Individually and as agent for the State of Texas

NOTE: Section 4a, House Bill No. 9, Act of June 19, 1939, provides that leases shall not be effective until a certified copy thereof (which is construed as meaning certified copy by the County Clerk) is filed in the Land Office, and that leases shall not be binding upon the State unless they recite the actual and true consideration paid or promised therefor.

NOTE: If this lease be executed by the owner of an undivided interest in the entire surface estate, and should production be secured while an undivided interest only in the above described land is covered by lease, the royalty to be paid to the State under this lease shall be at the royalty rate specified in Paragraph numbered 1 hereof of the interest covered by this lease plus the value of the whole production allocable to all of the undivided interest not covered by lease, less the proportionate development and production costs allocable to such undivided interest, but in no event shall the State receive as royalty on the gross production allocable to the undivided interest not leased an amount less than the value of 1/16 of such gross production.

DOUBLE ACKNOWLEDGEMENT

STATE OF TEXAS
COUNTY OF TRAVIS

Before me, the undersigned authority, on this day personally appeared _____ N. S. MARROW and DOROTHY H. MARROW his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, and in the capacity therein stated, and the aforesaid wife, having been examined by me privily and apart from her husband, and having the same fully explained to her, acknowledged said instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office, this the 7th day of June, A. D. 19 66

MARY E. PAYNE Notary Public in and for
TRAVIS County, TEXAS

SINGLE ACKNOWLEDGEMENT

STATE OF
COUNTY OF

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

Filed for Record on the 16th day of June A.D.1966 at 1:00 o'clock P. M. Duly Recorded this the 27th day of June A.D.1966 at 8:00 o'clock A. M.

By _____ Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FILE NO. 3748 SALLIE WYNNE REYNAUD, ET AL TO I. B. McFARLAND

(MINERAL DEED)

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

That we, SALLIE WYNNE REYNAUD, a feme sole, of Harris County, Texas, RUTH WYNNE THOMASON, a feme sole, of Walker County, Texas, and SAMUELLA WYNNE SHAVER, a feme sole, of Harris County, Texas, in the proportions of an undivided one-half (1/2) by Sallie Wynne Reynaud, an undivided one-fourth (1/4) by Ruth Wynne Thomason and an undivided one-fourth (1/4) by Samuella Wynne Shaver, Grantors,

for and in the consideration of the sum of Ten ($10) Dollars and other good and valuable considerations paid to us by I. B. McFARLAND, Grantee, the receipt and sufficiency of which is hereby acknowledged and confessed, have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said I. B. MCFARLAND, of the County of Harris and State of Texas, for and during his natural life only, with reversion in fee simple at his death unto Sallie Wynne Reynaud, her heirs, legal representatives or assigns, in the amount of one-half (1/2), unto Ruth Wynne Thomason, her heirs, legal representatives or assigns, in the amount of one-fourth (1/4), and unto Samuella Wynne Shaver, her heirs, legal representatives or assigns, in the amount of one-fourth (1/4), the income from an undivided one-third of the oil, gas or other minerals produced from land from which oil, gas and other minerals were being produced on January 7th, 1962, forming a part of the estate of G. A. Wynne, Deceased, being the same land conveyed by Grantee unto Grantors by a deed dated January 2, 1963, to which deed reference is here made for a description of said lands.

TO HAVE AND TO HOLD the above described income from oil, gas or other minerals unto the said I. B. McFARLAND for and during his natural life only and upon his death said income to revert, as aforesaid, in fee simple, unto the said Sallie Wynne Reynaud in the amount of an undivided one-half (1/2), unto the said Ruth Wynne Thomason, in the amount of an undivided one-fourth (1/4), and unto the said Samuella Wynne Shaver in the amount of an undivided one-fourth (1/4), their heirs and assigns forever, and we, the said Sallie Wynne Reynaud, Ruth Wynne Thomason and Samuella Wynne Shaver, do hereby bind ourselves, our heirs, executors and administrators to warrant and forever defend all and singular the said income from oil, gas or other minerals aforesaid in the proportions herein conveyed, by, through or under us, but not otherwise and no further.

WITNESS our hands this 3rd day of [illegible], 1966.

Sallie Wynne Reynaud

Ruth Wynne Thomason

Samuella Wynne Shaver

THE STATE OF TEXAS:

COUNTY OF HARRIS:

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared SALLIE WYNNE REYNAUD known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the __ day of _____, 1966.

_____
Notary Public in and for
Harris County, T e x a s

THE STATE OF TEXAS:

COUNTY OF HARRIS:

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared RUTH WYNNE THOMASON known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the __ day of _____, 1966.

_____
Notary Public in and for
Harris County, T e x a s

THE STATE OF TEXAS:

COUNTY OF HARRIS:

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared SAMUELLA WYNNE SHAVER, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the __ day of _____, 1966.

_____
Notary Public in and for
Harris County, T e x a s

Filed for Record on the 20th day of June A.D.1966 at 8:30 o'clock A. M. Duly Recorded this the 27th day of June A.D.1966 at 8:00 o'clock A. M.

By Billie Jo Finnegan Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

HUMBLE OIL & REFINING COMPANY

TO

APOLONIO Q CARRASCO ET AL

RELEASE OF OIL AND GAS LEASES

DATED:	03/01/1968
FILED:	03/04/1968
BOOK/PAGE:	28/11
FILE NUMBER:	389-28-11
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

GIVEN under my hand and seal of office this 16th day of February, 19 68

James A. Bee
Notary Public, Jackson County, Missouri

My commission expires
JAMES A. BEE
NOTARY PUBLIC, STATE OF MISSOURI
MY COMMISSION EXPIRES JUNE 4, 1971
JACKSON COUNTY, MO.

VOL 28 PAGE 11

Filed for record on the 4th day of March A.D.1968 at 8:30
A M. Duly recorded on the 7th day of March A.D.1968 at 9:00A. M

By Reeves Jo Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FILE NO. 788 HUMBLE OIL & REFINING CO. TO APOLONIO Q. CARRASCO, ET AL

RELEASE OF OIL, GAS AND MINERAL LEASE(S)

STATE OF TEXAS I
COUNTY OF MIDLAND I

KNOW ALL MEN BY THESE PRESENTS: That Humble Oil & Refining Company, a Delaware Corporation, does hereby release, remise and relinquish unto the lessor, and the heirs and assigns of lessor, if any, all of its rights, titles and interest in and to the oil, gas and mineral lease(s) described in schedule of lease(s), marked Exhibit "A", attached hereto and made a part hereof for all purposes.

WITNESS the execution of this instrument on this 1st day of March A.D., 19 68.

HUMBLE OIL & REFINING COMPANY

By S. E. Hubbard
S. E. Hubbard
Agent and Attorney-In-Fact

THE STATE OF TEXAS I
COUNTY OF MIDLAND I

Before me, the undersigned authority, on this day personally appeared S. E. Hubbard known to me to be the person whose name is subscribed to the foregoing instrument as Agent and Attorney-In-Fact of Humble Oil & Refining Company, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated and as the act and deed of said Humble Oil & Refining Company.

Given under my hand and seal of office, this 1st day of March A.D., 19 68.

My Commission Expires
June 1, 19 69

Juanita Heikkila
Juanita Heikkila
Notary Public in and For Midland County, Texas

EXHIBIT "A"

LEASE NO.	DATE	LESSOR	LESSEE	RECORDED RECORDS	VOL.	PAGE	COUNTY
253257	1-29-58	Apolonio Q. Carrasco et al		Deed	180	507	Reeves

TEXAS

VOL 28 PAGE 12

Filed for record on the 4th day of March A.D.1968 at 8:30
A.M. Duly recorded on the 7th day of March A.D.1968 at 9:00A. M

By Reeves Jo Stevens Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FILE NO. 793 HYLE C. DOSS TO JULIA B. HALAMICEL, ET AL

RELEASE OF OIL AND GAS LEASE

THE STATE OF TEXAS,
COUNTY OF REEVES

KNOW ALL MEN BY THESE PRESENTS:

That Hyle C. Doss of Seminole, Texas

for and in consideration of One and No/100---------- ($1.00) the receipt of which is hereby acknowledged, do hereby release, relinquish and surrender to Julia B. Halamicek, a widow, et al their heirs or assigns, all right, title and interest in and to a certain oil and gas mining lease made and entered into by and between Julia B. Halamicek, a widow; etal Individually and as agent for the State of Texas, of Pecos, Texas as lessor, and Hyle C. Doss of Seminole, Texas, as lessee, dated the 23rd day of September, 19 63, covering the following described land in the County of Reeves and State of Texas, to-wit:

The North Half (N/2) of Section 22, Block 55, TWP 5.,
T & P Ry Co. Survey,

said lease being recorded in the office of the County Clerk in and for said County, in Book 233 at page 412-417 of the Deed Records of Reeves County, Texas

In Witness Whereof, the undersigned owner and releasor has signed this instrument this 2nd day March 19 68.

LELA MAE WYNNE SAMUELLA WYNNE PALMER AND RUTH WYNNE HOLLINSHEAD

TO

FORD CHAPMAN

OIL, GAS AND MINERAL LEASE

DATED:	03/04/1970
FILED:	03/19/1970
BOOK/PAGE:	292/534
FILE NUMBER:	389-292-534
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

VOL 292 PAGE 534-536

SINGLE ACKNOWLEDGMENT

THE STATE OF ~~Texas~~ COLORADO }
COUNTY OF El Paso }

BEFORE ME, the undersigned authority, in and for said County, ~~Texas~~ Colorado, on this day personally appeared Farley Reasonover known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, This 13th day of March, A.D. 19 70

THURSS D. BIRD NOTARY PUBLIC STATE OF COLORADO

Notary Public, El Paso County, ~~Texas~~ Colorado
My Commission Expires ~~XXXXXXX~~ My Commission expires July 1, 1973

JOINT ACKNOWLEDGMENT

Filed for record on the 19th day of March A.D.1970 at 1:00P. M.
Duly recorded on the 26th day of March A.D.1970 at 9:00A. M.
By Billie Jo Leonard Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FILE NO. 889 LELA MAE WYNNE, ET AL TO FORD CHAPMAN

PRODUCERS 88 REV.-TEX. B

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 4th day of March 19 70, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead of (Post Office Address) herein called lessor (whether one or more), and Ford Chapman (Lessee:

1. Lessor, in consideration of Ten and No/100 ---------- Dollars ($ 10.00) in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling, mining and operating for and producing oil, gas, and all other minerals, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land in Reeves County, Texas, to-wit:

All of Section 38, Block 57, Township 2, T&P Ry. Company Survey.

Notwithstanding any particular description, it is nevertheless the intention of lessor to include within this lease, and he does hereby lease, not only the land so described but also any and all other land owned or claimed by lessor in the herein named survey or surveys, or in adjoining surveys, and adjoining the herein described land up to the boundaries of the abutting landowners. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 640 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10) years from this date~~ as set forth in Paragraph 11 (called "primary term"), and as long thereafter as oil, gas, or other mineral is produced from said land.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, one-eighth of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; lessor's interest in either case shall bear its proportion of any expenses for treating oil to make it marketable as crude; (b) on gas, including casinghead gas and all gaseous substances, produced from said land and sold or used off the premises or in the manufacture of gasoline or other product therefrom, the market value at the mouth of the well of one-eighth of the gas so sold or used, provided that on gas sold at the wells the royalty shall be one-eighth of the amount realized from such sale; (c) on all other minerals mined and marketed, one-eighth, either in kind or value at the well or mine, at lessee's election, except that on sulphur the royalty shall be ~~One Dollar ($1.00)~~ per long ton; and (d) at any time, either before or after the expiration of the primary term of this lease, if there is a gas well or wells on the above land (and for the purposes of this clause (d) the term "gas well" shall include wells capable of producing natural gas, condensate, distillate or any gaseous substance and wells classified as gas wells by any governmental authority) and such well or wells are shut in before or after production therefrom, lessee or any assignee hereunder may pay or tender an advance annual royalty ~~equal to the amount of delay rentals provided for in this lease for the same or the acreage then held under~~ this lease by the party making such payment or tender, and if such payment or tender is made, it shall be considered under all provisions of this lease that gas is being produced from the leased premises in paying quantities for one (1) year from the date such payment or tender is made, and in like manner subsequent advance annual royalty payments may be made or tendered and it will be considered under all provisions of this lease that gas is being produced from the leased premises in paying quantities during any annual period for which such royalty is paid or tendered; such advance royalty may be paid or tendered in the same manner as provided herein for the payment or tender of delay rentals; royalty accruing to the owners thereof on any production from the leased premises during any annual period for which advance royalty is paid may be credited against such advance payment; and when there is a shut-in gas well or wells on the leased premises if this lease is not continued in force under some other provision thereof, it shall nevertheless continue in force for a period of ninety (90) days from the last date on which a gas well located on the leased premises is shut in, or for ninety (90) days following the date to which this lease is continued in force by some other provision thereof, as the case may be, within which ninety-day period lessee or any assignee hereunder may commence or resume the payment or tender of the advance royalty as herein provided.

4.00 of $640

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4. If operations for drilling or mining are not commenced on said land on or before one (1) year from this date, this lease shall terminate as to both parties, unless on or before one (1) year from this date lessee shall pay or tender to the lessor a rental of ~~_____~~ Dollars (~~_____~~) which shall cover the privilege of deferring commencement of such operations for a period of twelve (12) months from the date and upon the payments or tenders, annually, the commencement of said operations may be further deferred for successive periods of the same number of months, each during the primary term. Payment to Lessor: Lela Mae Wynne, Ind. Exec; Est. Gibbs A. Wynne, P.O. Box 668, Huntsville, Texas, 77340 or tender may be made to the lessor or to the _____ Bank of _____, which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's successors and assigns. If such bank (or any successor bank) shall fail, liquidate, or be succeeded by another bank, or for any reason fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another method of payment or tender, and any depositary charge is a liability of the lessor. The payment or tender of rental may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or either lessor if more than one, on or before the rental paying date.

5. If, prior to discovery of oil, gas, or other minerals on said land, lessee should drill and abandon a dry hole or holes thereon, or if, after discovery of oil, gas, or other minerals, the production thereof should cease from any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within sixty (60) days thereafter, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three (3) months from date of completion and abandonment of said dry hole or holes or the cessation of production. If a dry hole is completed and abandoned at any time during the last fifteen (15) months of the primary term and prior to discovery of oil, gas, or other mineral on said land, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land but lessee is then engaged in operations for drilling, mining, or reworking of any well or mine thereon, this lease shall remain in force so long as drilling, mining, or reworking operations are prosecuted (whether on the same or different wells) with no cessation of more than sixty (60) consecutive days, and if they result in production, so long thereafter as oil, gas, or other mineral is produced from said land. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances. The judgment of the lessee, when not fraudulently exercised, in carrying out the purposes of this lease shall be conclusive.

6. Lessee shall have free use of oil, gas, and water from said land, except water from lessor's wells and tanks, for all operations hereunder, including repressuring, pressure maintenance, cycling, and secondary recovery operations, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by lessee on said land, including the right to draw and remove all casing.

7. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors, and assigns, but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee. No such change or division in the ownership of the land, rentals or royalties shall be binding upon lessee for any purpose until such person acquiring any interest has furnished lessee with the instrument or instruments, or certified copies thereof, constituting his chain of title from the original lessor. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall make payment of said rentals.

8. Lessee shall not be liable for delays or defaults in its performance of any agreement or covenant hereunder due to force majeure. The term "force majeure" as employed herein shall mean: any act of God including but not limited to storms, floods, washouts, landslides, and lightning; acts of the public enemy; wars, blockades, insurrections or riots; strikes or lockouts; epidemics or quarantine regulations; laws, acts, orders or requests of federal, state, municipal or other governments or governmental officers or agents under color of authority; freight embargoes or failures; exhaustion or unavailability or delays in delivery of any product, labor, service, or material. If lessee is required, ordered or directed by any federal, state or municipal law, executive order, rule, regulation or request enacted or promulgated under color of authority to cease drilling operations, reworking operations or producing operations on the land covered by this lease or if lessee by force majeure is prevented from conducting drilling operations, reworking operations or producing operations, then until such time as such law, order, rule, regulation, request or force majeure is terminated and for a period of ninety (90) days after such termination each and every provision of this lease that might operate to terminate it or the estate conveyed by it shall be suspended and inoperative and this lease shall continue in full force. If any period of suspension occurs during the primary term, the time thereof shall be added to such term.

9. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty in the event of failure of title, it is agreed that, if lessor owns an interest in said land less than the entire fee simple estate, then the royalties and rentals to be paid lessor shall be reduced proportionately; should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Lessee, its/his successors and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to the acreage so surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

11. The primary term of this lease shall be for six months from the date of acknowledgment by the last of the lessors to acknowledge this lease.

12. Paragraph 4 above is included in this lease solely to provide the depository for and manner of making shut-in gas royalty payment.

13. Lessee agrees to commence operations for drilling at a location of his choice on the above described land prior to the expiration of the primary term of this lease and continue such drilling with due diligence to a sufficient depth to adequately test the Delaware formation expected to be encountered at approximately 3,000 feet below the surface.

EXECUTED on the date first above written.

Ford Chapman

Lela Mae Wynne
Lela Mae Wynne

Samuella Wynne Palmer
Samuella Wynne Palmer

Ruth Wynne Hollinshead
Ruth Wynne Hollinshead

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THE STATE OF TEXAS
COUNTY OF WALKER }

BEFORE ME, the undersigned authority, a Notary Public in and for WALKER County, Texas, on this day personally appeared LELA MAE WYNNE AND RUTH WYNNE HOLLINSHEAD, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that ..he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 16th day of MARCH, A. D. 19 70

Notary Public, WALKER County, Texas.

CALIFORNIA SINGLE ACKNOWLEDGMENT

THE STATE OF ~~TEXAS~~

COUNTY OF Los Angeles

BEFORE ME, the undersigned authority, on this day personally appeared SAMUELLA WYNNE PALMER, known to me to be the person whose name is/are subscribed to the foregoing instrument and acknowledged to me that She/they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office ~~this the 13th~~ day of MARCH A. D. ~~XXXX~~ 1970

OFFICIAL SEAL
DORENE A. GORDON
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires May 19, 1972

DORENE A. GORDON
Notary Public in and for Los Angeles County, ~~TEXAS~~
CALIFORNIA

FORM NO. 251 POUND PRINTING CO., HOUSTON, TEXAS

Filed for record on the 19th day of March A.D.1970 at 1:00P. M.
Duly recorded on the 26th day of March A.D.1970 at 9:00A. M.
By Billie Jo Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

Stop

FILE NO. 890 MRS. SALLIE WYNNE REYNAUD TO FORD CHAPMAN

PRODUCERS 88 REV.-TEX. B

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 4th day of March 19 70 between Mrs. Sallie Wynne Reynaud

of (Post Office Address)

herein called lessor (whether one or more), and Ford Chapman lessee:

1. Lessor, in consideration of Ten and No/100 ---------- Dollars ($ 10.00) in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling, mining and operating for and producing oil, gas, and all other minerals, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land in Reeves County, Texas, to-wit:

All of Section 38, Block 57, Tpwnship 2, T&P Ry. Company Survey.

MRS SALLIE WYNNE REYNAUD

TO

FORD CHAPMAN

OIL AND GAS LEASE

DATED:	09/21/1970
FILED:	03/19/1970
BOOK/PAGE:	297/485
FILE NUMBER:	389-3432
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

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FILE NO. 3432 MRS. SALLIE WYNNE REYNAUD TO FORD CHAPMAN

LEASE UNDER RELINQUISHMENT ACT

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 21st day of September, 19 70

by and between Mrs. Sallie Wynne Reynaud

of

individually and as agent for the State of Texas, herein referred to as Lessor (whether one or more), and Ford Chapman

of Midland, Texas

hereinafter called Lessee.

WITNESSETH: That the Lessor in the capacities aforesaid, for and in consideration of Fifty Six Hundred and No/100 ---------- Dollars ($ 5,600.00), cash in hand paid to Lessor, receipt of which is hereby acknowledged, and a like amount paid to the STATE OF TEXAS, and of the covenants and agreements hereinafter contained on the part of the Lessee to be paid, kept and performed, has this day granted, demised, leased and let, and by these presents does grant, demise, lease and let unto the said 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, treat and transport said products, the following land situated in Reeves County, State of Texas, to-wit:

All of Section 38, Block 57, Township 2, T&P Ry. Company Survey

containing 640 acres, more or less.

Subject to the other provisions herein contained, this lease shall remain in force for a term of 45 days ~~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 the land hereby leased.

In consideration of the premises the said Lessee covenants and agrees:

1. To pay to the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, the value of 1/12 of the gross production of oil and gas produced from said leased premises free of cost to the State.

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2. To deliver to the credit of the Lessor as the owner of the soil free of cost, in the pipe lines to which wells may be connected, an additional equal 1/12 part of all oil and gas produced and saved from said leased premises or at the option of Lessee to pay to Lessor 1/12 of the value of all oil and gas produced and saved from said leased premises.

3. If operations for drilling are not commenced on said land, hereby leased, on or before the _____ day of _____, 19____, this lease shall terminate as to both parties, unless Lessee on or before that date shall pay or tender to Lessor as the owner of the soil or to his credit in the _____ Bank, at _____, or its successor, which shall continue as the depository regardless of changes in the ownership of said land or the rental, the sum of _____ Dollars ($_____), and in addition shall pay to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, A LIKE SUM on or before said date, which shall operate as a rental and cover the privilege of deferring the commencement of drilling operations for a period of one year from said date. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of one year each during the primary term.

4. All payments or tenders of rental herein provided for to Lessor as the owner of the soil may be made to Lessor personally or by letter addressed to the above depository bank and mailed on or before the rental date, transmitting Lessee's check for the amount stated with instructions to such depository bank to deposit the same to Lessor's credit. Lessor hereby constitutes said bank (and its several successors) Lessor's agent to receive and receipt for any payments of rental which may be made hereunder, and agrees with Lessee that said depository bank (and its several successors) shall continue as Lessor's agent and depository for rentals payable hereunder regardless of changes in ownership of said land or the rentals. Notwithstanding the death of Lessor, the payment or tender of rentals within the time and in the manner herein provided shall be binding upon the heirs, devisees, legal representatives and assigns of Lessor. Should such depository bank fail, liquidate or be succeeded by another bank, or if for any reason it should fail or refuse to accept said rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument designating another bank as depository and agent to receive and receipt for such payments or tenders.

5. If, during the primary term and prior to discovery of oil or gas in paying quantities on said land, Lessee should drill a dry hole thereon, this lease shall not terminate if Lessee either commences additional operations for drilling on or before the rental date next ensuing after the abandonment of said dry hole, or commences or resumes the payment or tender of rentals, in the manner hereinbefore provided, on or before the aforesaid next ensuing rental date. If a dry hole be completed and abandoned during the last period of the primary term, Lessee's rights shall remain in full force and effect without further operations until the expiration of said period. Subject to the terms of paragraph 7 hereof, after the discovery of oil or gas in paying quantities on the land covered hereby, all of Lessee's rights shall remain in effect as long as the same is being so produced hereunder; and if, during the primary term, the production of all oil or gas should cease from any cause, this lease shall not terminate if Lessee either commences or resumes the payment or tender of rentals in the amount and in the manner hereinabove provided on or before the rental date next ensuing after such cessation of production, or commences additional drilling or reworking operations on or before said next ensuing rental date. If such cessation of production occurs at any time after the expiration of the primary term, then this lease shall not terminate if Lessee, until production in paying quantities is again procured, does not allow more than sixty (60) days to elapse between the cessation of production and the commencement of additional drilling or reworking operations in a bona fide effort to again obtain production in paying quantities, and successive attempts may be made so long as not more than sixty (60) days are allowed to elapse between the abandonment of one well and the commencement of operations on another until production in paying quantities is again obtained. If at the expiration of the primary term of this lease neither oil nor gas is being produced on the leased premises, but Lessee is then engaged in operations for reworking or operations for drilling in an effort to restore or procure the production of oil or gas in paying quantities, then this lease shall continue in force so long as such operations are being continuously prosecuted in good faith on the leased premises. Operations for drilling shall be considered to be "continuously prosecuted in good faith" if not more than sixty (60) days shall elapse between the abandonment of one well and the beginning of operations for the drilling or reworking of a subsequent well; and if oil or gas shall be discovered and produced from any such well or wells, this lease shall continue in force so long as oil or gas shall be produced in paying quantities from the leased premises.

6. Lessee shall protect the land covered hereby from drainage in the manner and to the extent required under the terms of Article 5369 R. C. S. 1925.

7. It is understood and agreed that notwithstanding the fact that development may be in progress on the leased premises or production has been secured thereon and royalty is being paid hereunder the owner or operator of the leased premises shall continue to make annual rental payments to the State which, under such conditions and in the absence of any rentals being paid to the landowner, shall be the minimum of ten cents (10c) per acre as provided by Article 5368, R. C. S. 1925.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for all operations thereon, except water from wells or tanks of Lessor, and with the exception that the State must be paid its above specified royalty on production of oil and gas regardless of how used.

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

10. The rights and estates of either party hereto may be assigned, in whole or in part, but no change or division in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations, nor to diminish the rights, privileges and estates of Lessee, nor to impair the effectiveness of any payment made by, nor of any act performed by, Lessee hereunder. And no such change or division in the ownership of said land, the rentals or royalties, however accomplished, shall ever be binding upon Lessee for any purpose until Lessee has been furnished by Lessor, or by his heirs, devisees, legal representatives or assigns, with satisfactory written evidence thereof, including (if such change is effected by conveyance) the original recorded muniments of title or certified copies thereof. An assignment of this lease, in whole or in part, shall, as to the extent of such assignment, relieve and discharge Lessee of all subsequent obligations hereunder. If this lease is assigned in its entirety as to only part of the acreage, the right and options to pay rentals is apportioned as between the several owners ratably, according to the surface 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. All covenants and agreements of Lessor herein contained shall run with the above described land and the oil and gas thereunder, and the rentals and royalties hereunder, and all covenants and agreements of Lessee shall run with the estate created under the terms hereof, all of which shall extend to, and be binding upon, the heirs, legal representatives, successors and assigns of the respective parties hereto.

11. Lessee may, at any time, and from time to time, execute and deliver to the Lessor, or place of record, a release or releases covering any portion or portions of the above described premises, and thereby surrender this lease as to such portion or portions, and be relieved of all obligations as to the acreage surrendered. In the event any part of this lease is surrendered, as above provided, the delay rental then payable hereunder shall thereupon be reduced in the proportion that the

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acreage surrendered bears to the acreage which was covered by this lease immediately prior to such surrender, PROVIDED such release shall not thereby relieve the Lessee of any liabilities which may have accrued under the terms of this lease prior to the surrender of such acreage.

12. In the event all or any part of this lease is assigned or released such assignment or release shall be recorded in the county where the land is situated and a copy of such recorded instrument certified by the County Clerk, shall be filed in the GENERAL LAND OFFICE by the owner of that part of the lease so assigned or released accompanied by a filing fee of one dollar ($1.00) thereon.

13. 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 land embraced in the lease, whether said oil is produced from said land covered by this lease or other lands, provided the royalties herein specified are paid on said oil at the same rate under the same conditions as provided for oil regularly produced.

14. Lessee agrees to forthwith file this lease for record with the County Clerk of the county in which the land covered hereby is located and to transmit to the Commissioner of the General Land Office, at Austin, Texas, a certified copy of the same made by said County Clerk from the record thereof. The bonus due to the State of Texas hereunder shall be transmitted to the Commissioner of the General Land Office with the aforesaid certified copy.

15. The Lessor as the owner of the soil hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for said Lessor, by payment, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by said Lessor, and be subrogated to the rights of the holder thereof, to the extent that Lessee may apply any rental or royalty due Lessor from Lessee until any obligation thus incurred by Lessor is discharged. If the owner of the soil owns a less interest in the above described land than the entire and undivided surface estate therein or a greater or lesser interest than the recited interest therein 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 whole and 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 adjusted; provided that, before any adjustment of any royalty or rental due the Commissioner of the General Land Office, of the State of Texas, the Lessee shall furnish the Commissioner of the General Land Office of the State of Texas at Austin, Texas, an affidavit executed by the Lessee or its duly authorized representative setting forth the facts relative to the interest of the owner of the soil and the interest which Lessee claims under this lease.

16. This lease is executed subject to the terms of Chapter 81, page 249, Acts of 2nd Called Session of the 36th Legislature, 1919, as amended by Chapter 38, page 112, Acts of 1st Called Session of the 37th Legislature, 1921. Should any provision herein contained be in conflict with the foregoing, then it is recognized and agreed that the aforesaid Chapter 81, as amended by the aforesaid Chapter 38, shall control.

17. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, the Lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease but in no event to be less than $1,200.00 per annum for each well capable of producing gas in paying quantities; such payment shall be made one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, and shall be made prior to the expiration of the primary term of this lease or if the primary term has expired within sixty (60) days after the Lessee shuts in such wells or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect; and thereafter, if no suitable market for such gas exists, the Lessee may extend this lease for four (4) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated within 1,000 feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is ocurring, the right to further extend this lease by such shut-in gas well royalty payments shall cease but this lease shall remain in force and effect for the remainder of the current one-year period for which the shut-in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by the Lessee of compensatory royalty at the royalty rate provided herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within 1,000 feet of or draining the leased premises on which such shut-in gas well is situated, such compensatory royalty to be paid monthly one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, beginning on or before the 20th day of the month next succeeding the month in which such gas is sold and delivered from the well situated within 1,000 feet of or draining the leased premises and completed in the same producing reservoir; provided further that in the event such compensatory royalties paid in any twelve-month period are in an amount less than the annual shut-in gas well royalties provided for herein, Lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut-in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve the Lessee of the obligation of reasonable development, nor of the obligation to drill off-set wells as required by Article 5369, Revised Civil Statutes, 1925.

18. Lessee is hereby granted the right to pool or unitize the royalty interest of the owner of the soil under this lease with any other leasehold or mineral interest for the exploration, development and production of oil and gas or either of them upon the same terms as shall be approved by the School Land Board and the Commissioner of the General Land Office for the pooling or unitizing of the interest of the State under this lease pursuant to Article 5382-c, Revised Civil Statutes of Texas and other applicable laws.

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

Mrs. Sallie Wynne Raymond (SWR)
Individually and as Agent for the State of Texas

Individually and as Agent for the State of Texas

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STATE OF
COUNTY OF

Before me, the undersigned authority, on this day personally appeared _____ and _____, his wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, and in the capacities therein stated. And the said _____, wife of _____ having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said _____ acknowledged such instrument to be her act and deed and declared that she had willingly signed the same for the purposes and consideration therein expressed and that she did not wish to retract it.

Given under my hand and seal of office, this the _____ day of _____, A. D. 19 ____.

_____
Notary Public in and for

_____

STATE OF TEXAS
COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared SALLIE WYNNE REYNAUD

known to me to be the person whose name IS subscribed to the foregoing instrument, and acknowledged to me that SHE executed the same for the purposes and consideration therein expressed and in the capacities therein stated.

Given under my hand and seal of office, this the 30th day of September A. D. 19 70.

Carolyne E. Jaco
Notary Public in and for Harris County, Texas

CAROLYNE E. JACO
My Commission Expires June 1, 1971

STATE OF
COUNTY OF

Before me, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument as _____ President of _____, and acknowledged to me that he executed the same for the purposes and considerations therein expressed, in the capacities therein stated, and as the act and deed of said _____.

Given under my hand and seal of office, this the _____ day of _____, A. D. 19 ____.

_____
Notary Public in and for

_____

Filed for record on the 9th day of November A.D.1970 at 4:30 P. M. Duly recorded on the 12th day of November A.D.1970 at 9:00A. M.

By Billie Jo Swinson Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

MRS SALLIE WYNNE REYNAUD

TO

FORD CHAPMAN

OIL, GAS AND MINERAL LEASE

DATED:	03/04/1970
FILED:	03/26/1970
BOOK/PAGE:	292/536
FILE NUMBER:	389-292-536
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

VOL 292 PAGE 536

THE STATE OF TEXAS }
COUNTY OF WALKER }

BEFORE ME, the undersigned authority, a Notary Public in and for WALKER County, Texas, on this day personally appeared LELA MAE WYNNE AND RUTH WYNNE HOLLINSHEAD, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 16th day of MARCH, A. D. 19 70

Notary Public, WALKER County, Texas

CALIFORNIA SINGLE ACKNOWLEDGMENT

THE STATE OF ~~TEXAS~~

COUNTY OF Los Angeles BEFORE ME, the undersigned authority, on this day personally appeared SAMUELLA WYNNE PALMER, known to me to be the person whose name is/are subscribed to the foregoing instrument and acknowledged to me that she/they executed the same for the purposes and consideration therein expressed.

Given under my ~~Land and seal of office this the~~ 13th day of MARCH A. D. ~~1970~~ 1970

OFFICIAL SEAL
DORENE A. GORDON
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires May 19, 1972

Dorene A. Gordon
DORENE A. GORDON
Notary Public in and for Los Angeles County, ~~TEXAS~~
CALIFORNIA

FORM NO. 251 POUND PRINTING CO. HOUSTON, TEXAS

Filed for record on the 19th day of March A.D.1970 at 1:00P. M.

Duly recorded on the 26th day of March A.D.1970 at 9:00A. M.

By Bessie Jo Townsend Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FILE NO. 890 MRS. SALLIE WYNNE REYNAUD TO FORD CHAPMAN

PRODUCERS 88 REV.-TEX. B

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 4th day of March, 19 70, between Mrs. Sallie Wynne Reynaud

of (Post Office Address)

herein called lessor (whether one or more), and Ford Chapman lessee:

1. Lessor, in consideration of Ten and No/100 ---------- Dollars ($ 10.00) in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, prospecting, drilling, mining and operating for and producing oil, gas, and all other minerals, injecting gas, waters, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land in Reeves County, Texas, to-wit:

All of Section 38, Block 57, Township 2, T&P Ry. Company Survey.

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Notwithstanding any particular description, it is nevertheless the intention of lessor to include within this lease, and he does hereby lease, not only the land so described but also any and all other land owned or claimed by lessor in the herein named survey or surveys, or in adjoining surveys, and adjoining the herein described land up to the boundaries of the abutting landowners. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise

640 acres, whether it actually comprises more or less.

as set forth in Paragraph 11

2. Subject to the other provisions herein contained, this lease shall remain in force for a term of ~~ten (10) years~~ from this date (called "primary term"), and as long thereafter as oil, gas, or other mineral is produced from said land.

3. The royalties to be paid by lessee are: (a) on oil, and on other liquid hydrocarbons saved at the well, one-eighth of that produced and saved from said land, same to be delivered at the wells or to the credit of lessor in the pipe line to which the wells may be connected; lessor's interest in either case shall bear its proportion of any expenses for treating oil to make it marketable as crude; (b) on gas, including casinghead gas and all gaseous substances, produced from said land and sold or used off the premises or in the manufacture of gasoline or other product therefrom, the market value at the mouth of the well of one-eighth of the gas so sold or used, provided that on gas sold at the wells the royalty shall be one-eighth of the amount realized from such sale; (c) on all other minerals mined and marketed, one-eighth, either in kind or value at the well or mine, at lessee's election, except that on sulphur the royalty shall be ~~One Dollar per ton~~ per long ton; and (d) at any time, either before or after the expiration of the primary term of this lease, if there is a gas well or wells on the above land (and for the purposes of this clause (d) the term "gas well" shall include wells capable of producing natural gas, condensate, distillate or any gaseous substance and wells classified as gas wells by any governmental authority) and such well or wells are shut in before or after production therefrom, lessee or any assignee hereunder may pay or tender an advance annual royalty ~~equal to the amount he would pay under the lease if the same were producing, during the period the well or wells are shut in, at the rate provided for in the lease for the average gas well on the leased premises or lands pooled therewith~~ 4.00 cf $640.

4. If operations for drilling or mining are not commenced on said land on or before one (1) year from the date this lease shall terminate as to both parties, unless on or before such anniversary date ~~one (1) year from this date~~ lessee shall pay or tender to the lessor or ~~for the credit of lessor in the bank at~~ _____ ~~Dollars~~ which shall ~~have the privilege of deferring commencement of such operations for a period of twelve (12) months~~. In like manner and upon like payments or tenders, annually the commencement of said operations may be further deferred for successive periods of the same number of months each during the primary term. Payment or tender may be made to the lessor at 2200 Willowick Rd., 2F, Houston, Texas 77027 (Drawee) or to ~~the~~ which bank, or any successor thereof, shall continue to be the agent for the lessor and lessor's successors and assigns. If such bank (or any successor bank) shall fail, liquidate, or be succeeded by another bank, or for any reason fail or refuse to accept rental, lessee shall not be held in default until thirty (30) days after lessor shall deliver to lessee a recordable instrument making provision for another method of payment or tender, and any depositary charge is a liability of the lessor. The payment or tender ~~shall be~~ may be made by check or draft of lessee, mailed or delivered to said bank or lessor, or either lessor if more than one, on or before the rental paying date.

5. If, prior to discovery of oil, gas, or other minerals on said land, lessee should drill and abandon a dry hole or holes thereon, or if, after discovery of oil, gas, or other minerals, the production thereof should cease from any cause, this lease shall not terminate if lessee commences reworking or additional drilling operations within sixty (60) days thereafter, or (if it be within the primary term) commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of three (3) months from date of completion and abandonment of said dry hole or holes or the cessation of production. If a dry hole is completed and abandoned at any time during the last fifteen (15) months of the primary term and prior to discovery of oil, gas, or other mineral on said land, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If, at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land but lessee is then engaged in operations for drilling, mining, or reworking of any well or mine thereon, this lease shall remain in force so long as drilling, mining, or reworking operations are prosecuted (whether on the same or different wells) with no cessation of more than sixty (60) consecutive days, and if they result in production, so long thereafter as oil, gas, or other mineral is produced from said land. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances. The judgment of the lessee, when not fraudulently exercised, in carrying out the purposes of this lease shall be conclusive.

6. Lessee shall have free use of oil, gas, and water from said land, except water from lessor's wells and tanks, for all operations hereunder, including repressuring, pressure maintenance, cycling, and secondary recovery operations, and the royalty shall be computed after deducting any so used. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by lessee on said land, including the right to draw and remove all casing.

7. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors, and assigns, but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee. No such change or division in the ownership of the land, rentals or royalties shall be binding upon lessee for any purpose until such person acquiring any interest has furnished lessee with the instrument or instruments, or certified copies thereof, constituting his chain of title from the original lessor. In the event of an assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportioned as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. An assignment of this lease, in whole or in part, shall, to the extent of such assignment, relieve and discharge lessee of any obligations hereunder, and, if lessee or assignee of part or parts hereof shall fail or make default in the payment of the proportionate part of the rentals due from such lessee or assignee or fail to comply with any other provision of the lease, such default shall not affect this lease in so far as it covers a part of said lands upon which lessee or any assignee thereof shall make payment of said rentals.

8. Lessee shall not be liable for delays or defaults in its performance of any agreement or covenant hereunder due to force majeure. The term "force majeure" as employed herein shall mean: any act of God including but not limited to storms, floods, washouts, landslides, and lightning; acts of the public enemy; wars, blockades, insurrections or riots; strikes or lockouts; epidemics or quarantine regulations; laws, acts, orders or requests of federal, state, municipal or other governments or governmental officers or agents under color of authority; freight embargoes or failures; exhaustion or unavailability or delays in delivery of any product, labor, service, or material. If lessee is required, ordered or directed by any federal, state or municipal law, executive order, rule, regulation or request enacted or promulgated under color of authority to cease drilling operations, reworking operations or producing operations on the land covered by this lease or if lessee by force majeure is prevented from conducting drilling operations, reworking operations or producing operations, then until such time as such law, order, rule, regulation, request or force majeure is terminated and for a period of ninety (90) days after such termination each and every provision of this lease that might operate to terminate it or the estate conveyed by it shall be suspended and inoperative and this lease shall continue in full force. If any period of suspension occurs during the primary term, the time thereof shall be added to such term.

9. Lessor hereby warrants and agrees to defend the title to said land, and agrees that lessee, at its option, may discharge any tax, mortgage, or other lien upon said land, and in the event lessee does so, it shall be subrogated to such lien with the right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of lessee's rights under the warranty in the event of failure of title, it is agreed that, if lessor owns an interest in said land less than the entire fee simple estate, then the royalties and rentals to be paid lessor shall be reduced proportionately; should any one or more of the parties named above as lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

10. Lessee, its/his successors and assigns, shall have the right at any time to surrender this lease, in whole or in part, to lessor or his heirs and assigns by delivering or mailing a release thereof to the lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon lessee shall be relieved from all obligations, expressed or implied, of this agreement as to the acreage so surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

11. The primary term of this lease shall be for six months from the date of acknowledgment by the lessor.

12. Paragraph 4 above is included in this lease solely to provide the depository for and manner of making shut-in gas royalty payments.

13. Lessee agrees to commence operations for drilling at a location of his choice on the above described land prior to the expiration of the primary term of this lease and continue such drilling with due diligence to a sufficient depth to adequately test the Delaware formation expected to be encountered at approximately 3,000 feet below the surface.

EXECUTED on the date first above written.

Ford Chapman

Sallie Wynne Reynaud

Sallie Wynne Reynaud

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THE STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, a Notary Public in and for HARRIS County, Texas, on this day personally appeared SALLIE WYNNE REYNAUD, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that She executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 10th day of MARCH, A. D. 19 70

Betty J. Erwin

Notary Public, HARRIS County, Texas.

BETTY J. ERWIN
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 19 70

THE STATE OF TEXAS
COUNTY OF

BEFORE ME, the undersigned authority, a Notary Public in and for County, Texas, on this day personally appeared and his wife, both known to me to be the pereons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed; and the said wife of the said having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office this day of, A. D. 19

Notary Public, County, Texas.

Filed for record on the 19th day of March A.D.1970 at 1:00P. M.
Duly recorded on the 26th day of March A.D.1970 at 9:00A. M.
By Lillie Jo Freeman Deputy
ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FORD CHAPMAN

TO

GERALDINE LAYTON CHAPMAN WIFE OF FORD CHAPMAN

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS

DATED:	09/09/1970
FILED:	09/14/1970
BOOK/PAGE:	296/833
FILE NUMBER:	389-296-833
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: CONVEYS 5% OF 8/8THS

VOL 296 PAGE 833

FILE NO. 2817 FORD CHAPMAN TO GERALDINE LAYTON CHAPMAN

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

THE STATE OF TEXAS)
)
COUNTY OF REEVES)

WHEREAS, the following described oil and gas leases have been executed and delivered and are now owned by Ford Chapman, to-wit:

1. Mrs. Sallie Wynne Reynaud to Ford Chapman dated March 4, 1970, recorded Book 292, Page 536 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

2. Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead to Ford Chapman dated March 4, 1970, recorded Book 292, Page 534 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

NOW, THEREFORE, for a valuable consideration, the receipt of which is hereby acknowledged, Ford Chapman does hereby assign and convey to Geraldine Layton Chapman, the wife of Ford Chapman, an overriding royalty interest of 5% of 8/8 of the oil, gas and other minerals produced and saved under the terms of the above described oil and gas leases and any renewals or extensions thereof, with such interest being free and clear of all costs of development and operation. Fuel oil and gas used in operations shall be deducted before computing such overriding royalty interest. If the above described oil and gas leases cover less than a full interest in the above described land, then the overriding royalty interest hereby conveyed shall be reduced proportionately. This assignment of overriding royalty interest shall impose no duty upon Ford Chapman, his heirs or assigns, to maintain the above described oil and gas leases in effect, and the extent and duration of all drilling and producing operations shall be solely at the will of Ford Chapman, his heirs and assigns.

EXECUTED this 9th day of September, 1970.

Ford Chapman

THE STATE OF TEXAS)
)
COUNTY OF MIDLAND)

BEFORE ME, the undersigned authority, on this day personally appeared FORD CHAPMAN, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 9th day of September, 1970.

Ora Lee Bolin
Notary Public in and for
Midland County, Texas

Filed for record on the 14th day of Sept. A.D.1970 at 8:30A. M
Duly recorded on the 17th day of Sept. A.D.1970 at 9:00A. M
By Billie Jo Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FORD CHAPMAN

TO

RUDY JANOSEK
JUDSON F WILLIAMS
JOHN MACGUIRE

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	09/15/1970
FILED:	09/16/1970
BOOK/PAGE:	296/891
FILE NUMBER:	389-296-891
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: RUDY JANOSEK - UND. 10%
JUDSON F WILLIAMS - UND. 10%
JOHN MACGUIRE - UND. 45%
SUBJECT TO A 5% OF 8/8 ORR INTEREST TO GERALDINE LAYTON CHAPMAN

VOL 296 PAGE 891

FILE NO. 2857 FORD CHAPMAN TO RUDY JANOSEK, ET AL

ASSIGNMENT OF OIL AND GAS LEASES

THE STATE OF TEXAS)
)
COUNTY OF REEVES)

WHEREAS, the following described oil and gas leases have been executed and delivered and are now owned by Ford Chapman, subject to an overriding royalty interest of 5% of 8/8 of production owned by a third party, to-wit:

1. Mrs. Sallie Wynne Reynaud to Ford Chapman dated March 4, 1970, recorded Book 292, Page 536 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

2. Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead to Ford Chapman dated March 4, 1970, recorded Book 292, Page 534 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

NOW THEREFORE, for a valuable consideration, the receipt of which is hereby acknowledged, Ford Chapman does hereby assign and convey to the following parties the interest designated below in the above described oil and gas leases and all material and equipment in and on and used in connection therewith, with each such interest being subject to its proportionate part of the 5% overriding royalty interest referred to above, to-wit:

ASSIGNEES	INTEREST ASSIGNED
Rudy Janosek, P. O. Drawer N, Anthony, New Mexico 88021	10%
Judson F. Williams, 4200 O'Keefe Drive, El Paso, Texas 79902	10%
John MacGuire, 1209 Thunderbird Drive, El Paso, Texas 79912	45%

Ford Chapman does hereby warrant and agree to defend the title to the interests hereby assigned, but only as against the lawful claims and demands of all parties claiming by, through or under Ford Chapman.

EXECUTED this 11th day of September, 1970.

Ford Chapman

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THE STATE OF TEXAS }
COUNTY OF MIDLAND }

BEFORE ME, the undersigned authority, on this day personally appeared FORD CHAPMAN, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 15th day of September, 1970.

Ora Lee Baker
Notary Public in and for
Midland County, Texas.

Filed for record on the 16th day of Sept. A.D.1970 at 1:00P. M.
Duly recorded on the 17th day of Sept. A.D.1970 at 9:00A. M.
By Billie Jo Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FORD CHAPMAN

RUDY JANOSEK

JUDSON F WILLIAMS

JOHN MACGUIRE

TO

SALLIE WYNNE REYNAUD
LELA MAE WYNNE
SAMUELLA WYNNE PALMER
RUTH WYNNE HOLLINSHEAD

RELEASE OF OIL AND GAS LEASES

DATED:	09/21/1970
FILED:	11/09/1970
BOOK/PAGE:	30/562
FILE NUMBER:	389-30-562
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: FULL RELEASE

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FILE NO. 3431 FORD CHAPMAN, ET AL TO MRS. SALLIE WYNNE REYNAUD, ET AL

RELEASE OF OIL AND GAS LEASES

THE STATE OF TEXAS)
)
COUNTY OF REEVES)

WHEREAS, the following described oil and gas leases have been executed and delivered covering land in Reeves County, Texas, to-wit:

1. Mrs. Sallie Wynne Reynaud to Ford Chapman dated March 4, 1970, recorded Book 292, Page 536 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas;

2. Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead to Ford Chapman dated March 4, 1970, recorded Book 292, Page 534 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas,

and

WHEREAS, the above described oil and gas leases are now owned by Ford Chapman, Rudy Janosek, Judson F. Williams and John MacGuire.

NOW, THEREFORE, for a valuable consideration, Ford Chapman, Rudy Janosek, Judson F. Williams and John MacGuire do hereby release, relinquish and surrender to the lessors named in said leases, their heirs and assigns, all right, title and interest in and to such leases.

EXECUTED this 21st day of September, 1970.

Ford Chapman

Rudy Janosek

Judson F. Williams

John MacGuire

THE STATE OF TEXAS)
COUNTY OF MIDLAND)

BEFORE ME, the undersigned authority, on this day personally appeared FORD CHAPMAN, known to me to be the person whose

name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 21st day of September, 1970.

Ora Lee Bolin
Notary Public in and for Midland County, Texas

THE STATE OF TEXAS)
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared JUDSON F. WILLIAMS, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22nd day of September, 1970.

Notary Public in and for El Paso County, Texas

THE STATE OF TEXAS)
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared JOHN MACGUIRE, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22nd day of September, 1970.

Notary Public in and for El Paso County, Texas

THE STATE OF ~~TEXAS~~ Texas)
COUNTY OF El Paso)

BEFORE ME, the undersigned authority, on this day personally appeared RUDY JANOSEK, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 23rd day of September, 1970.

Notary Public in and for
El Paso County, ~~New Mexico~~ Texas

Filed for record on the 9th day of November A.D.1970 at 4:00 P. M. Duly recorded on the 12th day of November A.D.1970 at 9:00A M.

By Rena Jo Fowler Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

LELA MAE WYNNE SAMUELLA WYNNE PALMER AND RUTH WYNNE HOLLINSHEAD

TO

FORD CHAPMAN

OIL AND GAS LEASE

DATED:	09/21/1970
FILED:	11/12/1970
BOOK/PAGE:	297/489
FILE NUMBER:	389-3433
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

VOL 297 PAGE 489

FILE NO. 3433 LELA MAE WYNNE, ET AL TO FORD CHAPMAN

LEASE UNDER RELINQUISHMENT ACT

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this 21st day of September, 19 70

by and between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead

of

individually and as agent for the State of Texas, herein referred to as Lessor (whether one or more), and Ford Chapman

of Midland, Texas

hereinafter called Lessee.

WITNESSETH: That the Lessor in the capacities aforesaid, for and in consideration of Fifty Six Hundred and No/100 ---------- Dollars ($ 5,600.00), cash in hand paid to Lessor, receipt of which is hereby acknowledged, and a like amount paid to the STATE OF TEXAS, and of the covenants and agreements hereinafter contained on the part of the Lessee to be paid, kept and performed, has this day granted, demised, leased and let, and by these presents does grant, demise, lease and let unto the said 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, treat and transport said products, the following land situated in Reeves County, State of Texas, to-wit:

All of Section 38, Block 57, Township 2, T&P Ry. Company Survey

containing 640 acres, more or less.

Subject to the other provisions herein contained, this lease shall remain in force for a term of 45 days ~~XXXX~~ 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 the land hereby leased.

In consideration of the premises the said Lessee covenants and agrees:

1. To pay to the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, the value of 1/12 of the gross production of oil and gas produced from said leased premises free of cost to the State.

Dup Rwh

DWP
Ernw RWH

2. To deliver to the credit of the Lessor as the owner of the soil free of cost, in the pipe lines to which wells may be connected, an additional equal 1/12 part of all oil and gas produced and saved from said leased premises or at the option of Lessee to pay to Lessor 1/12 of the value of all oil and gas produced and saved from said leased premises.

DWP
Ernw RWH

3. ~~If operations for drilling are not commenced on said land, hereby leased, on or before the _____ day of _____, 19____, this lease shall terminate as to both parties unless Lessee on or before that date shall pay or tender to Lessor as the owner of the soil or to his credit in the _____ Bank, at _____ or its successors, which shall continue as the depository regardless of changes in the ownership of said land or the rental, the sum of _____ Dollars ($_____), and in addition shall pay to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, A LIKE SUM on or before said date, which shall operate as a rental and cover the privilege of deferring the commencement of drilling operations for a period of one year from said date. In like manner and upon like payments or tenders, annually, the commencement of drilling operations may be further deferred for successive periods of one year each during the primary term.~~

4. All payments or tenders of rental herein provided for to Lessor as the owner of the soil may be made to Lessor personally or by letter addressed to the above depository bank and mailed on or before the rental date, transmitting Lessee's check for the amount stated with instructions to such depository bank to deposit the same to Lessor's credit. Lessor hereby constitutes said bank (and its several successors) Lessor's agent to receive and receipt for any payments of rental which may be made hereunder, and agrees with Lessee that said depository bank (and its several successors) shall continue as Lessor's agent and depository for rentals payable hereunder regardless of changes in ownership of said land or the rentals. Notwithstanding the death of Lessor, the payment or tender of rentals within the time and in the manner herein provided shall be binding upon the heirs, devisees, legal representatives and assigns of Lessor. Should such depository bank fail, liquidate or be succeeded by another bank, or if for any reason it should fail or refuse to accept said rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument designating another bank as depository and agent to receive and receipt for such payments or tenders.

5. If, during the primary term and prior to discovery of oil or gas in paying quantities on said land, Lessee should drill a dry hole thereon, this lease shall not terminate if Lessee either commences additional operations for drilling on or before the rental date next ensuing after the abandonment of said dry hole, or commences or resumes the payment or tender of rentals, in the manner hereinbefore provided, on or before the aforesaid next ensuing rental date. If a dry hole be completed and abandoned during the last period of the primary term, Lessee's rights shall remain in full force and effect without further operations until the expiration of said period. Subject to the terms of paragraph 7 hereof, after the discovery of oil or gas in paying quantities on the land covered hereby, all of Lessee's rights shall remain in effect as long as the same is being so produced hereunder; and if, during the primary term, the production of all oil or gas should cease from any cause, this lease shall not terminate if Lessee either commences or resumes the payment or tender of rentals in the amount and in the manner hereinabove provided on or before the rental date next ensuing after such cessation of production, or commences additional drilling or reworking operations on or before said next ensuing rental date. If such cessation of production occurs at any time after the expiration of the primary term, then this lease shall not terminate if Lessee, until production in paying quantities is again procured, does not allow more than sixty (60) days to elapse between the cessation of production and the commencement of additional drilling or reworking operations in a bona fide effort to again obtain production in paying quantities, and successive attempts may be made so long as not more than sixty (60) days are allowed to elapse between the abandonment of one well and the commencement of operations on another until production in paying quantities is again obtained. If at the expiration of the primary term of this lease neither oil nor gas is being produced on the leased premises, but Lessee is then engaged in operations for reworking or operations for drilling in an effort to restore or procure the production of oil or gas in paying quantities, then this lease shall continue in force so long as such operations are being continuously prosecuted in good faith on the leased premises. Operations for drilling shall be considered to be "continuously prosecuted in good faith" if not more than sixty (60) days shall elapse between the abandonment of one well and the beginning of operations for the drilling or reworking of a subsequent well; and if oil or gas shall be discovered and produced from any such well or wells, this lease shall continue in force so long as oil or gas shall be produced in paying quantities from the leased premises.

6. Lessee shall protect the land covered hereby from drainage in the manner and to the extent required under the terms of Article 5369 R. C. S. 1925.

7. It is understood and agreed that notwithstanding the fact that development may be in progress on the leased premises or production has been secured thereon and royalty is being paid hereunder the owner or operator of the leased premises shall continue to make annual rental payments to the State which, under such conditions and in the absence of any rentals being paid to the landowner, shall be the minimum of ten cents (10c) per acre as provided by Article 5368, R. C. S. 1925.

8. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for all operations thereon, except water from wells or tanks of Lessor, and with the exception that the State must be paid its above specified royalty on production of oil and gas regardless of how used.

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

10. The rights and estates of either party hereto may be assigned, in whole or in part, but no change or division in the ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations, nor to diminish the rights, privileges and estates of Lessee, nor to impair the effectiveness of any payment made by, nor of any act performed by, Lessee hereunder. And no such change or division in the ownership of said land, the rentals or royalties, however accomplished, shall ever be binding upon Lessee for any purpose until Lessee has been furnished by Lessor, or by his heirs, devisees, legal representatives or assigns, with satisfactory written evidence thereof, including (if such change is effected by conveyance) the original recorded muniments of title or certified copies thereof. An assignment of this lease, in whole or in part, shall, as to the extent of such assignment, relieve and discharge Lessee of all subsequent obligations hereunder. If this lease is assigned in its entirety as to only part of the acreage, the right and options to pay rentals is apportioned as between the several owners ratably, according to the surface 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. All covenants and agreements of Lessor herein contained shall run with the above described land and the oil and gas thereunder, and the rentals and royalties hereunder, and all covenants and agreements of Lessee shall run with the estate created under the terms hereof, all of which shall extend to, and be binding upon, the heirs, legal representatives, successors and assigns of the respective parties hereto.

11. Lessee may, at any time, and from time to time, execute and deliver to the Lessor, or place of record, a release or releases covering any portion or portions of the above described premises, and thereby surrender this lease as to such portion or portions, and be relieved of all obligations as to the acreage surrendered. In the event any part of this lease is surrendered, as above provided, the delay rental then payable hereunder shall thereupon be reduced in the proportion that the

acreage surrendered bears to the acreage which was covered by this lease immediately prior to such surrender, PROVIDED such release shall not thereby relieve the Lessee of any liabilities which may have accrued under the terms of this lease prior to the surrender of such acreage.

12. In the event all or any part of this lease is assigned or released such assignment or release shall be recorded in the county where the land is situated and a copy of such recorded instrument certified by the County Clerk, shall be filed in the GENERAL LAND OFFICE by the owner of that part of the lease so assigned or released accompanied by a filing fee of one dollar ($1.00) thereon.

13. 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 land embraced in the lease, whether said oil is produced from said land covered by this lease or other lands, provided the royalties herein specified are paid on said oil at the same rate under the same conditions as provided for oil regularly produced.

14. Lessee agrees to forthwith file this lease for record with the County Clerk of the county in which the land covered hereby is located and to transmit to the Commissioner of the General Land Office, at Austin, Texas, a certified copy of the same made by said County Clerk from the record thereof. The bonus due to the State of Texas hereunder shall be transmitted to the Commissioner of the General Land Office with the aforesaid certified copy.

15. The Lessor as the owner of the soil hereby warrants and agrees to defend the title to the lands herein described, and agrees that the Lessee shall have the right at any time to redeem for said Lessor, by payment, any mortgage, taxes or other liens on the above described lands, in the event of default of payment by said Lessor, and be subrogated to the rights of the holder thereof, to the extent that Lessee may apply any rental or royalty due Lessor from Lessee until any obligation thus incurred by Lessor is discharged. If the owner of the soil owns a less interest in the above described land than the entire and undivided surface estate therein or a greater or lesser interest than the recited interest therein 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 whole and 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 adjusted; provided that, before any adjustment of any royalty or rental due the Commissioner of the General Land Office, of the State of Texas, the Lessee shall furnish the Commissioner of the General Land Office of the State of Texas at Austin, Texas, an affidavit executed by the Lessee or its duly authorized representative setting forth the facts relative to the interest of the owner of the soil and the interest which Lessee claims under this lease.

16. This lease is executed subject to the terms of Chapter 81, page 249, Acts of 2nd Called Session of the 36th Legislature, 1919, as amended by Chapter 38, page 112, Acts of 1st Called Session of the 37th Legislature, 1921. Should any provision herein contained be in conflict with the foregoing, then it is recognized and agreed that the aforesaid Chapter 81, as amended by the aforesaid Chapter 38, shall control.

17. If, at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not otherwise produced for lack of a suitable market and this lease is not otherwise being maintained in force and effect, the Lessee may pay as royalty a sum of money equal to double the annual rental provided for in this lease but in no event to be less than $1,200.00 per annum for each well capable of producing gas in paying quantities; such payment shall be made one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, and shall be made prior to the expiration of the primary term of this lease or if the primary term has expired within sixty (60) days after the Lessee shuts in such wells or ceases to produce gas therefrom or within sixty (60) days after this lease ceases to be otherwise maintained in force and effect; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royalty payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or, if after the primary term, from the first day of the month next succeeding the month in which such well was shut in or production ceased or this lease ceased to be otherwise maintained in force and effect; and thereafter, if no suitable market for such gas exists, the Lessee may extend this lease for four (4) additional and successive periods of one (1) year each by the payment of a like sum of money each year as above provided, on or before the expiration of the extended term. Provided, however, that if, while this lease is being maintained in force and effect by payment of such shut-in gas well royalty, gas should be sold and delivered in paying quantities from a well situated within 1,000 feet of the leased premises and completed in the same producing reservoir, or in any case where drainage is ocurring, the right to further extend this lease by such shut-in gas well royalty payments shall cease but this lease shall remain in force and effect for the remainder of the current one-year period for which the shut-in gas well royalty has been paid and for an additional period not to exceed five (5) years from the expiration of the primary term by payment by the Lessee of compensatory royalty at the royalty rate provided herein, of the value at the well of production from the well completed in the same producing reservoir from which gas is being sold and delivered and which is situated within 1,000 feet of or draining the leased premises on which such shut-in gas well is situated, such compensatory royalty to be paid monthly one-half to the Commissioner of the General Land Office and one-half to the owner of the soil, beginning on or before the 20th day of the month next succeeding the month in which such gas is sold and delivered from the well situated within 1,000 feet of or draining the leased premises and completed in the same producing reservoir; provided further that in the event such compensatory royalties paid in any twelve-month period are in an amount less than the annual shut-in gas well royalties provided for herein, Lessee shall pay an additional sum of money equal to the difference between such compensatory royalties paid and such shut-in gas well royalties within thirty (30) days from the end of such twelve-month period; provided further that nothing herein shall relieve the Lessee of the obligation of reasonable development, nor of the obligation to drill off-set wells as required by Article 5369, Revised Civil Statutes, 1925.

18. Lessee is hereby granted the right to pool or unitize the royalty interest of the owner of the soil under this lease with any other leasehold or mineral interest for the exploration, development and production of oil and gas or either of them upon the same terms as shall be approved by the School Land Board and the Commissioner of the General Land Office for the pooling or unitizing of the interest of the State under this lease pursuant to Article 5382-c, Revised Civil Statutes of Texas and other applicable laws.

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

Samuella Wynne Padgett (SWP)
Individually and as Agent for the State of Texas

Lela Mae Wynne (LMW)
Individually and as Agent for the State of Texas

Ruth Wynne Hollingsworth (RWH)
Individually and as Agent for the State of Texas

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STATE OF
COUNTY OF

Before me, the undersigned authority, on this day personally appeared _____ and _____, his wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, and in the capacities therein stated. And the said _____, wife of _____ having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said _____ acknowledged such instrument to be her act and deed and declared that she had willingly signed the same for the purposes and consideration therein expressed and that she did not wish to retract it.

Given under my hand and seal of office, this the _____ day of _____, A. D. 19 ____.

_____
Notary Public in and for _____

STATE OF TEXAS
COUNTY OF WALKER

Before me, the undersigned authority, on this day personally appeared LELA MAE WYNNE and RUTH WYNNE HOLLINSHEAD known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed and in the capacities therein stated.

Given under my hand and seal of office, this the 22nd day of September, A. D. 19 70.

Herbert Hoech
Notary Public in and for WALKER COUNTY, TEXAS

SINGLE ACKNOWLEDGMENT

THE STATE OF CALIFORNIA

COUNTY OF Los Angeles

BEFORE ME, the undersigned authority, on this day personally appeared SAMUELLA WYNNE PALMER, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this the 25th day of September A. D. 19 70

OFFICIAL SEAL
DORENE A. GORDON
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires May 19, 1972

Dorene A. Gordon
DORENE A. GORDON
Notary Public in and for Los Angeles County, California

Filed for record on the 9th day of November A.D.1970 at 4:30 P. M. Duly recorded on the 12th day of November A.D.1970 at 9:00A. M.

By Lucia Jo Turner Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

FORD CHAPMAN

TO

GERALDINE LAYTON CHAPMAN WIFE OF FORD CHAPMAN

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS

DATED:	11/27/1970
FILED:	12/03/1970
BOOK/PAGE:	297/690
FILE NUMBER:	389-297-690
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: CONVEYS 5% OF 8/8THS ORR INTEREST EFFECTIVE AS OF THE FIRST DAY OF PRODUCTION

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FILE NO. 3601 FORD CHAPMAN TO GERALDINE LAYTON CHAPMAN

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

THE STATE OF TEXAS)
)
COUNTY OF REEVES)

WHEREAS, the following described oil and gas leases have been executed and delivered and are now owned by Ford Chapman, to-wit:

1. Mrs. Sallie Wynne Reynaud, Individually and as Agent for the State of Texas, to Ford Chapman, dated September 21, 1970, recorded Book 297, Page 485 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

2. Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Individually and as Agents for the State of Texas, to Ford Chapman, dated September 21, 1970, recorded Book 297, Page 489 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

NOW, THEREFORE, for a valuable consideration, the receipt of which is hereby acknowledged, Ford Chapman does hereby assign and convey to Geraldine Layton Chapman, the wife of Ford Chapman, an overriding royalty interest of 5% of 8/8 of the oil, gas and other minerals produced and saved under the terms of the above described oil and gas leases and any renewals or extensions thereof, with such interest being free and clear of all costs of development and operation. Fuel oil and gas used in operations shall be deducted before computing such overriding royalty interest. If the above described oil and gas leases cover less than a full interest in the above described land, then the overriding royalty interest hereby conveyed shall be reduced proportionately. This assignment of overriding royalty interest shall impose no duty upon Ford Chapman, his heirs or assigns, to maintain the above described oil and gas leases in effect, and the extent and duration of all drilling and producing operations shall be solely at the will of Ford Chapman, his heirs and assigns.

This instrument is executed this 27th day of November, 1970, but shall be effective as of the date of first production from the above described land under the terms of the above described oil and gas leases.

Ford Chapman

THE STATE OF TEXAS)
COUNTY OF MIDLAND)

BEFORE ME, the undersigned authority, on this day personally appeared FORD CHAPMAN, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 27th day of November, 1970.

Ora Lee Bolin
Notary Public in and for
Midland County, Texas

Filed for record on the 3rd day of December A.D.1970 at 11:00 A. M. Duly recorded on the 10th day of December A.D.1970 at 9:00A. M.

By Lewis Jo Swinson Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

FORD CHAPMAN

TO

RUDY JANOSEK ET AL

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	11/30/1970
FILED:	12/04/1970
BOOK/PAGE:	297/820
FILE NUMBER:	389-297-820
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ASSIGNS OUT 65%

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FILE NO. 3653 FORD CHAPMAN TO RUDY JANOSEK, ET AL

ASSIGNMENT OF OIL AND GAS LEASES

THE STATE OF TEXAS)
)
COUNTY OF REEVES)

WHEREAS, the following described oil and gas leases have been executed and delivered and are now owned by Ford Chapman, subject to an overriding royalty interest of 5% of 8/8 of production owned by a third party, to-wit:

1. Mrs. Sallie Wynne Reynaud, Individually and as Agent for the State of Texas, to Ford Chapman, dated September 21, 1970, recorded Book 297, Page 485 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

2. Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Individually and as Agents for the State of Texas, to Ford Chapman, dated September 21, 1970, recorded Book 297, Page 489 of Oil and Gas Lease Records of Reeves County, Texas, covering all of Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas.

NOW, THEREFORE, for a valuable consideration, the receipt of which is hereby acknowledged, Ford Chapman does hereby assign and convey to the following parties the interest designated below in the above described oil and gas leases and all material and equipment in and on and used in connection therewith, with each such interest being subject to its proportionate part of the 5% overriding royalty interest referred to above, to-wit:

ASSIGNEES	INTEREST ASSIGNED
Rudy Janosek, P. O. Drawer N, Anthony, New Mexico 88021	10%
Judson F. Williams, 4200 O'Keefe Drive, El Paso, Texas 79902	10%
John MacGuire, 1209 Thunderbird Drive, El Paso, Texas 79912	45%

Ford Chapman does hereby warrant and agree to defend the title to the interests hereby assigned, but only as against the lawful claims and demands of all parties claiming by, through or under Ford Chapman.

This instrument is executed this 30th day of November, 1970, but shall be effective as of the date of first production from the above described land under the terms of the above described oil and gas leases.

Ford Chapman

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THE STATE OF TEXAS)
)
COUNTY OF MIDIAND)

BEFORE ME, the undersigned authority, on this day personally appeared FORD CHAPMAN, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30th day of November, 1970.

Ora Lee Baker
Notary Public in and for
Midland County, Texas.

Filed for record on the 4th day of December A.D.1970 at 1:00 P. M. Duly recorded on the 10th day of December A.D.1970 at 9:00A. M.

By Bessie Jo Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

IKE B MCFARLAND

TO

SALLIE WYNNE REYNAUD
RUTH WYNNE THOMASON
SAMUELLA WYNNE SHAVER

CERTIFIED COPY OF DEED

DATED:	01/02/1963
FILED:	12/15/1971
BOOK/PAGE:	307/153
FILE NUMBER:	389-307-153
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL OF GRANTOR'S RIGHT TITLE AND INTEREST IN AND TO THE ESTATE OF G A WYNNE

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FILE NO. 4564 IKE B. McFARLAND, ET AL TO SALLIE WYNNE REYNAUD, ET AL
(CERTIFIED COPY OF DEED)

THE STATE OF TEXAS §
COUNTY OF HARRIS §

WHEREAS, G. A. Wynne died testate in Walker County, Texas, in 1941, with his Will providing that any part of his estate not distributed at the date of death of any of his children who might die without descendants, should remain as part of the corpus of his estate; and that after the death of any of his children without descendants, such undistributed property should go to his remaining descendants per stirpes, and

WHEREAS, Mae S. McFarland, wife of the undersigned, and daughter of G. A. Wynne, died in January, 1962, without issue and prior to final settlement and distribution of the Estate of G. A. Wynne, Deceased.

NOW, THEREFORE, I, IKE B. McFARLAND, Individually and as Independent Executor of the Estate of Mae Samuella Magruder Wynne McFarland, Deceased, for and in consideration of Ten ($10.00) Dollars and other valuable consideration and to remove any cloud of title as to the hereinafter described property, do hereby relinquish and quitclaim to the descendants of G. A. Wynne (Gustavus Adair), namely: SALLIE WYNNE REYNAUD, RUTH WYNNE THOMASON, and SAMUELLA WYNNE SHAVER, and in the proportions of one-half (1/2) to SALLIE WYNNE REYNAUD, one-fourth (1/4) to RUTH WYNNE THOMASON, and one-fourth (1/4) to SAMUELLA WYNNE SHAVER (said proportions as established by the Will of G. A. Wynne), all rights, titles, claims, demands or interests which I have or may have in or to the lands, mineral interests, royalty rights or interests and other rights or interests as set forth on Exhibit "A", attached hereto and made a part hereof, with all and singular my and each of my rights, titles,

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interests, estate, claims and demands in and to the hereditaments and appurtenances thereto belonging or in anywise pertaining.

TO HAVE AND TO HOLD the above released rights, titles, interests, claims and demands, to the said SALLIE WYNNE REYNAUD, RUTH WYNNE THOMASON, and SAMUELLA WYNNE SHAVER, their heirs and assigns, forever, so that neither I nor my heirs, legal representatives or assigns shall have any right or title to or interest in such property, premises or appurtenances, or any part thereof, at any time hereafter.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 2nd day of January, 1963.

Ike Barton McFarland.
IKE BARTON McFARLAND
Individually and as Independent Executor of the Estate of Mae Samuella Magruder Wynne McFarland, Deceased

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared IKE BARTON McFARLAND, Individually and as Independent Executor of the Estate of Mae Samuella Magruder Wynne McFarland, Deceased, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 2nd day of January, A. D. 1963.

Notary Public in and for
Harris County, T e x a s

-2-

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EXHIBIT "A"

All right, title, interest, estate, claim, charge, lien and/or demand vested or contingent, of whatsoever nature or kind, in and to all of the real property, and all rights, interests, estates, easements, privileges and servitudes of whatsoever nature and character in and to any and all oil, gas and other minerals, royalty or overriding royalty interest wheresoever situated, which were owned by and/or formed a part of the Estate of G. A. Wynne, Deceased, probated in Cause No. 2271, in the County Court of Walker County, Texas, or which were conveyed or partitioned in the name of Gibbs A. Wynne, as Independent Executor of the Estate of G. A. Wynne, (whose estate was admitted to probate in Cause No. 3225, in the County Court of Walker County, Texas) to which records reference is herein made and to the records of the Counties where the properties are located for description and such identification as may be required or necessary to properly identify and convey said properties. That the following properties are included and constitute in part the properties of G. A. Wynne Estate conveyed hereby, to which records of said Counties are herein referred and incorporated for accurate description purposes:

Walker County

178.74 acres, more or less, part of L. McGuire Survey, Abstract No. 374, in Walker County, Texas, being same land described in deed from J. H. Fails, et ux to Estate of G. A. Wynne, by deed dated October 8, 1949, of record in Volume 127, Page 310, Deed Records of Walker County, Texas.

314.52 acres, more or less, situated in Charles W. Stewart Survey, Abstract No. 499, being same property conveyed to heirs of G. A. Wynne by Gibbs Brothers and Company as the "Ninth Tract" in Partition Deed dated June 30, 1942, recorded in Volume 100, Pages 85-95, Deed Records of Walker County. Texas.

70 acres, more or less, being the Thomas Stubblefield Survey, Abstract No. 628, being same land conveyed to G. A. Wynne by Armstead Stubblefield by deed dated April 18, 1925, recorded in Volume 55, Page 367, Deed Records of Walker County, Texas.

EXHIBIT "A"

128.68 acres, more or less, out of and a part of the Henry A. White, original 320 acre survey, Abstract No. 590, and being property described in deed from the First National Bank of Huntsville, Texas, to G. A. Wynne, dated June 11, 1929, recorded in Volume 89, Page 583, Deed Records of Walker County, Texas.

240.05 acres, more or less, out of the G. Badillo Survey, Abstract No. 3, and being "First Tract" in deed from Gibbs Brothers and Company to Estate of G. A. Wynne, dated June 30, 1942, of record in Volume 100, Page 85, Deed Records of Walker County, Texas.

3.50 acres, more or less, out of John Spiller Survey, Abstract No. 507, and Gordiana Badillo Survey, Abstract No. 685, and being property described in deed dated March 9, 1922, from G. A. Wynne to W. L. Dean, et al, recorded in Volume 49, Page 67, Deed Records of Walker County, Texas.

144.15 acres, more or less, out of the Louis Calhoun Survey, Abstract No. 700, being same property conveyed to Estate of G. A. Wynne by Gibbs Brothers and Company, being "Second Tract" in Partition Deed, dated June 30, 1942, recorded in Volume 100, Page 85, Deed Records of Walker County, Texas.

160 acres, more or less, out of the H. C. Herrington Survey, Abstract No. 290, and being the same property conveyed to G. A. Wynne by H. C. Herrington, et al, by deed dated September 4, 1918, recorded in Volume 42, Page 356, Deed Records of Walker County, Texas.

47.7 acres, more or less, situated in the David Davis Survey, Abstract No. 169, described in deed from Oscar F. Herrington to G. A. Wynne, dated September 12, 1927, recorded in Volume 60, Page 308, Deed Records of Walker County, Texas.

9.98 acres, more or less, a part of and out of the David Davis Survey, Abstract No. 169, and being same property described in deed from the First National Bank of Huntsville, Texas, to Gibbs A. Wynne, Independent Executor of the Estate of G. A. Wynne, by deed dated May 15, 1949, recorded in Volume 114, Page 470, Deed Records of Walker County, Texas.

252 acres, more or less, a part of and out of the David Davis Survey, Abstract No. 170, and being property described in deed from J. E. Allen to G. A. Wynne, dated May 4, 1911, recorded in Volume 33, Page 432, Deed Records of Walker County, Texas.

91.25 acres, more or less, out of S. P. Reeves Survey, Abstract No. 470, being same property described as

EXHIBIT "A"

"Seventh Tract" in Partition Deed from J. P. Gibbs to Gibbs A. Wynne, Independent Executor of the G. A. Wynne Estate, dated June 30, 1942, recorded in Volume 100, Page 85, Deed Records of Walker County, Texas.

125 acres, more or less, a part of George Galaspy Survey, Abstract No. 210, and being described in deed from W. M. Smith, et ux to G. A. Wynne, dated November 12, 1921, recorded in Volume 47, Page 624, Deed Records of Walker County, Texas

495.88 acres, more or less, out of the Wm. Garrett Survey, Abstract No. 208, being the "Fourth Tract" and "Fifth Tract", described in deed from Gibbs Brothers and Company to Gibbs A. Wynne, Independent Executor of the Estate of G. A. Wynne, Deceased, dated June 30, 1942, recorded in Volume 100, Page 85, Deed Records of Walker County, Texas.

12 acres, more or less, out of the M. V. Moore Survey, Abstract No. 635, described in deed dated January 17, 1911, from R. L. Williams to G. A. Wynne, recorded in Volume 46, Page 251, Deed Records of Walker County, Texas.

653 acres, more or less, out of Abram Peck Survey, Abstract No. 430, reference herein made to Volume 30, Pages 306-310, Deed Records of Walker County, Texas, and in part, described in deeds of record in Volume 55, Page 605, Volume 3, Page 345 and Volume 19, Page 255, all of record in Deed Records of Walker County, Texas.

37 acres, more or less, out of B. Orsett League, Abstract No. 33, being same land conveyed to G. A. Wynne by B. F. Morgan by deed dated October 23, 1923, recorded in Volume 50, Page 568, of the Deed Records of Walker County, Texas.

437.7 acres in H. W. Raglin Survey, Abstract No. 465, reference herein made to Declaration of Trust of record in Volume 46, Page 544, from J. B. Jones to G. A. Wynne, recorded in the Deed Records of Walker County, Texas.

98.5 acres, more or less, out of Nathaniel Robbins Survey, Abstract No. 455, being the same land conveyed to G. A. Wynne by Ila Moffat Hayes and Audrey Moffat, and recorded April 19, 1908, Volume 30, Page 399, in the Deed Records of Walker County, Texas. 72.6 acres of above sold to John D. Grivich by G. A. Wynne, and conveyed by deed back to G. A. Wynne by said John D. Grivich on March 26, 1943, recorded in Volume 101, Page 562, Deed Records of Walker County, Texas.

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EXHIBIT "A"

208.59 acres, more or less, in M. Herrera Survey, Abstract 25, being same land conveyed to G. A. Wynne as "First Tract" in a deed from J. Ward, Sr., et al, dated December 20, 1909, and recorded in Volume 32, Page 198 et. seq., Deed Records, Walker County, Texas, and as "Sixth Tract" in deed from Gibbs Brothers and Company to Gibbs A. Wynne, Independent Executor of the Estate of G. A. Wynne, Deceased, dated June 30, 1942, and recorded in Volume 100, Page 85, Deed Records of Walker County, Texas. Same as 139.06 acres.

352.37 acres, more or less, in J. J. Sanchez Survey, Abstract No. 46, being same land conveyed to G. A. Wynne as "Second Tract" in a deed from J. Ward, Sr., et al, dated December 20, 1909, and recorded in Volume 32, Pages 198 et. seq. and as "Eighth Tract" in deed from Gibbs Brothers and Company to Gibbs A. Wynne, Independent Executor of the Estate of G. A. Wynne, Deceased, and dated June 30, 1942, and recorded in Volume 100, Page 85, Deed Records of Walker County, Texas. Same as 234.91 acres.

1981.2 acres, more or less, being all of the Seaborn A. Mills Survey, Abstract No. 408, described in deed from J. B. Jones, et ux, to G. A. Wynne, dated February 1, 1929, recorded in Volume P, Page 524, Deed Records of Walker County, Texas, and in oil and gas lease of record in Volume 121, Page 368, Deed Records of Walker County, Texas.

408 acres, more or less, located in E. Davids Survey, Abstract No. 157, being the same tract as described by deed recorded in Volume 104, Page 429, Deed Records of Walker County, Texas, being same land as 1/2 interest to W. D. Adair and 1/2 to G. A. Wynne, in Copy Deed dated August 26, 1891.

.34 of an acre H & T C RR Company Survey, Abstract No. 287, described in deed from W. G. Fails to G. A. Wynne recorded in Volume 127, Page 313, Deed Records of Walker County, Texas.

2.02 acres, more or less, in L. McGuire Survey, Abstract No. 374, described in Warranty Deed dated December 12, 1949, J. H. Fails et ux to G. A. Wynne Estate, recorded in Volume 127, Page 384, Deed Records of Walker County, Texas.

50 acres, more or less, E. Miller Survey, Abstract No. 358, being same land described in deed from Bessie Pate to G. A. Wynne, dated December 13, 1927, and filed for record December 14, 1927, in Volume 60, Pages 593 and 594, Deed Records of Walker County, Texas.

Elliott and Waldron Abstract Company of Pecos
DeedPrint

EXHIBIT "A"

2.54 acres, more or less, J. Wm. Oliphint Survey, Abstract No. 755, the same being part of original survey in Patent to J. Wm. Oliphint by State of Texas, and described by deed to G. A. Wynne, March 13, 1939, as recorded in Volume 91, Page 638, Deed Records of Walker County, Texas.

49.97 acres, more or less, G. A. Wynne Survey, Abstract No. 730, being the same land described in Patent from the State of Texas, to G. A. Wynne, dated January 17, 1910, and recorded in Volume 32, Page 413, Deed Records of Walker County, Texas.

Part of Block 15, City of Huntsville, Pleasant Gray League, Abstract No. 195, which is same as that described in deed from H. S. Nance and wife, Idalette, to G. A. Wynne, dated July 27, 1933, and recorded August 8, 1933 in Volume 74, Page 307, Deed Records of Walker County, Texas.

Culberson County

All of Section 36, Block 59, Township Two, T&P R.R. Company, Certificate No. 4157/5613, described in deed from W. A. Wiley to G. A. Wynne, dated January 30, 1911, recorded in Volume 171, Page 548, Deed Records, El Paso County and in Volume 29, Page 6, Deed Records, Culberson County, Texas.

San Jacinto and Walker Counties

160 acres, more or less, out of the F. A. W. Stewart Survey, Abstract No. 391, San Jacinto County, described in deed from A. T. Randolph, Trustee, to G. A. Wynne, recorded in Volume 35, Page 618, Deed Records, San Jacinto County, Texas, and Abstract No. 696, Walker County, 15 acres of the 160 acres, recorded in Volume 89, Page 64, Deed Records, Walker County, Texas.

Houston County

37.26 acres, more or less, William Morrow Survey, Abstract 4, described in deed dated October 1, 1915, from Thompson Brothers Lumber Company to G. A. Wynne, recorded in Book 75, Page 543, Deed Records, Houston County, Texas.

EXHIBIT "A"

Hardin County

.95 acres, more or less, in H. Stevenson Survey, Abstract No. 49, Hardin County, Texas, being part of same land by deed from A. H. Traylor to G. A. Wynne, dated November 13, 1916 and filed for record November 20, 1916, recorded in Volume 73, Page 168, Deed Records, Hardin County, Texas.

Reeves County

Section 18, Block 56, Township No. 2, of Texas and Pacific Railway Company, and

Section 38, Block 57, Township No. 2, of Texas and Pacific Railway Company.

Both tracts described in deed dated April 11, 1910, L. T. Cox et ux to G. A. Wynne, recorded in Volume 17, Page 11, Deed Records, Reeves County, Texas.

Madison County

40 acres, more or less, out of G. Badillo Survey, Abstract No. 5, described in Cause No. 1312 in District Court of Madison County, Texas, dated November 13, 1911, and on file and of record in Madison County, Texas.

Montgomery County

3.08 acres, more or less, described in Cause 17,825, in the District Court, James Davis vs. G. A. Wynne, recorded in Volume 174, Page 10, Deed Records, Montgomery County, Texas.

MINERAL INTEREST

Walker County

170 acres, mora or less, located in James Jordan Survey, Abstract No. 28, described in deed from G. A. Wynne to L. P. Sandel, dated February 3, 1936, recorded in Volume 87, Page 563, Deed Records of Walker County, Texas.

84 acres, more or less, located in J. M. Acosta Survey, Abstract No. 636, described in deed from Robert A. Josey to G. A. Wynne, dated November 17, 1936, the same land sold to James B. Hall by Estate

EXHIBIT "A"

of G. A. Wynne, Deceased, on October 6, 1942, recorded in Volume 100, Page 421, Deed Records of Walker County, Texas.

160.6 acres, more or less, in the Sam Houston Survey, Abstract No. 278, in Walker County, Texas, reserved in a deed from Gibbs A. Wynne, et al to James B. Hall, dated October 6, 1942, recorded in Volume 100, Page 421, Deed Records of Walker County, Texas.

51 acres, more or less, in the E. F. Heard Survey, Abstract No. 256, in Walker County, Texas, reserved in a deed from G. A. Wynne to John Dinkins, dated May 9, 1914, and recorded in Volume 58, Page 412, Deed Records, Walker County, Texas.

100 acres, more or less, in Wesley Fisher Survey, Abstract No. 195, being land as that described in deed from Allick McGown to G. A. Wynne, dated December 9, 1904, and recorded in Volume 18, Page 535, Deed Records, Walker County, Texas. About 60% of said land is in Walker County, Texas, and the remainder in Grimes County, Texas.

31.3 acres, more or less, in W. C. Gill Survey, Abstract No. 209, being same mineral interest recorded in Volume 73, Page 17, on September 21, 1932. This land was formerly in the Estate of Mrs. M. D. Farris.

31.15 acres, more or less, in H. Gray Survey, Abstract No. 212, being the mineral interest in the West 1/2 of 62.30 acres, as recorded in Volume 44, Page 585 and 586, being the same land sold to J. C. Houston by G. A. Wynne, reserving all minerals in his deed to Houston.

60 acres, more or less, in the H. W. Hall Survey, Abstract No. 261, being the same land sold to William Murray and wife, Esther, by G. A. Wynne on January 5, 1927, and recorded October 27, 1927, in Volume 58, Page 342, Deed Records, Walker County, Texas.

128.8 acres, more or less, in William Hodge Survey, Abstract No. 26, being same mineral interest conveyed by Edward B. Jones to G. A. Wynne, by deed dated January 10, 1914, and recorded in Volume 31, Page 554, Deed Records, Walker County, Texas.

257.5 acres, more or less, in the Joseph Hollis Survey, Abstract No. 252, being same tract in Partition Deed, G. A. Wynne Estate and Gibbs Brothers and Company, June 30, 1942, being same tract formerly owned by Mrs. Sallie E. Gibbs and G. A. Wynne and recorded in Volume 6, Page 631 et seq, Deed Records, Walker County, Texas.

EXHIBIT "A"

24 acres, more or less, out of J. J. Holcomb Survey, Abstract No. 239, described in deed from Louis Calhoun to G. A. Wynne, dated May 24, 1940 and recorded in Volume 94, Page 385, Deed Records, Walker County, Texas.

160 acres, more or less, in Paul Jones Survey, Abstract No. 742, being same land conveyed to Richard Jones by G. A. Wynne and recorded December 13, 1921, in Volume 48, Pages 93 and 94, Deed Records, Walker County, Texas.

58 acres and 65 acres in the Wilson Lang Survey, Abstract No. 324, reserved in a deed from G. A. Wynne to Ara Wynne Haswell et al, dated November 13, 1926, recorded in Volume 58, Page 125, Deed Records, Walker County, Texas.

74.5 acres, more or less, out of J. C. McKibbin Survey, Abstract No. 425, described in deed from G. A. Wynne to W. E. Parrish, dated October 17, 1932, and recorded in Volume 80, Page 274, Deed Records, Walker County, Texas.

55 acres, more or less, in William S. Mays Survey, Abstract No. 392, reserved in a deed from G. A. Wynne, et al, to V. E. Ellington, dated January 27, 1932, recorded in Volume 99, Page 506, Deed Records, Walker County, Texas.

52.74 acres, more or less, in the William S. Mays Survey, Abstract No. 392, reserved in a deed from Mrs. M. D. Farris to J. L. Allen, dated January 1, 1917, recorded in Volume 65, Page 637, Deed Records, Walker County, Texas.

.0366 of 177 acres, more or less, out of the G. R. Mercer Survey, Abstract No. 364, being same land owned by J. W. and J. M. Smith, mineral interest only conveyed to G. A. Wynne, July 30, 1926 and recorded in Volume No. 56, Page 328 on August 6, 1926, Deed Records, Walker County, Texas.

250 acres, more or less, in W. N. Mock Survey, Abstract No. 401. This mineral interest reserved for eleven members of Heath Branch Fishing Club, described in deed from A. T. Randolph, Trustee, dated June 22, 1927, and recorded in Volume 59, Page 348, Deed Records, Walker County, Texas.

124 acres, more or less, in the A. McGee Survey, Abstract No. 354, reserved in a deed from G. A. Wynne to John Dinkins, dated May 9, 1914, and recorded in Volume 58, Page 412, Deed Records, Walker County, Texas.

EXHIBIT "A"

161.3 acres, more or less, in Ira Munson Survey Abstract No. 372, being same land conveyed by Estate of G. A. Wynne to J. H. Fails and wife, Catherine Fails, recorded October 13, 1949 in Volume 127, Page 57, Deed Records, Walker County, Texas.

45.5 acres, more or less, in Isom Palmer Survey, Abstract No. 445, conveyed by deed from G. A. Wynne to Frank Davis and wife, Annie Davis, October 10, 1934, and recorded in Volume 115, Page 344, Deed Records, Walker County, Texas.

125 acres, more or less, in Wiley Parker Survey, Abstract No. 37, being same land formerly owned by J. M. Wynne and sold by G. A. Wynne to Williams S. Smith, dated December 23, 1913, recorded in Volume 41, Page 287, Deed Records, Walker County, Texas.

150 acres, more or less, in John Shannon League, Abstract No. 47, reserved in a deed from G. A. Wynne to Tony Randall, dated December 17, 1925, recorded in Volume 73, Page 201, Deed Records, Walker County, Texas.

152 acres, more or less, in John Shannon Survey, Abstract No. 47, being same land sold by G. A. Wynne to Ida and Phil Hall, Wynne reserved 3/4 U/D mineral interest, recorded May 2, 1921, Volume 46, Page 638, Deed Records, Walker County, Texas.

141.5 acres, more or less, in John Shannon Survey, Abstract No. 47, being mineral interest reserved in deed from Gibbs A. Wynne et al to Sallie Wynne Reynaud, July 14, 1952, recorded in Volume 141, Pages 596-599, Deed Records, Walker County, Texas.

61 acres, more or less, in H. H. Smith Survey, Abstract No. 515, being same land sold to W. F. Nixon by G. A. Wynne and recorded September 21, 1932 in Volume 73, Page 17, Deed Records, Walker County, Texas.

70-1/2 and 4-1/2 acres, more or less, in the Thomas Stephens Survey, Abstract No. 49, reserved in a deed from G. A. Wynne to Jessie Pierce dated January 5, 1914, recorded in Volume 36, Page 193, Deed Records, Walker County, Texas.

125 acres, more or less, in the Thomas Stephens Survey, Abstract No. 49, reserved in a deed from G. A. Wynne to John Dinkins, dated May 9, 1914, recorded in Volume 58, Page 412, Deed Records, Walker County, Texas.

EXHIBIT "A"

107.13 acres, more or less, in George Stramler Survey, Abstract No. 528, reserved in a deed from G. A. Wynne to Edward Hightower, dated November 13, 1935, recorded in Volume 82, Page 115, Deed Records, Walker County, Texas.

56.23 acres, more or less, in George Stramler Survey, Abstract No. 528, being same land deeded to G. A. Wynne by A. C. Crooks, Jr., recorded in Volume 91 or 96(?), Page 220, Deed Records, Walker County, Texas.

92 acres, more or less, in William Tom League, Abstract No. 542, reserved in a deed from G. A. Wynne to W. E. Donahoe, dated January 1, 1925, recorded in Volume 54, Page 497, Deed Records, Walker County, Texas.

22 acres, more or less, in G. A. Wynne Survey, Abstract No. 729, being same land by grant from State of Texas to G. A. Wynne, recorded April 15, 1910, Volume 32, Page 414, Deed Records of Walker County, Texas. Sold by G. A. Wynne to Gibbs Brothers and Company May 10, 1924.

47.5 acres, more or less, in G. A. Wynne Survey Abstract No. 746, sold by G. A. Wynne to John M. Neal on June 18, 1917, recorded June 21, 1919, Volume 44, Page 71, Deed Records, Walker County, Texas.

61.5 acres, more or less, in G. A. Wynne Survey, Abstract No. 733, Land Grant from State of Texas to G. A. Wynne, dated November 1, 1909, Volume 38, Page 562. Sold by G. A. Wynne to J. L. Jordy, October 23, 1909, recorded in Volume 32, Page 93, Deed Records, Walker County, Texas.

25 acres, more or less, in J. Zwicky Survey, Abstract No. 622, being same land sold by G. A. Wynne Estate to Malcolm W. Watts on March 12, 1951, recorded in Volume 131, Page 205, Deed Records, Walker County, Texas.

40 acres, more or less, T. Stevens Survey, Abstract No. 49, Walker County, Texas.

35 acres, more or less, T. Stevens Survey, Abstract No. 49, Walker County, Texas.

Elliott and Waldron Abstract Company of Pecos
DeedPrint

EXHIBIT "A"

Brazos County

71.9 acres, more or less, in West John Williams Survey, Abstract No. 238, Brazos County, Texas, same tract of land which is described in Partition Deed from Gibbs Brothers and Company to Estate of G. A. Wynne, dated June 30, 1942, recorded in Volume 39, Page 273, Deed Records, Brazos County, Texas.

129.2 acres, more or less, in East John Williams Survey, Abstract No. 239, Brazos County, Texas, same tract of land which is described in Partition Deed from Gibbs Brothers and Company to the Estate of G. A. Wynne, recorded July 22, 1942, in Volume 110, Page 455, Deed Records, Brazos County, Texas.

Grimes County

45.57 acres, more or less, out of J. T. Robinson Survey, Abstract No. 390, Grimes County, Texas, being same land conveyed by deed from the Estate of G. A. Wynne and Mrs. Katie Taliaferro to R. P. Trant, dated February 25, 1955, recorded in Deed Records of Grimes County, Texas. All minerals reserved, March 1955.

Leon County

104 acres, more or less, out of the F. Del Valle Survey, described in deed from G. A. Wynne to W. R. Brownlee, dated October 24, 1911, recorded in Volume 34, Page 122, Deed Records, Leon County, Texas.

Madison County

112.50 acres and 1/2 of 45 acres, more or less, out of G. Badillo Survey, Abstract No. 5.

42.5 acres, more or less, in John Montgomery Survey, Abstract No. 153, Madison County, Texas to Mills Bennett Production Company, dated September 14, 1934, G. A. Wynne reserving 1/4 of minerals.

170 acres, more or less, in J. H. Pierson Survey, Abstract No. 178, Madison County, Texas, by Mineral Deed from G. A. Wynne to Mills Bennett Production Company, dated September 14, 1934, Wynne reserving 1/4 of minerals. Recorded in Volume 40, Page 555, Deed Records, Madison County, Texas.

EXHIBIT "A"

Montgomery County

19.26 acres, more or less, in Prean Cole Survey, Abstract No. 684, sold to Mrs. C. L. Mayer, June 12, 1940, as in Volume 214, Pages 418-419, Deed Records, Montgomery County, Texas.

15.16 acres, more or less, in Prean Cole Survey, Abstract No. 684, recorded in Volume 169, Pages 337-338, Deed Records, Montgomery County, Texas, G. A. Wynne to Mrs. C. L. Mayer.

21.2 acres, more or less, in Prean Cole Survey, Abstract No. 684, Montgomery County, Texas, sold May 26, 1949 by G. A. Wynne Estate to Mrs. C. L. Mayer, Patent No. 457, Volume 25, Page 457, Patent Records, General Land Office, Austin, Texas.

Trinity County

29-1/2 acres, more or less, being the East 1/2 of South 1/2 of Block 24, in J. Johnson Survey, by Deed of Conveyance from Gibbs A. Wynne et al to M. T. Scott, recorded on October 18, 1941, in Volume 95, Pages 138-139, Deed Records, Trinity County, Texas.

ROYALTY INTEREST

Walker County

116 acres, more or less, A. Marsh Survey, Abstract No. 367, same land as that conveyed by Gift Deed from Gibbs A. Wynne et ux to Ruth Wynne Thomason on October 25, 1955, recorded in Volume 151, Page 273, Deed Records, Walker County, Texas.

141.5 acres, more or less, in J. Shannon Survey, Abstract No. 47, same land as that partitioned to Sallie Wynne Reynaud by G. A. Wynne heirs, deed dated July 14, 1952, recorded in Volume 141, Pages 596-599, Deed Records, Walker County, Texas.

147.5 acres, more or less, in L. Duel Survey, Abstract No. 173, being same land as that partitioned by the G. A. Wynne heirs to Mae S. Wynne McFarland, deed dated July 14, 1952, recorded in Volume 141, Pages 596-599, Deed Records, Walker County, Texas.

VOL 307 PAGE 167

EXHIBIT "A"

Gregg County

51.81 acres, more or less, in Wheelock and Chism Arcadia Samples Survey, Abstract No. 36, First Tract and a Second Tract of 1/7 of 1/24 of 49.85 acres, Jacob Taylor Survey, Abstract No. 198, in Mineral Deed from J. F. Standley to G. A. Wynne, dated November 12, 1931, recorded in Volume 112, Pages 89-90, Deed Records, Gregg County, Texas, being .00075 of 40-/344 of 50 and 1/4032 of 45.

It being intended and hereby conveyed all right, title and interest owned in the real property, mineral interests and/or royalty interests located in Walker County, Brazos County, Madison County, Montgomery County, Leon County, Trinity County, Gregg County, Grimes County, Culberson County, Houston County, Hardin County, Reeves County and San Jacinto County, Texas.

The Grantees herein or their assigns are empowered by affidavit to identify and accurately describe the property herein conveyed.

Filed for record on the 4th day of June, 1966 at 11:50 A.M.
Recorded on the 14th day of June, 1966 at 8:05 A.M.

J.L. Ferguson, Clerk
Walker County, Texas

By Barbara D. Lunsford Deputy

THE STATE OF TEXAS I
COUNTY OF WALKER I

I, J. L. Ferguson, Clerk, County Court, Walker County, Texas, do hereby certify that the attached hereto, is a true and correct copy of the Deed and as same appears of record in Vol. 200, page 592, of the Deed records, of Walker County, Texas.

Given under my hand and seal of office this the 12th day of October, 1971.

BY Esta Carroll DEPUTY

J. L. FERGUSON, CLERK
WALKER COUNTY, TEXAS

Filed for record on the 15th day of December A.D. 1971 at 1:00P. M.
Duly recorded on the 16th day of December A.D. 1971 at 9:00A. M.

By Lucille Le Freeman Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

RUDY JANOSEK

TO

JOHN MACGUIRE ET AL

WARRANTY DEED

DATED:	04/05/1972
FILED:	04/11/1972
BOOK/PAGE:	308/301
FILE NUMBER:	389-308-301
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: SELLS ALL INTEREST INCLUDING LEASES

FILE NO. 1209

RUDY JANOSEK TO JOHN MacGUIRE, ET AL
(WARRANTY DEED)

VOL 308 PAGE 301

The State of Texas, } **Know All Men by These Presents:**
County of Reeves

That I, Rudy Janosek,

~~of the County~~ ~~State~~ for and in consideration

of the sum of Ten Dollars and other good and valuable consideration -----

~~Dollars~~

to me in hand paid by John Mac Guire and Judson Williams, the receipt and sufficiency of which is hereby acknowledged,

~~as follows~~

have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto the said

John Mac Guire and Judson Williams, both

of the County of El Paso, State of Texas, all of my ~~undivided~~ undivided interest in and to the following described real estate, both surface and mineral, to-wit:

Section 38, Block 57, Township 2, in Reeves County, Texas;

subject to matters of record affecting said land, including any and all oil and gas leases now existing, but I hereby grant, bargain, sell and assign to the said John Mac Guire and Judson Williams, all of the delay rentals, royalties, oil and gas payments, bonuses, and any and all other benefits and payments due and to become due and to be paid me under the terms of any and all of said existing leases.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said John Mac Guire and Judson Williams, their respective

heirs and assigns forever and I do hereby bind myself, my heirs, executors and administrators, to Warrant and Forever Defend, all and singular the said premises unto the said John Mac Guire and Judson Williams their respective

heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.

WITNESS my hand ~~hand~~, this 5th day of April, A.D. 1972.

Witnesses at Request of Grantor:

Rudy Janosek

Rudy Janosek

VOL 308 PAGE 302

THE STATE OF ~~TEXAS~~ NEW MEXICO, SINGLE ACKNOWLEDGMENT
COUNTY OF DONA ANA

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Rudy Janosek,

known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE,
this the 7th day of April, A. D. 19 72.

VIRGINIA HARPER NOTARY PUBLIC STATE OF NEW MEXICO

Comm. Expires 2-3-74

Notary Public in and for Dona Ana County, ~~Texas~~ N.M.

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS,
COUNTY OF

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared

known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE,
this the day of A. D. 19

(L. S.)

Notary Public in and for County, Texas

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS,
COUNTY OF

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared

known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE,
this the day of A. D. 19

(L. S.)

Notary Public in and for County, Texas

THE STATE OF TEXAS,
COUNTY OF

I HEREBY CERTIFY that the foregoing instrument of writing with its certificate of authentication, was filed for record in my office on the day of , A. D. 19 at o'clock M., and was duly recorded by me on the day of A. D. 19 in Vol. , page , of the Records of said County.

WITNESS MY HAND and the Seal of the County Court of said County, at my office in the day and year last above written.

(L. S.)

County Clerk County, Texas

By , Deputy.

RMS

Filed for record on the 11th day of April A.D.1972 at 1:00P. M.
Duly recorded on the 13th day of April A.D.1972 at 9:00A. M.

By Bessie Jo Simmons Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas.

GERALDINE LAYTON CHAPMAN

TO

PAUL L DAVIS
W B COLLINS
J H HERD
SABINE ROYALTY CORPORATION
GERALDINE LAYTON CHAPMAN

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS

DATED:	12/12/1972
FILED:	12/14/1972
BOOK/PAGE:	315/791
FILE NUMBER:	389-315-791
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: PAUL L DAVIS - 20/256 OF 5% ORR
W B COLLINS - 20/256 OF 5% ORR
J H HERD - 20/256 OF 5% ORR
SABINE ROYALTY CORPORATION - 46/256 OF 5% ORR
GERALDINE LAYTON CHAPMAN - 150/256 OF 5% ORR

Elliott and Waldron Abstract Company of Pecos
DeedPrint

FILE NO. 3735 GERALDINE LAYTON CHAPMAN TO PAUL L. DAVIS, ET AL

ASSIGNMENT OF OVERRIDING ROYALTY

Reference is made to the following instruments covering Section 38, Block 57, Township 2, T&P Ry. Co. Survey, containing 640 acres, more or less, REEVES COUNTY, TEXAS:

1. Oil and Gas Lease dated September 21, 1970, recorded in Volume 297, page 485, Oil and Gas Lease Records of said county, from Mrs. Sallie Wynne Reynaud, individually and as Agent for the State of Texas, to Ford Chapman.

2. Oil and Gas Lease dated September 21, 1970, recorded in Volume 297, page 489, of said records, from Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, individually and as Agents for the State of Texas, to Ford Chapman.

3. Instrument headed, Assignment of Overriding Royalty Interest, dated November 27, 1970, recorded in Volume 297, page 690, of said records, from Ford Chapman to his wife, Geraldine Layton Chapman, conveying an overriding royalty of 5% of 8/8 of oil, gas and other minerals produced and sold from the above land under said leases and under any renewals and extensions thereof.

GERALDINE LAYTON CHAPMAN, not joined by her husband since the above overriding royalty interest constitutes her separate property, for a sufficient consideration, receipt of which is acknowledged, hereby grants, sells and assigns to the below parties the fractions of said 5% overriding royalty interest set opposite their names, so that said interest shall be owned in the below proportions and shall entitle the owners to the shares of production indicated:

OWNER	FRACTION OF 5% OVERRIDE	FRACTION OF PRODUCTION
Paul L. Davis First National Bank Bldg. Midland, Texas 79701	20/256	.003906250
W. B. Collins First National Bank Bldg. Midland, Texas 79701	20/256	.003906250
J. H. Herd Wilco Building Midland, Texas 79701	20/256	.003906250
Sabine Royalty Corporation Mercantile Bank Building Dallas, Texas 75201	46/256	.008984375
Geraldine Layton Chapman Vaughn Building Midland, Texas 79701	150/256	.029296875

This assignment is subject to the terms and conditions of the instrument listed after 3 above. The assigned interest shall be computed after deducting oil and gas used in development and operation. If said leases cover less than a full interest in the above land, the interest assigned hereby shall be reduced proportionately. No obligation shall arise as to the undersigned by reason of this assignment except as set out herein. Geraldine Layton Chapman covenants with the assignees that said leases are in force and that she is owner of the assigned interests. This instrument shall be effective as of 7 A.M. on the date hereof.

EXECUTED this 12th day of December, 1972.

Geraldine Layton Chapman
GERALDINE LAYTON CHAPMAN

THE STATE OF TEXAS X

COUNTY OF MIDLAND X

BEFORE ME, the undersigned authority, on this day personally appeared GERALDINE LAYTON CHAPMAN, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 12th day of December, 1972.

COUNTY OF MIDLAND, TEXAS

Ora Lee Bolin
Notary Public, Midland County, Texas

Filed for record on the 14th day of December A.D. 1972 at 2:00P. M

Duly recorded on the 21st day of December A.D.1972 at 9:00A. M

By Bruce Jo Leonard Deputy

ESTELLE CLINTON, County Clerk,
Reeves County, Texas

FORD CHAPMAN ET AL

TO

COASTAL STATES GAS PRODUCING COMPANY

AGREEMENT

DATED:	03/22/1973
FILED:	06/21/1973
BOOK/PAGE:	323/887
FILE NUMBER:	389-323-887
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: COASTAL TO RECEIVE 50% INTEREST IN LEASES UNTIL PAYOUT AT DEPTHS BELOW 3,500'

Elliott and Waldron Abstract Company of Pecos
DeedPrint

Filed for record on the 21st day of June A.D.1973 at 1:00P. M
Duly recorded on the 28th day of June A.D.1973 at 9:00A. M
By Lucie Jo Stevenson Deputy

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas

VOL 323 PAGE 887

FILE NO. 2783 FORD CHAPMAN, ET AL TO COASTAL STATES GAS PRODUCING CO., ET AL

EXPLORATION AGREEMENT

THE STATE OF TEXAS

COUNTY OF REEVES

This agreement made and entered into by and between Ford Chapman, John MacGuire and Judson Williams, hereinafter jointly called "Chapman et al", and Coastal States Gas Producing Company and Texas Utilities Fuel Company, hereinafter jointly called "Coastal":

W I T N E S S E T H :

WHEREAS, Chapman et al are the owners of the following described oil, gas and mineral leases covering Section 38, Block 57, Township 2, T. & P. Railway Company Surveys, Reeves County, Texas:

(1) Dated September 21, 1970, executed by Mrs. Sallie Wynne Reynaud, individually and as agent for the State of Texas, as lessor, in favor of Ford Chapman, as lessee, recorded in Volume 297 at page 485 of the Oil and Gas Lease Records of said County;

(2) Dated September 21, 1970, executed by Lela Mae Wynne et al, individually and as agent for the State of Texas, as lessor, in favor of Ford Chapman, as lessee, recorded in Volume 297 at page 489 of the Oil and Gas Lease Records of said county; and

WHEREAS, it is believed by the parties hereto that said land will be productive of natural gas in commercial quantities, and it is the desire of the parties that such gas be developed and marketed:

NOW THEREFORE, for and in consideration of the mutual benefits to accrue to the parties hereunder, it is hereby covenanted and agreed by and between the parties as follows:

1. On or before the expiration of thirty (30) days from and after the date of the Notary Public's acknowledgment of the signature of that one of the parties hereto who last executes this agreement, Coastal agrees to commence operations for the drilling of a well at a lawful location of its choice in said Section 38, and Coastal agrees to prosecute the drilling of said well with due diligence and in a good and workmanlike manner to a total depth of 16,000 feet from the surface of the ground or sufficient to test the formation

Elliott and Waldron Abstract Company of Pecos
DeedPrint

encountered in the interval from 15,636 feet to 15,750 feet in Coastal's No. 1 Wiggins well in Section 46, Block 57, Township 2, T. & P. Railway Company Surveys, Reeves County, Texas, whichever is the lesser depth. Coastal further agrees to test adequately the productive potential of the Fusselman formation in said well, and said well shall be tested, completed and equipped for production or plugged and abandoned at the sole cost, risk and expense of Coastal.

2. In the event the well provided for in Article 1 hereof should be lost or junked before reaching the depth specified above, Coastal may at its election commence operations for the drilling of a substitute well within thirty (30) days after the abandonment of the first well at a lawful location of its choice on said Section 38 and may prosecute the drilling thereof in the same manner and to the same depth provided above, with the continuing right to drill such substitute wells under the same conditions, with no cessation of more than thirty (30) days between the abandonment of one well and the commencement of operations on the next well, until a well has been drilled to the depth specified above.

3. Chapman et al represent that their net revenue interest under said leases is not less than 78.34 per cent. At such time as the said initial test well or a substitute test well has reached its objective depth and has been completed as a well capable of producing oil and/or gas in paying quantities, and Coastal has in all respects complied with the provisions of Section 1, Chapman et al will assign unto Coastal, on a form mutually acceptable to Coastal and to Chapman et al and without warranties, either express or implied, an undivided fifty per cent (50%) of all of Chapman et al's rights, titles and interests of any kind whatsoever in and to the above described leases as to all horizons lying below a depth of 3,500 feet from the surface of the ground (all rights above such depth to be reserved by Chapman et al); provided, however, the interest so assigned shall continue only until the occurrence of "Payout" as hereinafter defined, and thereupon such interest shall automatically revert to Chapman et al, and Coastal shall have no further interest in the leases, or wells, covered hereby, except as provided for in Section 5 below relative to the purchase of gas therefrom. "Payout" is defined as, and shall occur at, such time as Coastal has recouped

from Coastal's share of the proceeds of all oil, gas and other hydrocarbons which may be produced and saved from said leases, less its share of the taxes on production, royalty, overriding royalty, production payments and other encumbrances with which said leases may be burdened, as the same appear of public record on the date of this Agreement, and less Coastal's share of the entire costs and expenses of operating the wells situated thereon during such recoupment period, all sums expended by Coastal in the drilling, completing, testing and equipping operations conducted by Coastal under the provisions of Section 1 hereof. Such reversion of interest shall be effective on the first day of the calendar month following the month in which such recoupment occurs. Upon the occurrence of Payout, Coastal agrees to execute an assignment in favor of Chapman et al evidencing such reversion. The computation of the operating costs hereunder shall be based on the provisions of the Accounting Procedure attached as Exhibit "C" to the Operating Agreement hereinafter referenced.

4. In the event the initial test well or a substitute test well is completed as being capable of producing oil and/or gas in paying quantities and is connected to a pipeline, all subsequent operations on the said well and on the jointly owned leases shall thereafter be conducted by Coastal, as Operator, pursuant to the terms and provisions of that certain Operating Agreement attached hereto marked Exhibit "I" and by this reference made a part hereof, and all costs, risks, expenses and liabilities incurred in connection with such subsequent operations shall be borne and shared by the parties hereto as their interests appear in the said Operating Agreement until the occurrence of Payout, as hereinabove defined. Upon the occurrence of Payout Coastal shall have no further interest in the said well and/or leases, shall turn operation of the said well over to Chapman, et al, and thereupon Coastal shall no longer be liable for any of the costs, risks, expenses and liabilities of operating the said well. In the event of any conflict between the terms and provisions of this agreement and of the said Operating Agreement, this agreement shall prevail and control.

5. As consideration for the drilling of said well by Coastal, Chapman et al hereby grant to Coastal the right to purchase all gas produced from or allocated to said leases under the terms of a gas contract substantially

the same as the gas contract which is attached hereto, marked Exhibit "II" and by this reference made a part hereof for all purposes. Said gas contract shall be executed by the parties hereto promptly after completion of a producing well hereunder. Insofar as Coastal States Gas Producing Company is concerned, said gas contract shall be executed by its wholly owned subsidiary, Lo-Vaca Gathering Company.

6. In the event Coastal drills a well to the objective depth set out above and elects to plug and abandon said well, Chapman et al shall have the right to take over said well and deepen, plug back or attempt a completion thereof, in which event Chapman et al shall bear all costs, expenses and liabilities incurred after taking over the well, and shall pay Coastal the reasonable salvage value of any salvable material and equipment taken over by Chapman et al. In such event Coastal shall not be entitled to the assignment provided for above but shall be entitled to purchase any gas produced therefrom as set out in Section 5 above.

7. During the drilling of all wells drilled hereunder, Coastal agrees to furnish Chapman et al in care of Ford Chapman, 11th floor, Vaughn Building, Midland, Texas 79701, with copies of all forms filed with the Railroad Commission of the State of Texas, daily drilling reports, notice of logging, testing, etc., and copies of all electrical logs, core analyses and any other information obtained in the drilling thereof.

8. Any money or acreage contribution which may be made toward the drilling of a well drilled under the terms hereof shall be received by Coastal for its sole account.

9. Notwithstanding anything to the contrary herein contained, in the event of Coastal's failure to timely drill the test well as herein provided, and/or in the event of Coastal's failure or default in any of the other requirements, conditions or obligations as herein set forth, the only consequence thereof shall be the termination of this Exploration Agreement and Coastal's loss of the right to earn an interest hereunder.

10. The provisions hereof shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

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11. This instrument may be executed in counterparts, and each such counterpart shall be considered an original, binding on the party executing same.

This Exploration Agreement does not constitute or create and shall not be construed to constitute or create a partnership, mineral or otherwise, or a fiduciary relationship of any kind or character whereby either party hereto shall be liable for the acts, deeds or ommissions of the other party hereto.

IN WITNESS WHEREOF, this instrument is executed this 22nd day of March, 1973.

Ford Chapman

John MacGuire

Judson Williams

Approved as to Legal Dept

COASTAL STATES GAS PRODUCING COMPANY

By: _____
Vice President

ATTEST:
Assistant Secretary

TEXAS UTILITIES FUEL COMPANY

By: _____
Vice President

ATTEST:
Assistant Secretary

VOL 323 PAGE 892

THE STATE OF TEXAS
COUNTY OF Midland

BEFORE ME, the undersigned authority, on this day personally appeared FORD CHAPMAN, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of March A. D. 1973.

Linda J. Reinli
Notary Public in and for
Midland County, Texas

Linda J. Reinli
Notary Public Midland, Texas
My Commission Expires June 1, 1973

THE STATE OF TEXAS
COUNTY OF Midland

BEFORE ME, the undersigned authority, on this day personally appeared JOHN MacGUIRE, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of March A. D. 1973.

Linda J. Reinli
Notary Public in and for
Midland County, Texas

Linda J. Reinli
Notary Public Midland, Texas
My Commission Expires June 1, 1973

THE STATE OF TEXAS
COUNTY OF Midland

BEFORE ME, the undersigned authority, on this day personally appeared JUDSON WILLIAMS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of March A. D. 1973.

Linda J. Reinli
Notary Public in and for
Midland County, Texas

Linda J. Reinli
Notary Public Midland, Texas
My Commission Expires June 1, 1973

VOL 323 PAGE 893

THE STATE OF TEXAS
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared W. L. Blanquist Jr., known to me to be the person whose name is subscribed to the foregoing instrument, as Vice President of COASTAL STATES GAS PRODUCING COMPANY, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 20th day of April A. D. 1973.

Jane Johnson
Notary Public in and for Nueces County, Texas
JANE JOHNSON
Notary Public in and for Nueces County, Texas
My Commission expires June 1, 1973

THE STATE OF TEXAS
COUNTY OF Dallas

BEFORE ME, the undersigned authority, on this day personally appeared L. D. Evans, known to me to be the person whose name is subscribed to the foregoing instrument, as Vice President of TEXAS UTILITIES FUEL COMPANY, a corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11th day of April A. D. 1973.

Shirley S. Hamm
Notary Public in and for Dallas County, Texas
SHIRLEY S. HAMM, Notary Public
in and for Dallas County, Texas
My Commission Expires June 1, 1973

Filed for record on the 21st day of June A.D.1973 at 1:00P. M
Duly recorded on the 28th day of June A.D.1973 at 9:00A. M
By Dawn Jo Simmons Deputy
CATHERINE ASHLEY, County Clerk,
Reeves County, Texas

JUDSON WILLIAMS

TO

JOHN MACGUIRE

ASSIGNMENT

DATED:	02/23/1973
FILED:	05/09/1975
BOOK/PAGE:	336/286
FILE NUMBER:	389-336-286
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: SELLS A PERCENTAGE OF HIS WORKING INTEREST

336/286

FILE NO. 1795 JUDSON WILLIAMS TO JOHN MAC GUIRE

THE STATE OF TEXAS)
)
COUNTY OF REEVES)

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS, that I, JUDSON WILLIAMS, for and in consideration of the sum of $19,555.56 to me in hand paid by JOHN MAC GUIRE, the receipt and sufficiency of which is hereby acknowledged and confessed, from my .0783333 working interest as evidenced by owner number 78926 described in Division Order No. 1727, have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey, unto the said JOHN MAC GUIRE, .014242483 of said net working interest, in that real estate described as follows, to wit:

Section 38, Block 57, Township 2, in Reeves County, Texas, thereby retaining .0783333 of said net working interest;

SUBJECT TO matters of record affecting said land;

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said JOHN MAC GUIRE, his heirs and assigns forever; and I do hereby bind myself, my heirs, executors and administrators, to Warrant and Forever Defend all and singular the said premises herein conveyed unto the said JOHN MAC GUIRE, his heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS MY HAND this 23rd day of February, A.D., 1973.

Judson Williams
JUDSON WILLIAMS

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

BEFORE ME, the undersigned Notary Public in and for said County and State, on this day personally appeared JUDSON WILLIAMS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 23 day of February, A. D., 1973.

NOTARY PUBLIC EL PASO COUNTY, TEXAS

Notary Public in and for
El Paso County, Texas

My Commission Expires:
June 1, 1973

Filed for record on the 9th day of May, A.D. 1975 at 10:30 A.M. Duly recorded on the 12th day of May, A.D. 1975 at 2:00 P.M.

By Bessie Jo Freeman DEPUTY

CATHERINE ASHLEY, County Clerk,
Reeves County, Texas.

FORD CHAPMAN ET AL

TO

COASTAL STATES GAS PRODUCING COMPANY

ASSIGNMENT

DATED:	04/15/1975
FILED:	05/21/1975
BOOK/PAGE:	336/610
FILE NUMBER:	389-336-610
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 1/2 INTEREST BELOW 3,500'

VOL 336 PAGE 610

DMG/j 4-14-75

13754-04-02

FILE NO. 1996 FORD CHAPMAN, ET AL TO COASTAL STATES GAS PRODUCING COMPANY

ASSIGNMENT

THE STATE OF TEXAS)
) KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF REEVES)

That We, FORD CHAPMAN, JOHN MacGUIRE and JUDSON WILLIAMS, whose marital statuses have not changed since acquiring the leases hereinafter described, hereinafter called "Assignors", for and in consideration of Ten Dollars and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, have Bargained, Sold, Assigned and Conveyed, and by these presents do hereby Bargain, Sell, Assign and Convey, unto COASTAL STATES GAS PRODUCING COMPANY, and TEXAS UTILITIES FUEL COMPANY, their respective successors and assigns, hereinafter called "Assignees", for the term hereinafter specified, an undivided one-half (1/2) of Assignors' respective rights, titles and interests in and to the following described oil, gas and mineral leases, insofar only as said leases cover the lands hereinafter more particularly described, situated in REEVES COUNTY, TEXAS, to-wit:

Lease No. 1: Dated September 21, 1970, recorded in Volume 297, page 485, Oil & Gas Lease Records, Reeves County, Texas, wherein Mrs. Sallie Wynne Reynaud, Individually and as Agent for the State of Texas, is lessor, and Ford Chapman is lessee;

Lease No. 2: Dated September 21, 1970, recorded in Volume 297, page 489, Oil & Gas Lease Records, Reeves County, Texas, wherein Lela Mae Wynne, et al, Individually and as Agents for the State of Texas, are lessor, and Ford Chapman is lessee;

insofar and insofar only as said leases cover all of Section 38, Block 57, T-2, T&P Ry. Co. Survey, at all depths below, but not above, a depth of 3,500 feet beneath the surface;

together with a like undivided interest in and to all personal property used or obtained in connection therewith.

This assignment is subject to the terms and provisions of the above described leases; an existing Operating Agreement between the parties hereto, wherein Coastal States Gas Producing Company is Operator; that certain Gas Purchase Contract dated March 22, 1973, wherein Assignees herein are "Buyer", and Assignors herein are "Seller"; and to a proportionate share of all valid and existing overriding royalty interests, production payments, or any other interests payable from or measured by production from the land above described, under and by virtue of the terms and provisions of the above described leases, which may be reflected by the records of Reeves County, Texas.

This assignment shall remain in full force and effect until the date specified below, whereupon the same shall ipso facto terminate, and Assignees shall execute and deliver to Assignors an appropriate recordable instrument evidencing such termination, to-wit:

The 1st day of the calendar month immediately following the month in which Assignees recoup from their share of the proceeds of all oil, gas and other hydrocarbons produced and saved from the land above described, under and by virtue of the terms and provisions of the above described leases, less their share of taxes on production, existing royalty, overriding royalty, production payments and other payments measured by or payable from production with which said leases may be burdened, and as appear of record in Reeves County, Texas, as of the effective date of this assignment, and less their share of the entire cost and expenses of operating the wells situated on the land above described during such recoupment period, all sums expended by Assignees in the drilling, completing, testing and equipping the existing wells situated upon said land. The computation of the price received by Assignees for their share of the gas produced and saved from said land shall be in accordance with the price specified in the Gas Purchase Contract referred to above, and the computation of operating costs shall be based on the provisions of the Accounting Procedure attached as Exhibit "C" to the Operating Agreement referred to above.

IN WITNESS WHEREOF, this instrument is executed this 15th day of April, 1975, but shall be effective as of the 22nd day of March, 1973.

Ford Chapman

John MacGuire

Judson Williams

THE STATE OF TEXAS)
)
COUNTY OF MIDLAND)

BEFORE ME, the undersigned authority, on this day personally appeared FORD CHAPMAN, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 15th day of April, 1975.

NOTARY PUBLIC MIDLAND COUNTY, TEXAS

Ora Lee Bolin
Notary Public, Midland County, Texas

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared JOHN MacGUIRE, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of April, 1975.

Jackie M. Winston
Notary Public, El Paso County, Texas.

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

BEFORE ME, the undersigned authority, on this day personally appeared JUDSON WILLIAMS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of April, 1975.

Jackie M. Winston
Notary Public, El Paso County, Texas.

Filed for record on the 21st day of May A.D. 1975 at 10:30 A M. Duly recorded on the 22nd day of May A.D. 1975 at 5:00 P M.

CATHERINE ASHLEY, County Clerk, Reeves County, Texas.

By Billie Jo Swanson DEPUTY.

COASTAL STATES GAS PRODUCING COMPANY

TO

FORD CHAPMAN ET AL

ASSIGNMENT

DATED:	11/03/1975
FILED:	03/12/1976
BOOK/PAGE:	342/757
FILE NUMBER:	389-342-757
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL INTEREST

VOL 342 PAGE 757

FILE NO. 938 COASTAL STATES GAS PRODUCING COMPANY, ET AL TO FORD CHAPMAN ET AL

ASSIGNMENT

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

THAT COASTAL STATES GAS PRODUCING COMPANY, and TEXAS UTILITIES FUEL COMPANY, hereinafter called "Assignors", for and in consideration of Ten Dollars and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowleged, have Bargained, Sold, Assigned and Conveyed, and by these presents do hereby Bargain, Sell, Assign and Convey, unto FORD CHAPMAN, JOHN MacGUIRE and JUDSON WILLIAMS, their respective successors and assigns, hereinafter called "Assignees", all of Assignors' respective rights, titles and interests in and to the following described oil, gas and mineral leases, insofar only as said leases cover the lands hereinafter more particularly described, situated in REEVES COUNTY, TEXAS, to-wit:

Lease No. 1: Dated September 21, 1970, recorded in Volume 297, Page 485, Oil & Gas Lease Records, Reeves County, Texas, wherein Mrs. Sallie Wynne Reynaud, Individually and as Agent for the State of Texas, is lessor, and Ford Chapman is lessee;

Lease No. 2: Dated September 21, 1970, recorded in Volume 297, Page 489, Oil & Gas Lease Records, Reeves County, Texas, wherein Lela Mae Wynne, et al, Individually and as Agents for the State of Texas, are lessor, and Ford Chapman is lessee;

insofar and insofar only as said leases cover all of Section 38, Block 57, T-2, T&P Ry. Co. Survey, at all depths below, but not above, a depth of 3,500 feet beneath the surface;

This assignment is subject to the terms and provisions of the above described leases and to a proportionate share of all valid and existing overriding royalty interests, production payments, or any other interests payable from or measured by production from the land above described, under and by virtue of the terms and provisions of the above described leases, which may be reflected by the records of Reeves County, Texas.

This Assignment is made without warranty of title either express or implied.

IN WITNESS WHEREOF, this instrument is executed this 3rd day of November, 1975.

ATTEST: COASTAL STATES GAS PRODUCING COMPANY

Approved as to Form Legal Dept.

APPROVED LAND DEPT. BY AOH

Assistant Secretary By E O Norton
Vice President

ATTEST: TEXAS UTILITIES FUEL COMPANY

Secretary By M D Wright
Vice President

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared E O Norton, Vice President of COASTAL STATES GAS PRODUCING COMPANY, known to me to be the person whose name is subscribed to the foregoing instrument, and he acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act of and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 3rd day of November, 1975.

VICKIE LYNN OPREA
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1977

Vicki Lynn Oprea
Notary Public in and for Harris County, Texas

THE STATE OF TEXAS §
§
COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared M. D. Wright, Vice President of TEXAS UTILITIES FUEL COMPANY, known to me to be the person whose name is subscribed to the foregoing instrument, and he acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act of and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 14th day of October, 1975.

Pat Day
Notary Public in and for Dallas County, Texas

-2-

Filed for record on the 12th day of March, A.D. 1976 at 10:30 A.M.
Duly recorded on the 17th day of March, A.D. 1976 at 9:30 A.M.
CATHERINE ASHLEY, County Clerk,
By Brenda Jo Stevenson DEPUTY Reeves County, Texas.

FIRST CITY NATIONAL BANK OF HOUSTON

TO

GEORGE F THAGARD JR

FULL RELEASE OF LIEN(S)

DATED:	02/25/1979
FILED:	03/22/1979
BOOK/PAGE:	39/189
FILE NUMBER:	389-39-189
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

VOL 39 PAGE 189

FILE NO. 1309 FIRST CITY NATIONAL BANK OF HOUSTON TO GEORGE F. THAGARD, JR.

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

FULL RELEASE OF LIEN

In consideration of the payment of all indebtedness and amounts secured by the following described instrument or instruments heretofore executed or transferred to or for the benefit of the undersigned, to-wit:

(a) Mortgage, Deed of Trust, Assignment of Production and Security Agreement dated August 25, 1972, executed by GEORGE F. THAGARD, JR. (hereinafter called "Mortgagor"), to Thomas G. Stevens, Trustee, for the use and benefit of FIRST CITY NATIONAL BANK OF HOUSTON (hereinafter called "Bank"), recorded in Volume 94, Page 315, of the Deed of Trust Records of Reeves County, Texas;

(b) Supplemental Mortgage, Assignment of Production and Security Agreement dated June 3, 1976, executed by Mortgagor to Thomas G. Stevens, Trustee, for the use and benefit of Bank, recorded in Volume 102, Page 866, of the Deed of Trust Records of Reeves County, Texas;

(c) Supplemental Mortgage, Assignment of Production and Security Agreement dated January 18, 1977, executed by Mortgagor to Thomas G. Stevens, Trustee, for the use and benefit of Bank, recorded in Volume 105, Page 493 of the Deed of Trust Records of Reeves County, Texas; and

(d) Supplemental Mortgage, Assignment of Production and Security Agreement dated June 28, 1977, executed by Mortgagor to Thomas G. Stevens, Trustee, for the use and benefit of Bank, recorded in Volume 106, Page 715 of the Deed of Trust Records of Reeves County, Texas.

the undersigned hereby releases and discharges all of its rights, titles and interests in and to the above described instrument or instruments including the liens created and existing thereunder on the property described in and covered thereby.

Reference is hereby made to the above described instrument or instruments and the recordation thereof for all purposes in connection herewith.

EXECUTED this 25th day of February, 1979

FIRST CITY NATIONAL BANK OF HOUSTON

ATTEST:

Phyllis D. Smith
Assistant Cashier

By John A. Lee
Vice President

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THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Tobe D. Parker, Vice President of FIRST CITY NATIONAL BANK OF HOUSTON, a national banking association, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act and deed of said banking association and that he executed the same as the act and deed of such association for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 25th day of February, 1979.

Mary Anna Vance
Notary Public in and for
Harris County, Texas

My Commission Expires:

MARY ANNA VANCE
Notary Public in and for Harris County, Texas
My Commission Expires 12/8/79

Filed for record on the 22nd day of March, A.D. 1979 at 10:30A.M.
Duly recorded on the 23rd day of March, A.D. 1979 at 10:00 A. M.

BY Bessie Jo Simmons DEPUTY

CATHERINE ASHLEY, COUNTY CLERK
REEVES COUNTY, TEXAS

SABINE CORPORATION

TO

INTERFIRST BANK DALLAS NA

CONVEYANCE

DATED:	01/31/1983
FILED:	06/16/1983
BOOK/PAGE:	432/841
FILE NUMBER:	389-432-841
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ORRI

VOL 432 PAGE 841

FILE NO. 1825

SABINE CORPORATION TO INTERFIRST BANK DALLAS, N.A. TRUSTEE

(Texas)
1-11-83

C O N V E Y A N C E

This Conveyance from SABINE CORPORATION, a Louisiana corporation with offices at 1200 Mercantile Bank Building, Dallas, Texas, 75201 ("Sabine"), to INTERFIRST BANK DALLAS, N.A., TRUSTEE OF SABINE ROYALTY TRUST, with offices at First International Building, Dallas, Texas 75283 (herein called the "Trustee"),

WITNESSETH:

Sabine, for a valuable consideration, and subject to the exceptions, reservations and limitations herein set forth and the terms and provisions hereof, by these presents does GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER and DELIVER unto the Trustee the following:

A. All perpetual or term mineral interests and perpetual or term royalty interests (including lessors' royalties) in oil, gas or other minerals owned by Sabine in lands which are productive of oil, gas or other minerals (as hereinbelow defined) on January 1, 1983 (the "Effective Date"), and which are located in the State of Texas, including without limitation those interests described in Exhibit A annexed hereto and hereby made a part hereof, subject (but only to the extent the same are valid and subsisting on the Effective Date) to any oil and gas or oil, gas and mineral leases and other matters of record covering or affecting said interests and to any valid and subsisting oil or gas purchase or sale contracts or processing agreements and to any valid and subsisting pooling, unitization or communitization agreements, declarations or orders (herein collectively referred to as "Encumbrances") relating to such mineral and royalty interests; and

B. All overriding royalty interests, production payment interests, net profit interests and other nonoperating interests of whatever nature or description owned by Sabine on the Effective Date in lands located in the State of Texas which are productive of oil, gas or other minerals (as hereinbelow defined) on the Effective Date, including without limitation those interests described in Exhibit A, subject to any Encumbrances covering, affecting or relating to such interests;

together with all rights of ingress and egress (if any) and all other appurtenances belonging or appurtenant to the property interests described in subparagraphs A and B above (herein collectively referred to as the "Conveyed Interests").

TO HAVE AND TO HOLD the Conveyed Interests unto the Trustee, its successors and assigns, forever, subject as aforesaid and subject to the further terms and provisions of this instrument.

1. The term "productive of oil, gas or other minerals" as used herein shall be deemed to mean those property interests above described which are on the Effective Date subject to a valid, subsisting and recorded oil and gas lease, oil, gas or mineral lease, or other form of lease for the production of any oil, gas or other mineral substance, whether or not actually producing, without regard to any depth limitation contained in any such lease or to the particular mineral substance or substances covered thereby.

2. The term "oil, gas and other minerals" as used herein shall be deemed to mean and include with respect to any particular Conveyed Interest such substances as are included in

the Conveyed Interest, as determined by reference to the law of the State in which such interest is located.

3. Sabine hereby excepts and reserves unto itself, its successors and assigns (and there is not conveyed hereby) the following:

(a) The specific property interests described in the Schedule of Excluded Property Interests annexed hereto.

(b) All perpetual or term mineral and royalty interests, overriding royalty interests, production payment interests, net profit interests and other nonoperating interests of whatever nature or description which are not productive of oil, gas or other minerals (as above defined) on the Effective Date.

(c) All overriding royalty interests in lands covered by oil, gas and/or other mineral leases executed by the United States of America and all overriding royalty interests, production payment interests, net profit interests and other nonoperating interests owned by Sabine which by their terms are convertible to working or operating interests in oil, gas or mineral properties.

(d) All leasehold working interests or operating interests owned by Sabine in any of the lands covered or affected by the Conveyed Interests.

(e) All executive rights (to the extent owned by Sabine immediately prior to the Effective Date) including rights of ingress and egress, rights to execute oil, gas and/or mineral leases covering all or any part of the Conveyed Interests and rights to receive bonuses and delay rentals paid or payable in connection with or pursuant to any such leases. In exercising its right to execute oil, gas and/or other mineral leases affecting the Conveyed Interests, Sabine shall have full and unlimited discretion to enter into leases thereof on such terms and conditions as it may deem proper, so long as such leases are entered into in bona fide arm's-length transactions with third parties who are not affiliates or subsidiaries of Sabine. Sabine shall also have the right to execute leases in favor of affiliates or subsidiaries of Sabine so long as each lease so executed is upon terms substantially equal to the terms which would reasonably be available in the area, at the time such lease is executed, in a bona fide arm's-length transaction with a third party not affiliated with Sabine and provides for a fractional royalty on oil, gas and/or other mineral produced from the land covered thereby. In exercising the right reserved in this paragraph, Sabine shall have the right to include in any such lease provisions allowing the lessee therein to unitize, pool, combine or recombine the land covered by any such lease, so long as the rights so granted are not inconsistent with the rights to unitize, pool, combine or recombine reserved to Sabine in subparagraph (f) below.

(f) The right and power, at its option, from time to time to unitize, pool, combine or recombine the Conveyed Interests, or any portion or portions thereof, as to oil, gas and other minerals, or any one or more of them, with other interests or estates in lands in the same general area as the Conveyed Interest being so unitized, pooled, combined or recombined, so as to create one or more unitized areas. Sabine, under the provisions hereof, may pool, unitize, combine or recombine the land affected by a Conveyed Interest, or any portion or portions thereof, as to oil in any one or more strata, as to gas in any one or more strata, as to gas and liquid hydrocarbons other than

VOL 432 PAGE 843

oil in any one or more strata and as to any other mineral in any one or more strata. The units formed by pooling, unitizing, combining or recombining as to any strata or stratum need not conform in size or area with the unit or units into which said land is pooled, unitized, combined or recombined as to any other strata or stratum, and oil units need not conform in area with gas units or with units as to gas and liquid hydrocarbons other than oil or with units as to other minerals, nor need any conform with the other. The pooling, unitization, combining and recombining in one or more instances shall not exhaust the rights of Sabine hereunder to pool, unitize, combine or recombine a Conveyed Interest, or any portion or portions thereof, into other units. Pursuant to the power reserved by Sabine in this paragraph, Sabine shall have the right to enlarge, reform or dissolve units previously formed. Sabine shall execute in writing an instrument or instruments identifying and describing the interest and acreage pooled, unitized, combined, recombined or enlarged, the substance or substances affected, and the strata or stratum affected, shall cause the same to be recorded in the proper records of the county or parish in which the Conveyed Interest affected thereby is situated and shall promptly furnish to the Trustee a copy of the recorded instrument. The method of allocation of production to tracts within any unit shall be on a surface-acre basis or such other reasonable basis as Sabine shall in good faith determine, and there shall accrue to the Conveyed Interest so pooled or unitized only such share of the unitized substance produced from the strata or stratum so unitized, pooled, combined or recombined which is so allocated to the tract or tracts in which the Conveyed Interest is situated and which is properly allocable to the Conveyed Interest in such tract or tracts.

4. The executive rights and the pooling rights herein reserved to Sabine shall, with respect to each of the Conveyed Interests affected thereby, vest in the Trustee or other owner or owners of the mineral estate affected thereby upon the earlier to occur of (i) the sale or other disposition by the Trustee of such Conveyed Interest, (ii) the termination of the Sabine Corporation Royalty Trust Agreement mentioned below or (iii) the expiration of 21 years less one day after the death of the last to die of all of the issue living at the date of execution of this instrument of John D. Rockefeller, Jr., late father of the late Vice President of the United States, Nelson A. Rockefeller.

5. This instrument is subject to the terms and provisions of the Sabine Corporation Royalty Trust Agreement effective as of December 31, 1982, executed by Sabine and the Trustee.

6. This Conveyance is made without any covenant or representation of title or warranty of title of any kind, express or implied, and without recourse against Sabine in the event of any failure of title to the Conveyed Interests, or any part thereof, but is made with full substitution and subrogation of the Trustee in and to all covenants and warranties by others heretofore given or made with respect to the Conveyed Interests, respectively, or any part thereof.

7. Sabine agrees to execute and deliver to the Trustee all such other and additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively grant, convey and assign to the Trustee the Conveyed Interests covered hereby.

8. All proceeds of production accruing or allocable to the Conveyed Interests after the Effective Date shall be

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subject to the terms and provisions of a certain Escrow Agreement, effective as of December 31, 1982 and executed by Sabine, the Trustee and InterFirst Bank Dallas, N.A. as the Escrow Agent.

IN WITNESS WHEREOF, Sabine has executed this Conveyance this 30th day of January 1983, effective as to runs of oil and deliveries of gas and for all other purposes as of 7:00 a.m. local time (at the location of the Conveyed Interests, respectively) on the Effective Date.

SABINE CORPORATION

By _____
A. L. Bragg, Vice-President

ATTEST:

By _____
Bobbie J. Freeman, Asst. Secretary

[Seal]

ACKNOWLEDGMENT

THE STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was acknowledged before me on January 31, 1983, by A. L. Bragg, Vice-President of SABINE CORPORATION, a Louisiana corporation, on behalf of said Corporation.

Mary C. Patterson
Notary Public in and for the State of Texas

Notary's Printed Name:
MARY C. PATTERSON

[Seal]

My Commission Expires:
3-19-85

EXHIBIT 'A'
TO CONVEYANCE FROM SABINE CORPORATION
TO SABINE ROYALTY TRUST

REEVES COUNTY, TEXAS PAGE 1

ROYALTY NUMBER	NET MINERAL ACRES	DESCRIPTION
21332 A 51	72.6660	SE/4 OF SEC. 2, BLOCK C-6, PUBLIC SCHOOL LANDS
22510 A 61	47.5000	ALL OF SEC. 39, BLOCK C-6, PUBLIC SCHOOL LANDS, SVY. A-25
22534 A 62	115.5000	ALL OF SEC. 49, BLOCK 6N, H & GN RY. CO. SVY. (ALSO 15 NON-PART. ROYALTY ACRES)
22538 A 62	90.0000	N. 287.6 ACS. OF SEC. 16, BLOCK C-6, PUBLIC SCHOOL LANDS, SVY. A-25
22549 A 62	172.5000	E/2 OF THE T. HERNANDEZ SVY. A-5 (ALSO 86.25 NON-PART. ROYALTY ACRES) (LESS EXECUTORY RIGHTS ON MINERAL INTEREST)
22611 A 63	80.0000	N/2 OF SEC. 6, BLOCK C-6, PUBLIC SCHOOL LANDS
22685 A 65	80.0000	ALL OF SECS. 13 & 14, BLOCK 10-T, PUBLIC SCHOOL LANDS
22890 A 67	90.9000	ALL OF SEC. 5, BLOCK 7, H & GN RY. CO. SVY. A-356 (LESS EXECUTORY RIGHTS ON MINERAL INTEREST).
22902 A 68	100.0000	W/2 E SW/4 OF SEC. 45, BLOCK 6, H. E. & W. T. RY. CO. SVY. (NON-PART. ROYALTY ACRES ONLY)
22905 A 68	125.0000	N. PT. OF SEC. 25 (316 ACS.) & S. PT. OF SEC. 16 (316.94 ACS.), BLOCK 4, H & GN RY. CO. SVY.
22947 A 70	13.3300	SEC. 35, BLOCK 1, H & GN RY. CO. SVY. (ALSO 2.917 ORRI)
23319 A 72	44.0000	SEC. 38, BLOCK 57, TWP. 2, T & P RY. CO. SVY. (46/256 X 52 ORRI ONLY)
21318 A 51	320.0000	ALL SEC. 12, BLK. 55, T-4, TEXAS RY. CO. SVY. (LESS, SAVE & EXCEPT ANY INTEREST IN SURFACE)
22759 A 66	10.8280	ALL SEC. 12, BLK. C-4, PSL SURVEY (LESS, SAVE & EXCEPT ANY INTEREST IN SURFACE)

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SCHEDULE OF EXCLUDED PROPERTY INTERESTS

REEVES COUNTY, TEXAS

ROYALTY NUMBERS	DESCRIPTION	GROSS ACRES	NET ACRES
21321-51	SEC. 39, 40, 41 & 42: All Blk. 50 Twp. 8, T & P RR Co. Svy.	2,560.00	832.00

Filed for record on the 16th day of June A.D. 1983 at 10:59A. M.
Duly recorded on the 16th day of June A.D. 1983 at 12:30P. M.
BY Billie Jo Freeman DEPUTY
CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS.

FORD CHAPMAN ET AL

TO

ORLA PETCO INC

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	09/07/1983
FILED:	09/14/1983
BOOK/PAGE:	435/430
FILE NUMBER:	389-435-430
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: LIMITED FROM SURFACE TO 4,695'

VOL 435 PAGE 430

FILE NO. 2816 FORD CHAPMAN, ET AL TO ORLA PETCO, INC.

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, FORD CHAPMAN, JUDSON F. WILLIAMS, and JOHN MACGUIRE ("Assignors") do hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., P.O. Box 1383, Midland, Texas, its heirs and assigns (herein collectively called "Assignee"), the following described oil and gas leases:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

This assignment is made expressly subject to the terms, provisions and reservations of said leases and any assignments thereof, and to all overriding royalty interests which appear of record.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, Judson F. Williams, and Orla Petco, Inc.

This assignment is made without warranty of title, express or implied.

WITNESS THE EXECUTION hereof, this 7th day of Sept., 1983.

FORD CHAPMAN

JUDSON F. WILLIAMS

JOHN MacGUIRE

STATE OF TEXAS $
COUNTY OF MIDLAND $

This instrument was acknowledged before me on the 29 day of August, 1983 by FORD CHAPMAN.

My Commission expires:
12/09/86

Karis Bell
Notary Public, State of Texas
Karis Bell

STATE OF TEXAS $
COUNTY OF ~~MIDLAND~~ EL PASO $

This instrument was acknowledged before me on the 6 day of September, 1983 by JUDSON F. WILLIAMS.

My Commission expires:
6/30/84

Eugenio L. Alvarez
Notary Public, State of Texas
Eugenio L. Alvarez

STATE OF TEXAS $
COUNTY OF ~~MIDLAND~~ EL PASO $

This instrument was acknowledged before me on the 1st day of September, 1983 by JOHN MacGUIRE.

My Commission expires:
6/30/84

George Angelos
Notary Public, State of Texas
George Angelos

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Filed for record on the 14th day of September, A.D. 1983 at 11:51A. M.

Duly recorded on the 14th day of September, A.D. 1983 at 4:00P. M.

By Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

ORLA PETCO INC

TO

ED R KENNEDY

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS

DATED:	09/12/1983
FILED:	09/14/1983
BOOK/PAGE:	435/432
FILE NUMBER:	389-435-432
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 2% OF 8/8

VOL 435 PAGE 432

FILE NO. 2817 ORLA PETCO, INC. TO ED R. KENNEDY

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS §
§
COUNTY OF REEVES §

WHEREAS, ORLA PETCO, INC. ("Assignor") owns the following described oil and gas leases insofar as they cover the lands hereinafter described situated in Reeves County, Texas:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Assignor for an adequate consideration in hand paid, the receipt of which is hereby acknowledged, does hereby BARGAIN, SELL, and ASSIGN unto ED R. KENNEDY ("Assignee") an overriding royalty equal to two percent of eight-eighths (2% of 8/8) of all oil which may be produced and saved from the lands described above under and by virtue of the leases described above, delivery of such oil to be made free of cost to the credit of Assignee into storage tanks provided by Assignee or into the pipeline to which the wells on said land may be connected. On dry gas or casing-head gas, when marketed from said premises, Assignee shall be

VOL 435 PAGE 433

paid 2% of 8/8 part of the net proceeds at the well derived therefrom, and on casinghead gas or other gaseous or vaporous substances produced from said lands and utilized by Assignor in the manufacture of gasoline or other products, Assignee shall be paid 2% of 8/8 part of the current market value at the well or wells of the casinghead gas or other gaseous or vaporous substances so utilized.

Fuel oil and gas for operating the premises and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should this lease be operated jointly with other premises through the use of such plant) shall be conducted before said overriding royalties on oil or gas are computed. It is expressly agreed that operations, if any, on said premises, and the extent and duration thereof, as well as the preservation of the leasehold estate by rental payments or otherwise shall be solely at the will of Assignor, its successors and assigns.

If the lessors in the above-described leases own a lesser interest in the premises covered thereby than the entire and undivided fee, then said overriding royalties shall be paid to Assignee herein in the proportion which the interest of the lessors in said lands bear to the entire and undivided fee.

Assignee hereby authorizes Assignor to unitize, pool, and combine the land covered by the above-described lease in any manner which conforms with the laws of the State of Texas and the rules and regulations of the Texas Railroad Commission or other lawful authority.

This assignment is made without warranty of title, express or implied.

The terms hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives, successors, and assigns.

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WITNESS THE EXECUTION hereof this 12th day of September, 1983.

ORLA PETCO, INC.

By _____
ADALBERT VON GONTARD, III
VICE PRESIDENT

STATE OF TEXAS §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 12th day of September, 1983, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

My Commission expires: _____
Notary Public, State of Texas

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 4/30/84

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Filed for record on the 14th day of September, A.D. 1983 at 11:51A. M.

Duly recorded on the 14th day of September, A.D. 1983 at 4:00P. M.

By Billie Jo Brannon DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

ORLA PETCO INC

TO

TRICENTROL UNITED STATES INC

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	09/13/1983
FILED:	09/14/1983
BOOK/PAGE:	435/435
FILE NUMBER:	389-435-435
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: LIMITED FROM SURFACE TO 4,695'

VOL 435 PAGE 435

FILE NO. 2818 ORLA PETCO, INC. TO TRICENTROL UNITED STATES, INC., ET AL

ASSIGNMENT OF INTEREST
IN
OIL AND GAS LEASES

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC. ("Assignor") does hereby GRANT, CONVEY and ASSIGN to the following named individuals and entities, their respective heirs, successors and assigns ("Assignees"), in the percentage shown below opposite the name of each Assignee, an undivided 79% interest in the following oil and gas leases:

(1) Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas,

(2) Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B No. 3B well insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The interest covered by this assignment is bargained, sold, assigned and conveyed to Assignees herein and shall be held by them, their heirs, successors and assigns, in the following interest:

VOL 435 PAGE 436

Tricentrol United States, Inc. Suite 2000, Five Post Oak Park Houston, Texas 77027	37.035%
Orla Drilling Fund #6 P.O. Box 1383 Midland, Texas 79702	19.447%
Bruce T. Pearson P.O. Box 1461 Midland, Texas 79702	7.407%
Adalbert von Gontard, III P.O. Box 1383 Midland, Texas 79702	4.000%
J.M.C. Ritchie P.O. Box 1383 Midland, Texas 79702	7.407%
Lisat Venture c/o Arden R. Grover P.O. Box 3666 Midland, Texas 79702	3.704%
	79.000%

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8 overriding royalty interest owned by Ed R. Kennedy, all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above-described leases and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

(1) Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, and Judson F. Williams, and Orla Petco, Inc.
(2) Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Tricentrol United States, Inc., et al as Non-Operators.

This assignment is made without warranty of title, express or implied.

WITNESS THE EXECUTION hereof, this 13th day of September, 1983.

ORLA PETCO, INC.

By _____
Adalbert von Gontard, III
Vice President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 13th day of September, 1983, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

My Commission expires: _____

_____
Notary Public, State of Texas

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/84

-3-

Filed for record on the 14th day of September, A.D. 1983 at 11:52A. M.

Duly recorded on the 14th day of September, A.D. 1983 at 4:00P. M.

By Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

FORD CHAPMAN ET AL

TO

ORLA PETCO INC

CORRECTION ASSIGNMENT OF OIL AND GAS LEASES

DATED:	01/16/1984
FILED:	02/17/1984
BOOK/PAGE:	441/117
FILE NUMBER:	389-441-117
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: IN LIEU OF 435/430

VOL 441 PAGE 117

FILE NO. 663 FORD CHAPMAN, ET AL TO ORLA PETCO, INC.

CORRECTED
ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, FORD CHAPMAN, JUDSON F. WILLIAMS, and JOHN MACGUIRE ("Assignors") do hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., P.O. Box 1383, Midland, Texas, its heirs and assigns (herein collectively called "Assignee"), the following described oil and gas leases:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

This assignment is made expressly subject to the terms, provisions and reservations of said leases and any assignments thereof, and to all overriding royalty interests which appear of record.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, Judson F. Williams, and Orla Petco, Inc.

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This assignment is made without warranty of title, express or implied.

This assignment is in lieu and substitution of that certain assignment dated September 7, 1983, between the parties hereto, recorded in Volume 435, page 430, DEED records of Reeves County, Texas, and is executed for the purposes of correcting defective acknowledgments of signatures to said assignment.

DATED the 16th day of January, 1984, but effective as of the date of first production from the Sand Bend Well No. 1.

FORD CHAPMAN

JUDSON F. WILLIAMS

JOHN MacGUIRE

STATE OF TEXAS I
COUNTY OF MIDLAND I

This instrument was acknowledged before me on the 19th day of January, 1984, by FORD CHAPMAN.

My Commission expires: 1-28-86

Notary Public, State of Texas
Karis Bell

STATE OF TEXAS I
COUNTY OF EL PASO I

This instrument was acknowledged before me on the 8th day of [illegible], 1984, by JUDSON F. WILLIAMS.

My Commission expires: 6-30-87

Notary Public, State of Texas

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STATE OF TEXAS I
COUNTY OF EL PASO I

This instrument was acknowledged before me on the 8th day of February, 1984, by JOHN MacGUIRE.

Notary Public, State of Texas

My Commission expires:
4-10-84

Filed for record on the 17th day of February, A.D. 1984 at 11:12 AM.
Duly recorded on the 20th day of February, A.D. 1984 at 2:00 P.M.
By Olga Fuentes Deputy

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

ORLA PETCO INC

TO

ED R KENNEDY

CORRECTION

DATED:	02/13/1984
FILED:	02/17/1984
BOOK/PAGE:	441/120
FILE NUMBER:	389-441-120
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: CORRECTS 435/432

VOL 441 PAGE 120

FILE NO. 664 ORLA PETCO,INC. TO ED R. KENNEDY

CORRECTED
ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS §
§
COUNTY OF REEVES §

WHEREAS, ORLA PETCO, INC. ("Assignor") owns the following described oil and gas leases insofar as they cover the lands hereinafter described situated in Reeves County, Texas:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Assignor for an adequate consideration in hand paid, the receipt of which is hereby acknowledged, does hereby BARGAIN, SELL, and ASSIGN unto ED R. KENNEDY ("Assignee") an overriding royalty equal to two percent of eight-eighths (2% of 8/8) of all oil which may be produced and saved from the lands described above under and by virtue of the leases described above, delivery of such oil to be made free of cost to the credit of Assignee into storage tanks provided by Assignee or into the pipeline to which the wells on said land may be connected. On dry gas or casinghead gas, when marketed from said premises, Assignee shall be

paid 2% of 8/8 part of the net proceeds at the well derived therefrom, and on casinghead gas or other gaseous or vaporous substances produced from said lands and utilized by Assignor in the manufacture of gasoline or other products, Assignee shall be paid 2% of 8/8 part of the current market value at the well or wells of the casinghead gas or other gaseous or vaporous substances so utilized.

Fuel oil and gas for operating the premises and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should this lease be operated jointly with other premises through the use of such plant) shall be conducted before said overriding royalties on oil or gas are computed. It is expressly agreed that operations, if any, on said premises, and the extent and duration thereof, as well as the preservation of the leasehold estate by rental payments or otherwise shall be solely at the will of Assignor, its successors and assigns.

If the lessors in the above-described leases own a lesser interest in the premises covered thereby than the entire and undivided fee, then said overriding royalties shall be paid to Assignee herein in the proportion which the interest of the lessors in said lands bear to the entire and undivided fee.

Assignee hereby authorizes Assignor to unitize, pool, and combine the land covered by the above-described lease in any manner which conforms with the laws of the State of Texas and the rules and regulations of the Texas Railroad Commission or other lawful authority.

This assignment is made without warranty of title, express or implied.

The terms hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives, successors, and assigns.

VOL 441 PAGE 122

This assignment is in lieu and substitution of that certain assignment dated September 12, 1983, between the parties hereto, recorded in Volume 435, page 432, DEED records of Reeves County Texas.

DATED the 13th day of February, 1984, but effective as of the date of first production from the Sand Bend Well No. 1.

ORLA PETCO, INC.

By _____
Adalbert von Gontard, III
Vice President

STATE OF TEXAS I
I
COUNTY OF MIDLAND I

This instrument was acknowledged before me on the 13th day of February, 1984, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

NOTARY PUBLIC STATE OF TEXAS

_____
Notary Public, State of Texas
Pauline Grubb

My Commission Expires:
9/30/84

-3-

Filed for record on the 17th day of February, A.D. 1984 at 11:12A. M.
Duly recorded on the 20th day of February, A.D. 1984 at 2:00P. M.
By _____ Deputy
CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS

ORLA PETCO INC

TO

TRICENTROL UNITED STATES INC ET AL

CORRECTION

DATED:	02/14/1984
FILED:	02/17/1984
BOOK/PAGE:	441/123
FILE NUMBER:	389-441-123
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: CORRECTS 435/435

VOL 441 PAGE 123

FILE NO. 665 ORLA PETCO, INC. TO TRICENTROL UNITED STATES, INC., ET AL

CORRECTED
ASSIGNMENT OF INTEREST
IN
OIL AND GAS LEASES

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC. ("Assignor") does hereby GRANT, CONVEY and ASSIGN to the following named individuals and entities, their respective heirs, successors and assigns ("Assignees"), in the percentage shown below opposite the name of each Assignee, an undivided 79% interest in the following oil and gas leases:

(1) Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas,

(2) Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4695', SAVE AND EXCEPT the proration unit for the G.A. Wynne B No. 3B well insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The interest covered by this assignment is bargained, sold, assigned and conveyed to Assignees herein and shall be held by them, their heirs, successors and assigns, in the following interest:

VOL 441 PAGE 124

Tricentrol United States, Inc. Suite 2000, Five Post Oak Park Houston, Texas 77027	37.035%
Orla Drilling Fund #6 P.O. Box 1383 Midland, Texas 79702	19.447%
Bruce T. Pearson P.O. Box 1461 Midland, Texas 79702	7.407%
Adalbert von Gontard, III P.O. Box 1383 Midland, Texas 79702	4.000%
J.M.C. Ritchie P.O. Box 1383 Midland, Texas 79702	7.407%
Lisat Venture c/o Arden R. Grover P.O. Box 3666 Midland, Texas 79702	3.704%
	79.000%

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8 overriding royalty interest owned by Ed R. Kennedy, all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above-described leases and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

(1) Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, and Judson F. Williams, and Orla Petco, Inc.
(2) Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Tricentrol United States, Inc., et al as Non-Operators.

This assignment is made without warranty of title, express or implied.

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This assignment is in lieu and substitution of that certain assignment dated September 13, 1983, between the parties hereto, recorded in Volume 435, page 435, DEED Records of Reeves County, Texas.

DATED the 14th day of February, 1984, but effective as of the date of first production from the Sand Bend Well No. 1.

ORLA PETCO, INC.

By _____
Adalbert von Gontard, III
Vice President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 14th day of February, 1984, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

NOTARY PUBLIC STATE OF TEXAS

_____
Notary Public, State of Texas
Pauline Grubb

My Commission expires;
6/30/84

Filed for record on the 17th day of February, A.D. 1984 at 11:13A. M.
Duly recorded on the 20th day of February, A.D. 1984 at 2:00 P. M.
By _____ Deputy

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

FORD CHAPMAN ET AL

TO

ORLA PETCO INC

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	01/17/1984
FILED:	02/17/1984
BOOK/PAGE:	441/126
FILE NUMBER:	389-441-126
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: LIMITED FROM SURFACE TO 3,194'

VOL 441 PAGE 126

FILE NO. 666 FORD CHAPMAN, ET AL TO ORLA PETCO, INC.

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS I
I
COUNTY OF REEVES I

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, FORD CHAPMAN, JUDSON F. WILLIAMS, and JOHN MacGUIRE ("Assignors") do hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., P. O. BOX 1383, Midland, Texas, its heirs and assigns (herein collectively called "Assignee"), the following described oil and gas leases:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

W/2 SE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The Assignors herein reserve unto themselves, their heirs, successors or assigns, and except from this assignment an overriding royalty interest of an undivided 3.34% of 8/8th of all oil, gas, or other hydrocarbons produced, saved and sold from the above described lands under the terms of said oil and gas leases, if, as and when produced, saved and sold, but not otherwise. Such overriding royalty interest shall be free of all development, production, marketing and operating expenses and charges of any other nature; however, said interest shall bear and pay currently its share of gross production and/or pipe line taxes. It is agreed that the reservation and exception herein made imposes upon Assignee

VOL 441 PAGE 127

herein, its successors and assigns, no duty or obligation to develop or operate the leased premises for oil, gas or other hydrocarbons not imposed by the provisions of said leases. If the interest herein assigned is less than the full and undivided leasehold estate in and to the lands herein above described then the overriding royalty interest herein reserved and excepted shall be reduced proportionately to correspond with the leasehold interest actually assigned hereby. The overriding royalty interest herein reserved shall be owned by the Assignors in the following proportions: Ford Chapman 35%, Judson F. Williams 13.2%, and John MacGuire 51.8%.

This assignment is made expressly subject to the terms, provisions and reservations of said leases and any assignments thereof, and to all overriding royalty interests which appear of record.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, Judson F. Williams, John MacGuire, and Orla Petco, Inc., as amended by Letter Agreement dated October 21, 1983.

This assignment is made without warranty of title, express or implied.

DATED the 17th day of January, 1984, but effective as of the date of first production from the Sand Bend "A" Well No. 1.

FORD CHAPMAN

Judson F. Williams
JUDSON F. WILLIAMS

John MacGuire
JOHN MacGUIRE

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STATE OF TEXAS I
I
COUNTY OF MIDLAND I

This instrument was acknowledged before me on the 19th day of January, 1984, by FORD CHAPMAN.

Karis Bell
Notary Public, State of Texas
Karis Bell

My Commission expires:
12/08/86

STATE OF TEXAS I
I
COUNTY OF EL PASO I

This instrument was acknowledged before me on the 8th day of February, 1984, by JUDSON F. WILLIAMS.

Notary Public, State of Texas
GEORGE ANGELOS

My Commission expires:
6-30-84

STATE OF TEXAS I
I
COUNTY OF EL PASO I

This instrument was acknowledged before me on the 8th day of February, 1984, by JOHN MacGUIRE.

Notary Public, State of Texas
GEORGE ANGELOS

My Commission expires:
6-30-84

Filed for record on the 17th day of February, A.D. 1984 at 11:13A.M.
Duly recorded on the 20th day of February, A.D. 1984 at 2:00 P.M.
By Olga Fuentes Deputy
CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

ORLA PETCO INC

TO

ED R KENNEDY

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS

DATED:	02/13/1984
FILED:	02/17/1984
BOOK/PAGE:	441/129
FILE NUMBER:	389-441-129
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 2% OF 8/8

VOL 441 PAGE 129

FILE NO. 667 ORLA PETCO, INC. TO ED R. KENNEDY

2

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS I
I
COUNTY OF REEVES I

WHEREAS, ORLA PETCO, INC. ("Assignor") owns the following described oil and gas leases insofar as they cover the lands hereinafter described situated in Reeves County, Texas:

1. Dated September 21, 1970, between Lela Mae Wynne, Ssmuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

W/2 SE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194';

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Assignor for an adequate consideration in hand paid, the receipt of which is hereby acknowledged, does hereby BARGAIN, SELL, and ASSIGN unto ED R. KENNEDY ("Assignee") an overriding royalty equal to two percent of eight-eighths (2% of 8/8) of all oil which may be produced and saved from the lands described above under and by virtue of the leases described above, delivery of such oil to be made free of cost to the credit of Assignee into storage tanks provided by Assignee or into the pipeline to which the wells on said land may be connected. On dry gas or casinghead gas, when marketed from said premises, Assignee shall be paid 2% of 8/8 part of the net proceeds at the well derived therefrom, and on casinghead gas or other gaseous or vaporous substances produced from said lands and utilized by Assignor in the manufacture of gasoline or other products, Assignee shall be paid 2% of 8/8 part of the current market value at the well or wells of the casinghead gas or other gaseous or vaporous substances so utilized.

VOL 441 PAGE 130

Fuel oil and gas for operating the premises and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should this lease be operated jointly with other premises through the use of such plant) shall be conducted before said overriding royalties on oil or gas are computed. It is expressly agreed that operations, if any, on said premises, and the extent and duration thereof, as well as the preservation of the leasehold estate by rental payments or otherwise shall be solely at the will of Assignor, its successors and assigns.

If the lessors in the above-described leases own a lesser interest in the premises covered thereby than the entire and undivided fee, then said overriding royalties shall be paid to Assignee herein in the proportion which the interest of the lessors in said lands bear to the entire and undivided fee.

Assignee hereby authorizes Assignor to unitize, pool, and combine the land covered by the above-described lease in any manner which conforms with the laws of the State of Texas and the rules and regulations of the Texas Railroad Commission or other lawful authority.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, Judson F. Williams, and Orla Petco, Inc., as amended by Letter Agreement dated October 21, 1983.

This assignment is made without warranty of title, express or implied.

The terms hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives, successors, and assigns.

DATED the 13th day of February, 1984, but effective as of the date of first production from the Sand Bend "A" Well No. 1.

ORLA PETCO, INC.

By: Adalbert von Gontard, III
Adalbert von Gontard, III
Vice President

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STATE OF TEXAS I
I
COUNTY OF MIDLAND I

This instrument was acknowledged before me on the 13th day of February, 1984, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 4/2/84

Notary Public, State of Texas
Pauline Grubb

Filed for record on the 17th day of February, A.D. 1984 at 11:14A.M.
Duly recorded on the 20th day of February, A.D. 1984 at 2:00 P.M.
By Olga Fuentes Deputy

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

ORLA PETCO INC

TO

TRICENTROL UNITED STATES INC ET AL

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	02/14/1984
FILED:	02/17/1984
BOOK/PAGE:	441/132
FILE NUMBER:	389-441-132
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: W/2SE/4 FROM SURFACE TO 3,194'

VOL 441 PAGE 132

FILE NO. 668 : ORLA PETCO, INC. TO TRICENTROL UNITED STATES, INC., ET AL

ASSIGNMENT OF INTEREST
IN
OIL AND GAS LEASES

THE STATE OF TEXAS I
I
COUNTY OF REEVES I

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC. ("Assignor") does hereby GRANT, CONVEY and ASSIGN to the following named individuals and entities, their respective heirs, successors and assigns ("Assignees"), in the percentage shown below opposite the name of each Assignee, an undivided 79% interest in the following oil and gas leases:

(1) Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas,

(2) Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas,

insofar as said leases cover the following described land, to-wit:

W/2 SE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The interest covered by this assignment is bargained, sold, assigned and conveyed to Assignees herein and shall be held by them, their heirs, successors and assigns, in the following interest:

Tricentrol United States, Inc. Suite 2000, Five Post Oak Park Houston, Texas 77027	37.035%
Orla Drilling Fund No. 6 P. O. Box 1383 Midland, Texas 79702	19.447%
Bruce T. Pearson P. O. Box 1461 Midland, Texas 79702	7.407%

VOL 441 PAGE 133

J. M. C. Ritchie P. O. Box 1383 Midland, Texas 79702	7.407%
Adalbert von Gontard, III P. O. Box 1383 Midland, Texas 79702	4.000%
Lisat Venture c/o Arden R. Grover P. O. Box 3666 Midland, Texas 79702	3.704%
	79.000%

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8 overriding royalty interest owned by Ed R. Kennedy, all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above-described leases and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

(1) Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, and Judson F. Williams, and Orla Petco, Inc., and amendment thereto dated October 21, 1983.

(2) Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Tricentrol United States, Inc., et al as Non-Operators.

This assignment is made without warranty of title, express or implied.

DATED the 14th day of February, 1984, but effective as of the date of first production from the Sand Bend "A" Well No. 1.

ORLA PETCO, INC.

By: Adalbert von Gontard, III
Adalbert von Gontard, III
Vice President

THE STATE OF TEXAS I
I
COUNTY OF MIDLAND I

The foregoing instrument was acknowledged before me this 14th day of February, 1984, by ADALBERT VON GONTARD, III, Vice President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/84

Pauline Grubb
Notary Public, State of Texas
Pauline Grubb

-2-

Filed for record on the 17th day of February, A.D. 1984 at 11:14A. M.
Duly recorded on the 20th day of February, A.D. 1984 at 2:00 P. M.
By Olga Fuentes Deputy

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

TRICENTROL UNITED STATES INC

TO

WINTERSHALL OIL AND GAS CORPORATION

ASSIGNMENT

DATED:	06/20/1984
FILED:	09/11/1984
BOOK/PAGE:	448/7
FILE NUMBER:	389-448-7
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: DEPTH LIMITATIONS

FILE NO. 3212 TRICENTROL UNITED STATES, INC. TO WINTERSHALL OIL AND GAS CORPORATION

HOU136/DELEX X - SAND BEND/CG

ASSIGNMENT

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

THAT, TRICENTROL UNITED STATES, INC. a Montana corporation with offices at Five Post Oak Park, Suite 1990, Houston, Texas 77027 (hereinafter referred to as "Assignor"), for a good and valuable consideration paid to it (the receipt and adequacy of such consideration being acknowledged) by WINTERSHALL OIL AND GAS CORPORATION, a Delaware corporation, with offices at Five Post Oak Park, Suite 2000, Houston, Texas 77027 (hereinafter referred to as "Assignee"), duly qualified to do business in the State of Texas, has bargained, sold, granted, transferred, assigned and conveyed and does by these presents, bargain, sell, grant, transfer, assign and convey unto Assignee (at the direction of Assignee) the following:

(a) The respective undivided interests specified on Exhibit "A" attached to and made a part hereof under the heading "Working Interest" in the oil, gas and mineral leases described on Exhibit "A" (such leases being hereinafter referred to as the "Subject Leases").

(b) All of Assignor's additional right, title and interest, if any, in the Subject Leases.

(c) All of Assignor's right, title and interest in and to all wells, equipment, personal property, fixtures, tanks, pipelines and other facilities located on or acquired for use in connection with the subject Leases.

This Assignment is made and accepted subject to the following:

(1) Its proportionate part of all burdens and obligations contained in the Subject Leases.

(2) All assignments, contracts, agreements, and other instruments affecting the interests and obligations of Assignor in the Subject Leases at the time the same were acquired by Assignor.

(3) All other matters set forth on Exhibit "B", attached hereto and made part hereof.

This Assignment is made without any representations or warranties of title, expressed or implied, and without recourse,

VOL 448 PAGE 8

even for return of the purchase price, except Assignor warrants that the undivided interests in the Subject Leases specified in Exhibit "A" under the heading "Working Interests" have not been sold, mortgaged, or otherwise alienated, burdened or encumbered by, through or under Assignor, other than as set forth herein and on Exhibit "B" hereto. Assignor's liability in the event of breach of its warranty shall be limited to that portion of the fair market value on April 1, 1984 allocated to the interests as to which title has failed, and reasonable attorneys' fees and expenses, costs of investigation and other out-of-pocket expenses incurred by Assignee as a result of such breach. This Assignment is made with full substitution and subrogation in and to all rights and actions of warranty which Assignor may have against all former owners.

All of the terms and provisions hereof shall inure to the benefit of and be binding upon the Assignor and Assignee and their reapective successors and assigns.

Assignee hereby accepts this Assignment and agrees to assume and fulfill all obligations, conditions and stipulations in the Subject Leases, when assigned, and the rules and regulations of the local, state, and federal regulatory bodies, insofar as applicable thereto.

IN WITNESS WHEREOF, this instrument is executed the 20th day of June, 1984, effective for all purposes as of 7:00 a.m. on April 1, 1984.

ATTESTED TO:
Gregory W. Hutson
Assistant Secretary

TRICENTROL UNITED STATES, INC.

By: Charles D. Williams
Vice President

ATTESTED TO:
Mariann Miller
Mariann Miller
Assistant Secretary

WINTERSHALL OIL AND GAS CORPORATION

By: Willi Gerberding
Vice President - Finance

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TEXAS

STATE OF TEXAS $
$
COUNTY OF HARRIS $

Before me on this day personally appeared CHARLES D. WILLIAMS, Vice President of TRICENTROL UNITED STATES, INC., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf of said corporation.

Given under my hand and official seal this 20th day of June 1984.

Joanne Phillips
Notary Public, State of Texas
My Commission Expires 5/18/85

TEXAS

STATE OF TEXAS $
$
COUNTY OF HARRIS $

Before me on this day personally appeared WILLI GERBERDING, Vice President - Finance of WINTERSHALL OIL AND GAS CORPORATION, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf of said corporation.

Given under my hand and official seal this 20th day of June 1984.

Joanne Phillips
Notary Public, State of Texas
My Commission Expires 5/18/85

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HOU136/DELEX X SAND BEND #1

EXHIBIT "A"

Attached to and made a part of that particular Assignment dated effective April 1, 1984 from TRICENTROL UNITED STATES, INC. to WINTERSHALL OIL AND GAS CORPORATION

WORKING INTEREST

An undivided 37.035 % interest in and to all leases described on the succeeding page(s) of this Exhibit "A".

As used herein, "Working Interest" means the percentage of the costs and expenses relating to the maintenance and development of, and operations relating to, the hereinafter described leases.

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HOU136/DELEX X-SAND BEND/CG

EXHIBIT "A"

Attached to and made a part of that particular
Assignment dated effective April 1, 1984
from TRICENTROL UNITED STATES, INC. to
WINTERSHALL OIL AND GAS CORPORATION

Lease No.:	HOU-136/1A
Date of Lease:	September 21, 1970
Lessor:	Lela Mae Wynne, et al
Lessee:	Ford Chapman
Description:	Sec. 38, Blk. 57, T-2 T&P RR Co. Svy., INSOFAR AS W/2 SE/4 LIMITED IN DEPTH FROM SURFACE DOWN TO 3194 feet and INSOFAR AS E/2 SW/4 LIMITED IN DEPTH FROM SURFACE DOWN TO 4695 feet, SAVE AND EXCEPT the proration unit for G.A. Wynne B. No. 3B well INSOFAR AS IT COVERS THOSE DEPTHS FROM SURFACE DOWN TO 2950 feet.
Recordation:	Vol. 297, Pg. 489
Lease No.:	HOU-136/1B
Date of Lease:	September 21, 1970
Lessor:	Sallie Wynne Reynaud
Lessee:	Ford Chapman
Description:	Sec. 38, Blk. 57, T-2 T&P RR Co. Svy., INSOFAR AS W/2 SE/4 LIMITED IN DEPTH FROM SURFACE DOWN TO 3194 feet and INSOFAR AS E/2 SW/4 LIMITED IN DEPTH FROM SURFACE DOWN TO 4695 feet, SAVE AND EXCEPT the proration unit for G.A. Wynne B. No. 3B well INSOFAR AS IT COVERS THOSE DEPTHS FROM SURFACE DOWN TO 2950 feet
Recordation:	Vol. 297, Pg. 485

Recording references herein are to the Deed Records of Reeves County, Texas.

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HOU136/DELEX X-SAND BEND #1/CG

EXHIBIT "B"

Attached to and made a part of that particular Assignment dated effective April 1, 1984, from TRICENTROL UNITED STATES, INC. to WINTERSHALL OIL AND GAS CORPORATION

1. Corrected Assignment of Interest in Oil and Gas Leases dated February 14, 1984, but effective as of the date of first production from the Sand Bend Well No. 1, by and between Orla Petco, Inc. and Tricentrol United States, Inc., recorded in Volume 441, Page 123 of the Deed Records of Reeves County, Texaa.

FILED FOR RECORD ON THE 11th DAY OF Sept., A.D. 1984 AT 9:41A. M.

DULY RECORDED ON THE 11th DAY OF Sept., A.D. 1984 AT 12:30P. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK
REEVES COUNTY, TEXAS

ORLA PETCO INC

TO

JAMES M C RITCHIE JR ET AL

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	09/20/1984
FILED:	09/25/1984
BOOK/PAGE:	448/384
FILE NUMBER:	389-448-384
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 4% WITH DEPTH LIMITATIONS

VOL 448 PAGE 384

FILE NO. 3385 ORLA PETCO, INC. TO JAMES M. C. RITCHIE, JR., ET AL

ASSIGNMENT OF INTEREST
IN
OIL AND GAS LEASES

THE STATE OF TEXAS I
I
COUNTY OF REEVES I

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC., P. O. Box 1383, Midland, Texas 79702 ("Assignor") does hereby GRANT, CONVEY and ASSIGN, in equal shares, to JAMES M. C. RITCHIE, JR., P. O. Box 1401, Midland, Texas 79702 and BETTY JANE RANDELL, 3413 Wedgewood, Midland, Texas 79707, their respective heirs, successors and assigns (herein collectively called "Assignee"), an undivided 4% interest in the following oil and gas leases:

(1) Dated September 21, 1970, between Lela Mae Wynne Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas,

(2) Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas,

insofar as said leases cover the following described lands, to-wit:

(A) W/2 SE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194';

(B) E/2 SW/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4695', SAVE AND EXCEPT the proration unit for the G. A. Wynne B. No. 3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2950';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8ths overriding royalty interest owned by Ed R.

Kennedy, all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above-described leases and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

(1) Farmout Agreement dated March 4, 1983, between Ford Chapman, John MacGuire, and Judson F. Williams, and Orla Petco, Inc., and amendment thereto dated October 21, 1983.

(2) Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Tricentrol United States, Inc., et al as Non-Operators.

This assignment is made without warranty of title, express or implied.

WITNESS the execution hereof this 20 day of Sept., 1984.

ORLA PETCO, INC.

By _____
J. M. C. Ritchie, President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 20th day of September, 1984, by J. M. C. RITCHIE, President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/88

_____
Notary Public in and for the State of Texas

003332

FILED FOR RECORD ON THE 25th DAY OF Sept., A.D. 1984 AT 1:42P. M.
DULY RECORDED ON THE 26th DAY OF Sept., A.D. 1984 AT 9:00A. M.
BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK
REEVES COUNTY, TEXAS

FORD CHAPMAN ET AL

TO

ORLA PETCO INC

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	10/21/1985
FILED:	12/06/1985
BOOK/PAGE:	461/620
FILE NUMBER:	389-461-620
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: LIMITED FROM SURFACE TO 3,260'

461 - 620

FILE NO. 3511 FORD CHAPMAN, ET AL TO ORLA PETCO, INC.

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TEXAS
COUNTY OF REEVES

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, FORD CHAPMAN, JUDSON F. WILLIAMS, and JOHN MacGUIRE ("Assignors") do hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., P. O. Box 1383, Midland, Texas, its heirs and assigns (herein collectively called "Assignee"), the following described oil and gas leases:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as lessee, recorded in Volume 297, page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, page 485, Oil and Gas Lease Records of Reeves County, Texas,

insofar as said leases covers the following described land, to-wit:

W/2 NE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

This assignment is made expressly subject to the terms, provisions and reservations of said leases and any assignments thereof, and to all overriding royalty interests which appear of record.

This assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, Judson F. Williams, John MacGuire, and Orla Petco, Inc., as amended by Letter Agreement dated October 21, 1983.

This assignment is made without warranty of title, express or implied.

DATED the 21 day of October, 1985, but effective as of the date of first production from the Sand Bend Well No. 3.

VOL. 461 PAGE 621

FORD CHAPMAN

JUDSON F. WILLIAMS

JOHN MacGUIRE

STATE OF TEXAS I
I
COUNTY OF MIDLAND I

This instrument was acknowledged before me on the 14th day of October, 1985, by FORD CHAPMAN.

My Commission expires:
Dec 31 1986

Notary Public, State of Texas
KARIS BELL
Notary Public, State of Texas
My Commission Expires Dec. 31, 1986

STATE OF TEXAS I
I
COUNTY OF EL PASO I

This instrument was acknowledged before me on the 21st day of October, 1985, by JUDSON F. WILLIAMS.

My Commission expires:
10-29-88

Notary Public, State of Texas
Sarah R. Rians

STATE OF TEXAS I
I
COUNTY OF EL PASO I

This instrument was acknowledged before me on the 21st day of October, 1985, by JOHN MacGUIRE.

My Commission expires:
10-29-88

Notary Public, State of Texas
Sarah R. Rians

FILED FOR RECORD ON THE 6th DAY OF December, A.D. 1985 AT 9:37A. M.

DULY RECORDED ON THE 9th DAY OF December, A.D. 1985 AT 10:30A. M.

By Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

ORLA PETCO INC

TO

ED R KENNEDY JR

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS

DATED:	12/02/1985
FILED:	12/06/1985
BOOK/PAGE:	461/622
FILE NUMBER:	389-461-622
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 2% OF 8/8 LIMITED FROM SURFACE TO 3,260'

VOL. 461 PAGE 622

FILE NO. 3512 ORLA PETCO, INC. TO ED R. KENNEDY, JR.

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

STATE OF TEXAS)
)
COUNTY OF REEVES)

WHEREAS, ORLA PETCO, INC., P. O. Box 1383, Midland, Texas 79702, ("Assignor") owns the following described oil and gas leases insofar as it covers the lands hereinafter described situated in Reeves County, Texas:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer, and Ruth Wynne Hollinshead, as lessors, and Ford Chapman, as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records of Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as lessor, and Ford Chapman, as lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records of Reeves County, Texas;

insofar as said leases cover the following described land, to-wit:

W/2 NE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260';

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS; That Assignor for an adequate consideration in hand paid, the receipt of which is hereby acknowledged, does hereby BARGAIN, SELL and ASSIGN unto ED R. KENNEDY, JR., P. O. DRAWER 432, Midland, Texas 79702, ("Assignee") an overriding royalty equal to two percent of eight-eighths (2% of 8/8ths) of all oil which may be produced and saved from the lands described above under and by virtue of the leases described above, delivery of such oil to be made free of cost to the credit of Assignee into storage tanks provided by Assignee or into the pipeline to which the wells on said land may be connected. On dry gas or casinghead gas, when marketed from said premises, Assignee shall be paid 2% of 8/8ths part of the net proceeds at the well derived therefrom, and on casinghead gas or other gaseous or vaporous substances produced from said lands and utilized by Assignor in the manufacture of gasoline or other products, Assignee shall be paid 2% of 8/8ths part of the current

market value at the well or wells of the casinghead gas or other gaseous or vaporous substances so utilized.

Fuel oil and gas for operating the premises and for treating and handling the products therefrom (and the proportionate part of fuel oil and gas consumed in a central plant, should this lease be operated jointly with other premises through the use of such plant) shall be conducted before said overriding royalties on oil or gas are computed. It is expressly agreed that operations, if any, on said premises, and the extent and duration thereof, as well as the preservation of the leasehold estate by rental payments or otherwise shall be solely at the will of Assignor, its successors and assigns.

If the lessors in the above described leases own a lesser interest in the premises covered thereby than the entire and undivided fee, then said overriding royalties shall be paid to Assignee herein in the proportion which the interest of the lessors in said lands bear to the entire and undivided fee.

Assignee hereby authorizes Assignor to unitize, pool and combine the land covered by the above described leases in any manner which conforms with the laws of the State of Texas and the rules and regulations of the Texas Railroad Commission or other lawful authority.

This Assignment is made expressly subject to the terms and provisions of that certain Farmout Agreement dated March 4, 1983, between Ford Chapman, Judson F. Williams, John MacGuire, and Orla Petco, Inc., as amended by Letter Agreement dated October 21, 1983.

This assignment is made without warranty of title, express or implied.

The terms hereof shall extend to and be binding upon the parties hereto, their heirs, legal representatives, successors and assigns.

461 PAGE 624

DATED the 2nd day of December, 1985, but effective as of the first production from the Sand Bend Well No. 3.

ORLA PETCO, INC.

By: _____
J. M. C. Ritchie, President

STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on the 2nd day of December, 1985, by J. M. C. RITCHIE, President of ORLA PETCO, INC., a Delaware corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/88

FILED FOR RECORD ON THE 6th DAY OF December, A.D. 1985 AT 9:37A. M.
DULY RECORDED ON THE 9th DAY OF December, A.D. 1985 AT 10:30A. M.
By Billie Jo Freeman DEPUTY
CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

ORLA PETCO INC

TO

WINTERSHALL OIL & GAS CORP ET AL

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	12/02/1985
FILED:	12/06/1985
BOOK/PAGE:	461/625
FILE NUMBER:	389-461-625
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: LIMITED FROM SURFACE TO 3,260'

VOL. 461 PAGE 625

FILE NO. 3513 ORLA PETCO, INC. TO WINTERSHALL OIL & GAS CORP., ET AL

ASSIGNMENT OF INTEREST
IN
OIL AND GAS LEASES

THE STATE OF TEXAS }
}
COUNTY OF REEVES }

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, ORLA PETCO, INC., P. O. Box 1383, Midland, Texas 79702, ("Assignor") does hereby GRANT, CONVEY and ASSIGN to the following named individuals and entities, their respective heirs, successors and assigns ("Assignees"), in the percentage shown below opposite the name of each Assignee, an undivided 79% interest in the following oil and gas lease:

1. Dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman, as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records, Reeves County, Texas;

2. Dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said leases cover the following described land, to-wit:

W/2 NE/4 of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260';

together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

The interest covered by this assignment is bargained, sold, assigned and conveyed to Assignees herein and shall be held by them, their heirs, successors and assigns, in the following interest:

Wintershall Oil & Gas Corp. Five Post Oak Park, Suite 2000 Houston, Texas 77027	37.035%
Orla Drilling Fund No. 6 P. O. Box 1383 Midland, Texas 79702	19.447%

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Bruce T. Pearson P. O. Box 1461 Midland, Texas 79702	7.407%
J. M. C. Ritchie P. O. Box 1383 Midland, Texas 79702	7.407%
Adalbert von Gontard, III P. O. Box 2452 Midland, Texas 79702	4.000%
Lisat Venture P. O. Box 3666 Midland, Texas 79702	3.704%
James M. C. Ritchie, Jr. P. O. Box 1401 Midland, Texas 79702	2.000%
Betty Jane Randell 3413 Wedgewood Midland, Texas 79707	2.000%
	83.000%

This assignment is made expressly subject to and Assignees herein shall bear their respective proportionate parts of that certain 2% of 8/8ths overriding royalty interests owned by Ed R. Kennedy, Jr. all other overriding royalty interests which appear of record, and the terms, provisions, reservations and conditions of the above described lease and any assignments thereof.

This assignment is made expressly subject to the terms and provisions of the following agreements:

1. Farmout Agreement dated March 4, 1983, betweem Ford Chapman, Judson F. Williams, John MacGuire, and Orla Petco, Inc., and amendment thereto dated October 21, 1983.

2. Operating Agreement dated June 1, 1983, between Orla Petco, Inc., as Operator, and Wintershall Oil and Gas Corporation, et al, as Non-Operators.

This assignment is made without warranty of title, express or implied.

Dated the 2nd day of December, 1985, but effective as of the date of first production from the Sand Bend Well No. 3.

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ORLA PETCO, INC.

By _____
J. M. C. Ritchie
President

THE STATE OF TEXAS)
)
COUNTY OF MIDLAND)

The foregoing instrument was acknowledged before me the 2nd day of December, 1985, by J. M. C. RITCHIE, President of Orla Petco, Inc., a Delaware corporation, on behalf of said corporation.

PAULINE GRUBB, Notary Public
In and for the State of Texas
My Commission Expires 9/30/89

_____
Notary Public, State of Texas

FILED FOR RECORD ON THE 6th DAY OF December, A.D. 1985 AT 9:38A. M.
DULY RECORDED ON THE 9th DAY OF December, A.D. 1985 AT 10:30A. M.
By Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

THE ESTATE OF LELA MAE WYNNE

TO

WILLIAM BRYAN SHAVER JR

EXECUTOR'S DEED

DATED:	04/28/1986
FILED:	07/15/1986
BOOK/PAGE:	468/616
FILE NUMBER:	389-468-616
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 1/9 INTEREST

VOL. 468 PAGE 616

FILE NO. 2033 SAMUELLA WYNNE PALMER, ET AL & CO-INDEPENDENT EXECUTRIX OF THE ESTATE OF LELA MAE WYNNE, DEC'D. TO WILLIAM BRYAN SHAVER, JR.

PROB2

EXECUTOR'S DEED

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

WHEREAS, LELA MAE WYNNE died on November 11, 1984, and her Last Will and Testament was admitted to probate under Cause No. 4,799, Estate of Lela Mae Wynne, Deceased, in the County Court of Walker County, Texas;

WHEREAS, under the provisions of Paragraph "V" of the Last Will and Testament of Lela Mae Wynne all the rest and residue of her property, real, personal and mixed was devised to her daughters, Samuella Wynne Palmer and Ruth Wynne Hollinshead;

WHEREAS, Samuella Wynne Palmer and Ruth Wynne Hollinshead, acting in their individual capacities, filed on August 9, 1985, their disclaimer under the provisions of Section 37A, Texas Probate Code, to all of said property devised by Paragraph "V", except for two (2) specific items;

WHEREAS, on February 27, 1986, the County Court of Walker County, Texas, entered in Cause No. 4,799, Estate of Lela Mae Wynne, Deceased, its Judgment Declaring Heirship as to all property disclaimed by Samuella Wynne Palmer and Ruth Wynne Hollinshead and therein found and determined that WILLIAM BRYAN SHAVER, JR. is the next succeeding heir at law of LELA MAE WYNNE and inherits the property so disclaimed;

WHEREAS, we, as the Co-Independent Executrices under the Will and of the Estate of Lela Mae Wynne, Deceased, desire to convey to WILLIAM BRYAN SHAVER, JR. that property that he inherits as an heir of LELA MAE WYNNE, Deceased, as a result of the Disclaimer filed by Samuella Wynne Palmer and Ruth Wynne Hollinshead in our individual capacities:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That We, SAMUELLA WYNNE PALMER and RUTH WYNNE HOLLINSHEAD, each acting as Co-Independent Executrix of the Estate of Lela

VOL 468 PAGE 617

PROB2

Mae Wynne, Deceased, hereinafter called "Grantors", for and in consideration of the premises set forth above and for the purposes of carrying out the terms, conditions and provisions of the Last Will and Testament of Lela Mae Wynne, Deceased, and the Judgment Declaring Heirship with respect to said Estate, have GRANTED, SOLD and CONVEYED and by these presents do hereby GRANT, SELL and CONVEY unto WILLIAM BRYAN SHAVER, JR., hereinafter called "Grantee", whose mailing address is 16718 Bonnie Sean, Spring, Texas 77379, all of the undivided interest owned by Lela Mae Wynne, which undivided interest is considered to be as hereinafter specified (but not limited thereto), in and to the following property located in Reeves County, Texas:

TRACT ONE

An undivided 1/9th interest in 640 acres situated in Section 18, Block 56, T-2, T.& P. R.R. Survey, A-2024, Reeves County, Texas.

TRACT TWO

An undivided 1/9th interest in 640 acres situated in Section 38, Block 57, T-2, T.& P.R.R. SURVEY, A-2027, Reeves County, Texas.

Both tracts described in Deed dated April 11, 1910 from L. T. Cox et ux to G. A. Wynne, recorded in Volume 17, Page 11, Deed Records, Reeves County, Texas.

This conveyance is made subject to all restrictions, easements, conditions, covenants and conveyances or exceptions of minerals or royalty, if any, of record in the Office of the County Clerk of Reeves County, Texas, applicable to and enforceable against the above described property.

TO HAVE AND TO HOLD the said premises, together with all and singular the rights, hereditaments and appurtenances there unto belonging unto the Grantee, his heirs and assigns, forever. And Grantors do hereby bind themselves, their successors and assigns to Warrant and Forever Defend the title to said property unto the Grantee, his heirs and assigns, against every

PROB2

person whomsoever lawfully claiming or to claim the same or any part thereof.

EXECUTED this 28th day of April, 1986.

Samuella Wynne Palmer
SAMUELLA WYNNE PALMER
Co-Independent Executrix of the Estate of LELA MAE WYNNE, Deceased

Ruth Wynne Hollinshead
RUTH WYNNE HOLLINSHEAD
Co-Independent Executrix of the Estate of LELA MAE WYNNE, Deceased

THE STATE OF TEXAS §
§
COUNTY OF WALKER §

BEFORE ME, the undersigned authority on this day personally appeared SAMUELLA WYNNE PALMER, Co-Independent Executrix of the Estate of LELA MAE WYNNE, Deceased, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 28th day of April, 1986.

OFFICIAL SEAL
SUE H. HARRIS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Expires 5/6/89

Sue H. Harris
NOTARY PUBLIC in and for
The State of Texas.

THE STATE OF TEXAS §
§
COUNTY OF WALKER §

BEFORE ME, the undersigned authority on this day personally appeared RUTH WYNNE HOLLINSHEAD, Co-Independent Executrix of the Estate of LELA MAE WYNNE, Deceased, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 28th day of April, 1986.

OFFICIAL SEAL
SUE H. HARRIS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Expires 5/6/89

Sue H. Harris
NOTARY PUBLIC in and for
The State of Texas.

FILED FOR RECORD ON THE 15th DAY OF July ,A.D. 1986 AT 10:25A. M.

DULY RECORDED ON THE 15th DAY OF July ,A.D. 1986 AT 11:30A. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

VALERO TRANSMISSION COMPANY

TO

VALERO MANAGEMENT PARTNERSHIP, L.P.

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

DATED:	03/24/1987
FILED:	03/27/1987
BOOK/PAGE:	475/8
FILE NUMBER:	389-705
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

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FILE NO. 705 VALERO TRANSMISSION COMPANY TO VALERO MANAGEMENT PARTNERSHIP, L.P. 2

PIPELINE (MP)

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE (this "Assignment") is from VALERO TRANSMISSION COMPANY, a Delaware corporation ("Assignor"), whose mailing address is 530 McCullough Avenue, San Antonio, Texas 78215, and is to VALERO MANAGEMENT PARTNERSHIP, L.P., a Delaware Limited Partnership ("Assignee"), whose mailing address is 530 McCullough Avenue, San Antonio, Texas 78215.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THAT:

ARTICLE I

Conveyance

1.1 Assignor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration in hand paid by Assignee to Assignor, the receipt and sufficiency of which are hereby acknowledged and confessed, has granted, bargained, sold, conveyed, assigned and delivered, and by these presents does hereby grant, bargain, sell, convey, assign and deliver unto Assignee, subject to the reservations, exceptions, terms and provisions hereinafter set forth, the following described properties, rights and interests:

(a) Those certain pipelines and pipeline systems (the "Pipeline Systems") described in Schedule I attached hereto and made a part hereof;

(b) Those certain rights-of-way, easements, fee interests, leasehold interests, estates, property rights, other rights or interests in land, servitudes, permits, licenses, franchises and all other rights, interests and privileges created or granted (or inuring to Assignor's benefit) by, through or under the instruments or conveyances listed in Schedule I attached hereto;

(c) All other rights-of-way, easements, fee interests, leasehold interests, estates, property rights, other rights and interests in land, servitudes, permits, licenses, franchises and privileges of every kind and nature owned by Assignor and used or held for use in connection with, or otherwise pertaining to, the ownership, use, maintenance or operation of, or the metering, measurement, transportation, storage, treatment, containment, compression or other handling of gas, liquid hydrocarbon products or other liquid or gaseous hydrocarbons in the Pipeline Systems;

(d) All pipelines, storage facilities, compressor or booster stations and other facilities owned by Assignor for the transportation, storage, measurement, metering,

treatment, containment, compression or other handling of gas, liquid hydrocarbon products or other liquid or gaseous hydrocarbons and situated upon, over, across or in any of the lands described in paragraphs (b) or (c) above; and

(e) All pipe, valves, compressors, pumps, gauges, meters and other measuring equipment, regulators, extractors, separators, purification equipment, communication equipment, microwave towers or stations, power lines, fuel lines, generators, motors, buildings, storage tanks and facilities, structures, improvements, fittings, fixtures, machinery, equipment, supplies, spare parts, materials, office furnishings, vehicles and all other property of every kind and nature, including inventories thereof, which are owned by Assignor and located on, used or held for use in connection with, or otherwise pertaining to (i) the aforesaid lands, easements, rights-of-way, pipelines, facilities and other properties, rights and interests, (ii) the ownership, use, maintenance or operation thereof, or (iii) the measurement, metering, transportation, storage, treatment, containment, compression or other handling of gas, liquid hydrocarbon products or other liquid or gaseous hydrocarbons therein;

SAVE AND EXCEPT, however, the "Excluded Properties" (as defined below). All properties, rights and interests described above, exclusive of the Excluded Properties, are herein together called the "Subject Properties". As used herein, the term "Excluded Properties" shall mean all of the above described properties, rights and interests, (i) which by their terms or by reason of applicable law would become void or voidable if assigned by Assignor hereunder, (ii) which cannot be granted, transferred or assigned by Assignor hereunder without consent of other parties whose consent has not been secured, or (iii) which may not otherwise be, or are not, hereby lawfully and effectively granted, conveyed and assigned by Assignor hereunder.

1.2 If any Excluded Properties exist, Assignor agrees to hold such Excluded Properties in trust for the benefit of Assignee and to otherwise use its best efforts to provide Assignee with the benefits thereof.

1.3 To the extent any corporation, partnership, joint venture or other entity affiliated with Assignor (an "Affiliate") currently owns, leases or operates any pipeline or pipeline system or facility, storage facility, fractionating or processing plant or facility, refinery, compressor, booster or pumping station or any fixture, improvement, building, equipment or other property which is located on or uses any of the rights-of-way, easements, leasehold interests, permits or other properties, rights or interests described in paragraphs (b) or (c) of Section 1.1 above (the "Joint Use Property"), Assignor hereby reserves for the benefit of (and hereby transfers to) such Affiliate and its successors and assigns the non-exclusive right to jointly use the Joint Use Property with the Assignee to the extent such use by such Affiliate and its successors and assigns does not materially

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interfere with Assignee's operation of the Pipeline Systems. Said reserved right of joint use by any Affiliate or its successors and assigns shall extend and apply to any expansion, modification or change in its current use of the Joint Use Property to the extent such expansion, modification or change of use does not materially interfere with the Assignee's operation of the Pipeline Systems.

1.4 Assignee accepts the Subject Properties subject to all of the terms and provisions thereof, and, to the extent required by the terms and provisions of the Subject Properties, Assignee assumes all obligations and liabilities hereafter arising in connection with Assignee's ownership, use, maintenance and operation of the Subject Properties, to the extent and only to the extent such obligations and liabilities are valid and subsisting and affect the Subject Properties, however, to the extent that any of the matters to which this Assignment is made subject affect some but not all of the Subject Properties, this Assignment shall not operate to spread any burden or encumbrance or otherwise cause any portion of the Subject Properties to become burdened or encumbered by any matter except to the extent that such portion of the Subject Properties is already burdened or encumbered by such matter independent of the provisions of this Assignment.

1.5 TO HAVE AND TO HOLD the Subject Properties, together with all and singular the rights and appurtenances thereunto in anywise belonging, unto Assignee, its successors and assigns, forever.

1.6 The Subject Properties are assigned to Assignee without representation, covenant or warranty of title, of condition or of any other kind whatsoever, express or implied or statutory. All improvements, fixtures, equipment and personal property are assigned to Assignee "AS IS, WHERE IS." WITHOUT LIMITATION OF THE GENERALITY OF THE IMMEDIATELY PRECEDING SENTENCE, ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO IMPROVEMENTS, FIXTURES, EQUIPMENT AND PERSONAL PROPERTY (a) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (b) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (c) ANY IMPLIED OR EXPRESS WARRANTY AS TO CONDITION AND (d) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. Assignee and all persons claiming by, through or under it shall, to the extent permitted by law, be subrogated to all of the rights of Assignor in or with respect to any warranties and covenants made by others with respect to the Subject Properties conveyed hereby.

ARTICLE II

Miscellaneous

2.1 Unless provided otherwise, all references in the Schedules hereto to recording data of a right-of-way, easement, lease, permit, license or other conveyance or instrument include, and are intended as a reference to, the Volume or Book (and Entry or File Number if provided) and the page of the appropriate County

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records where and when recorded, and reference is hereby made to each of such instruments and the record thereof for all purposes.

2.2 This Assignment is being executed in several original counterparts, all of which are identical, except that, to facilitate recordations, there may be omitted from certain counterparts those property descriptions in Schedule I which contain descriptions of property located in recording jurisdictions other than the jurisdiction in which the particular counterpart is to be recorded. Each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one and the same assignment, bill of sale and conveyance.

2.3 The reservations and exceptions herein made and the other terms and provisions hereof shall extend to and inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment in multiple counterparts on this 20th day of March, 1987, to be effective, however, as of 12:01 a.m. San Antonio time on March 25, 1987.

ASSIGNOR:

VALERO TRANSMISSION COMPANY

By _____
Walter F. Bohls
Senior Vice President

ASSIGNEE:

VALERO MANAGEMENT PARTNERSHIP, L.P.

By VALERO NATURAL GAS COMPANY,
Its General Partner

By _____
Wayne H. King
Senior Vice President

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THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on this the 24th day of March, 1987, by Walter F. Bohls, Senior Vice President of VALERO TRANSMISSION COMPANY, a Delaware corporation, on behalf of said corporation.

NOTARY PUBLIC STATE OF TEXAS

Diane M. Hasenbusch
Notary Public in and for
The State of Texas

My Commission Expires:
5/30/88

DIANE M. [illegible]
Notary Public, State of Texas
My Commission Expires [illegible]

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on this the 24th day of March, 1987, by Wayne H. King, Senior Vice President of VALERO NATURAL GAS COMPANY, a Delaware corporation, General Partner of VALERO MANAGEMENT PARTNERSHIP, L.P., a Delaware limited partnership, on behalf of said limited partnership.

NOTARY PUBLIC STATE OF TEXAS

Diane M. Hasenbusch
Notary Public in and for
The State of Texas

My Commission Expires:
5/30/88

DIANE M. [illegible]
Notary Public, State of Texas
My Commission Expires [illegible]

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SCHEDULE I

ZONE 4302

All of the gas pipeline and transmission system known as the "Waha to Gomez" system. Said gas pipeline system includes approximately 1.46 miles of 2 inch pipeline, 1.36 miles of 3 inch pipeline, 8.82 miles of 4 inch pipeline, 9.81 miles of 6 inch pipeline, 2.97 miles of 8 inch pipeline, 14.99 miles of 10 inch pipeline and 14.07 miles of 16 pipeline traversing Pecos and Reeves Counties, Texas. Said system includes all piping, valves, taps and side valves, regulators, meters, separators, purification equipment, microwave equipment, pumps, tanks and station piping necessary for the transportation of gas through the facilities described above. The easements, licenses, permits, surface leases and other interest in real property held for use in connection with said system include, without limitation, the following:

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C-105-237-H16-F002	0462	0192	PECOS	RIGGS, LEE ET UX	03-20-77
C-105-237-H16-G002	0389	0341	PECOS	BAKER MARY FRANCES ET VIR	09-11-72
C-105-237-H16-H002	0404	0035	PECOS	GRIERSON ALICE KIRK	10-03-73
C-105-237-H16-H003	0404	0041	PECOS	RIGGS LEE ET UX	08-20-73
C-105-237-H16-J002	0378	0577	PECOS	GRIERSON ALICE K	11-06-71
C-105-237-H16-J003	0376	0313	PECOS	SMITH BISHOP G	11-10-71
C-105-237-H16-J004	0391	0105	PECOS	RIGGS M G ET AL	12-26-72
C-105-237-H16-K002	0449	0402	PECOS	BAKER BOYD ET UX	07-16-76
C-105-237-H16-K003	0477	0633	PECOS	BAKER MARY F. ET VIR	10-19-78
C-105-237-K26-K002	0519	0077	PECOS	FIRST NATIONAL BANK OF MIDLAND	12-10-82
C-105-237-K33-K002	0426	0206	PECOS	BAKER MARY FRANCES ET VIR	10-21-74
C-105-237-L02	0347	0131	PECOS	MERRICK ELIZABETH J	05-22-69
F-105-237-H16-J008	–	–	PECOS	COMMISSIONERS COURT	11-22-71
G-105-237-K33-K009	–	–	PECOS	TEXAS HIGHWAY DEPT US 285	01-03-72
G-105-237-L09	–	–	PECOS	TEXAS HIGHWAY DEPT TX HWY 18	03-13-69
G-105-237-L09	–	–	PECOS	TEXAS HIGHWAY DEPT FM 1776	06-06-69
R-105-237-H16-F010	0462	0313	PECOS	BAKER MARY FRANCES ET VIR	03-02-77
R-105-237-H16-F011	0462	0190	PECOS	RIGGS LEE ET UX	03-20-77
R-105-237-H16-H010	0404	0037	PECOS	GRIERSON ALICE KIRK	08-22-73
R-105-237-H16-H011	0404	0039	PECOS	RIGGS LEE ET UX	08-20-73
R-105-237-H16-J010	0376	0315	PECOS	GONZALES S L	11-03-71
R-105-237-H16-J011	0376	0317	PECOS	GONZALEZ M R ET AL	11-10-71
R-105-237-H16-J012	0376	0323	PECOS	M M WESTMORELAND ESTATE	10-27-71
R-105-237-H16-J012	0376	0319	PECOS	BAPTIST FOUNDATION OF ARIZONA	10-27-71
R-105-237-H16-J012	0376	0321	PECOS	CHERRY J BLAIR	10-27-71
R-105-237-H16-J012	0376	0325	PECOS	ALEXANDER MARY NAN	10-27-71
R-105-237-H16-J012	0376	0327	PECOS	WAID IDA E	10-27-71
R-105-237-H16-J012	0376	0329	PECOS	JOWELL HOLT	10-27-71
R-105-237-H16-J012	0380	0734	PECOS	RIGGS WINSTON R EX FOWLER RIGGS	03-28-72
R-105-237-H16-J013	0376	0331	PECOS	RIGGS M G ET AL	11-04-71
R-105-237-H16-J014	0376	0333	PECOS	MASSEY GUS LEE	11-01-71
R-105-237-H16-J014	0376	0335	PECOS	THOMAS WILLIAM L	11-01-71
R-105-237-H16-J014	0376	0337	PECOS	DOBBEL MRS J C	11-01-71
R-105-237-H16-J014	0376	0339	PECOS	LEWIS TYRON E	11-01-71
R-105-237-H16-J014	0376	0341	PECOS	LONG SUSAN GRACE	11-01-71
R-105-237-H16-J014	0376	0343	PECOS	LEWIS WILLIAM B	11-01-71
R-105-237-H16-J014	0376	0345	PECOS	FIELDS LOIS	11-01-71

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R-105-237-H16-J014	0376	0347	PECOS	LEWIS TED M	11-01-71
R-105-237-H16-J014	0376	0349	PECOS	LEWIS JAMES T	11-01-71
R-105-237-H16-J014	0376	0351	PECOS	SMYER IRIS LORRAINE	11-01-71
R-105-237-H16-J014	0376	0353	PECOS	SHEPARD F C ET UX	11-01-71
R-105-237-H16-J014	0376	0355	PECOS	EDWARDS ALICE MASSEY	11-01-71
R-105-237-H16-J014	0376	0359	PECOS	RIGGS MELVIN G ET AL	11-01-71
R-105-237-H16-J014	0399	0100	PECOS	RUNKLE VIRGINIA THOMAS	11-01-71
R-105-237-H16-J015	0346	0008	PECOS	VARNNUM CHARLES DEWITT	02-26-69
R-105-237-H16-J016	0376	0361	PECOS	SMITH BISHOP G	10-25-71
R-105-237-H16-J017	0376	0366	PECOS	HART CHARLES F	10-27-71
R-105-237-H16-J017	0376	0364	PECOS	HART JACK	10-27-71
R-105-237-H16-J018	0396	0222	PECOS	RIGGS MELVIN G	05-21-73
R-105-237-H16-J019	0376	0370	PECOS	CRAWFORD MARJORIE P ET AL	11-09-71
R-105-237-H16-J020	0376	0373	PECOS	CRAWFORD MARJORIE PRICE ET AL	11-09-71
R-105-237-H16-J020	0376	0375	PECOS	BLALOCK MINNETTE H	11-01-71
R-105-237-H16-J020	0376	0377	PECOS	MOORE JAMES F JR	11-01-71
R-105-237-H16-J020	0376	0379	PECOS	BLAND MRS LETHA	11-01-71
R-105-237-H16-J020	0376	0381	PECOS	MOORE VIVIAN	11-01-71
R-105-237-H16-J020	0376	0383	PECOS	MOORE JAMES F	11-01-71
R-105-237-H16-J021	0376	0385	PECOS	BAKER MARY FRANCES	10-25-71
R-105-237-H16-J022	0376	0387	PECOS	HESTER F GILLESPIE ESTATE	10-27-71
R-105-237-H16-J022	0376	0391	PECOS	PRESBYTERIAN FOUNDATION INC	10-27-71
R-105-237-H16-J022	0376	0394	PECOS	RICHARDSON REX	10-27-71
R-105-237-H16-J022	0376	0398	PECOS	ZOLLER DOROTHY WEBB	10-27-71
R-105-237-H16-J022	0376	0400	PECOS	MARROW N S	10-27-71
R-105-237-H16-J022	0376	0403	PECOS	WALLACE JAMES E ATTY IN FACT	10-27-71
R-105-237-H16-J022	0376	0406	PECOS	LEEDE EDWARD H	10-27-71
R-105-237-H16-J022	0376	0409	PECOS	BURFORD J F ET AL	10-27-71
R-105-237-H16-J022	376	412	PECOS	RHODES J CECIL	10-27-71
R-105-237-H16-J022	376	670	PECOS	BOARD OF A & R PRESBYTERIAN	10-27-71
R-105-237-H16-J023	0378	0579	PECOS	GRIERSO ALICE K ET AL	11-06-71
R-105-237-H16-K010	0449	0400	PECOS	BAKER BOYD ET UX	07-16-76
R-105-237-K26-K010	0519	0077	PECOS	FIRST NATIONAL BANK OF MIDLAND	12-10-82
R-105-237-K26-K011	0517	0227	PECOS	RIGGS M G ET AL	11-04-82
R-105-237-K33-K010	0379	0238	PECOS	RIGGS ERNEST ET AL	10-13-71
R-105-237-K33-K010	0379	0245	PECOS	RIGGS ERNEST ET AL	03-16-72
R-105-237-K33-K010	0379	0242	PECOS	RIGGS M G	10-13-71
R-105-237-K33-K010	0401	0074	PECOS	THOMAS WILLIAM L	06-07-73
R-105-237-K33-K010	0399	0203	PECOS	RUNKLE VIRGINIA THOMAS	06-07-73
R-105-237-K33-K011	0378	0382	PECOS	HARVEY JAMES H ET AL	10-01-71
R-105-237-K33-K012	0378	0384	PECOS	STEFAN THERESA R	10-21-71
R-105-237-K33-K013	0378	0387	PECOS	RHODES J CECIL ET AL	10-01-71
R-105-237-K33-K014	0378	0379	PECOS	DIXEL RESOURCES	02-03-72
R-105-237-K33-K015	0378	0575	PECOS	BAKER MARY FRANCES ET VIR	01-06-72
R-105-237-K33-K016	0392	0447	PECOS	CRAWFORD MARJORIE PRICE ET AL	03-30-72
R-105-237-K33-K017	0419	0395	PECOS	BAKER MARY FRANCIS ET VIR	09-03-74
R-105-237-K33-K018	0426	0208	PECOS	BAKER MARY FRANCES ET VIR	10-15-74
R-105-237-L26	0346	0136	PECOS	SIMMONS MILDRED PRICE ET AL	04-08-69
R-105-237-L27	0346	0148	PECOS	MOORE JAMES F SR	04-25-69
R-105-237-L27	0346	0146	PECOS	MOORE JAMES F JR	04-25-69

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R-105-237-L27	0346	0152	PECOS	MOORE VIVIAN	04-25-69
R-105-237-L27	0346	0140	PECOS	BLAND LETHA	04-25-69
R-105-237-L27	0346	0142	PECOS	BLALOCK J D	04-25-69
R-105-237-L27	0346	0138	PECOS	SIMMONS MILDRED PRICE	05-13-69
R-105-237-L27	0346	0144	PECOS	CRAWFORD MARJORIE	04-25-69
R-105-237-L28	0346	0154	PECOS	SMITH BISHOP G	05-13-69
R-105-237-L29	0346	0168	PECOS	MOORE JAMES F SR	04-01-69
R-105-237-L29	0346	0162	PECOS	MOORE JAMES F JR	04-01-69
R-105-237-L29	0346	0166	PECOS	MOORE JAMES F JR TRUSTEE	04-01-69
R-105-237-L29	0346	0164	PECOS	MOORE VIVIAN	04-01-69
R-105-237-L29	0346	0160	PECOS	BLAND LETHA	04-01-69
R-105-237-L29	0346	0158	PECOS	BLALOCK J D	04-01-69
R-105-237-L29	0346	0156	PECOS	SIMMONS MILDRED PRICE ET AL	04-01-69
R-105-237-L30	0346	0170	PECOS	ABELL GEORGE T	04-07-69
R-105-237-L31	0346	0172	PECOS	SIMMONS MILDRED PRICE ET AL	04-08-69
R-105-237-L32	0346	0178	PECOS	PRESBYTERIAN CHURCH	04-03-69
R-105-237-L32	0346	0174	PECOS	BURFORD AND SAMS	04-03-69
R-105-237-L32	0346	0176	PECOS	MARROW N S	04-03-69
R-105-237-L32	0346	0180	PECOS	LEEDE EDWARD H	04-03-69
R-105-237-L32	0346	0182	PECOS	ZOLLER DOROTHY WEBB	04-03-69
R-105-237-L32	0346	0184	PECOS	ZOLLER VICTOR H	04-03-69
R-105-237-L32	0346	0239	PECOS	RICHARDSON REX	04-03-69
R-105-237-L33	0346	0186	PECOS	PALMER W E ET UX	03-31-69
R-105-237-L34	0346	0188	PECOS	HATCH ETHEL R	03-31-69
R-105-237-L35	0349	0067	PECOS	LETHCO IRA S SR ET AL	09-16-69
R-105-237-L35	0349	0062	PECOS	LETHCO NELSON SR ET AL	09-16-69
R-105-237-L35-K010	0395	0039	PECOS	LETHCO IRA S ET AL JDGMT 4234	11-21-72
R-105-237-L35-K011	0389	0242	PECOS	O'NEIL AUSTIN JR	10-05-72
R-105-237-L35-K012	0389	0244	PECOS	MOBIL OIL CORP	10-19-72
R-105-237-L35-K013	0392	0460	PECOS	PALMER H H ET AL	02-12-73
R-105-237-L35-K014	0389	0248	PECOS	MERRICK ELIZABETH J ET AL	09-18-72
R-105-237-L36	0346	0502	PECOS	MERRICK ELIZABETH J & J LEON EX	04-09-69
R-105-237-L37	0346	0190	PECOS	SMITH MARY ETHEL INDIV & TRUSTE	04-17-69
R-105-237-L38	0346	0192	PECOS	HODGES DELMON	04-16-69
R-105-237-L39	0346	0194	PECOS	DUNLAP ELDON NORTH ET AL	06-02-69
R-105-237-L40	0348	0452	PECOS	ELLIS VIVIAN M ET AL	08-20-69
R-105-237-L41	0346	0198	PECOS	HERRIN AL G	03-12-69
R-105-237-L42	0346	0224	PECOS	GENERAL ROYALTIES CORP	04-02-69
R-105-237-L42	0346	0222	PECOS	DORR JOHN R	05-07-69
R-105-237-L42	0346	0204	PECOS	GOLTRY VERNON LEROY JR	04-02-69
R-105-237-L42	0346	0220	PECOS	MOBIL OIL CORP	04-22-69
R-105-237-L42	0346	0208	PECOS	JOHNSTON DALE HOYT	04-02-69
R-105-237-L42	0346	0214	PECOS	MEIBERGEN MARY ESTHER JOHNSTON	04-02-69
R-105-237-L42	0346	0216	PECOS	GOLTRY WALTER A	04-02-69
R-105-237-L42	0346	0218	PECOS	RANDOLPH ELIZABETH ATHEY	04-02-69
R-105-237-L42	0346	0212	PECOS	CONGLETON EDITH GOLTRY	04-02-69
R-105-237-L42	0346	0210	PECOS	BARNES LETTY LOUISA GOLTRY	04-02-69
R-105-237-L42	0346	0206	PECOS	ATHEY G WILLIAM	04-02-69
R-105-237-L42	0346	0202	PECOS	HODGDEN JACK D	04-02-69
R-105-237-L42	0346	0200	PECOS	ADAMS JEANNETTE C	04-02-69

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R-105-237-L42	0342	0118	PECOS	ATHEY CHARLES B ET AL TRUSTEES	04-02-69
R-105-237-L42	0342	0114	PECOS	ATHEY CHARLES B	04-02-69
R-105-237-L43	0346	0226	PECOS	COLLS HERBERT V	05-14-69
R-105-237-L44	0348	0447	PECOS	ROSENTHAL NATHAN ET AL	08-20-69
R-105-237-L45	0346	0228	PECOS	FOSTER A B JR	03-26-69
R-105-237-L46	0349	0294	PECOS	THAGARD GEORGE F ET AL	06-10-69
R-105-237-L47	0347	0171	PECOS	GILMORE W H ET AL	06-24-69
R-105-237-L47	0347	0171	PECOS	GILMORE W H SR ET UX	06-24-69
C-135-002	0376	0235	PECOS	FOREST OIL CORP	11-03-71
C-135-011-K02	0427	0237	PECOS	LETHCO IRA ET AL JDGMT	04-24-75
C-135-011-K03	0425	0139	PECOS	DUNLAP ARTHUR HAROLD ET AL	08-20-73
C-135-011-K03	0425	0144	PECOS	HODGES DELMON	08-20-73
C-135-019-K02	0413	0145	PECOS	FIRST NAT'L BANK OF MIDLAND TR	02-25-74
C-135-019-K13-K002	0453	0273	PECOS	REYNOLDS CATTLE CO	09-09-76
C-135-019-K13-K003	0453	0275	PECOS	SABINE ROYALTY CORP	09-21-76
C-135-020-K02	513	864	PECOS	FIRST NAT'L BANK OF MIDLAND	09-29-81
G-135-009	--	--	PECOS	TEXAS STATE HIGHWAY DEPT US 285	11-17-71
G-135-009	--	--	PECOS	TEXAS STATE HIGHWAY DEPT FM 1776	11-17-71
G-135-019-K09	--	--	PECOS	TEXAS HIGHWAY DEPT US 285	03-04-74
R-135-010	0376	0231	PECOS	MERRICK ELIZABETH J ET AL	11-24-71
R-135-010	0388	0057	PECOS	MERRICK ELIZABETH J ET AL	10-27-72
R-135-011	0384	0125	PECOS	LETHCO IRA S ET AL	01-12-72
R-135-011-K10	0427	0237	PECOS	LETHCO IRA ET AL JDGMT 4675	04-24-75
R-135-011-K11	0425	0146	PECOS	DUNLAP ARTHUR HAROLD ET AL	08-20-73
R-135-011-K11	0425	0150	PECOS	HODGES DELMON	08-20-73
R-135-012	0376	0239	PECOS	DAVENPORT JOHN ET AL	11-17-71
R-135-012	0376	0241	PECOS	ZOLLER VICTOR H	11-15-71
R-135-012	0376	0244	PECOS	ZOLLER DOROTHY WEBB	11-12-71
R-135-012	0376	0673	PECOS	LEEDE EDWARD H	11-04-71
R-135-013	0376	0249	PECOS	MUNSTER ZOLA SPLAWN	11-03-71
R-135-014	0376	0252	PECOS	ALAMO NATIONAL BANK	11-03-71
R-135-015	0376	0254	PECOS	TEXAS PACIFIC LAND TRUST	11-17-71
R-135-016	0376	0256	PECOS	HAYTER ANNIE ET AL	11-04-71
R-135-017	0376	0260	PECOS	MCINTYRE RUTH WADDELL	11-09-71
R-135-017	0376	0258	PECOS	MCINTYRE RUTH WADDELL	11-22-71
R-135-018	0376	0263	PECOS	MOORE GILBERT J JR	11-03-71
R-135-019	0376	0294	PECOS	SMITH HORACE ET AL	11-04-71
R-135-019	0376	0292	PECOS	JONES THOMAS	11-10-71
R-135-019	0376	0290	PECOS	FARMER CHARLES B	11-10-71
R-135-019	0376	0288	PECOS	PRICE JOE	11-11-71
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R-135-019	0376	0284	PECOS	KRAJEC LINDA	11-12-71
R-135-019	0376	0282	PECOS	DRAUGHON ROBERT T ET UX	11-10-71
R-135-019	0376	0280	PECOS	PRICE TODD	11-10-71
R-135-019	0376	0278	PECOS	KERR ESSIE JONES	11-11-71
R-135-019	0376	0276	PECOS	GRAYBEAL RUTH PRICE	11-12-71
R-135-019	0376	0274	PECOS	JONES U G	11-11-71
R-135-019	0376	0272	PECOS	BRAKESMAN MARY MCCARROLL	11-12-71
R-135-019	0376	0270	PECOS	PRICE THOMAS	11-15-71
R-135-019	0376	0268	PECOS	GARRETT ROBERT	11-13-71

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R-135-019-K10	0413	0148	PECOS	FIRST NAT'L BANK OF MIDLAND TR	02-25-74
R-135-019-K11	0413	0151	PECOS	COLLINS MARGARET BINKLEY	02-25-74
R-135-019-K12	0413	0154	PECOS	BROWN CURRAN	02-28-74
R-135-019-K12	0413	0157	PECOS	MENDEL HUGH BURNS ESTATE	02-28-74
R-135-019-K12	0413	0160	PECOS	HODGES ELIZABETH BROWN	02-28-74
R-135-019-K12	0413	0163	PECOS	HARRIS PINTA HUFF	02-28-74
R-135-019-K12	0413	0166	PECOS	MESSO BERNICE BROWN	02-28-74
R-135-019-K12	0413	0169	PECOS	WAGGENER MARY BROWN HYMAN	02-28-74
R-135-019-K13	0413	0172	PECOS	REYNOLDS CATTLE CO	02-25-74
R-135-019-K13-K010	0453	0277	PECOS	REYNOLDS CATTLE CO	09-09-76
R-135-019-K13-K011	0453	0279	PECOS	SHANNON RAYMOND L	09-09-76
R-135-019-K13-K011	0455	0343	PECOS	BOYER ELIZABETH S TRUSTEE	09-09-76
R-135-019-K13-K011	0455	0346	PECOS	SHANNON HELEN E	09-09-76
R-135-019-K13-K011	0455	0349	PECOS	SHANNON JOSEPH P	09-09-76
R-135-019-K13-K011	0455	0352	PECOS	SHANNON LEO P	09-09-76
R-135-019-K13-K011	0455	0355	PECOS	SHANNON GILBERT D	09-09-76
R-135-019-K13-K012	0453	0282	PECOS	WEATHERBY IVY B	09-09-76
R-135-019-K13-K013	0453	0284	PECOS	SABINE ROYALTY CORP	09-21-76
R-135-019-K13-L010	0453	0286	PECOS	SABINE ROYALTY CORP	09-21-76
R-135-019-K13-L011	0453	0288	PECOS	WHISSELL GEORGE B	09-10-76
R-135-019-K13-L012	0453	0294	PECOS	TEXAS PACIFIC LAND TRUST	09-17-76
R-135-019-K13-L013	0453	0297	PECOS	REGAN ROBERTA M ESTATE	09-09-76
R-135-020	0376	0296	PECOS	FIRST NAT'L BANK OF MIDLAND	11-10-71
R-135-020	0380	0556	PECOS	FIRST NAT'L BANK OF DALLAS TRUST	11-06-71
R-135-021	0376	0299	PECOS	JOHNS MARY HELEN	11-18-71
R-135-021	0376	0301	PECOS	KINNEAR GEORGE C ET UX	11-06-71
R-135-021	0376	0303	PECOS	PHILBRICK RICHARD C ET UX	11-06-71
R-135-022	0376	0305	PECOS	BOOTH JOHN P	11-12-71
R-135-022	0376	0307	PECOS	ROOT NANCY	11-12-71
R-135-022	0376	0309	PECOS	HAGEN FRANK B	11-12-71
R-135-023	0376	0311	PECOS	FOREST OIL CORP	11-16-71
R-135-023	0382	0105	PECOS	FOREST OIL CORP	06-02-72
C-231-002	0370	0602	PECOS	REED ELIZABETH O	06-07-71
C-231-003	0380	0266	PECOS	BALLENGER FRANCYS ANN	05-10-71
C-231-004	0380	0268	PECOS	MARTIN VERA DUNLAP	02-22-71
C-231-004	0380	0270	PECOS	DUNLAP ARTHUR HAROLD	02-22-71
C-231-004	0380	0273	PECOS	DUNLAP ELDON NORTH ET AL	02-22-71
R-231-010	370	599	PECOS	REED ELIZABETH O	06-09-71
R-231-011	0380	0247	PECOS	GLASS LYNDA RUTH BALLENGER	07-02-71
R-231-011	0380	0251	PECOS	SQUIRE BARBA SUE BALLENGER	06-24-71
R-231-011	0380	0255	PECOS	BALLENGER FRANCYS ANN	05-10-71
R-231-012	0380	0275	PECOS	REED ELIZABETH OGDEN STEWART	02-15-71
R-231-012	0380	0259	PECOS	REED ELIZABETH OGDEN STEWART	02-15-71
R-231-013	0380	0303	PECOS	LETHCO IRA S SR ET AL JDGMT	03-19-71
R-231-014	0380	0262	PECOS	WEST TEXAS PROD CREDIT ASSN	03-01-71
R-231-015	0390	0150	PECOS	DUNLAP ELDON NORTH ET AL	03-04-71
R-231-015	0390	0155	PECOS	DUNLAP ARTHUR HAROLD	03-08-71
R-231-015	0390	0159	PECOS	MARTIN VERA DUNLAP	03-08-71
R-231-016	0380	0264	PECOS	REED ELIZABETH OGDEN STEWART	01-03-72
R-364-010	0505	0583	PECOS	MOORE GILBERT J JR	11-12-81

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RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
R-364-011	0506	0108	PECOS	REYNOLDS CATTLE CO	11-19-81
R-135-019-K13-L013	0340	0460	REEVES	REGAN ROBERTA M ESTATE	09-09-76

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ZONE 5232

All of the plant and appurtenant facilities known as the "Greasewood Treating Plant"; said plant and appurtenant facilities to include all the equipment, fixtures and improvements situated thereon and used in connection therewith, including, without limitation, any and all buildings, structures, storage facilities, machinery, piping, valves, taps and side valves, regulators, meters, separators, purification equipment, microwave equipment, pumps, tanks and station piping, together with the easements, licenses, permits, surface leases and other interests in real property held for use in connection with said plant and appurtenant facilities, to include, without limitation, the following:

RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
C-153-001-K03	0300	0077	REEVES	STEINKIRCHNER CLAIRICE JEAN KNIGHT	12-02-70
C-153-001-K03	0300	0079	REEVES	SLOCUM DORIS ARLENE KNIGHT	12-02-70
C-153-001-K03	0300	0081	REEVES	BAGWELL NELL DEAN KNIGHT	12-02-70
C-153-001-K03	0300	0083	REEVES	KNIGHT MERRILL M	12-02-70
C-153-001-K03	0300	0085	REEVES	LAMBERSON SHIRLEY KNIGHT ET AL	12-02-70
C-153-001-K03	0300	0087	REEVES	OWENS NORMA KNIGHT	12-02-70
C-153-001-K04	386	658	REEVES	LAMBERSON SHIRLEY RUTH KNIGHT	02-21-80
C-153-001-K04	0389	0123	REEVES	SLOCUM DORIS ARLENE KNIGHT	02-21-80
C-153-001-K04	386	679	REEVES	OWENS NORMA KNIGHT	02-21-80
C-153-001-K04	386	656	REEVES	KNIGHT RUTH	02-21-80
C-153-001-K04	387	447	REEVES	KNIGHT MERRILL M	02-21-80
C-153-001-K04	387	637	REEVES	BAGWELL NELL DEAN KNIGHT	02-21-80
C-153-001-K04	387	151	REEVES	OWENS R D	02-21-80
C-153-001-K04	387	445	REEVES	STEINKIRCHNER CLARICE J	02-21-80

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ZONE 5271

All of the gas pipeline and transmission system known as the "Texaco-Knight to Pioneer" system. Said gas pipeline system includes approximately 4.22 miles of 4 inch pipeline and 5.16 miles of 10 inch pipeline traversing Reeves County, Texas. Said system includes all piping, valves, taps and side valves, regulators, meters, separators, purification equipment, microwave equipment, pumps, tanks and station piping necessary for the transportation of gas through the facilities described above. The easements, licenses, permits, surface leases and other interest in real property held for use in connection with said system include, without limitation, the following:

RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
R-153-001-K27-K010	0338	0477	REEVES	KNIGHT MERRILL M	03-19-76
R-153-001-K27-K010	0338	0467	REEVES	STEINKIRCHNER CLARICE J K	03-19-76
R-153-001-K27-K010	0338	0469	REEVES	LAMBERSON SHIRLEY RUTH KNIGHT	03-19-76
R-153-001-K27-K010	0338	0471	REEVES	OWENS R D	03-19-76
R-153-001-K27-K010	0338	0473	REEVES	OWENS NORMA KNIGHT	03-19-76
R-153-001-K27-K010	0338	0475	REEVES	BAGWELL NELL DEAN KNIGHT	03-19-76
R-153-001-K27-K010	0338	0479	REEVES	SLOCUM DORIS ARLENE KNIGHT	03-19-76
F-155-008	--	--	REEVES	COMMISSIONERS COURT	11-17-69
G-155-009	--	--	REEVES	TEXAS HIGHWAY DEPT FM 2119	05-15-85
R-155-010	0291	0010	REEVES	KNIGHT FRANK	11-04-69
R-155-010	0291	0012	REEVES	LAMBERSON SHIRLEY RUTH KNIGHT	11-04-69
R-155-010	0291	0014	REEVES	STEINKIRCHNER CLARICE JEAN KNIGHT	11-04-69
R-155-010	0291	0016	REEVES	SLOCUM DORIS ARLENE KNIGHT	11-12-69
R-155-010	0291	0018	REEVES	BAGWELL NELL DEAN KNIGHT	11-04-69
R-155-010	0291	0020	REEVES	KNIGHT CORNELL	11-04-69
R-155-010	0291	0022	REEVES	KNIGHT MERRILL M	11-04-69
R-155-010	0291	0024	REEVES	OWENS NORMA KNIGHT	11-04-69
R-155-011	0291	0026	REEVES	WARD COUNTY IRRIGATION DIST #1	12-05-69
R-155-012	0291	0031	REEVES	HILL GEO P	10-21-69
R-155-013	0291	0033	REEVES	MORAN BEULAH T ET AL	11-13-69
R-155-014	0291	0040	REEVES	SMITH FORREST M TRUSTEE	10-21-69
R-155-014	0291	0042	REEVES	NOAH ROBERT L TRUSTEE	10-21-69
R-155-015	0291	0044	REEVES	HOWARD MILFORD S ET UX	10-21-69
R-155-016	0291	0046	REEVES	KIRK T A ET UX	10-24-69
R-155-016	0291	0048	REEVES	REED HIRAM M ETUX	10-24-69
R-155-017	0291	0050	REEVES	BIRGE JACK S ET AL	11-19-69
R-155-018	0291	0053	REEVES	BIRGE JACK S TRUSTEE	11-19-69
R-155-019	0291	0055	REEVES	ELLIS MARY E ET AL	10-28-69
C-260-002	0334	0572	REEVES	REGAN ROBERTA M TRUST ET AL	07-03-75
C-260-003	0335	0585	REEVES	FERNANDES WILLIAM D ET UX	10-30-75
F-260-008	--	--	REEVES	COMMISSIONERS COURT	07-14-75
R-260-010	0334	0575	REEVES	REGAN ROBERTA M TRUST ET AL	06-26-75
R-260-011	0334	0578	REEVES	CAMPBELL AGATHA K ET AL	06-26-75
R-260-012	0334	0582	REEVES	GULF OIL CORPORATION	06-26-75
R-260-013	0334	0584	REEVES	PREWIT BILLIE ET UX	06-26-75
R-260-014	0334	0586	REEVES	WOHLFORD CHARLES J	06-26-75
R-260-015	0334	0588	REEVES	SCOTT RUTH B	07-29-75
R-260-015	0334	0590	REEVES	STULTS DOROTHA B ET AL	06-26-75

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RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
R-260-016	0334	0592	REEVES	KRAUS F J ET UX	06-26-75
R-260-017	0335	0590	REEVES	FERNANDES WILLIAM DOUGLAS	10-30-75
R-260-017	0334	0594	REEVES	WEST TEXAS PRODUCTION CREDIT ASSN	07-16-75
R-260-018	0335	0585	REEVES	FERNANDES WILLIAM DOUGLAS ET UX	10-30-75

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ZONE 5272

All of the gas pipeline and transmission system known as the "Greasewood Gathering" system. Said gas pipeline system includes approximately .52 miles of 3 inch pipeline, 2.66 miles of 4 inch pipeline, .18 miles of 5 inch pipeline, 12.02 miles of 6 inch pipeline, .79 miles of 8 inch pipeline, 10.67 miles of 10 inch pipeline, 17.45 miles of 12 inch pipeline and 25.59 miles of 16 inch pipeline traversing Reeves, Loving and Ward Counties, Texas. Said system includes all piping, valves, taps and side valves, regulators, meters, separators, purification equipment, microwave equipment, pumps, tanks and station piping necessary for the transportation of gas through the facilities described above. Said system includes one compressor known as Compressor Number 726 having 330 horsepower of compression together with support buildings and fixtures located in Reeves County, Texas. Additionally, said system includes two dehydration units known as Dehydrator Numbers 304 and 301 with a total capacity of 59MMCFD, together with related dehydration piping facilities situated on a site located in Reeves County, Texas. The easements, licenses, permits, surface leases and other interest in real property held for use in connection with said system include, without limitation, the following:

RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
C-145-001-M02	0047	0125	LOVING	WHEAT JAMES J ET AL 100 X 200	09-27-73
C-145-001-M02	0047	0128	LOVING	AMMERMAN W S JR	09-24-74
C-145-001-M02	0047	0130	LOVING	HULL H W	11-14-73
C-145-001-M02	0047	0132	LOVING	MOORE MICHAEL HARRISON ET AL TRST	09-24-73
C-145-001-M02	0047	0134	LOVING	HOOPER JERRY L	09-24-73
C-145-001-M02	0047	0136	LOVING	REICHLE VERNON E	09-24-73
C-145-001-M02	0047	0138	LOVING	STARLEY WILLIE FAY	09-24-73
C-145-001-M02	0047	0142	LOVING	RICE DENNIS	09-24-73
C-145-001-M02	0047	0144	LOVING	ROSS ROBERT B PRES GR&B INC	09-24-73
C-145-001-M02	0047	0206	LOVING	RICE DOROTHY A	12-19-73
C-145-001-M02	0047	0796	LOVING	RICE MICHAEL	12-19-73
C-145-001-M03	0047	0751	LOVING	RUSSELL LB ESTATE	12-12-73
C-145-001-M05	0053	0714	LOVING	RUSSELL FAMILY TRUST	07-01-76
C-145-001-M10-K002	0049	0762	LOVING	WHEAT J J	12-12-74
R-145-001-M10	0047	0146	LOVING	WHEAT JAMES J	09-27-73
R-145-001-M10	0047	0151	LOVING	AMMERMAN W S JR	08-08-73
R-145-001-M10	0047	0153	LOVING	HULL H W	11-14-73
R-145-001-M10	0047	0155	LOVING	HOOPER JERRY L	08-08-73
R-145-001-M10	0047	0157	LOVING	REICHLE VERNON E	08-08-73
R-145-001-M10	0047	0159	LOVING	MOORE MICHAEL HARRISON ET AL TRST	08-08-73
R-145-001-M10	0047	0161	LOVING	STARLEY WILLIE FAY	08-08-73
R-145-001-M10	0047	0165	LOVING	RICE DENNIS	12-19-73
R-145-001-M10	0047	0167	LOVING	ROSS ROBERT B PRES GR&B INC	09-24-73
R-145-001-M10	0047	0204	LOVING	RICE DOROTHY A	12-19-73
R-145-001-M10	0047	0798	LOVING	RICE MICHAEL	12-19-73
R-145-001-M10-K010	0049	0765	LOVING	AMMERMAN W S JR	12-06-74
R-145-001-M10-K010	0049	0767	LOVING	REICHLE VERNON E	12-06-74
R-145-001-M10-K010	0049	0769	LOVING	HOOPER JERRY L	12-06-74
R-145-001-M10-K010	0049	0771	LOVING	LANDUA H L TRUSTEE	12-06-74
R-145-001-M10-K010	0049	0778	LOVING	STARLEY J H TRUSTEE	12-06-74
R-145-001-M10-K011	0049	0780	LOVING	HOUGHTON DUDLEY W	12-06-74
R-145-001-M10-K011	0049	0782	LOVING	VIRDEN MARY LEE J.	12-06-74
R-145-001-M10-K011	0049	0784	LOVING	HOUGHTON THOMAS W	12-06-74
R-145-001-M10-K011	0049	0786	LOVING	KEY HOBART TRUSTEE ET AL	12-06-74
R-145-001-M10-K011	0049	0788	LOVING	TURNER ELIZABETH T JONES	12-06-74

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RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
R-145-001-M10-K012	0049	0773	LOVING	WHEAT JAMES J	12-12-74
R-145-001-M10-L010	0049	0804	LOVING	WHEAT JAMES J	05-24-74
R-145-001-M10-L010	0049	0790	LOVING	GRIFFIN ROSS & BURNETT INC	04-26-74
R-145-001-M10-L010	0049	0792	LOVING	LANDUA HARVIN L TRUSTEE	05-15-74
R-145-001-M10-L010	0049	0794	LOVING	RICE MICHAEL	05-15-74
R-145-001-M10-L010	0049	0796	LOVING	YOUNG LOIS A TRUSTEE	05-15-74
R-145-001-M10-L010	0049	0798	LOVING	AMMERMAN W S JR	05-15-74
R-145-001-M10-L010	0049	0800	LOVING	REICHLE VERNON E	05-15-74
R-145-001-M10-L010	0049	0802	LOVING	STARLEY J H TRUSTEE	05-15-74
R-145-001-M10-L011	0049	0818	LOVING	VIRDEN MARY LEE J	09-26-74
R-145-001-M10-L011	0049	0809	LOVING	KEY HOBART JR TRUSTEE ET AL	09-26-74
R-145-001-M10-L011	0049	0816	LOVING	TURNER ELIZABETH T JONES	09-26-74
R-145-001-M10-L011	0049	0812	LOVING	HOUGHTON DUDLEY W	09-26-74
R-145-001-M10-L011	0049	0814	LOVING	HOUGHTON THOMAS W	09-26-74
R-145-001-M10-L012	0049	0820	LOVING	DORR JOHN R	09-03-74
R-145-001-M11	0047	0747	LOVING	RUSSELL L B JR ESTATE	12-12-73
R-145-001-M11-K010	0051	0025	LOVING	RUSSELL RALPH C TRUSTEE	03-18-75
R-145-001-M12	0047	0146	LOVING	WHEAT JAMES J	09-27-73
R-145-001-M13	0047	0202	LOVING	HAMILTON HELEN V ET AL	08-31-73
R-145-001-M13	0047	0171	LOVING	CARTER EARLE D	08-31-73
R-145-001-M13	0047	0173	LOVING	PHIPPS DONALD M EXEC L F STOWEL E	08-31-73
R-145-001-M14	0047	0169	LOVING	GOODRICH ELLEN	08-08-73
R-145-001-M15	0047	0175	LOVING	GREGG A W JR ET AL TRUSTEE	08-13-73
R-145-001-M16	0047	0178	LOVING	STATE OF TEXAS ME-2631	08-15-73
R-145-001-M17	0047	0183	LOVING	KENNEDY MARY LOUISE	08-09-73
R-145-001-M18	0047	0186	LOVING	MC CREA MARSHALL S INDV AND TRUST	08-08-73
R-145-001-M19	0047	0190	LOVING	CLEYS ALBERT F ET UX	11-01-73
R-145-001-M20	0047	0188	LOVING	BENTLEY GEO R	08-15-73
R-145-001-M21	0047	0192	LOVING	PETROLEUM CORP OF TEXAS	08-16-73
C-145-001-M04	0327	0051	REEVES	KNIGHT F R ESTATE	08-13-73
C-145-001-M04	0327	0053	REEVES	KNIGHT MERRILL M	08-13-73
C-145-001-M04	0327	0055	REEVES	OWENS NORMA KNIGHT	08-13-73
C-145-013-K02	0320	0045	REEVES	STATE OF TEXAS ME2496	12-20-72
C-145-013-K03	0345	0295	REEVES	GEORGE EDITH E TRUSTEE ET AL	07-01-76
D-145-001-M22	0327	0716	REEVES	STATE OF TEXAS ME-2628	08-15-73
F-145-001-M08	--	--	REEVES	COMMISSIONERS COURT	-
F-145-013-K08	--	--	REEVES	COMMISSIONERS COURT	12-00-72
G-145-001-L09	--	--	REEVES	TEXAS HIGHWAY DEPT US 285	11-15-72
G-145-001-M09	--	--	REEVES	TEXAS HIGHWAY DEPT US 285	08-16-73
G-145-013-K09	--	--	REEVES	TEXAS HIGHWAY DEPT FM 2119	05-15-85
M-145-001-M24	--	--	REEVES	PANHANDLE & SANTA FE RR 73-67086	09-20-73
R-145-001-K10	0308	0404	REEVES	KNIGHT RUTH ET AL	07-19-71
R-145-001-K10	0308	0407	REEVES	SLOCUM MRS DORIS ARLENE KNIGHT	07-28-71
R-145-001-K10	0308	0410	REEVES	BAGWELL NELL DEAN KNIGHT	07-19-71
R-145-001-K10	0308	0413	REEVES	OWENS MRS NORMA KNIGHT	07-19-71
R-145-001-K10	0308	0416	REEVES	KNIGHT MERRILL M	07-19-71
R-145-001-K10	0308	0419	REEVES	STEINKIRCHNER CLARICE JEAN KNIGHT	07-19-71
R-145-001-K11	0308	0422	REEVES	WARD CO IRRIGATION DISTRICT #1	07-07-71
R-145-001-L10	0300	0133	REEVES	STEINKIRCHNER CLARICE JEAN KNIGHT	12-16-70
R-145-001-L10	0300	0135	REEVES	SLOCUM DORIS ARLENE KNIGHT	13-16-70
R-145-001-L10	0300	0137	REEVES	BAGWELL NELL DEAN KNIGHT	12-16-70

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RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
R-145-001-L10	0300	0139	REEVES	KNIGHT MERRILL M	12-16-70
R-145-001-L10	0300	0141	REEVES	OWENS NORMA KNIGHT	12-16-70
R-145-001-L10	0300	0144	REEVES	LAMBERSON MRS SHIRLEY KNIGHT ET A	12-16-70
R-145-001-L11	0318	0049	REEVES	R M REGAN TRUST	11-13-72
R-145-001-L12	0318	0050	REEVES	CLARK JACK	11-13-72
R-145-001-L13	0318	0053	REEVES	PETREY CURTIS N ET AL	11-13-72
R-145-001-L13	0318	0053	REEVES	BURNS MARJORIE ANN ET AL	11-13-72
R-145-001-L14	0316	0752	REEVES	QUINN B E TRUST ET AL	11-13-72
R-145-001-M23	0327	0048	REEVES	SIEVERS LUCY H	08-08-73
R-145-001-M25	0327	0037	REEVES	STATE OF TEXAS ME-2630	08-15-73
R-145-001-M26	0327	0033	REEVES	BOND VERA B	08-08-73
R-145-001-M27	0327	0035	REEVES	SUDDERTH JANE DEAN INDV AND TR ET	08-08-73
R-145-001-M28	0327	0007	REEVES	KERR WILLIAM L ETAL	08-23-73
R-145-001-M29	0327	0031	REEVES	CLARK UNA F	08-08-73
R-145-001-M30	0327	0027	REEVES	BETTS W H	08-31-73
R-145-001-M31	0327	0029	REEVES	TEXAS PACIFIC LAND TRUST 6767	08-23-73
R-145-001-M32	0327	0023	REEVES	JOHNSON MAUD W EST	08-15-73
R-145-001-M33	0327	0018	REEVES	STATE OF TEXAS ME-2629	08-15-73
R-145-001-M34	0327	0014	REEVES	KNIGHT F R ESTATE	-
R-145-001-M34	0327	0016	REEVES	KNIGHT MERRILL M	08-10-73
R-145-001-M34	0327	0012	REEVES	OWENS NORMA KNIGHT	08-10-73
R-145-010	0308	0427	REEVES	WARD CO IRRIGATION DISTRICT NO 1	01-25-71
R-145-011	0308	0432	REEVES	WHISSELL GEORGE B	07-02-71
R-145-012	0308	0436	REEVES	WEST TEXAS PRODUCTION CREDIT ASSN	06-08-71
R-145-013	0308	0441	REEVES	KNIGHT MERRILL M	07-19-71
R-145-013	0308	0438	REEVES	SLOCUM MRS DORIS ARLENE KNIGHT	07-28-71
R-145-013	0308	0444	REEVES	BAGWELL NELL DEAN KNIGHT	07-19-71
R-145-013	0308	0447	REEVES	OWENS MRS NORMA KNIGHT	07-19-71
R-145-013	0308	0450	REEVES	STEINKIRCHNER CLARICE JEAN KNIGHT	07-19-71
R-145-013-K10	0308	0404	REEVES	KNIGHT RUTH ETAL	07-19-71
R-145-013-K11	0320	0152	REEVES	WARD COUNTY IRRIGATION DISTRICT O	01-04-73
R-145-013-K12	0320	0056	REEVES	HILL GEORGE P ET AL	12-16-72
R-145-013-K13	0320	0034	REEVES	MORAN BEULAH T ET AL	12-16-72
R-145-013-K14	0320	0031	REEVES	TEXAS PACIFIC LAND TRUST	12-19-72
R-145-013-K15	0320	0037	REEVES	REED MABEL CLARK EXEC	12-15-72
R-145-013-K15	0320	0040	REEVES	KIRK T A ET AL	12-15-72
R-145-013-K16	0320	0053	REEVES	BRACKENRIDGE GEORGE W FNDATION	12-16-72
R-145-013-K17	0320	0054	REEVES	SMITH JAMES ROBERT EXEC	12-15-72
R-145-013-K18	0320	0113	REEVES	STATE OF TEXAS ME 2495	12-29-72
R-145-013-K19	0320	0043	REEVES	SPENCER JEAN S TRST	12-18-72
R-145-013-K19	0328	0040	REEVES	SPENCER JEAN S TRST ET AL	03-08-74
R-145-013-K20	0339	0383	REEVES	STATE OF TEXAS M E 3370	07-14-76
C-146-001-K02	0413	0564	REEVES	WIGGINS P N ESTATE	10-29-81
C-146-001-K03	0413	0562	REEVES	WIGGINS P N ESTATE	10-29-81
C-146-002	0320	0760	REEVES	WIGGINS P N JR ETAL	02-17-73
C-146-002	0320	0760	REEVES	PATTON MINNIE K ET AL	02-17-73
C-146-018-K02	0363	0477	REEVES	BETTS, W H	07-21-78
C-146-018-K03	0364	0405	REEVES	TEXAS PACIFIC LAND TR #6652	08-01-78
C-146-039-K02	0325	0227	REEVES	WYNNE LELA MAE ET AL	08-06-73
C-146-039-K02	0331	0654	REEVES	REYNAUD SALLIE WYNNE	01-23-75
C-146-039-K03	0325	0235	REEVES	WIGGINS P N JR ET AL	08-02-73

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C-146-039-K12-K002	0350	0587	REEVES	RANDOLPH A K	06-09-77
C-146-039-K12-K002	0350	0590	REEVES	BALL THOMAS H JR	06-09-77
C-146-039-K12-K002	0350	0593	REEVES	LAMKIN JAMES B	06-16-77
C-146-039-K12-K002	0350	0596	REEVES	STONE DOROTHY REST	06-09-77
C-146-039-K12-K002	0350	0599	REEVES	ZINCK GERTRUDE L	06-09-77
C-146-039-K12-K002	0350	0602	REEVES	HUNTSVILLE MEMORIAL HOSP	06-09-77
C-146-039-K12-K002	0350	0583	REEVES	METHODIST HOME	06-09-77
C-146-039-L10-K002	0329	0573	REEVES	FORTUNE PEARL G	05-22-74
C-146-039-M11-J002	0363	0480	REEVES	RANDOLPH A K	05-11-78
C-146-039-M11-J002	0363	0482	REEVES	METHODIST HOME FOUNDATION	05-11-78
C-146-039-M11-J002	0363	0486	REEVES	BALL WILLIE MAE	05-11-78
C-146-039-M11-J002	0363	0488	REEVES	LEEDE AND PINE	05-11-78
C-146-039-M11-J002	0363	0490	REEVES	ZOLLER AND NEFF	05-11-78
C-146-039-M11-J002	0363	0492	REEVES	HUNTSVILLE MEMORIAL HOSP	05-11-78
C-146-039-M11-J002	0363	0484	REEVES	FLAG-REDFERN OIL COMPANY	05-11-78
C-146-039-M11-J002	0363	0494	REEVES	MOORE OLAN T	05-11-78
C-146-039-M11-J002	0363	0496	REEVES	STONE DOROTHY R ESTATE	05-11-78
C-146-039-M11-J002	0363	0498	REEVES	MATEJEK JERRY J ET UX	05-11-78
C-146-039-M11-J003	0364	0242	REEVES	TEXAS PACIFIC LAND 6633	06-01-78
C-146-039-N02	0331	0694	REEVES	FORTUNE PEARL G ET AL	01-16-75
D-146-004	0321	0021	REEVES	STATE OF TEXAS ME 2525	02-26-73
D-146-004	0429	0416	REEVES	STATE OF TEXAS	01-21-83
R-146-010	0320	0822	REEVES	WHISSELL GEORGE B	03-02-73
R-146-011	0320	0827	REEVES	WEST TEXAS PROD CREDIT ASSOC	02-19-73
R-146-012	0320	0829	REEVES	RICHARDSON S E ET AL	02-13-73
R-146-013	0321	0012	REEVES	YOUNGBLOOD ZELLA P	03-01-73
R-146-014	0320	0851	REEVES	WAKEFIELD PATTI PECK ET VIR	-
R-146-014	0320	0836	REEVES	WEINSTEIN GEORGE	04-30-73
R-146-014	0320	0854	REEVES	NATIONAL DIVERSIFIED INDUSTRIES	02-15-73
R-146-014	0320	0845	REEVES	FORT WORTH NATIONAL BANK TRUSTEE	02-19-73
R-146-014	0320	0834	REEVES	SLACK R C	02-19-73
R-146-014	0320	0842	REEVES	DEAN BOB	02-15-73
R-146-014	0320	0848	REEVES	LEWIS RUTH MARIE	02-15-73
R-146-014	0320	0839	REEVES	MIDLAND NATIONAL BANK TRUSTEE	02-15-73
R-146-014	0320	0831	REEVES	PETROLEUM CORPORATION OF TEXAS	02-26-73
R-146-014	0320	0845	REEVES	SMITH FAYRENE RICHARDSON	02-19-73
R-146-014	0320	0845	REEVES	SID W RICHARDSON FOUNDATION	02-19-73
R-146-015	0320	0857	REEVES	SLAUGHTER ELNA FAYE SMITH,ET AL	02-13-73
R-146-016	0320	0790	REEVES	DORR JOHN R	02-13-73
R-146-017	0320	0792	REEVES	TEXAS PACIFIC LAND TRUST EA-6740	02-28-73
R-146-018	0320	0795	REEVES	BETTS W H	03-08-73
R-146-018-K10	0363	0477	REEVES	BETTS W H	07-21-78
R-146-018-K11	0364	0307	REEVES	TEXAS PACIFIC LAND TRUST #6999	07-31-78
R-146-019	0320	0798	REEVES	FIRST NATIONAL BANK BRENHAM TRUST	02-13-73
R-146-020	0320	0802	REEVES	NATIONAL DIVERSIFIED INDUSTRIES	04-30-73
R-146-020	0320	0800	REEVES	DEAN BOB	02-15-73
R-146-020	0320	0805	REEVES	PETROLEUM CORP OF TEXAS	02-12-73
R-146-021	0320	0810	REEVES	MC ELVAIN J WILLIAM ET AL JDGMT	04-24-73
R-146-021	0320	0808	REEVES	WILLIAMS DOROTHY JANE ET AL	02-13-73
R-146-022	0321	0014	REEVES	STATE OF TEXAS ME-2524	02-26-73
R-146-022	0429	0410	REEVES	STATE OF TEXAS	01-21-83

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R-146-023	0320	0813	REEVES	DOUGLAS RALPH W	02-15-73
R-146-024	0321	0797	REEVES	AYLESWORTH EDWARD W JR ET AL	02-22-73
R-146-025	0320	0815	REEVES	LUCKEL EB F ET AL	02-12-73
R-146-026	0320	0817	REEVES	TOON H W ET AL	02-13-73
R-146-027	0320	0819	REEVES	ANDERSON OLLIE P ESTATE	02-19-73
R-146-028	0320	0763	REEVES	WALLACE HUGH D TRUSTEE	02-19-73
R-146-029	0320	0767	REEVES	MC ELVAIN CATHERINE B ET AL	02-13-73
R-146-029	0320	0765	REEVES	FIRST NATIONAL BANK OF MIDLAND	02-21-73
R-146-030	0320	0770	REEVES	TRIPPET WILLIAM A ET UX	02-19-73
R-146-030	0320	0772	REEVES	TRIPPET H H ET AL	02-12-73
R-146-031	0320	0774	REEVES	CAUSBIE MARGARET R ET AL	02-12-73
R-146-032	0320	0776	REEVES	BOLINGER CLARENCE E	02-12-73
R-146-033	0320	0778	REEVES	ATLANTIC RICHFIELD COMPANY	02-15-73
R-146-034	0320	0780	REEVES	GOODIN MAGDALENE E	02-12-73
R-146-035	0320	0782	REEVES	REED RUSSELL M ET UX	02-12-73
R-146-036	0320	0784	REEVES	REAGAN JOHN N TRUSTEE J O STACK	02-13-73
R-146-037	0320	0788	REEVES	SCHOLOFMAN ARTHUR S JR ET UX	02-12-73
R-146-037	0320	0786	REEVES	BRANTLEY MARY ANN	02-14-73
R-146-038	0320	0756	REEVES	PATTERSON ANNIE MAY	02-12-73
R-146-038	0320	0758	REEVES	BRENNAND R S JR	02-12-73
R-146-039	0320	0760	REEVES	WIGGINS P N JR ET AL	02-17-73
R-146-039-K10	0325	0229	REEVES	WIGGINS P N JR ET AL	08-01-73
R-146-039-K11	0325	0232	REEVES	TEXAS PACIFIC LAND TRUST EA N067	08-07-73
R-146-039-K12	0325	0225	REEVES	WYNNE LELA MAE ET AL	08-06-73
R-146-039-K12	0331	0377	REEVES	REYNAUD SALLIE WYNNE	01-23-75
R-146-039-K12-K010	0334	0796	REEVES	REYNAUD SALLIE WYNNE ET AL	10-18-74
R-146-039-K12-K011	0334	0798	REEVES	TEXAS PACIFIC LAND TRUST 6813	10-18-74
R-146-039-K12-K012	0334	0800	REEVES	RANDOLPH A T ESTATE	02-19-75
R-146-039-K12-K012	0334	0803	REEVES	BALL WILLIE MAE	02-19-75
R-146-039-K12-K012	0334	0806	REEVES	FLAG-REDFERN OIL CO	02-19-75
R-146-039-K12-K012	0334	0809	REEVES	HUNTSVILLE MEMORIAL HOSP	02-19-75
R-146-039-K12-K012	0334	0812	REEVES	LAMKIN JAMES B	03-10-75
R-146-039-K12-K012	0334	0814	REEVES	ZINCK GERTRUDE	02-19-75
R-146-039-K12-K012	0338	0701	REEVES	METHODIST HOME FOUNDATION	02-19-75
R-146-039-K12-K013	0350	0576	REEVES	RANDOLPH A K	06-09-77
R-146-039-K12-K013	0350	0578	REEVES	METHODIST HOME	06-09-77
R-146-039-K12-K013	0350	0574	REEVES	ZINCK GERTRUDE L	06-09-77
R-146-039-K12-K013	0350	0572	REEVES	HUNTSVILLE MEMORIAL HOSP	06-09-77
R-146-039-K12-K013	0350	0570	REEVES	LAMKIN JAMES B	06-16-77
R-146-039-K12-K013	0350	0568	REEVES	STONE DOROTHY R ESTATE	06-09-77
R-146-039-K12-K013	0350	0581	REEVES	BALL THOMAS H JR	06-09-77
R-146-039-L10	0327	0184	REEVES	FORTUNE PEARL G	11-26-73
R-146-039-L10-K010	0329	0575	REEVES	FORTUNE PEARL G	05-22-74
R-146-039-L10-K011	0329	0584	REEVES	BRENNARD R S JR	06-24-74
R-146-039-L10-K011	0329	0582	REEVES	ZOLLER VICTOR H	05-22-74
R-146-039-L10-K011	0329	0579	REEVES	PATTERSON ANNIE MAY IND	05-22-74
R-146-039-L10-K011	0329	0577	REEVES	LEEDE & PINE BY EDWARD H LEEDE	05-22-74
R-146-039-L11	0327	0187	REEVES	WIGGINS P N JR ET AL	12-01-73
R-146-039-M10	0327	0942	REEVES	WIGGINS P N JR ET AL	01-30-74
R-146-039-M11	0327	0940	REEVES	TEXAS PACIFIC LAND TRUST 6786	01-29-74
R-146-039-M11-J010	0363	0500	REEVES	RANDOLPH A K	05-11-78

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R-146-039-M11-J010	0363	0502	REEVES	METHODIST HOME FOUNDATION	05-11-78
R-146-039-M11-J010	0363	0504	REEVES	BALL WILLIE MAE	05-11-78
R-146-039-M11-J010	0363	0506	REEVES	LEEDE AND PINE	05-11-78
R-146-039-M11-J010	0363	0508	REEVES	ZOLLER AND NEFF	05-11-78
R-146-039-M11-J010	0363	0510	REEVES	HUNTSVILLE MEMORIAL HOSP	05-11-78
R-146-039-M11-J010	0363	0512	REEVES	FLAG-REDFERN OIL CO	05-11-78
R-146-039-M11-J010	0363	0514	REEVES	MOORE OLAN T	05-11-78
R-146-039-M11-J010	0363	0516	REEVES	STONE DOROTHY R ESTATE	05-11-78
R-146-039-M11-J010	0363	0518	REEVES	MATEJEK JERRY J ET UX	05-11-78
R-146-039-M11-J011	0363	0752	REEVES	TEXAS PACIFIC LAND 6995	06-08-78
R-146-039-M11-K010	0334	0798	REEVES	TEXAS PACIFIC LAND 6813	10-18-74
R-146-039-M11-K011	0334	0800	REEVES	RANDOLPH A T ESTATE	02-19-75
R-146-039-M11-K011	0334	0803	REEVES	BALL WILLIE MAE	02-19-75
R-146-039-M11-K011	0334	0806	REEVES	FLAG-REDFERN OIL CO	02-19-75
R-146-039-M11-K011	0334	0809	REEVES	HUNTSVILLE MEMORIAL HOSP	02-19-75
R-146-039-M11-K011	0334	0816	REEVES	ZOLLER AND NEFF	02-19-75
R-146-039-M11-K011	0334	0818	REEVES	MATEJEK JERRY J ET AL	02-19-75
R-146-039-M11-K011	0334	0820	REEVES	LEEDE AND PINE	02-19-75
R-146-039-M11-K011	0334	0822	REEVES	MOORE OLAN T	02-19-75
R-146-039-M11-K011	0338	0701	REEVES	METHODIST HOME FOUNDATION	02-19-75
R-146-039-N10	0331	0696	REEVES	FORTUNE PEARL G ET AL	01-16-75
C-154-001-K04	0387	0445	REEVES	STEINKIRCHNER CLARICE J	02-21-80
C-145-001-M06	0345	0598	WARD	SUDDERTH JANE DEAN ET AL	07-14-76
R-145-001-M20	0381	0503	WARD	BENTLEY GEORGE R	08-15-73
R-145-001-M21	0379	0225	WARD	PETROLEUM CORP OF TEXAS	08-16-73
R-145-001-M22	0379	0326	WARD	STATE OF TEXAS ME-2628	08-15-73
G-154-009	—	—	WARD	TEXAS HIGHWAY DEPT FM 516	07-20-76
R-154-010	0412	0007	WARD	OASIS PIPE LINE CO	10-26-76

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ZONE 5273

All of the gas pipeline and transmission system known as the "Greasewood to MI-Vida". Said gas pipeline system includes approximately .09 miles of 4 inch pipeline, .54 miles of 6 inch pipeline and 8.94 miles of 16 inch pipeline traversing Ward and Reeves Counties, Texas. Said system includes all piping, valves, taps and side valves, regulators, meters, separators, purification equipment, microwave equipment, pumps, tanks and station piping necessary for the transportation of gas through the facilities described above. Additionally, said system includes one dehydration unit known as Dehydrator Number 283 with a total capacity of 15MMCFD, together with related dehydration piping facilities situated on a site located in Reeves County, Texas. The easements, licenses, permits, surface leases and other interest in real property held for use in connection with said system include, without limitation, the following:

RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
C-145-001-L14-K002	0325	0842	REEVES	QUINN B E III ET AL	09-13-73
C-145-001-L14-K002	0334	0351	REEVES	QUINN B E III ET AL	07-10-75
C-145-001-L14-K003	0325	0853	REEVES	CAMP KIETH	05-08-73
C-145-001-L14-K003	0325	0856	REEVES	DEAN NANCY CAMP ET AL	05-08-73
R-145-001-L14-K010	0325	0859	REEVES	QUINN B.E. III ET AL	09-13-73
R-145-001-L14-K011	0325	0844	REEVES	MANDELL H C	05-08-73
R-145-001-L14-K012	0325	0847	REEVES	CAMP KIETH	05-08-73
R-145-001-L14-K012	0325	0850	REEVES	DEAN NANCY CAMP	05-08-73
C-153-001-K02	0300	0071	REEVES	STEINKIRCHNER CLARICE JEAN KNIGHT	01-13-71
C-153-001-K02	0300	0089	REEVES	SLOCUM DORIS ARLENE KNIGHT	02-12-71
C-153-001-K02	0300	0073	REEVES	KNIGHT MERRILL M	01-13-71
C-153-001-K02	0300	0091	REEVES	OWENS NORMA KNIGHT	01-13-71
C-153-001-K02	0300	0075	REEVES	KNIGHT CORNELL ET AL	01-13-71
G-153-001-K09	–	–	REEVES	STATE HIGHWAY FM 1216	11-30-70
G-153-001-K09	–	–	REEVES	STATE HIGHWAY US 285	11-30-70
K-153-001-K14	0398	0153	REEVES	STATE OF TEXAS ME 80-315	10-08-80
M-153-001-K18	–	–	REEVES	ATCHISON TOPEKA & SANTA FE #1432	11-29-73
R-153-001-K15	0300	0098	REEVES	SEARS JAMES L ET UX	07-30-69
R-153-001-K16	0300	0099	REEVES	SCHWALBE E C	11-23-70
R-153-001-K17	0300	0101	REEVES	MANDELL HUMBOLDT C ET UX	11-20-70
R-153-001-K19	0300	0104	REEVES	GUNTER OLLIE L	07-30-69
R-153-001-K20	0300	0106	REEVES	KERR TED M ETAL	12-09-70
R-153-001-K20	0300	0115	REEVES	BLAKE JACK ET AL	11-25-70
R-153-001-K20	0300	0113	REEVES	HARRISON NELL ANDERSON IND EXEC	11-25-70
R-153-001-K20	0300	0111	REEVES	PERINI MAXINE ET AL	12-03-70
R-153-001-K20	0300	0153	REEVES	BOOTH OPAL PALMER	11-25-70
R-153-001-K20	0300	0235	REEVES	BELLOCCHIO CLARA ELIZABETH P	03-12-71
R-153-001-K20	0300	0253	REEVES	INSIRILO VIVIAN PALMER	11-25-70
R-153-001-K21	0300	0117	REEVES	ARMSTRONG FRED P	08-08-69
R-153-001-K22	0300	0119	REEVES	DORR JOHN J ET AL	07-30-69
R-153-001-K23	0300	0121	REEVES	HEINRICH LOUIS M ET UX	07-30-69
R-153-001-K24	0300	0124	REEVES	WARD COUNTY IRRIGATION DIST	12-01-70
R-153-001-K25	0300	0130	REEVES	CLARK JACK	07-31-69
R-153-001-K26	0300	0132	REEVES	FIRST NATIONAL BANK OF MIDLAND	08-13-69
R-153-001-K27	0300	0133	REEVES	STEINKIRCHNER CLARICE JEAN KNIGHT	12-16-70
R-153-001-K27	0300	0135	REEVES	SLOCUM DORIS ARLENE KNIGHT	12-16-70

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R-153-001-K27	0300	0137	REEVES	BAGWELL NELL DEAN KNIGHT	12-16-70
R-153-001-K27	0300	0139	REEVES	KNIGHT MERRILL M	12-16-70
R-153-001-K27	0300	0141	REEVES	OWENS NORMA KNIGHT	12-16-70
R-153-001-K27	0300	0144	REEVES	LAMBERSON SHIRLEY KNIGHT ET AL	12-16-70
C-145-001-L14-L002	0375	0654	WARD	MAJORS WINNIE E	10-03-73
R-145-001-L14-L010	0375	0655	WARD	MAJORS WINNIE E	08-15-73
R-145-001-L14-L011	0375	0657	WARD	SHELTON JESSIE N	08-15-73
G-153-001-K09	–	–	WARD	STATE HIGHWAY FM 516	11-30-70
K-153-001-K14	0457	0539	WARD	STATE OF TEXAS ME 80-315	10-08-80
R-153-001-K10	0342	0038	WARD	SHELTON JESSIE N	11-24-70
R-153-001-K11	0342	0039	WARD	MAJORS WINNIE E	11-19-70
R-153-001-K12	0342	0041	WARD	NUTTER JACK O ET AL	12-07-70
R-153-001-K13	0342	0044	WARD	WHEELIS TOMMY B	07-30-69
R-153-001-K24	0342	0031	WARD	WARD COUNTY IRRIG DIST	12-29-70
R-153-001-K24	0343	0630	WARD	WARD COUNTY IRRIG DIST	02-26-71

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ZONE 5274

All of the gas pipeline and transmission system known as the "North and West Texas Non-Connect" system. Said gas pipeline system includes approximately 4.47 miles of 6 inch pipeline traversing Reeves and Winkler Counties, Texas. Said system includes all piping, valves, taps and side valves, regulators, meters, separators, purification equipment, microwave equipment, pumps, tanks and station piping necessary for the transportation of gas through the facilities described above. The easements, licenses, permits, surface leases and other interest in real property held for use in connection with said system include, without limitation, the following:

RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
R-156-011	0332	0146	REEVES	UNITED STATES NATIONAL CO	08-14-74
R-156-016	0332	0134	REEVES	MCDONALD EDWIN L	08-14-74

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ZONE 5275

An undivided fifty percent (50%) interest in and to all of the gas pipeline and transmission system known as the "Misc. North Texas Facilities" system. Said gas pipeline system includes approximately .65 miles of 2 inch pipeline, 4.68 miles of 3 inch pipeline, 4.19 miles of 4 inch pipeline, 12.44 miles of 6 inch pipeline, 17.37 miles of 8 inch pipeline and 1.62 miles of 12 inch pipeline traversing Reeves, Pecos, Ward and Loving Counties, Texas. Said system includes all piping, valves, taps and side valves, regulators, meters, separators, purification equipment, microwave equipment, pumps, tanks and station piping necessary for the transportation of gas through the facilities described above. Additionally, said system includes one dehydration unit known as Dehydrator Number 357 with a total capacity of 5MMCFD, together with related dehydration piping facilities situated on a site located in Loving County, Texas. The easements, licenses, permits, surface leases and other interest in real property held for use in connection with said system include, without limitation, the following:

RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
C-145-001-M10-J002	0053	0615	LOVING	WHEAT WOODROW	04-20-76
C-145-001-M10-J003	0053	0620	LOVING	JOHNSON W.D. JR TRUST	04-05-76
C-145-001-M10-M002	0051	0704	LOVING	BELL RUTH V ET AL	06-06-75
C-145-001-M10-M002	0051	0706	LOVING	MILLER MABELLE MCELVAIN	09-30-75
C-145-001-M10-M002	0051	0710	LOVING	BELL RUTH V ET AL	06-12-75
C-145-001-M10-M002	0051	0708	LOVING	MILLER MABELLE MCELVAIN	09-30-75
C-145-001-M10-M002	0051	0782	LOVING	MCELVAIN J WM	09-30-75
C-145-001-M10-M002	0051	0784	LOVING	MCELVAIN J WM	09-30-75
C-145-001-M10-M002	0051	0786	LOVING	VAUGHAN RUTH	09-30-75
C-145-001-M10-M002	0051	0788	LOVING	VAUGHAN RUTH M	09-30-75
C-145-001-M10-N002	0051	0734	LOVING	WHEAT J J	10-31-75
C-145-001-M10-N002	0051	0758	LOVING	ROSS ROBERT B	11-17-75
C-145-001-M10-N002	0051	0760	LOVING	WHITE MARGARET F	11-17-75
C-145-001-M10-N002	0051	0802	LOVING	BURNETT GARY G	11-17-75
C-145-001-M10-N002	0051	0804	LOVING	REICHLE VERNON E	10-07-75
C-145-001-M10-N002	0051	0806	LOVING	GRIFFIN KENNETH H	11-17-75
C-145-001-M10-N002	0051	0831	LOVING	MOORE J HIRAM TRUSTEE ET AL	10-07-75
C-145-001-M10-N002	0052	0097	LOVING	HOOPER JERRY L	10-07-75
C-145-001-M10-N002	0052	0382	LOVING	WHEAT WOODROW	01-27-76
C-145-001-M10-N002	0054	0372	LOVING	RICE DOROTHY A COUNTERPART	10-07-75
C-145-001-M10-N003	0051	0739	LOVING	JOHNSON W D JR TRUST	10-03-75
C-145-001-M11-L002	0051	0366	LOVING	CRAVEN KATHERINE ET AL	07-29-75
C-145-001-M11-L002	0051	0368	LOVING	BUSH WILLIAM LESLIE ESTATE	07-29-75
G-145-001-M10-M009	–	–	LOVING	TEXAS HIGHWAY DEPT FM 1211	06-09-75
G-145-001-M10-N009	–	–	LOVING	TEXAS HIGHWAY DEPT FM 1211	07-18-75
R-145-001-M10-J010	0053	0620	LOVING	JOHNSON W D JR TRUST	04-05-76
R-145-001-M10-J011	0053	0615	LOVING	WHEAT WOODROW	04-20-76
R-145-001-M10-M010	0051	0712	LOVING	WHEAT JAMES J ET AL	10-31-75
R-145-001-M10-M010	0052	0388	LOVING	WHEAT WOODROW ET AL	01-27-76
R-145-001-M10-M010	0051	0776	LOVING	BURNETT GARY G	11-17-75
R-145-001-M10-M010	0051	0778	LOVING	GRIFFIN KENNETH H	11-17-75
R-145-001-M10-M010	0051	0774	LOVING	REICHLE VERNON E	06-09-75
R-145-001-M10-M010	0052	0065	LOVING	HOOPER JERRY L	07-09-75
R-145-001-M10-M010	0051	0772	LOVING	ROSS ROBERT B	11-17-75
R-145-001-M10-M010	0051	0770	LOVING	WHITE MARGARET F	11-17-75
R-145-001-M10-M010	0051	0829	LOVING	MOORE J HIRAM TRUSTEE ET AL	06-09-75

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R-145-001-M10-M011	0051	0719	LOVING	BELL RUTH V ET AL	06-09-75
R-145-001-M10-M011	0051	0790	LOVING	MCELVAIN J WILLIAM	09-30-75
R-145-001-M10-M011	0051	0716	LOVING	MILLER MABELLE MCELVAIN	09-30-75
R-145-001-M10-M011	0051	0793	LOVING	VAUGHAN RUTH M	09-30-75
R-145-001-M10-N010	0051	0734	LOVING	WHEAT J J	10-31-75
R-145-001-M10-N010	0052	0382	LOVING	WHEAT WOODROW	01-27-76
R-145-001-M10-N010	0051	0764	LOVING	ROSS ROBERT B	11-17-75
R-145-001-M10-N010	0051	0762	LOVING	WHITE MARGARET F	11-17-75
R-145-001-M10-N010	0051	0808	LOVING	REICHLE VERNON E	10-07-75
R-145-001-M10-N010	0051	0812	LOVING	GRIFFIN KENNETH H	11-17-75
R-145-001-M10-N010	0051	0810	LOVING	BURNETT GARY G	11-17-75
R-145-001-M10-N010	0052	0099	LOVING	HOOPER JERRY L	10-07-75
R-145-001-M10-N010	0051	0833	LOVING	MOORE J HIRAM TRUSTEE ET AL	10-07-75
R-145-001-M10-N010	0054	0370	LOVING	RICE DOROTHY A COUNTERPART	10-07-75
R-145-001-M10-N011	0051	0739	LOVING	JOHNSON W D JR TRUST	10-03-75
R-145-001-M11-L010	0051	0364	LOVING	RUSSELL RALPH C TRUSTEE	07-29-75
R-145-001-M11-L011	0051	0700	LOVING	WHEAT J J	10-31-75
R-145-001-M11-L011	0052	0377	LOVING	WHEAT WOODROW	01-27-76
R-145-001-M11-L011	0051	0766	LOVING	ROSS ROBERT B	11-17-75
R-145-001-M11-L011	0051	0768	LOVING	WHITE MARGARET F	11-17-75
R-145-001-M11-L011	0051	0800	LOVING	GRIFFIN KENNETH H	11-17-75
R-145-001-M11-L011	0051	0798	LOVING	BURNETT GARY G	11-17-75
R-145-001-M11-L011	0051	0796	LOVING	REICHLE VERNON E	10-07-75
R-145-001-M11-L011	0051	0827	LOVING	MOORE J HIRAM TRUSTEE	10-07-75
R-145-001-M11-L011	0052	0103	LOVING	HOOPER JERRY L	10-07-75
R-145-001-M11-L011	0054	0376	LOVING	RICE DOROTHY A COUNTERPART	10-07-75
R-145-001-M11-L012	0051	0361	LOVING	CRAVEN KATHERINE ET AL	07-28-75
R-145-001-M11-L012	0051	0358	LOVING	BUSH WILLIAM LESLIE ESTATE	07-28-75
C-147-002	0058	0728	LOVING	OWENS CARLOTTA T ET AL	10-19-78
C-147-003	0058	0740	LOVING	ALLEN FRANKLIN LEE ET AL	10-24-78
C-147-004	0067	0798	LOVING	CENTERRE BANK OF KANSAS CITY	08-12-82
R-147-010	0058	0744	LOVING	OWENS CARLOTTA T ET AL TRUSTES	10-19-78
R-147-011	0059	0201	LOVING	COLUMBIA UNION NAT'L BANK & TRUST	02-09-79
R-147-012	0058	0735	LOVING	WHEAT J J	10-25-78
R-147-013	0058	0730	LOVING	WHEAT WOODROW	11-09-78
R-147-014	0058	0712	LOVING	ALLEN FRANKLIN LEE ET AL	10-25-78
C-105-201-M02	0469	0069	PECOS	DOWNIE LESLIE O	10-12-77
C-105-214-K02	0464	0029	PECOS	ABILENE CHRISTIAN UNIVERSITY	06-25-77
C-105-214-K03	0464	0029	PECOS	ABILENE CHRISTIAN UNIVERSITY	06-25-77
C-105-237-H16-L002	0470	0324	PECOS	1ST NAT'L BANK MIDLAND TRUST	11-11-77
C-105-237-N19-L002	0488	0676	PECOS	MC NEILL GOLDIA UNKEFER	03-06-80
F-105-237-N19-L008	--	--	PECOS	COMMISSIONERS COURT	04-08-80
G-105-237-H16-L009	--	--	PECOS	TEXAS HIGHWAY DEPT FM 1776	11-16-77
G-105-237-H16-L009	--	--	PECOS	TEXAS HIGHWAY DEPT FM 285	11-16-77
K-105-237-N19-L007	--	--	PECOS	PECOS CTY WATER CONST&IMPROV DST	03-11-80
R-105-201-L10	0469	0055	PECOS	BLACKSTONE GILLIEAN M ESTATE	11-08-77
R-105-201-L11	0469	0060	PECOS	SLAUGHTER LON S ET AL	11-21-77
R-105-201-L12	0469	0066	PECOS	DOWNIE LESLIE O	10-12-77
R-105-201-M10	0469	0071	PECOS	DOWNIE LESLIE O	10-12-77
R-105-201-M11	0470	0205	PECOS	WORD ELLEN APPEL ET AL	12-20-77

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R-105-237-H16-L010	0470	0326	PECOS	BAKER MARY FRANCES ET VIR	12-07-77
R-105-237-H16-L011	0470	0329	PECOS	1ST NAT'L BANK MIDLAND TRUST	11-11-77
R-105-237-N19-L010	0488	0686	PECOS	MC NEILL GOLDIA UNKEFER	03-06-80
R-105-237-N19-L011	0488	0684	PECOS	BUTLER DONNA MC ADOO	03-04-80
R-105-237-N19-L012	0488	0681	PECOS	BERRY JOHN J ET AL	03-05-80
R-105-237-N19-L013	0488	0770	PECOS	FULK FRANK F ET UX	03-11-80
R-105-237-N19-L014	0488	0768	PECOS	JONES CHARLES E ET UX	03-05-80
R-105-237-N19-L015	0488	0678	PECOS	NELSON JOHN ALFRED	03-05-80
R-105-237-N19-L016	0488	0765	PECOS	FIRST NAT'L BANK SWEETWATER	03-05-80
R-105-237-N19-L017	0488	0761	PECOS	FURMAN CHARLOTTE W	03-05-80
R-105-237-N19-L018	0489	0066	PECOS	WHITTACRE MARY M	03-05-80
R-105-237-N19-L019	0489	0064	PECOS	BROOKS JOE MONTGOMERY ET AL	03-05-80
R-105-237-N19-L020	0488	0535	PECOS	HAMMOND SHERMAN L ET UX	03-05-80
C-136-002	0484	0184	PECOS	1ST NAT'L BANK OF MIDLAND	06-28-79
C-136-010-K02	0498	0525	PECOS	1ST NAT'L BANK OF MIDLAND TR	01-28-81
C-136-010-K03	0498	0525	PECOS	1ST NAT'L BANK OF MIDLAND TR	01-28-81
R-136-010	0484	0079	PECOS	1ST NAT'L BANK OF MIDLAND	06-28-79
R-136-010-K10	0498	0525	PECOS	1ST NAT'L BANK OF MIDLAND TR	01-28-81
R-136-010-K11	0489	0477	PECOS	TEXAS PACIFIC LAND TRUST	03-13-80
R-136-011	0484	0189	PECOS	TEXAS PACIFIC LAND TRUST	07-12-79
C-146-017-K02	0358	0044	REEVES	TEXAS PACIFIC LAND TRUST	02-22-78
C-146-017-K03	0358	0048	REEVES	ATLANTIC RICHFIELD CO	02-08-78
C-146-017-K04	0358	0050	REEVES	TEXAS PACIFIC LAND TRUST	02-22-78
C-146-039-K12-H002	0350	0544	REEVES	FIRST NAT'L BANK OF MIDLAND	06-03-77
C-146-039-K12-H002	0350	0542	REEVES	ANDERSON MARY PERRY ET AL	06-03-77
C-146-039-K12-H002	350	638	REEVES	BLAKE JACK E JR ET AL	06-03-77
C-146-039-K12-H003	0350	0546	REEVES	HANSON JESSIE MERLE	06-03-77
C-146-039-K12-H003	0350	0548	REEVES	HALL ELLA MAE	06-03-77
C-146-039-K12-H003	0350	0550	REEVES	LEWELLING ROBERT M	06-03-77
C-146-039-K12-H003	0350	0552	REEVES	LEWELLING JACKIE C	06-03-77
C-146-039-K12-H003	--	--	REEVES	LEWELLING HAZEL	06-03-77
C-146-039-K12-L002	0367	0871	REEVES	CALDWELL GUY ET AL	10-30-78
C-146-039-L10-J002	0368	0416	REEVES	FORTUNE PEARL	11-06-78
D-146-039-K12-K002	0356	0561	REEVES	TEXAS PACIFIC LAND TRUST	12-08-77
D-146-039-K12-K003	0356	0564	REEVES	TEXAS PACIFIC LAND TRUST	12-08-77
D-146-039-L10-J003	0368	0418	REEVES	STATE OF TEXAS ME 4042	11-13-78
D-146-039-M11-L003	0345	0362	REEVES	TEXAS PACIFIC LAND TRUST	02-15-77
D-146-039-M11-L004	0345	0366	REEVES	TEXAS PACIFIC LAND TRUST	02-15-77
G-146-039-K12-J009	--	--	REEVES	TEXAS HIGHWAY DEPT FM 652	03-28-77
R-146-017-K10	0358	0054	REEVES	TEXAS PACIFIC LAND TRUST	02-16-78
R-146-017-K11	0358	0207	REEVES	FOSTER B LEROY ET AL	02-08-78
R-146-017-K12	0358	0056	REEVES	ATLANTIC RICHFIELD CO	02-08-78
R-146-039-K12-H010	0350	0554	REEVES	FIRST NAT'L BANK OF MIDLAND	06-03-77
R-146-039-K12-H010	0350	0556	REEVES	ANDERSON MARY PERRY ET AL	06-03-77
R-146-039-K12-H010	0350	0636	REEVES	BLAKE JACK E ET AL	06-03-77
R-146-039-K12-H011	0350	0558	REEVES	TEXAS PACIFIC LAND TRUST	06-10-77
R-146-039-K12-H012	0350	0560	REEVES	HANSON JESSIE MERLE	06-03-77
R-146-039-K12-H012	0350	0562	REEVES	HALL ELLA MAE	06-03-77
R-146-039-K12-H012	0350	0564	REEVES	LEWELLING ROBERT M	06-03-77
R-146-039-K12-H012	0350	0566	REEVES	LEWELLING JACKIE C	06-03-77

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R-146-039-K12-H012	351	386	REEVES	LEWELLING HAZEL	06-03-77
R-146-039-K12-J010	349	185	REEVES	RANDOLPH A K	03-23-77
R-146-039-K12-J010	349	195	REEVES	STONE DOROTHY R ESTATE OF	03-23-77
R-146-039-K12-J010	349	193	REEVES	LAMKIN JAMES B	04-12-77
R-146-039-K12-J010	349	187	REEVES	METHODIST HOME	03-23-77
R-146-039-K12-J010	349	313	REEVES	HUNTSVILLE MEMORIAL HOSPITAL	03-23-77
R-146-039-K12-J010	349	191	REEVES	ZINCK GERTRUDE L	03-23-77
R-146-039-K12-J010	349	189	REEVES	BALL WILLIE MAY	05-02-77
R-146-039-K12-J011	0349	0205	REEVES	TEXAS PACIFIC LAND TRUST	03-25-77
R-146-039-K12-J012	349	197	REEVES	ANDERSON MARY PERRY ET AL	03-23-77
R-146-039-K12-J012	349	199	REEVES	APPLING J B	03-23-77
R-146-039-K12-J012	349	203	REEVES	BLAKE JACK E	03-23-77
R-146-039-K12-J012	349	201	REEVES	FIRST NAT'L BANK OF MIDLAND	03-23-77
R-146-039-K12-K014	0356	0567	REEVES	TEXAS PACIFIC LAND TRUST	11-30-77
R-146-039-K12-L010	0367	0873	REEVES	LEWELLING HAZEL ET AL	10-30-78
R-146-039-K12-L010	0367	0875	REEVES	HALL ELLA MAE	10-30-78
R-146-039-K12-L010	0367	0877	REEVES	LEWELLING ROBERT M	10-30-78
R-146-039-K12-L010	0367	0879	REEVES	HANSON JESSIE MERLE	10-30-78
R-146-039-K12-L011	0367	0881	REEVES	TEXAS PACIFIC LAND TRUST	11-08-78
R-146-039-K12-L012	0367	0883	REEVES	CALDWELL GUY ET AL	10-30-78
R-146-039-L10-J010	0368	0438	REEVES	FORTUNE PEARL	11-10-78
R-146-039-L10-J011	0368	0432	REEVES	FORTUNE PEARL ET AL	11-10-78
R-146-039-L10-J011	0368	0436	REEVES	GOODSPEED JACK ET AL	11-10-78
R-146-039-L10-J011	0368	0434	REEVES	STEPAN TOBI	11-10-78
R-146-039-L10-J012	0368	0847	REEVES	TEXAS PACIFIC LAND TRUST	11-28-78
R-146-039-L10-J013	0368	0430	REEVES	ATLANTIC RICHFIELD CO	12-07-78
R-146-039-L10-J014	0378	0793	REEVES	TAYLOR VIRGINIA K TRUST ET AL	07-18-79
R-146-039-L10-J015	0368	0424	REEVES	HILL JAMES R ET AL	12-07-78
R-146-039-L10-J016	0368	0418	REEVES	STATE OF TEXAS ME 4042	11-13-78
R-146-039-M11-L010	0345	0370	REEVES	TEXAS PACIFIC LAND TRUST	02-08-77
R-146-039-M11-M010	0347	0539	REEVES	PATTON MINNIE K	03-22-77
R-146-039-M11-M010	0347	0536	REEVES	WIGGINS P N JR.	03-22-77
R-146-039-M11-M011	0349	0084	REEVES	TEXAS PACIFIC LAND TRUST	03-25-77
R-146-039-M11-M012	0349	0084	REEVES	TEXAS PACIFIC LAND TRUST	03-25-77
R-146-039-M11-M013	0349	0311	REEVES	HUNTSVILLE MEMORIAL HOSPITAL	03-22-77
R-146-039-M11-M013	0349	0078	REEVES	LAMKIN JAMES B	04-12-77
R-146-039-M11-M013	0349	0080	REEVES	STONE DOROTHY R ESTATE OF	03-22-77
R-146-039-M11-M013	0349	0082	REEVES	RANDOLPH A K	03-22-77
R-146-039-M11-M013	0349	0076	REEVES	ZINCK GERTRUDE L	03-22-77
R-146-039-M11-M013	0349	0074	REEVES	BALL WILLIE MAY	05-02-77
R-146-039-M11-M013	0349	0072	REEVES	METHODIST HOME	03-22-77
C-158-002	0366	0151	REEVES	COUCH J E	07-20-78
C-158-003	0366	0153	REEVES	ROBERTS R C	07-20-78
C-158-003	0367	0139	REEVES	ADAM CHARLES A JR ET AL	09-15-78
R-158-010	0366	0155	REEVES	COUCH J E	07-20-78
R-158-011	0366	0157	REEVES	ROBERTS R C	07-20-78
R-158-011	0367	0143	REEVES	ADAM CHARLES A JR ET AL	09-15-78
C-105-237-S12-K002	0419	0017	WARD	THORNTON BLUFORD A	05-13-77
D-105-237-M29-L002	0520	0459	WARD	UNIVERSITY OF TEXAS SYS	10-11-85
D-105-237-M29-L003	0520	0462	WARD	UNIVERSITY OF TEXAS SYS	10-11-85
R-105-237-M29-L010	0516	0212	WARD	UNIVERSITY OF TEXAS	06-14-85

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R-105-237-M30	0448	0544	WARD	UNIVERSITY OF TEXAS	11-12-79
R-105-237-M31	0448	0551	WARD	UNIVERSITY OF TEXAS	11-12-79
R-105-237-S12-K010	0419	0016	WARD	THORNTON BLUFORD TRUSTEE	05-16-77
C-153-001-L35-K002	0392	0586	WARD	WILSON JOHN	03-03-75
C-153-001-L35-K003	0392	0587	WARD	WILSON JOHN	03-03-75
R-153-001-L35-K010	0392	0589	WARD	WILSON JOHN	03-03-75

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All of the gas pipeline and transmission system known as the "Block 16 to Waha" system. Said gas pipeline system includes approximately 3.22 miles of 4 inch pipeline, .07 miles of 6 inch pipeline, .94 miles of 8 inch pipeline and 14.99 miles of 20 inch pipeline traversing Pecos, Reeves and Ward Counties, Texas. Said system includes all piping, valves, taps and side valves, regulators, meters, separators, purification equipment, microwave equipment, pumps, tanks and station piping necessary for the transportation of gas through the facilities described above. The easements, licenses, permits, surface leases and other interest in real property held for use in connection with said system include, without limitation, the following:

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C-105-237-M02	0351	0399	PECOS	GILMORE W H ET AL	10-13-69
C-105-237-M02	0351	0397	PECOS	GILMORE W H ET AL	10-13-69
C-105-237-M02	0381	0709	PECOS	GILMORE W H ET AL	06-05-72
C-105-237-M03	0355	0283	PECOS	GILMORE W H ET AL	01-20-70
C-105-237-M04	0355	0280	PECOS	GILMORE W H ET AL	01-16-70
G-105-237-M09	—	—	PECOS	TEXAS HIGHWAY DEPT FM 1450	10-22-69
R-105-237-M10	0351	0401	PECOS	GILMORE W H ET AL	10-13-69
R-105-237-M11	0351	0403	PECOS	HODGE J H ET AL	07-11-69
C-135-001-A02	0422	0083	PECOS	HODGE J HOWARD ETAL	10-24-74
R-135-001-A10	0378	0100	PECOS	HODGE J H ET AL	07-20-71
F-105-237-M08	—	—	PECOS	COMMISSIONERS COURT	10-22-69
F-105-237-M08	—	—	REEVES	COMMISSIONERS COURT	-
G-105-237-M09	—	—	REEVES	TEXAS HIGHWAY DEPT FM 1216	08-18-69
K-105-237-M17	0289	0235	REEVES	PECOS COUNTY WATER IMP DIST	10-27-69
R-105-237-M11	0289	0450	REEVES	HODGE J H ET AL	07-11-69
R-105-237-M12	0289	0227	REEVES	BURRELL JACK L ET AL	07-09-69
R-105-237-M13	0293	0001	REEVES	PITTSBURGH NAT'L BANK ET AL	04-28-70
R-105-237-M14	0289	0811	REEVES	FAGG BESSIE ET AL	10-16-69
R-105-237-M15	0289	0229	REEVES	LIPSCOMB ALEXANDER H ET UX	07-16-69
R-105-237-M15	0289	0231	REEVES	FORREST MARGARET REBECKAH L	07-16-69
R-105-237-M15	0289	0233	REEVES	LIPSCOMB JOHN THOMAS S ET UX	07-16-69
R-105-237-M16	0291	0035	REEVES	STATE OF TEXAS ME#1878	09-02-69
R-105-237-M16	0378	0618	REEVES	STATE OF TEXAS ME#79-138	06-29-79
R-135-001-A10	0307	0793	REEVES	HODGE J H ET AL	07-20-71
D-105-237-M01	0332	0011	WARD	UNIVERSITY OF TEXAS #2999	09-11-69
D-105-237-M02	508	589	WARD	UNIVERSITY OF TEXAS #219	12-19-84
D-105-237-M03	8	409	WARD	UNIVERSITY OF TEXAS #6597	04-11-86
E-105-237-M20	0503	0501	WARD	HERRMAN NANCY CRABTREE	06-18-84
F-105-237-M08	—	—	WARD	COMMISSIONERS COURT	10-23-69
G-105-237-M09	—	—	WARD	TEXAS HIGHWAY DEPT FM 516	08-18-69
G-105-237-M09	—	—	WARD	TEXAS HIGHWAY DEPT FM 1927	12-22-69
G-105-237-M09	—	—	WARD	TEXAS HIGHWAY DEPT FM 1927	04-24-70
R-105-237-M16	0334	0109	WARD	STATE OF TEXAS ME#1878	09-02-69
R-105-237-M16	0441	0235	WARD	STATE OF TEXAS ME#79-138	06-29-79
R-105-237-M18	0336	0304	WARD	EILAND TROY ET AL	01-05-70
R-105-237-M19	0331	0594	WARD	NICHOLS JAMES W ET AL	09-22-69
R-105-237-M20	0331	0595	WARD	CRABTREE FRIEDA ET AL	07-28-69
R-105-237-M21	0331	0597	WARD	STATE OF TEXAS #1865	08-14-69
R-105-237-M21	0441	0230	WARD	STATE OF TEXAS ME 79-136	06-27-79

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R-105-237-M22	0331	0600	WARD	BIGGS RUTH ET AL	10-07-69
R-105-237-M22	0331	0700	WARD	BIGGS RUTH GUARDIAN EVELYN BIGGS	12-10-69
R-105-237-M23	0331	0601	WARD	JACKSON M S ET AL	10-19-69
R-105-237-M24	0331	0605	WARD	WILSON JOHN H	10-20-69
R-105-237-M25	0331	0606	WARD	HERRING ANNA L ESTATE	11-24-69
R-105-237-M26	0331	0608	WARD	PAYNE GLEN B	06-18-69
R-105-237-M27	0331	0609	WARD	CLANTON J C ET AL	06-26-69
R-105-237-M28	0332	0008	WARD	UNIVERSITY OF TEXAS #2997	09-01-69
R-105-237-M29	0334	0263	WARD	UNIVERSITY OF TEXAS #3053	12-18-69
R-105-237-M29	0334	0275	WARD	UNIVERSITY OF TEXAS #3049	12-18-69
R-105-237-M29	0334	0267	WARD	UNIVERSITY OF TEXAS #3055	12-18-69
R-105-237-M29	0334	0279	WARD	UNIVERSITY OF TEXAS #3054	12-18-69
R-105-237-M29	0334	0271	WARD	UNIVERSITY OF TEXAS #3047	12-18-69
R-105-237-M29	0443	0644	WARD	UNIVERSITY OF TEXAS #4963	07-19-79
R-105-237-M29	0443	0642	WARD	UNIVERSITY OF TEXAS #4964	07-19-79
R-105-237-M29	0446	0027	WARD	UNIVERSITY OF TEXAS #4965	07-19-79
R-105-237-M29	0446	0029	WARD	UNIVERSITY OF TEXAS #4966	07-19-79
R-105-237-M29	0446	0032	WARD	UNIVERSITY OF TEX. SYS ME 4967	07-19-79
C-133-002	0389	0027	WARD	UNIVERSITY OF TEXAS	09-23-74
R-133-010	0389	0023	WARD	UNIVERSITY OF TEXAS #3831	09-01-74

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ZONE 5305

An undivided fifty percent (50%) interest in and to all of the communcation equipment associated with the system known as "North Texas Communications." Said communication system includes all communication towers, microwave equipment together with support buildings and fixtures necessary for the operations of a communications network in the North Texas area. Said facilities are located in Reeves, Upton, Midland, Howard, Nolan, Taylor, Callahan, Eastland, Erath, Hood, Johnson and Ward Counties, Texas. The easements, licenses, permits, surface leases and other interest in real property held for use in correction with said system include, without limitation the following:

RIGHT OF WAY FILE	VOL	PAGE	COUNTY	GRANTOR (OR LESSOR)	DATE OF INSTRUMENT
T-146-005	0401	0260	REEVES	LINDLEY H A ET UX	11-01-80
L-160-002	0442	0382	WILSON	STANUSH CLARA	09-09-71
L-160-003	0430	0155	SAN PATRICIO	STOJANIK THE OFIL JOHN ET UX	05-17-71
L-160-004	0270	0423	BEE	MCCOUN CHESTER S	05-28-71
T-160-013	—	—	REAL	DIETERT CLARENCE E	-
T-160-017	0251	0410	CROCKETT	MITCHELL TOM	02-18-70
T-180-001-L10	0404	0282	UPTON	JACOBS LIVESTOCK CO	03-22-71
T-180-001-L11	0545	0194	MIDLAND	LEE IVON THIRD ET AL JDGMT	08-02-71
T-180-001-L12	0421	0621	HOWARD	GARRETT DOROTHY ET AL	03-30-71
T-180-001-L13	0012	0266	NOLAN	FEE ROBERT F JR ET UX	03-24-71
T-180-001-L14	0012	0263	NOLAN	BROOKS NITA MAE ET VIR	03-24-71
T-180-001-L15	0919	0519	TAYLOR	ARMSTRONG E LEE ET AL	02-27-71
T-180-001-L16	0375	0270	CALLAHAN	SHARP K G	03-03-71
T-180-001-L17	0598	0252	EASTLAND	HOGG U V ET UX	03-03-71
T-180-001-L18	0464	0576	ERATH	COOK G M ET UX	03-02-71
T-180-001-L19	0173	0083	HOOD	HOLCOMBE FREELAN	02-24-71
T-180-001-L20	0558	0055	JOHNSON	MORRISON TRAVIS J ET UX VLB	03-01-71
T-180-001-L21	0404	0345	UPTON	TEXAS PACIFIC LAND TRUST	07-01-71
T-180-001-L22	0397	0369	WARD	WILSON JOHN H ET UX	09-12-75

WHEN RECORDED, RETURN TO
DEBORAH A. GITOMER
FULBRIGHT & JAWORSKI
51st FLOOR
1301 McKINNEY STREET
HOUSTON, TEXAS 77010

026

FILED FOR RECORD ON THE 27th DAY OF March A.D. 1987 AT 2:10P. M.

DULY RECORDED ON THE 27th DAY OF March A.D. 1987 AT 4:00P. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

AVG PETROLEUM INC

TO

ORLA PETCO INC

ASSIGNMENT OF OIL AND GAS LEASES

DATED:	07/15/1987
FILED:	07/21/1987
BOOK/PAGE:	478/1
FILE NUMBER:	389-478-1
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

FILE NO. 1789 AVG PETROLEUM, INC, TO ORLA PETCO, INC.

ASSIGNMENT OF INTEREST
IN OIL AND GAS LEASES

STATE OF TEXAS }
COUNTY OF REEVES }

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, AVG PETROLEUM, INC.("Assignor") does hereby GRANT,CONVEY and ASSIGN to ORLA PETCO, INC., P. O. Box 1383, Midland, Texas, 79702, (herein collectively called "assignee"), all of its right, title and interest in the oil and gas leases described in attached Exhibit "A", covering the lands situated in Reeves County, Texas, described in attached Exhibit "A", together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

Assignee's interest is subject to the terms of all instruments under which Assignor acquired title and is also subject to, and shall bear its proportionate part of, all burdens affecting said oil and gas leases, including, but not limited to, all royalties, overriding royalties, and production payments, and conversion and "back-in" options, and the terms, provisions, and conditions of any gas purchase contracts, operating agreements or other agreements entered into between Assignor, or his predecessors in title, and other parties affecting said oil and gas leases described on attached Exhibit "A".

This assignment is subject to that certain Deed of Trust dated June 21, 1983 and supplemental Deed of Trust dated April 6, 1984 from Adalbert Von Gontard III to William P. Franklin Trustee for First City National Bank of Midland, Recorded respectively in Volume 125, Page 5 and Volume 127, Page 542 in Deed of Trust records of Reeves County, Texas.

This assignment is made without warranty of title, express or implied.

VOL 478 PAGE 2

WITNESS the execution hereof, this 15th day of July, 1987, but effective as of June 1, 1987.

AVG PETROLEUM, INC.

By _____
ADALBERT VON GONTARD, III
President

STATE OF TEXAS {
COUNTY OF MIDLAND {

This Instrument was acknowledged before me on the 15th day of July, 1987 by ADALBERT VON GONTGARD III, President of AVG PETROLEUM INC., a Texas corporation, on behalf of said corporation.

_____
Notary Public for State of Texas

NOTARY PUBLIC STATE OF TEXAS

04/02/88
My commission expires

CYNTHIA ANN STUART
printed name of notary

EXHIBIT "A"
TO
ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES
FROM AVG PETROLEUM, INC., TO ORLA PETCO, INC.

1. Sand Bend a) Oil and Gas Lease dated September 21,1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records, Reeves County, Texas;

b) Oil and Gas Lease dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said Leases cover the following described land, to-wit:

W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3,260'.

2. Red Bluff Oil and Gas Lease dated November 22, 1982, between Red Bluff Water Power Control District, a political subdivision of the State, as Lessors, and Orla Petco, Inc., as Lessee, recorded in Volume 428, Page 434, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said Lease covers the following described land, to-wit:

W/2 of Section 10, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to and including 5,500' but no deeper.

3. Gulf TXL BM Oil and Gas Lease dated November 22, 1949 between George C. Fraser, George L. Burr and John K. Olyphant, Jr., Lessors and Gulf Oil Corporation, Lessee, recorded in Volume 128, Page 48 of the Deed Records of Reeves County, Texas;

Insofar as said Lease covers the following described land, to-wit:

S/2 of Section 45, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4,460'.

FILED FOR RECORD ON THE 21st DAY OF July ,A.D. 1987 AT 11:47A.M.

DULY RECORDED ON THE 21st DAY OF July ,A.D. 1987 AT 12:30P.M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

RUTH W HOLLINSHEAD

TO

SAMUELLA W PALMER ET AL TRUSTEES

GENERAL WARRANTY DEED

DATED:	11/18/1987
FILED:	12/09/1987
BOOK/PAGE:	481/227
FILE NUMBER:	389-481-227
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 7/36 INTEREST

VOL 481 PAGE 227

FILE NO. 3021 RUTH W. HOLLINSHEAD TO SAMUELLA W. PALMER, ET AL, TRS.

PROB3

GENERAL WARRANTY DEED

THE STATE OF TEXAS $
$ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF REEVES $

That I, RUTH W. HOLLINSHEAD, hereinafter called "Grantor", for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration in hand paid, the receipt for which is hereby acknowledged, have GRANTED, SOLD and CONVEYED and by these presents do hereby GRANT, SELL and CONVEY unto SAMUELLA W. PALMER and RUTH W. HOLLINSHEAD, TRUSTEES, hereinafter called "Grantees", whose mailing address is c/o The First National Bank, P. O. Box 659, Huntsville, Walker County, Texas 77340, all of my undivided interest (which undivided interest is considered to be as hereinafter specified, but is not limited thereto), in and to all lands, minerals and mineral interests situated in Reeves County, including specifically, but not limited to, the following property located in Reeves County, Texas:

TRACT ONE

An undivided 7/36th interest in 640 acres situated in Section 18, Block 56, T-2, T. & P.R.R. Survey, A-2024, Reeves County, Texas.

TRACT TWO

An undivided 7/36th interest in 640 acres situated in Section 38, Block 57, T-2, T.& P.R.R. SURVEY, A-2027, Reeves County, Texas.

Both tracts described in Deed dated April 11, 1910 from L. T. Cox et ux to G. A. Wynne, recorded in Volume 17, Page 11, Deed Records, Reeves County, Texas.

This conveyance is made subject to all restrictions, easements, conditions, covenants and conveyances or exceptions of minerals or royalty, if any, of record in the Office of the County Clerk of Reeves County, Texas, applicable to and enforceable against the above described property.

TO HAVE AND TO HOLD the said premises, together with all and singular the rights, hereditaments and appurtenances there

RETURN TO:
SMITHER, MARTIN & HENDERSON
SAM HOUSTON NATIONAL BANK TOWER
ONE FINANCIAL PLAZA, SUITE 210
HUNTSVILLE, TEXAS 77340

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PROB3

unto belonging unto the Grantees, their successors and assigns, forever. And Grantor does hereby bind herself, her heirs and assigns to Warrant and Forever Defend the title to said property unto the Grantees, their successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

EXECUTED this 18th day of NOVEMBER, 1987.

Ruth W. Hollinshead
RUTH W. HOLLINSHEAD

THE STATE OF TEXAS $
$
COUNTY OF WALKER $

BEFORE ME, the undersigned authority on this day personally appeared RUTH W. HOLLINSHEAD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of November, 1987.

OFFICIAL SEAL
SUE H. HARRIS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Expires 5/6/89

Sue H. Harris
NOTARY PUBLIC in and for
The State of Texas.

-2-

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

FILED FOR RECORD ON THE 9th DAY OF December, A.D. 1987 AT 12:27P. M.

DULY RECORDED ON THE 9th DAY OF December, A.D. 1987 AT 4:00P. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

SAMUELLA W PALMER

TO

SAMUELLA W PALMER ET AL TRUSTEES

GENERAL WARRANTY DEED

DATED:	11/18/1987
FILED:	12/09/1987
BOOK/PAGE:	481/229
FILE NUMBER:	389-481-229
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 7/36 INTEREST

VOL. 481 PAGE 229

FILE NO. 3022 SAMUELLA W. PALMER TO SAMUELLA W. PALMER, ET AL, AS TRS.

PROB3

GENERAL WARRANTY DEED

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

That I, SAMUELLA W. PALMER, hereinafter called "Grantor", for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration in hand paid, the receipt for which is hereby acknowledged, have GRANTED, SOLD and CONVEYED and by these presents do hereby GRANT, SELL and CONVEY unto SAMUELLA W. PALMER and RUTH W. HOLLINSHEAD, TRUSTEES, hereinafter called "Grantees", whose mailing address is c/o The First National Bank, P. O. Box 659, Huntsville, Walker County, Texas 77340, all of my undivided interest (which undivided interest is considered to be as hereinafter specified, but is not limited thereto), in and to all lands, minerals and mineral interests situated in Reeves County, including specifically, but not limited to, the following property located in Reeves County, Texas:

TRACT ONE

An undivided 7/36th interest in 640 acres situated in Section 18, Block 56, T-2, T.& P. R.R. Survey, A-2024, Reeves County, Texas.

TRACT TWO

An undivided 7/36th interest in 640 acres situated in Section 38, Block 57, T-2, T.& P.R.R. SURVEY, A-2027, Reeves County, Texas.

Both tracts described in Deed dated April 11, 1910 from L. T. Cox et ux to G. A. Wynne, recorded in Volume 17, Page 11, Deed Records, Reeves County, Texas.

This conveyance is made subject to all restrictions, easements, conditions, covenants and conveyances or exceptions of minerals or royalty, if any, of record in the Office of the County Clerk of Reeves County, Texas, applicable to and enforceable against the above described property.

TO HAVE AND TO HOLD the said premises, together with all and singular the rights, hereditaments and appurtenances there

RETURN TO:
SMITHER, MARTIN & HENDERSON
SAM HOUSTON NATIONAL BANK TOWER
ONE FINANCIAL PLAZA, SUITE 210
HUNTSVILLE, TEXAS 77340

PROB3

unto belonging unto the Grantees, their successors and assigns, forever. And Grantor does hereby bind herself, her heirs and assigns to Warrant and Forever Defend the title to said property unto the Grantees, their successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

EXECUTED this 18th day of November, 1987.

Samuella W Palmer
SAMUELLA W. PALMER

THE STATE OF TEXAS $
$
COUNTY OF WALKER $

BEFORE ME, the undersigned authority on this day personally appeared SAMUELLA W. PALMER, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of November, 1987.

NOTARY PUBLIC in and for
The State of Texas.

OFFICIAL SEAL
SUE H. HARRIS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Expires 5/6/89

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

FILED FOR RECORD ON THE 9th DAY OF December, A.D. 1987 AT 12:27P. M.

DULY RECORDED ON THE 9th DAY OF December, A.D. 1987 AT 4:00P. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

AVG PETROLEUM INC

TO

ORLA PETCO INC

CORRECTION ASSIGNMENT OF INTEREST IN OIL AND GAS LEASE

DATED:	12/29/1987
FILED:	01/05/1988
BOOK/PAGE:	481/783
FILE NUMBER:	389-481-783
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: REF: VOL 128 PAGE 48 DEED RECORDS OF REEVES COUNTY TEXAS SECTION 45 BLOCK 57 T-1 COVERING THE S/2 LIMITED IN DEPTH FROM THE SURFACE DOWN TO 4460 FEET, OF REEVES COUNTY TEXAS

VOL 481 PAGE 783

FILE NO. 41 AVG PETROLEUM, INC. TO ORLA PETCO, INC.

CORRECTED ASSIGNMENT OF INTEREST
IN OIL AND GAS LEASES

STATE OF TEXAS }
COUNTY OF REEVES }

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, AVG PETROLEUM, INC.("Assignor") does hereby GRANT,CONVEY and ASSIGN to ORLA PETCO, INC., P. O. Box 1383, Midland, Texas, 79702, (herein collectively called "assignee"), all of its right, title and interest in the oil and gas leases described in attached Exhibit "A", covering the lands situated in Reeves County, Texas, described in attached Exhibit "A", together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

Assignee's interest is subject to the terms of all instruments under which Assignor acquired title and is also subject to, and shall bear its proportionate part of, all burdens affecting said oil and gas leases, including, but not limited to, all royalties, overriding royalties, and production payments, and conversion and "back-in" options, and the terms, provisions, and conditions of any gas purchase contracts, operating agreements or other agreements entered into between Assignor, or his predecessors in title, and other parties affecting said oil and gas leases described on attached Exhibit "A".

This assignment is subject to that certain Deed of Trust dated June 21, 1983 and supplemental Deed of Trust dated April 6, 1984 from Adalbert Von Gontard III to William P. Franklin Trustee for First City National Bank of Midland, Recorded respectively in Volume 125, Page 5 and Volume 127, Page 542 in Deed of Trust records of Reeves County, Texas.

This assignment is made without warranty of title, express or implied.

VOL 481 PAGE 784

WITNESS the execution hereof, this 29th day of December, 1987, but effective as of June 1, 1987.

AVG PETROLEUM, INC.

By _____
ADALBERT VON GONTARD, III
President

STATE OF TEXAS {
COUNTY OF MIDLAND {

This Instrument was acknowledged before me on the 29th day of Dec., 1987 by ADALBERT VON GONTGARD III, President of AVG PETROLEUM INC., a Texas corporation, on behalf of said corporation.

HOLLY WINFORD
Notary Public, State of Texas
My Commission Expires
1/29/91

_____
Notary Public for State of Texas

1/29/91
my commission expires

Holly Winford
printed name of notary

EXHIBIT "A"
TO
CORRECTED ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES
FROM AVG PETROLEUM, INC., TO ORLA PETCO, INC.

1. Sand Bend a) Oil and Gas Lease dated September 21,1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records, Reeves County, Texas;

b) Oil and Gas Lease dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said Leases cover the following described land, to-wit:

E/2 SW/4 and the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3,260'.

2. Red Bluff Oil and Gas Lease dated November 22, 1982, between Red Bluff Water Power Control District, a political subdivision of the State, as Lessors, and Orla Petco, Inc., as Lessee, recorded in Volume 428, Page 434, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said Lease covers the following described land, to-wit:

W/2 of Section 10, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to and including 5,500' but no deeper.

3. Gulf TXL BM Oil and Gas Lease dated November 22, 1949 between George C. Fraser, George L. Burr and John K. Olyphant, Jr., Lessors and Gulf Oil Corporation, Lessee, recorded in Volume 128, Page 48 of the Deed Records of Reeves County, Texas;

Insofar as said Lease covers the following described land, to-wit:

S/2 of Section 45, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4,460'.

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.

FILED FOR RECORD ON THE 5th DAY OF January A.D. 1988 AT 10:51A. M.

DULY RECORDED ON THE 5th DAY OF January A.D. 1988 AT 12:30P. M.

BY Olga Fuentes DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

AVG PETROLEUM INC

TO

ORLA PETCO INC

ASSIGNMENT

DATED:	04/12/1988
FILED:	05/09/1988
BOOK/PAGE:	485/406
FILE NUMBER:	389-485-406
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 2ND CORRECTION

VOL 485 PAGE 406

FILE NO. 1242 AVG PETROLEUM, INC. TO ORLA PETCO, INC.

SECOND CORRECTED ASSIGNMENT OF INTEREST
IN OIL AND GAS LEASES

STATE OF TEXAS $
$
COUNTY OF REEVES $

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, AVG PETROLEUM, INC. (the "Assignor") does hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., Post Office Box 1383, Midland, Texas 79702 (herein collectively called the "Assignee"), all of its right, title and interest in the oil and gas leases described in attached Exhibit "A," covering the lands situated in Reeves County, Texas, described in attached Exhibit "A," together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

Assignee's interest is subject to the terms of all instruments under which Assignor acquired title and is also subject to, and shall bear its proportionate part of, all burdens affecting said oil and gas leases, including, but not limited to, all royalties, overriding royalties, and production payments, and conversion and "back-in" options, and the terms, provisions and conditions of any gas purchase contracts, operating agreements or other agreements entered into between Assignor, or its predecessors in title, and other parties affecting said oil and gas leases described on attached Exhibit "A."

This assignment is subject to that certain Deed of Trust dated June 21, 1983, and supplemental Deed of Trust dated April 6, 1984, from Adalbert Von Gontard III to William P. Franklin, Trustee for First City National Bank of Midland, recorded, respectively, in Volume 125, Page 5, and Volume 127, Page 542, Deed of Trust Records, Reeves County, Texas.

This assignment is made without warranty of title, express or implied.

This Second Corrected Assignment of Interest in Oil and Gas Leases is made in place of and to correct an Assignment of

223/MJC4/skb -1-

VOL 485 PAGE 407

Interest in Oil and Gas Leases dated July 15, 1987, effective June 1, 1987, from Assignor to Assignee, recorded in Volume 478, Page 1, Deed Records, Reeves County, Texas (the "Original Assignment") and in place of and to correct that certain Corrected Assignment of Interest in Oil and Gas Leases dated December 29, 1987, effective June 1, 1987, from Assignor to Assignee, recorded in Volume 481, Page 783, Deed Records, Reeves, County, Texas (the "Corrected Assignment"). Through clerical error, the Original Assignment inadvertently failed to include all of the lands covered by the "Sand Bend Leases" referred to at item 1 at Exhibit "A" to the Original Assignment. Simularly, the Corrected Assignment also failed to correctly describe the lands intended to be assigned in the Sand Bend Leases referred to at item 1 of Exhibit "A" to the Corrected Assignment. This Second Corrected Assignment of Interest in Oil and Gas Leases is intended to correct the mistakes made in the Original Assignment and in the Corrected Assignment, is effective as of June 1, 1987, and in all other respects, confirms the Original Assignment and the Corrected Assignment.

WITNESS the execution hereof, this 13TH day of APRIL, 1988, but effective as of June 1, 1987.

Assignor:

AVG PETROLEUM, INC.

By: _____
Adalbert von Gontard, III
President

Assignee:

ORLA PETCO, INC.

By: _____
Joseph Roybal
Vice President

223/MJC4/skb

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STATE OF TEXAS $
$
COUNTY OF MIDLAND $

This Instrument was acknowledged before me on the 12TH day of APRIL, 1988, by ADALBERT VON GONTARD, III, President of AVG PETROLEUM, INC., a Texas corporation, on behalf of said corporation.

Betty Randell
Notary Public, State of Texas

BETTY RANDELL, Notary Public
In and for the State of Texas
My Commission Expires 1/29/91

BETTY RANDELL
Typed/Printed Name of Notary

My Commission Expires: 1/29/91

STATE OF TEXAS $
$
COUNTY OF MIDLAND $

This Instrument was acknowledged before me on the 12TH day of APRIL, 1988, by JOSEPH ROYBAL, Vice President of ORLA PETCO, INC., a Texas corporation, on behalf of said corporation.

Betty Randell
Notary Public, State of Texas

BETTY RANDELL, Notary Public
In and for the State of Texas
My Commission Expires 1/29/91

BETTY RANDELL
Typed/Printed Name of Notary

My Commission Expires: 1/29/91

223/MJC4/skb

-3-

EXHIBIT "A"
TO
SECOND CORRECTED ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES
FROM AVG PETROLEUM, INC., TO ORLA PETCO, INC.

1. Sand Bend a) Oil and Gas Lease dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records, Reeves County, Texas;

b) Oil and Gas Lease dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records, Reeves County, Texas;

INSOFAR as said Leases cover the following described land, to-wit:

E/2 SW/4, W/2 NE/4 and W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3,260'.

2. Red Bluff Oil and Gas Lease dated November 22, 1982, between Red Bluff Water Power Control District, a political subdivision of the State, as Lessors, and Orla Petco, Inc., as Lessee, recorded in Volume 428, Page 434, Oil and Gas Lease Records, Reeves County, Texas;

INSOFAR as said Lease covers the following described land, to-wit:

W/2 of Section 10, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to and including 5,500', but no deeper.

3. Gulf TXL BM Oil and Gas Lease dated November 22, 1949, between George C. Fraser, George L Burr and John K. Olyphant, Jr., Lessors and Gulf Oil Corporation, Lessee, recorded in Volume 128, Page 48, Deed Records, Reeves County, Texas;

INSOFAR as said Lease covers the following described land, to-wit:

S/2 of Section 45, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4,460'.

223/MJC4/skb -4-

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

FILED FOR RECORD ON THE 9th DAY OF May A.D. 1988 AT 8:46A. M.

DULY RECORDED ON THE 9th DAY OF May A.D. 1988 AT 11:30A. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

MARY F DAVIS ET AL

TO

DAVIS PARTNERS LTD

DEED

DATED:	07/27/1988
FILED:	08/08/1988
BOOK/PAGE:	487/356
FILE NUMBER:	389-487-356
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 20/256 OF 5% OF 8/8 ORRI

VOL 487 PAGE 356

FILE NO. 2034 MARY F. DAVIS, ET AL TO DAVIS PARTNERS, LTD.

DEED

THE STATE OF TEXAS }
COUNTY OF REEVES } KNOW ALL MEN BY THESE PRESENTS:

THAT Mary F. Davis, also known as Mary Frank Davis, a widow and F. Ferrell Davis and Paul L. Davis, Jr. Co-Independent Executors of the Estate of Paul L. Davis, Sr., deceased shall be referred to herein as the "Grantor".

NOW, THEREFORE, Grantor, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration to it in hand paid by DAVIS PARTNERS, LTD. (the "Grantee"), a Texas Limited Partnership, whose address is P. O. Box 271, Midland, Texas 79702, the receipt and sufficiency of which is hereby acknowledged, has GRANTED, SOLD and CONVEYED and by these presents does GRANT, SELL and CONVEY unto Grantee all of Grantor's right, title and interest (whether legal, equitable or beneficial and whether no owned or hereafter acquired by operation of law or otherwise) in and to the lands, properties and other interests, including all oil, gas and other minerals, royalty, overriding royalty, production payments or any other type of interest that my entitle Grantor to receive proceeds from the sale of oil, gas or other minerals, such lands and interests therein, being described in Exhibit "A" attached hereto and incorporated herein by this reference (Exhibit "A" shall be referred to herein as the "Property Exhibit "), together with all improvements, water wells, pipelines, water rights, fixtures, leases (including, without limitation, all valid and subsisting oil, gas and mineral leases), easements, rights-of-way, licenses, interests, rights and appurtenances appertaining thereto, including the right to receive all rents, royalties, overriding royalties, production payments and other payments of whatever kind or nature, and, in addition, for same consideration, Grantor hereby GRANTS, SELLS and CONVEYS unto Grantee all of Grantor's right, title and interest (whether legal, equitable or beneficial, and whether now owned or hereafter acquired by operation of law or otherwise) in and to any and all lands, properties and other interest lying and being situated in the State of Texas, whether or not described on the Property Exhibit, or even though a description of an interest may be incorrect on the Property Exhibit, including all lands, properties and other interests contiguous or appurtenant to the lands, properties and other interests described in the Property Exhibit; SUBJECT, however, to the terms and conditions of the deeds or other instruments of conveyance under which Grantors acquired their interest, all presently existing and valid unit agreements and communitization agreements where applicable, all valid and subsisting leases (including, without limitation, all valid and subsisting oil, gas and mineral leases) of record and easements and right-of-way of record or visible on the ground, if any, SAVE AND EXCEPT all right title and interest therein owned by persons and entities other than Grantor and shown of record, on or before the date hereof, in the county or counties set forth in the Property Exhibit (all of the foregoing property shall hereinafter be referred to as the "Property").

For Ten Dollars ($10.00) and other consideration paid, Grantor hereby irrevocably appoints F. FERRELL DAVIS, P. O. Box 3061, Midland, Texas 79702, as Grantor's agent and attorney-in-fact for the sole and only purpose of executing any and all transfer orders and division orders that may be required by the producer and/or purchaser of oil and gas from the above described lands in order that Grantee may receive payment for the interest herein conveyed to Grantee.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto belonging, unto the said Grantee, its successors and assigns forever. And Grantor hereby binds itself, its successors and assigns, to warrant and forever defend all and singular the Property unto and the said Grantee, its successors and assigns, against every person whomsoever claiming or to claim the same, or any part thereof.

Executed this 27th day of July, 1988; effective for all purposes as of February 27, 1988.

Mary F. Davis
Mary F. Davis

F. Ferrell Davis
F. Ferrell Davis,
Co-Independent Executor of the Estate of Paul L. Davis, Sr., deceased

Paul L Davis Jr
Paul L. Davis, Jr.,
Co-Independent Executor of the Estate of Paul L. Davis, Sr., deceased

STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this 27th day of July, 1988 by MARY F. DAVIS.

My Commission Expires:
March 11, 1992

Notary Public in and for the State of Texas
Printed Name: Diane Wright

DIANE WRIGHT
Notary Public
STATE OF TEXAS
My Comm. Exp. 3-11-92

STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this 27th day of July, 1988 by F. FERRELL DAVIS as Co-Independent Executor of the Estate of Paul L. Davis, deceased.

My Commission Expires:
March 11, 1992

Notary Public in and for the State of Texas
Printed Name: Diane Wright

DIANE WRIGHT
Notary Public
STATE OF TEXAS
My Comm. Exp. 3-11-92

STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this 27th day of July, 1988 by PAUL L. DAVIS, JR. as Co-Independent Executor of the Estate of Paul L. Davis, deceased.

My Commission Expires:
March 11, 1992

Notary Public in and for the State of Texas
Printed Name: Diane Wright

DIANE WRIGHT
Notary Public
STATE OF TEXAS
My Comm. Exp. 3-11-92

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EXHIBIT "A"

ATTACHED TO AND MADE A PART OF A DEED DATED JULY 27, 1988, EFFECTIVE FEBRUARY 27, 1988 FROM THE ESTATE OF PAUL L. DAVIS AND MARY F. DAVIS IN FAVOR OF DAVIS PARTNERS, LTD.

REEVES COUNTY, TEXAS

DeVito An undivided 7/32 Fee Interest in the following described lands:

N/2 NE/4 and the SW/4 NE/4 of Section 14, Block 55, T-5, T & P Ry. Co. Survey, containing 120 acres, more or less.

Subject to a free royalty reserved by the State of Texas of 1/8 on sulphur and 1/16 on all other minerals.

DR-293 An undivided 1/9 Mineral Interest in the following described lands:

First Tract: S/2 NW/4, E/2 NW/4 NW/4, S/2 NE/4, NW/4 NE/4, E/2 SW/4, N/2 SE/4 and SE/4 SE/4 of Section 21, Block 2, H & GN Ry. Co. Survey, containing 420 acres, more or less, and;

Second Tract: NW/4, S/2 NE/4, NW/4 NE/4, N/2 SW/4, SE/4 SW/4, and NE/4 SE/4 of Section 23, Block 2, Abstract 373, H & GN Ry. Co. Survey, containing 440 acres, more or less.

DR-338 An undivided 19/92 Mineral Interest in the following described lands:

One (1) acre out of Section 25, Block C-7, Abstract 3040, PSL Survey;

-and-

S/2, NE/4, and W/2 NW/4 Section 10, Block C-7, Abstract 4363, PSL Survey, containing 560 acres, more or less;

-and-

S/2, and SW/4 NW/4 Section 17, Block C-7, Abstract 4330, PSL Survey, containing 360 acres, more or less.

DR-365 An undivided 1/8 Mineral Interest in the following described lands:

E/2 SE/4 of Section 18, Block 2, H & GN Ry. Co. Survey, containing 80 acres, more or less, and;

An undivided 1/16 Mineral Interest in the following described lands:

Tracts 25, 31, 32, 33, 34, 38, 39, 40, 41, 42, 43, and 48, out of Subdivision of the W/2 of Section 18, Block 2, H & GN Ry. Co. Survey, containing 60 acres, more or less.

VOL 487 PAGE 359

DR-383 An undivided 1/8 Interest in the following described lands:

S/2 of Section 4, Block 7, H & GN Ry. Co. Survey, containing 320.87 acres, more or less.

Subject to the mineral interest in said land owned by the State of Texas (Mineral Classified).

-and-

An undivided 1/256 of 8/8 Overriding Royalty Interest in the following described lands:

S/2 of Section 4, Block 7, H & GN Ry. Co. Survey, containing 320.87 acres, more or less, at all depths below the base of the Delaware Sand Formation; pursuant to that certain Assignment of Overriding Royalty dated November 20, 1967, from Ralph H. Meriwether to Paul L. Davis, recorded in Volume 272, Page 494, Oil and Gas Lease Records of Reeves County, Texas.

DR-438 The following undivided Mineral Interest in the below listed acreage, all in Section 18, Block 2, H & GN Ry. Co. Survey.

INTEREST	DESCRIPTION	ACRES
3/8	NW/4 SE/4 NE/4	10.00
3/16	NE/4 SW/4 SE/4	10.00
3/16	N/2 NW/4 NE/4 SE/4	5.00

DR-440 An undivided 20/256 of 5% of 8/8 Overriding Royalty Interest in the following described lands:

All of Section 38, Block 57, T-2, T & P Ry. Co. Survey, containing 640 acres, more or less, pursuant to that certain Assignment of Overriding Royalty dated December 12, 1972, from Geraldine Layton Chapman to Paul L. Davis, et al, recorded in Volume 315, Page 791, Oil & Gas Records of 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

FILED FOR RECORD ON THE 8th DAY OF August A.D. 1988 AT 2:11P. M.

DULY RECORDED ON THE 8th DAY OF August A.D. 1988 AT 3:00P. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

WILLIAM BRYAN SHAVER JR

TO

WILLIAM B SHAVER JR ET AL TRUSTEES

GENERAL WARRANTY DEED

DATED:	11/18/1987
FILED:	01/03/1989
BOOK/PAGE:	491/9
FILE NUMBER:	389-491-9
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 1/9 INTEREST

VOL 491 PAGE 9

FILE NO. I. WILLIAM BRYAN SHAVER, JR. TO WILLIAM B. SHAVER, JR., ET AL

WBS/REEVES

GENERAL WARRANTY DEED

THE STATE OF TEXAS §
COUNTY OF REEVES §

KNOW ALL MEN BY THESE PRESENTS:

That I, WILLIAM BRYAN SHAVER, JR., hereinafter called "Grantor", for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration in hand paid, the receipt for which is hereby acknowledged, have GRANTED, SOLD and CONVEYED and by these presents do hereby GRANT, SELL and CONVEY unto WILLIAM B. SHAVER, JR., SAMUELLA W. PALMER and RUTH W. HOLLINSHEAD, TRUSTEES, hereinafter called "Grantees", whose mailing address is c/o The First National Bank, P. O. Box 659, Huntsville, Walker County, Texas 77340, all of my undivided interest (which undivided interest is considered to be as hereinafter specified, but is not limited thereto), in and to all lands, minerals and mineral interests situated in Reeves County, including specifically, but not limited to, the following property located in Reeves County, Texas:

TRACT ONE

An undivided 1/9th interest in 640 acres situated in Section 18, Block 56, T-2, T.& P. R.R. Survey, A-2024, Reeves County, Texas.

TRACT TWO

An undivided 1/9th interest in 640 acres situated in Section 38, Block 57, T-2, T.& P.R.R. SURVEY, A-2027, Reeves County, Texas.

Both tracts described in Deed dated April 11, 1910 from L. T. Cox et ux to G. A. Wynne, recorded in Volume 17, Page 11, Deed Records, Reeves County, Texas.

This conveyance is made subject to all restrictions, easements, conditions, covenants and conveyances or exceptions of minerals or royalty, if any, of record in the Office of the County Clerk of Reeves County applicable to and enforceable against the above described property.

TO HAVE AND TO HOLD the said premises, together with all and singular the rights, hereditaments and appurtenances there

RETURN TO:
SMITHER, MARTIN & HENDERSON
SAM HOUSTON NATIONAL BANK TOWER
ONE FINANCIAL PLAZA, SUITE 210
HUNTSVILLE, TEXAS 77340

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WBS/REEVES

unto belonging unto the Grantees, their successors and assigns, forever. And Grantor does hereby bind himself, his heirs and assigns to Warrant and Forever Defend the title to said property unto the Grantees, their successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

EXECUTED this 18th day of November, 1987.

William Bryan Shaver, Jr.
WILLIAM BRYAN SHAVER, JR.

THE STATE OF TEXAS $
$
COUNTY OF WALKER $

BEFORE ME, the undersigned authority on this day personally appeared WILLIAM BRYAN SHAVER, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 30th day of September, 1988.

OFFICIAL SEAL
JEANETTE DUNCAN
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Expires Feb. 4, 1989

Jeanette Duncan
NOTARY PUBLIC in and for
The State of Texas.

-2-

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.

FILED FOR RECORD ON THE 3rd DAY OF January A.D. 1989 at 8:59A. M.

DULY RECORDED ON THE 3rd DAY OF January A.D. 1989 at 4:00P. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

WINTERSHALL CORPORATION

TO

CLINT YOUNG INC

ASSIGNMENT OF OIL AND GAS LEASES AND BILL OF SALE

DATED:	02/28/1989
FILED:	03/15/1989
BOOK/PAGE:	492/446
FILE NUMBER:	389-492-446
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL INTEREST

VOL 492 PAGE 446

FILE NO. 620 WINTERSHALL CORPORATION TO CLINT YOUNG, INC.

Delex X Sand Bend

ASSIGNMENT OF OIL AND GAS LEASES
AND BILL OF SALE

STATE OF Texas $
$ KNOW ALL MEN BY THESE PRESENTS:
COUNTY/PARISH OF Reeves $

WINTERSHALL CORPORATION, a Delaware corporation, with offices at Five Post Oak Park, Suite 2000, Houston, Texas 77027, (hereinafter referred to as "Assignor"), for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, sell assign, transfer and convey unto CLINT Young, Inc., with offices at P. O. Box 386 Graham, Texas 76046 (hereinafter referred to as "Assignee"), its heirs, successors and assigns, all of Assignor's undivided interest in and to the Oil, Gas and Mineral Leases (the "Leases") described on Exhibit "A" attached hereto and incorporated herein, such undivided interest along with all other rights and property assigned herein being hereafter referred to as the "Subject Interest".

The interest assigned herein includes its proportionate part of all personal property, easements, permits, rights-of-way and contracts, situated upon, or used or useful, or held for future use in connection with the exploration, development or operation of the Leases described in Exhibit "A" or of any unitized area which includes any of such properties and interests, or with the production, treating, storing or transportation of oil, gas or other hydrocarbons from the Orla Petco - Sand Bend #1, #3, "A" #1, and #2 SWD well(s), including, but not by way of limitation, all wells, casing, tubing, tanks, separators, rods, pumps, flowlines, pipelines, buildings, fixtures, saltwater disposal facilities, power lines, roads, and other appurtenances.

Separate and apart from the assignment contained herein and not subject to any of the covenants or warranties contained herein,

Assignor hereby assigns unto Assignee all of its rights and obligations in and under agreements covering or relating to the Exhibit "A" interests, including, without limitation, operating agreements, unit agreements, farmout and farmin agreements, and oil and gas sales contracts.

The interest assigned herein is subject to the covenants, conditions, terms and provisions of the Leases described on Exhibit "A" and is subject to the Lessor's royalty set forth therein and all other burdens of record on the date hereof.

By its acceptance hereof, Assignee does hereby assume all of Assignor's obligations with respect to the leasehold estate conveyed herein, including surface restoration and the plugging and abandoning of all wells located on the Subject Interest, and Assignee does hereby hold Assignor harmless with respect to the costs and expenses of same.

Upon delivery hereof, Assignor agrees to execute and deliver all such other notices, releases and other documents, and will do all such other acts and things, as may be necessary more fully to assure to Assignee, its heirs, successors, and assigns, all of the respective rights herein granted or intended to be granted.

Assignor covenants with and warrants to Assignee, its heirs, successors and assigns tbat Assignor has good right and authority to sell and assign the Subject Interest, together with all of Assignor's rights incident or appurtenant thereto.

This Assignment and Bill of Sale is made without warranty of title to the Subject Interest, either express or implied; provided, however, Assignor grants unto Assignee full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect of the Subject Interest or any part thereof.

ASSIGNOR MAKES NO EXPRESS OF IMPLIED WARRANTIES OR REPRESENTATIONS AS TO THE QUALITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR USE OF ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES OR APPURTENANCES HEREBY ASSIGNED, AND ASSIGNEE ACCEPTS ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES OR APPURTENANCES "AS IS", "WHERE IS", IN PRESENT CONDITION AND STATE OF REPAIR.

All ad valorem, property, production, severance and similar taxes and assessments against the Subject Interest for the calendar year 1989 shall be prorated as of the effective date hereof and are hereby expressly assumed by Assignee.

All of the terms, provisions, covenants and conditions contained herein shall extend to and be binding upon the parties hereto, their respective heirs, successors and assigns.

EXECUTED this 28 day of February, 1989, to be effective, however, as of 12:00 A.M., March 1, 1989.

WITNESSES:

_____

_____

ASSIGNOR:

WINTERSHALL CORPORATION

By: _____
James F. Wiggins, Attorney-in-Fact

WITNESSES

_____

_____

ASSIGNEE:

CLINT Young, Inc.

By: _____
Clint Young
President

STATE OF TEXAS $
$
COUNTY OF HARRIS $

This instrument was acknowledged before me on the 28th day of February, 1989, by James F. Wiggins, Attorney-in-Fact of WINTERSHALL CORPORATION, a Delaware corporation, on behalf of said corporation.

_____
Notary Public, State of Texas
Mary Jane Allen

MY COMMISSION EXPIRES:

7-8-92

STATE OF Texas $
$
COUNTY OF Young $

This instrument was acknowledged before me on the 28th day of February, 1989, by Clint Young, President of Clint Young, Inc., a Texas corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

HELEN PILLANS
Notary Public State of Texas
Commission Expires 02/03/90

MY COMMISSION EXPIRES:

02/03/90

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1/30/89 Wintershall Corporation Page 1
Exhibit "A"
Delex X
TX - REEVES

Lease Number	Lessor/Lease Name	Lessee	Lse Date	Recording Data
NA06001 01	LELA MAE WYNNE, SAMUELLA	FORD CHAPMAN	09/21/70	297/489
Tract 001	240.00 ACS, MOL, IN SEC 38, BLK 57, T&P RY CO SVY BEING E/2SW/4 (80.00 ACS) W/IN SAND BEND #1; W/2SE/4 (80.00 ACS) W/IN SAND BEND #1A; & W/2NE/4 (80.00 ACS) W/IN SAND BEND #3			
Tract 002	400 ACS, MOL, BEING THE NW/4; E/2NE/4; W/2SW/4 AND E/2SE/4 (AROUND SWD AS OF 5/84 FORMERLY SAND BEND #2)			
NA06001 02	SALLIE WYNNE REYNAUD	FORD CHAPMAN	09/21/70	297/483
Tract 001	240.00 ACS, MOL, IN SEC 38, BLK 57, T&P RY CO SVY BEING E/2SW/4 (80.00 ACS) W/IN SAND BEND #1; W/2SE/4 (80.00 ACS) W/IN SAND BEND #1A; & W/2NE/4 (80.00 ACS) W/IN SAND BEND #3			
Tract 002	400 ACS, MOL, BEING THE NW/4; E/2NE/4; W/2SW/4 AND E/2SE/4 (AROUND SWD AS OF 5/84 FORMERLY SAND BEND #2)			

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

FILED FOR RECORD ON THE 15th DAY OF March A.D. 1989 at 11:46A. M.

DULY RECORDED ON THE 15th DAY OF March A.D. 1989 at 4:00P. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

CLINT YOUNG INC

TO

NORTH CENTRAL CASING PULLERS INC

ASSIGNMENT OF OIL AND GAS LEASES AND BILL OF SALE

DATED:	06/01/1989
FILED:	08/09/1989
BOOK/PAGE:	495/707
FILE NUMBER:	389-495-707
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL INTEREST

FILE NO. 1819 CLINT YOUNG, INC. TO NORTH CENTRAL CASING PULLERS, INC.

ASSIGNMENT OF OIL AND GAS LEASES
AND BILL OF SALE

STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF REEVES *

CLINT YOUNG, INC., a Texas corporation, with offices at P.O. Box 386, Graham, Texas 76046, (hereinafter referred to as "Assignor"), for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, sell assign, transfer and convey unto North Central Casing Pullers, Inc. with offices at P.O. Box 540, Graham, Texas 76046

(hereinafter referred to as "Assignee"), its heirs, successors and assigns, all of Assignor's undivided interest in and to the Oil, Gas and Mineral Leases (the "Leases") described on Exhibit "A" attached hereto and incorporated herein, such undivided interest along with all other rights and property assigned herein being hereafter referred to as the "Subject Interest".

The interest assigned herein includes its proportionate part of all personal property, easements, permits, rights-of-way and contracts, situated upon, or used or useful, or held for future use in connection with the exploration, development or operation of the Leases described in Exhibit "A" or of any unitized area which includes any of such properties and interests, or with the production, treating, storing or transportation of oil, gas or other hydrocarbons from the Sand Bend #1,#3,"A", #1, &#2 SWD well(s), including, but not by way of limitation, all wells, casing, tubing, tanks, separators, rods pumps, flowlines, pipelines, buildings, fixtures, saltwater disposal facilities, power lines, roads, and other appurtenances.

Separate and apart from the assignment contained herein and not subject to any of the covenants or warranties contained herein, Assignor hereby assigns unto Assignee all of its rights and obligations in and under agreements covering or relating to the Exhibit "A" interests, including, without limitation, operating agreements, unit agreements, farmout and farmin agreements, and oil and gas sales contracts.

The interest assigned herein is subject to the covenants conditions, terms and provisions of the Lease described on Exhibit "A" and is subject to the Lessor's royalty set forth therein and all other burdens of record on the date hereof.

By its acceptance hereof, Assignee does hereby assume all of Assignor's obligations with respect to the leasehold estate conveyed

herein, including surface restoration and the plugging and abandoning of all wells located on the Subject Interest, and Assignee does hereby hold Assignor harmless with respect to the costs and expenses of same.

Upon delivery hereof, Assignor agrees to execute and deliver all such other notices, releases and other documents, and will do all such other acts and things, as may be necessary more fully to assure to Assignee, its heirs, successors, and assigns, all of the respective rights herein granted or intended to be granted.

Assignor covenants with and warrants to Assignee, its heirs, successors and assigns that Assignor has good right and authority to sell and assign the Subject Interest, together with all of Assignor's rights incident or appurtenant thereto.

This Assignment and Bill of Sale is made without warranty of title to the Subject Interest, either express or implied; provided, however, Assignor grants unto Assignee full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respct of the Subject Interest or any part thereof.

ASSIGNOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS AS TO THE QUALITY, MERCHANTABILITY, OR FITNESS FOR A PARTICLAR USE OF ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES OR APPURTENANCES HEREBY ASSIGNED, AND ASSIGNEE ACCEPTS ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES OR APPURTENANCES "AS IS", "WHERE IS", IN PRESENT CONDITION AND STATE OF REPAIR.

All ad valorem, property, production, severance and similar taxes and assessments against the Subject Interest for the calendar year 1989 shall be prorated as of the cfective date hereof and are hereby expressly assumed by Assignee.

All of the terms, provisions, covenants and conditions contained herein shall extend to and be binding upon the parties hereto, their respective heirs, successors and assigns.

EXECUTED this 1st day of June, 1989, to be effective, however, as of March 1, 1989.

WITNESSES:

Kaye Turner

ASSIGNOR:

CLINT YOUNG, INC.

By: Clint Young

STATE OF TEXAS *

COUNTY OF YOUNG *

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared CLINT YOUNG, President of CLINT YOUNG, INC., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 1st day of June, 1989.

NOTARY PUBLIC STATE OF TEXAS

Kaye Turner
Notary Public in and for the State of Texas

My Commission Expires:
12-89

KAYE TURNER
Notary's Printed Name

STATE OF _____ *

COUNTY OF _____ *

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, _____ of _____ known to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1989.

_____
Notary Public in and for the State of Texas

My Commission Expires:

_____

_____
Notary's Printed Name

STATE OF _____ *

COUNTY OF _____ *

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, _____ of _____ known to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1989.

_____
Notary Public in and for the State of Texas

My Commission Expires:

_____

_____
Notary's Printed Name

495 PAGE 710

Delex X
TX - REEVES

Lease Number	Lessor/Lease Name	Lessee	Lse Date	Recording Data
NA06001 01	LELA MAE WYNNE, SAMUELLA	FORD CHAPMAN	09/21/70	297/489
Tract 001	240.00 ACS, MOL, IN SEC 38, BLK 57, T&P RY CO SVY BEING E/2SW/4 (80.00 ACS) W/IN SAND BEND #1; W/2SE/4 (80.00 ACS) W/IN SAND BEND #1A; & W/2NE/4 (80.00 ACS) W/IN SAND BEND #3			
Tract 002	400 ACS, MOL, BEING THE NW/4; E/2NE/4; W/2SW/4 AND E/2SE/4 (AROUND SWD AS OF 5/84 FORMERLY SAND BEND #2)			
NA06001 02	SALLIE WYNNE REYNAUD	FORD CHAPMAN	09/21/70	297/485
Tract 001	240.00 ACS, MOL, IN SEC 38, BLK 57, T&P RY CO SVY BEING E/2SW/4 (80.00 ACS) W/IN SAND BEND #1; W/2SE/4 (80.00 ACS) W/IN SAND BEND #1A; & W/2NE/4 (80.00 ACS) W/IN SAND BEND #3			
Tract 002	400 ACS, MOL, BEING THE NW/4; E/2NE/4; W/2SW/4 AND E/2SE/4 (AROUND SWD AS OF 5/84 FORMERLY SAND BEND #2)			

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

FILED FOR RECORD ON THE 9th DAY OF August A.D. 1989 AT 11:16A. M.

DULY RECORDED ON THE 9th DAY OF August A.D. 1989 AT 12:30P. M.

BY Billie Jo Gramon DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

PACIFIC ENTERPRISES OIL COMPANY

TO

PACIFIC ENTERPRISES ABC CORP

CONVEYANCE, ASSIGNMENT, AND BILL OF SALE

DATED:	10/02/1992
FILED:	11/19/1992
BOOK/PAGE:	521/669
FILE NUMBER:	521/669/2466
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

FILE NO 2466 PACIFIC ENTERPRISES OIL COMPANY (USA) TO PACIFIC ENTERPRISES ABC CORP

STATE OF TEXAS

COUNTY OF REEVES

GENERAL CONVEYANCE, ASSIGNMENT AND BILL OF SALE

This General Conveyance, Assignment and Bill of Sale from PACIFIC ENTERPRISES OIL COMPANY (USA), a California corporation, with offices at 1700 Pacific Avenue, Suite 1200, Dallas, Texas 75201 (herein called "Assignor"), to PACIFIC ENTERPRISES ABC CORPORATION, a California corporation, with offices at 633 West Fifth Street, Suite 5400, Los Angeles, California 90071, (herein called "Assignee"),

W I T N E S S E T H:

Assignor, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER and DELIVER unto the Assignee, the following:

A. All right, title and interest of Assignor in the properties described in Exhibit "A" attached hereto and made a part hereof for all purposes including but not limited to oil, gas and mineral leases, mineral interests, fee lands, royalties, overriding royalties, net profits interests, executive rights, coal leases, mining permits, as the same are specifically described on Exhibit "A" (the "Properties"). Subject, however, to the respective terms and conditions of said oil, gas and mineral leases and any and all valid and subsisting oil, gas and mineral sales contracts, operating agreements, farmout agreements, exploration agreements, electrical service agreements, well servicing agreements, drilling contracts, pooling or unitization declarations, agreements and/or orders, processing contracts, salt water disposal agreements, easements and rights-of-way either of record or apparent from an inspection on the ground, burdens on production and other similar instruments or agreements which relate to any of the Properties described in Exhibit "A", including but not limited to, the specific restrictions, exceptions, reservations, conditions, limitations, and other matters, if any, set forth in Exhibit "A", to the extent and only to the extent that the same are valid and subsisting (the "Encumbrances"); and

B. All right, title and interest of Assignor derived from all presently existing and valid unitization and pooling declarations, agreements and/or orders, and the properties covered and the units created thereby (including all units formed under orders, regulations, rules or other official acts of any federal, state or other governmental agency having jurisdiction), whether or not described or referred to in Exhibits "A", insofar as the same relate to the Properties or to the production, storing, transportation or marketing of oil, gas and other hydrocarbons from or attributable to the Properties; and

C. All right, title and interest of Assignor in and to all presently existing and valid oil, casinghead gas and gas sales, operating and processing contracts and agreements and all other contracts, agreements and instruments whether or not described or referred to in Exhibit "A", insofar as the same relate to the Properties or to the production, storing, transportation or marketing of oil, gas and other hydrocarbons from or attributable to the Properties; and

D. All right, title and interest of Assignor in and to all personal property, equipment, improvements, easements, permits, licenses, servitudes or rights-of-way (including, but not by way of limitation, any wells, tanks, boilers, buildings, fixtures, machinery and other equipment, pipelines, powerlines, telephone and telegraph lines, roads and other appurtenances and easements) in, on or now being used in connection with the exploration, development or operation of the Properties or insofar as the same relate to the production, treating, storing, transportation or marketing of oil, gas and other hydrocarbons produced from or attributable to the Properties;

together with all rights of ingress and egress (if any) and all other appurtenances belonging or appurtenant to the property interests described in subparagraphs A, B, C, and D above (herein collectively referred to as the "Conveyed Interests").

TO HAVE AND TO HOLD the Conveyed Interests unto Assignee and Assignee's legal representatives, successor and assigns forever. Although Assignor makes no warranties, expressed or implied, this Conveyance and Assignment is made with full substitution and subrogation of Assignor, its successors and assigns, in and to all covenants and warranties by others heretofore given or made in respect of the Properties or any part thereof. **ASSIGNOR MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, QUALITY, CONDITION OR FITNESS FOR PARTICULAR USES OF ANY OF THE PROPERTIES, OR CONVEYED INTERESTS, ALL OF THE SAME BEING HEREBY EXPRESSLY EXCLUDED AND DENIED.**

Assignor agrees to execute and deliver to Assignee all such other and additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be necessary to more fully and effectively grant, convey and assign to Assignee the rights, titles, interests and estates in the Conveyed Interests conveyed hereby or intended so to be.

This General Conveyance, Assignment and Bill of Sale is being executed in multiple originals, all of which are identical, except that, to facilitate recordation, in certain counterparts hereof only that portion, if any, of Exhibit "A" which contains specific descriptions of Conveyed Interests located in the recording jurisdiction where that counterpart is to be recorded are included, and other portions of Exhibit "A" are included by reference only. All of such counterparts together constitute but one and the same instrument. Complete copies of this Conveyance and Agreement containing the entire Exhibit "A" have been retained by Assignor and Assignee and recorded in Los Angeles County, California.

IN WITNESS WHEREOF, this General Conveyance, Assignment and Bill of Sale has been executed by Assignor on the date of its respective acknowledgment hereof in the presence of the undersigned competent witnesses whose signatures appear opposite its respective name, but is delivered and effective as to runs of oil and deliveries of gas and for all other purposes on October 2, 1992 (the "Effective Date") as of 7:00 a.m. local time (at the location of the Conveyed Interests, respectively).

ATTEST:

Paul E. Fulbright
Assistant Secretary

PACIFIC ENTERPRISES OIL COMPANY (USA)

Jere G. Hayes
Vice President

See page four (-4-) for Acknowledgement.

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

On this the 6th day of November, 1992, before me, Elaine G. King, the undersigned officer, personally appeared Jere G. Hayes, who acknowledged himself to be the Vice President of Pacific Enterprises Oil Company (USA), a corporation, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice President.

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

Elaine G. King

Elaine G. King - Notary Public

My commission expires: 9/10/94

ELAINE G. KING
Notary Public
STATE OF TEXAS
My Commission Expires 9/10/94

Reflects Records Entered as of 7/25/2012

521/669/2466 - OFFICIAL PUBLIC RECORDS

EXHIBIT "A"

STATE TX
COUNTY REEVES

LEASE	DESCRIPTION	TYPE OF INTEREST	PROD. STATUS
004139A1 INVESTORS ROYALTY	E/2 & SW/4 OF SEC. 35, BLK. 51, TWP. 7, T & P RY. SVY.	MI	NP
009718A1	ALL OF SEC. 19, BLK. C-9, PUBLIC SCHOOL LAND SVY.	MI	NP
009719A1	ALL OF SEC. 20, BLK. C-9, PUBLIC SCHOOL LAND SVY.	MI	NP
009720A1 INVESTORS ROYALTY	E/2 SE/4 & W/2 SW/4 SEC. 21, BLK. C-9, PUBLIC SCHOOL LAND SVY	MI	NP
009721A1 INVESTORS ROYALTY	BLOCK C-9, PUBLIC SCHOOL LAND SURVEY SEC 22: SOUTH 253 ACRES	MI	NP
009722A1 INVESTORS ROYALTY	BLOCK 72, PUBLIC SCHOOL LANDS SURVEY SEC 13: ALL	MI	NP
021317A1 JACOB LEVIN, ET UX	BLOCK C-5, PUBLIC SCHOOL LANDS SURVEY SEC 1: ALL SEC 2: ALL SEC 11: ALL SEC 12: ALL	MI	NP
021318B1	BLOCK 54, TOWNSHIP 4, T & P RR CO SURVEY SEC 4 ALL BLOCK 55, TOWNSHIP 4, T & P RR CO SURVEY SEC 12. ALL	SUR	NP
021319A1 NORINE HOSIE ROGERS	BLOCK C-8, PUBLIC SCHOOL LANDS SURVEY SEC. 6 E/2	MI	NP

000001

Reflects Records Entered as of 7/25/2012

521/669/2466 - OFFICIAL PUBLIC RECORDS

STATE TX
COUNTY REEVES

EXHIBIT "A"

LEASE	DESCRIPTION	TYPE OF INTEREST	PROD. STATUS
021320A1	SEC. 134: ALL, BLOCK 13, H & GN RY. CO. SURVEY	MI	NP
021321A1 H C KIMBROUGH	TEXAS & PACIFIC RAILROAD COMPANY SURVEY BLOCK 50, TOWNSHIP 8 NORTH SEC 39: ALL SEC 40: ALL SEC 41: ALL SEC 42: ALL	MI	NP
021323A1 PEARL WALLACE,ET VIR	SEC. 6: E/106.67 ACRES OF W/2 BLOCK 57, T-3, T & P RY. CO. SURVEY	MI	NP
021331A1 ALMA REISCHE, ET VIR	BLOCK 71, PUBLIC SCHOOL LANDS SEC. 27: E/2, LESS 7.7 ACRES SEC. 28: 48 ACRES IN NW/CORNER BLOCK 72, PUBLIC SCHOOL LANDS SEC. 16: N/2 NE/4	MI	NP
021334A1 ALICE A. BROWN,ET AL	SEC. 28: NW/4 BLOCK 55, T-4, T & P RY. CO. SURVEY	MI	NP
021334B1	SEC. 28: NW/4 BLOCK 55, T-4 T&P RR CO. SURVEY	SUR	NP
021337A1 J. H. NEWMAN	SEC 17: W/2 OF THE SOUTH 1/3 BLOCK 5, H & GN RY. CO. SURVEY	MI	NP
021341A1	SEC. 8: S/431.8 ACRES; BLOCK 6, H&GN RY. CO. SUR.	MI	NP
021347A1 E L RICHARDSON	BLOCK 55, PUBLIC SCHOOL LANDS SURVEY, ABSTRACT-3011 SEC 15: ALL BLOCK 55, PUBLIC SCHOOL LANDS SURVEY, ABSTRACT-3012 SEC 16: ALL	SUR	NP

000002

Reflects Records Entered as of 7/25/2012

521/669/2466 - OFFICIAL PUBLIC RECORDS

EXHIBIT "A"

STATE TX
COUNTY REEVES

LEASE	DESCRIPTION	TYPE OF INTEREST	PROD. STATUS
021347B1	BLOCK 55, PUBLIC SCHOOL LANDS SURVEY, ABSTRACT 3666 SEC 26 ALL	SUR	NP
021347C1	BLOCK 55, PUBLIC SCHOOL LANDS SURVEY, ABSTRACT 3487 SEC 36: N/2	SUR	NP
02134BA1 JEWELL ROSS HUSE	BLOCK 6, H & G N RAILROAD COMPANY SURVEY SEC 11: 120 ACRES OUT OF NORTH PART	MI	NP
021494A1 HARPER WILLIE	T&P RY CO SURVEY, BLOCK 51, TWP 7, SEC 44 ALL	MI	NP
02251OA1	SEC. 8 ALL, BLOCK C-4, PUBLIC SCHOOL LANDS	MI	NP
022759A1	ALL OF SEC. 12, BLOCK C-4, PUBLIC SCHOOL LANDS	SUR	NP
022768A1	ALL OF SECTION 3, BLOCK 7, H & GN RR CO. SURVEY	MI	NP
022768B1	ALL OF SECTION 3, BLOCK 7, H&GN RR CO. SURVEY	SUR	NP
024551A1 TOM E. JOHNSON	SEC. 267, BLOCK 13, H&GN RY. CO. SURVEY BEING MORE FULLY DESC IN DEED DD 9-26-77, REC VOL 353, PG 764	MI	NP

000003

Reflects Records Entered as of 7/25/2012

521/669/2466 - OFFICIAL PUBLIC RECORDS

EXHIBIT 'A'

STATE - 42 TEXAS
COUNTY- 389 REEVES

LEASE	DESCRIPTION
27240-01	PUBLIC SCHOOL LAND SURVEY, BLK 59 SEC 16: E 120 AC OF S/2 N/2

000004

Reflects Records Entered as of 7/25/2012

521/669/2466 - OFFICIAL PUBLIC RECORDS

STATE TX
COUNTY REEVES

EXHIBIT "A"
EXECUTIVE RIGHTS

LEASE	DESCRIPTION
021318T1	SEC 12 ALL; BLOCK 55, T-4, T & P RY. CO. SURVEY
021332T1	SEC. 2 SE/4; BLOCK C-6, PUBLIC SCHOOL LANDS
022534T1	SEC. 49 ALL; BLOCK 6, H & GN RY. CO. SURVEY
022538T1 R. T MCKELLAR,ET AL	SEC. 16: W/287.6 ACRES BLOCK C-4, PUBLIC SCHOOL LANDS
022549T1 KNICKERBOCKER-GLASS	IN CONV SABINE CORP TO SABINE ROY TR DD 1-31-83, REC VOL 432, PG 841
022611T1	N/2 OF SEC. 6, BLOCK C-6, PUBLIC SCHOOL LANDS
022685T1 FLOYD H. SCOTT	ALL OF SECS. 13 & 14, BLOCK C-3, PUBLIC SCHOOL LANDS
022759T1 SAM HURT, TRUSTEE	BLOCK C-4, PUBLIC SCHOOL LANDS SURVEY SEC 12 ALL
022890T1 APACHE CORPORATION	BLOCK 7, H & G N RR CO SURVEY, A-356 SEC 5 ALL
022902T1 L. H. MEEKER, ET AL	SEC. 45 N/2 & SW/4 BLOCK 6, H & GN RY. CO. SURVEY (NON-PARTICIPATING ROYALTY)
022905T1 R R SMITH	N. PT. OF SEC. 25 (316 ACS.) & S. PT. OF SEC. 16 (316.94 ACS.), BLOCK 4, H & GN RY. CO. SVY.

000005

21 678

EXHIBIT "A"
EXECUTIVE RIGHTS

STATE TX
COUNTY REEVES

LEASE	DESCRIPTION
022947TI SAMS OIL CORPORATION	BLOCK 7, H & G N RAILROAD COMPANY SURVEY SEC 15: ALL
023319TI G. L. CHAPMAN	SEC. 38: ALL BLOCK 57, TOWNSHIP 2, T & P RY. CO. SVY

000006

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.

FILED FOR RECORD ON THE 19th DAY OF November A.D. 1992 AT 12:40P M.

DULY RECORDED ON THE 23rd DAY OF November A.D. 1992 AT 10:30A M.

BY Virginia Palomino DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

DAVIS PARTNERS LTD

TO

PAUL L DAVIS JR

DEED

DATED:	12/30/1992
FILED:	12/31/1992
BOOK/PAGE:	523/304
FILE NUMBER:	389-523-304
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 1/2 OF 20/256 OF 5% OF 8/8 ORRI

VOL 523 PAGE 304

FILE NO. 2840 DAVIS PARTNERS, LTD TO PAUL L. DAVIS, JR.

DEED

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

DAVIS PARTNERS, LTD., a Texas Limited Partnership ("Grantor"), whose address is P. O. Box 271, Midland, Texas 79702, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration to it in hand paid by PAUL L. DAVIS, JR. ("Grantee"), whose address is P. O. Box 871, Midland, Texas 79702, the receipt and sufficiency of which is hereby acknowledged, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL, AND CONVEY unto Grantee, the interest set forth on Exhibit "A", hereto, in and to the oil gas and other minerals, royalty, overriding royalty, production payments or other similar interests in the lands described in said Exhibit "A"; SUBJECT, however, to the terms and conditions of all presently existing and valid unit agreements and communitization agreements where applicable, and all valid and subsisting oil, gas and mineral leases of record. All of the foregoing property shall hereinafter be referred to as the "Property".

By this Deed, Grantee is also conveyed the right of ingress and egress, at all times, for the purposes of mining, drilling, exploring, operating and developing said lands for oil, gas and other minerals and storing, handling, transporting and marketing same from said lands.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto belonging, unto the said Grantee, its successors and assigns forever. Grantor hereby binds itself, its successors and assigns, to warrant and defend title to the Property against the claims and demands of all persons claiming by, through or under Grantor, but no further.

EXECUTED this 30th day of December, 1992; effective for all purposes as of December 31, 1992; at 11:59 P. M.

DAVIS PARTNERS, LTD., a Texas Limited Partnership

BY: _____
F. Ferrell Davis
General Partner

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 30th day of December, 1992, by F. Ferrell Davis, General Partner of DAVIS PARTNERS, LTD., a Texas Limited Partnership.

LINDA STRAIN
Notary Public, State of Texas
My Commission Expires 1-5-94

_____
Notary Public in and for the State of Texas
Print Name: Linda Strain
My Commission Expires: 01-05-94

VOL 523 PAGE 305

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF DEED DATED EFFECTIVE DECEMBER 31, 1992 FROM DAVIS PARTNERS, LTD. TO PAUL L. DAVIS, JR.

REEVES COUNTY, TEXAS

DeVito An undivided 1/2 of 7/32 Fee Interest in the following described lands:

N/2 NE/4 and the SW/4 NE/4 of Section 14, Block 55, T-5, T & P Ry. Co. Survey, containing 120 acres, more or less.

Subject to a free royalty reserved by the State of Texas of 1/8 on sulphur and 1/16 on all other minerals.

DR-293 An undivided 1/2 of 1/9 Mineral Interest in the following described lands:

First Tract: S/2 NW/4, E/2 NW/4 NW/4, S/2 NE/4, NW/4 NE/4, E/2 SW/4, N/2 SE/4 and SE/4 SE/4 of Section 21, Block 2, H & GN Ry. Co. Survey, containing 420 acres, more or less, and;

Second Tract: NW/4, S/2 NE/4, NW/4 NE/4, N/2 SW/4, SE/4 SW/4, and NE/4 SE/4 of Section 23, Block 2, Abstract 373, H & GN Ry. Co. Survey, containing 440 acres, more or less.

DR-338 An undivided 1/2 of 19/92 Mineral Interest in the following described lands:

One (1) acre out of Section 25, Block C-7, Abstract 3040, PSL Survey;

-and-

S/2, NE/4, and W/2 NW/4 Section 10, Block C-7, Abstract 4363, PSL Survey, containing 560 acres, more or less;

-and-

S/2, and SW/4 NW/4 Section 17, Block C-7, Abstract 4330, PSL Survey, containing 360 acres, more or less.

DR-365 An undivided 1/2 of 1/8 Mineral Interest in the following described lands:

E/2 SE/4 of Section 18, Block 2, H & GN Ry. Co. Survey, containing 80 acres, more or less, and;

An undivided 1/2 of 1/16 Mineral Interest in the following described lands:

Tracts 25, 31, 32, 33, 34, 38, 39, 40, 41, 42, 43, and 48, out of Subdivision of the W/2 of Section 18, Block 2, H & GN Ry. Co. Survey, containing 60 acres, more or less.

DR-383 An undivided 1/2 of 1/8 Interest in the following described lands:

S/2 of Section 4, Block 7, H & GN Ry. Co. Survey, containing 320.87 acres, more or less.

Subject to the mineral interest in said land owned by the State of Texas (Mineral Classified).

-and-

Vol. 523 Page 306

DR-383 (cont.) An undivided 1/2 of 1/256 of 8/8 Overriding Royalty Interest in the following described lands:

S/2 of Section 4, Block 7, H & GN Ry. Co. Survey, containing 320.87 acres, more or less, at all depths below the base of the Delaware Sand Formation; pursuant to that certain Assignment of Overriding Royalty dated November 20, 1967, from Ralph H. Meriwether to Paul L. Davis, recorded in Volume 272, Page 494, Oil and Gas Lease Records of Reeves County, Texas.

DR-438 The following undivided Mineral Interest in the below listed acreage, all in Section 18, Block 2, H & GN Ry. Co. Survey.

INTEREST	DESCRIPTION	ACRES
1/2 of 3/8	NW/4 SE/4 NE/4	5.00
1/2 of 3/16	NE/4 SW/4 SE/4	5.00
1/2 of 3/16	N/2 NW/4 NE/4 SE/4	2.50

DR-440 An undivided 1/2 of 20/256 of 5% of 8/8 Overriding Royalty Interest in the following described lands:

All of Section 38, Block 57, T-2, T & P Ry. Co. Survey, containing 640 acres, more or less, pursuant to that certain Assignment of Overriding Royalty dated December 12, 1972, from Geraldine Layton Chapman to Paul L. Davis, et al, recorded in Volume 315, Page 791, Oil & Gas Records of 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.

FILED FOR RECORD ON THE 31st DAY OF December A.D. 1992 AT 1:52 P M.

DULY RECORDED ON THE 31st DAY OF December A.D. 1992 AT 3:30 PM.

CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS.

BY Yvonne Abila DEPUTY

Yvonne Abila

LLOYD HILL

TO

WESTERN NATIONAL BANK

ASSIGNMENT OF OIL & GAS INTERESTS

DATED:	09/16/1994
FILED:	09/23/1994
BOOK/PAGE:	541/456
FILE NUMBER:	389-541-456
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: PROCEEDS OF THE SALE OF OIL AND GAS

FILE #1961-LLOYD HILL TO WESTERN NATIONAL BANK

ASSIGNMENT OF OIL AND GAS PROCEEDS

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

That the undersigned, hereinafter called Assignor, executed a note of even date in the principal amount of $75,000.00 payable to the order of Western National Bank, Odessa, P. O. Drawer F, Kermit, Texas 79745, and which amount with interest is repayable as set out therein, with all principal and interest due on or before October 1, 1997, and the undersigned desires to assign the proceeds of the sale of oil and gas from the oil and gas leasehold interests, described in Exhibit "A", attached hereto, to be applied toward payment of both the principal and interest of the note.

NOW, THEREFORE, for Ten and No/100 Dollars ($10.00) and other good and valuable consideration, and the loan of the amount of the note to Assignor, Assignor does hereby assign, transfer and convey into the Western National Bank the proceeds of the sale of the undersigned's interest of the oil and gas set out in Exhibit "A", the proceeds to be paid on the Note when received, and this Assignment is not in lieu of any monthly payments or the final payment of the note, the Deed of Trust Lien or any judicial remedy of the Noteholder to foreclose its collateral. This Assignment of Proceeds shall be effective until the Kermit State Bank has been repaid the amount of the note, plus interest. This Assignment is expressly applicable to any renewal and extension of the Note without the execution and delivery of a subsequent Assignment.

This Assignment of Proceeds is additional collateral to any Deed of Trust and renewal thereof.

In the event Assignor is in default of any of the terms or provisions of the note, including any renewal and extension of the note, then the Bank, at its sole option, shall have the right to foreclose under any Deed of Trust as to the interests described in Exhibit "A", or seek any other remedy available to the Bank.

Upon Assignor paying all principal and interest of the note and renewals and extensions thereof as provided herein, the Bank shall re-assign to Assignor all interest herein assigned to Bank.

BOOK 541 PAGE 457

This agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, executors, administrators, successors and assigns.

DATED this the 16th day of September, 1994.

Lloyd Hill
Lloyd Hill

THE STATE OF TEXAS §
§
COUNTY OF WINKLER §

This instrument was acknowledged before me on the 21 day of September, 1994, by Lloyd Hill.

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Cathy Teague
Notary Public, State of Texas
Notary's Printed Name: Cathy Teague
My Commission Expires: 5-26-97

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
Lessee: Ford Chapman
Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
Lessor: Sallie Wynne Reynaud
Lessee: Ford Chapman
Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

NORTH CENTRAL CASING PULLERS INC

TO

LLOYD HILL

ASSIGNMENT AND BILL OF SALE

DATED:	09/06/1994
FILED:	09/23/1994
BOOK/PAGE:	541/459
FILE NUMBER:	389-541-459
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 541 PAGE 459

FILE #1962--NORTH CENTRAL CASING PULLERS, INC TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 6 day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between North Central Casing Pullers, Inc., a Texas corporation (hereinafter referred to as "Assignor"), P. O. Box 540, Graham, Texas 76046, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

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4. The Interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the Interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 6 day of ~~August~~ Sept, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

NORTH CENTRAL CASING PULLERS, INC.

By: Gary Egelhoff
Gary Egelhoff, President

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF YOUNG §

This instrument was acknowledged before me on this 6th day of Sept., 1994, by GARY EGELHOFF, President of NORTH CENTRAL CASING PULLERS, INC. a Texas corporation, on behalf of said corporation.

Beverly S. Pixler, Notary Public In and for the State of Texas Commission Expires 07-10-95

Beverly S. Pixler
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September 1994, by Lloyd Hill of ~~corporation, on behalf of said corporation.~~

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/23/97

Cathy Teague
Notary Public, State of Texas

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BOOK 541 PAGE 462

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Send Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3184'

Send Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

LISAT VENTURE

TO

LLOYD HILL

ASSIGNMENT AND BILL OF SALE

DATED:	08/31/1994
FILED:	09/23/1994
BOOK/PAGE:	541/463
FILE NUMBER:	389-541-463
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 541 PAGE 463

FILE #1963-LISAT VENTURE TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 31 day of August, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Lisat Venture, a Texas joint venture (hereinafter referred to as "Assignor"), P. O. Box 28532, Austin, Texas 78755-8532, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 31 day of August, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

LISAT VENTURE

By: Arden R. Grover
Arden R. Grover, Venture Manager

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this 31 day of August, 1994, ARDEN R. GROVER, Venture Manager of LISAT VENTURE, a Texas joint venture, on behalf of said joint venture.

JOANN L UTTERBACK NOTARY PUBLIC STATE OF TEXAS EXPIRES SEPT. 28, 1998

Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill ~~of _____, a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE Notary Public STATE OF TEXAS My Comm. Exp. 05/20/97

Notary Public, State of Texas

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EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
Lessee: Ford Chapman
Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
Lessor: Sallie Wynne Reynaud
Lessee: Ford Chapman
Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

J M C RITCHIE

TO

LLOYD HILL

ASSIGNMENT AND BILL OF SALE

DATED:	09/07/1994
FILED:	09/23/1994
BOOK/PAGE:	541/467
FILE NUMBER:	389-541-467
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 541 PAGE 467

FILE #1964-J.M.C. RITCHIE TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 7th day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and etween J. M. C. Ritchie (hereinafter referred to as "Assignor"), P. O. Box 1383, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

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4. The Interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 7th day of ~~August~~ September, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

By: _____
J. M. C. Ritchie

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 7th day of September, 1994, by J. M. C. RITCHIE.

HOLLY WINFORD
Notary Public, State of Texas
My Commission Expires
1/29/95

Holly Winford
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by _____ of _____ a Texas ~~corporation, on behalf of said corporation.~~ Lloyd Hill

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 08/26/97

Cathy Teague
Notary Public, State of Texas

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EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 480, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3184'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS

J M C RITCHIE JR

TO

LLOYD HILL

ASSIGNMENT AND BILL OF SALE

DATED:	09/01/1994
FILED:	09/23/1994
BOOK/PAGE:	541/471
FILE NUMBER:	389-541-471
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 541 PAGE 471

FILE #1965—J.M.C. RITCHIE JR TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 1 day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between J. M. C. Ritchie, Jr. (hereinafter referred to as "Assignor"), 1701 Bedford Drive, Midland, Texas 79701, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

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4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 1st day of August, September 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

By: J. M. C. Ritchie, Jr.
J. M. C. Ritchie, Jr.

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 1st day of September 1994, by J. M. C. RITCHIE, JR.

NARVIE N. McDONALD
MY COMMISSION EXPIRES
August 1, 1997

Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill of ~~a Texas corporation, on behalf of said corporation~~.

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Notary Public, State of Texas

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EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

BETTY JANE RANDELL

TO

LLOYD HILL

ASSIGNMENT AND BILL OF SALE

DATED:	09/19/1994
FILED:	09/23/1994
BOOK/PAGE:	541/475
FILE NUMBER:	389-541-475
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 541 PAGE 475

FILE #1966–BETTY JANE RANDELL TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 19th day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Betty Jane Randell (hereinafter referred to as "Assignor"), P. O. Box 1383, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

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4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 477

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 19TH day of SEPTEMBER August, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

By: Betty Jane Randell
Betty Jane Randell

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 19TH day of SEPTEMBER 1994, by BETTY JANE RANDELL.

HOLLY WINFORD
Notary Public, State of Texas
My Commission Expires
Jan 29, 1995

Holly Winford
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by ~~Lloyd Hill, of ..... a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/20/97

Cathy Teague
Notary Public, State of Texas

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EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberley Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS

MIGNON R PEARSON

TO

LLOYD HILL

ASSIGN AND BILL OF SALE

DATED:	09/01/1994
FILED:	09/23/1994
BOOK/PAGE:	541/479
FILE NUMBER:	389-541-479
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 541 PAGE 479

FILE #1967–MIGNON R PEARSON TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 1st day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Mignon R. Pearson (hereinafter referred to as "Assignor"), P. O. Box 1461, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 624 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

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4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 1st day of ~~August~~ SEPTEMBER, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

By: Mignon R. Pearson
Mignon R. Pearson

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 1st day of SEPTEMBER 1994, by MIGNON R. PEARSON.

BETTY RANDELL, Notary Public
In and for the State of Texas
My Commission Expires 1-29-98

Betty Randell
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill, ~~of [illegible], a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Cathy Teague
Notary Public, State of Texas

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EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, ,1970
Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
Lessee: Ford Chapman'
Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
Lessor: Sallie Wynne Reynaud
Lessee: Ford Chapman
Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas.

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

ORLA DRILLING FUND NO. 6

TO

LLOYD HILL

ASSIGNMENT AND BILL OF SALE

DATED:	09/07/1994
FILED:	09/23/1994
BOOK/PAGE:	541/483
FILE NUMBER:	389-541-483
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 541 PAGE 483

FILE #1968-ORLA DRILLING FUND NO. 6 TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 7th day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Orla Drilling Fund No. 6, a limited partnership (hereinafter referred to as "Assignor"), P. O. Box 1383, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The Interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

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BOOK 541 PAGE 485

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 7th day of ~~August~~ September, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

ORLA DRILLING FUND NO. 6

By: _____
J. M. C. RITCHIE, General Partner

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 7th day of September, 1994, by J. M. C. RITCHIE, General Partner of ORLA DRILLING FUND NO. 6, a limited partnership, on behalf of said partnership.

HOLLY WINFORD
Notary Public, State of Texas
My Commission Expires
1/03/95

Holly Winford
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill, ~~of _____, a Texas corporation, on behalf of said corporation~~.

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Cathy Teague
Notary Public, State of Texas

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3

BOOK 541 PAGE 486

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS

ORLA PETCO INC

TO

LLOYD HILL

ASSIGNMENT AND BILL OF SALE

DATED:	08/30/1994
FILED:	09/23/1994
BOOK/PAGE:	541/487
FILE NUMBER:	389-541-487
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 541 PAGE 487

FILE #1969-ORLA PETCO, INC. TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 30th day of August, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Orla Petco, Inc., a ~~Texas~~ Corporation (hereinafter referred to as "Assignor"), P. O. Box 1383, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

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4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expresly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 30TH day of August, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

ORLA PETCO, INC.

By: Joseph Raybal
Name: Joseph Raybal
Title: Vice President

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 30TH day of AUGUST, 1994, by Joseph Raybal, VICE-PRESIDENT of ORLA PETCO, INC., a ~~Texas~~ corporation, on behalf of said corporation.

BETTY RANDELL, Notary Public
In and for the State of Texas
My Commission Expires 1-14-95

Betty Randell
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September 1994, by Lloyd Hill, ~~of~~ ~~a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Notary Public, State of Texas

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3

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:44P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

JUDSON F WILLIAMS ET UX

TO

STATEWIDE MINERALS LC

DEED

DATED:	10/24/1994
FILED:	11/14/1994
BOOK/PAGE:	543/633
FILE NUMBER:	389-543-633
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: SEE PARAGRAPH (B)

BOOK 543 PAGE 633

FILE NO. 2502 JUDSON F. WILLIAMS TO STATEWIDE MINERALS, L.C.

Real Property Deed

For value received, JUDSON F. WILLIAMS, 4200 OKEEFE DRIVE , EL PASO, TX 79902-1318 hereafter referred to as "Grantor", does hereby grant and convey to Statewide Minerals, L. C. , hereafter referred to as "Grantee", whose mailing address is P. O. Box 10369, Midland, Texas 79702, the following:

(a) all interest of Grantor in oil, gas and other minerals in and under and that may be produced from the following described lands in Reeves County, Texas, to wit:

T&P BLK 57- 2 SEC 38,

together with appropriate rights of ingress and egress but such interest being subject to existing leases insofar as they cover the above land; and

(b) the interest, if any, of Grantor in leases covering the mineral estate in the above land and in royalties and overriding royalties and delay rentals and other benefits payable with respect to such leases.

Grantor appoints and constitutes Grantee as the agent and attorney-in-fact of Grantor for the limited purpose of executing on behalf of Grantor division and transfer orders and other instruments as may be appropriate to effectuate the transfer to Grantee. This Power of Attorney is not affected by subsequent disability on incapacity of the principal. This conveyance is effective the first day of the month in which Grantor executes this Deed; and Grantee is to receive all accrued sums allocable to the grant herein made which have not heretofore been disbursed to Grantor.

This conveyance is made with warranty of title by, through and under Grantor only but is made with full subrogation of Grantee to all rights of Grantor with respect to warranties of title heretofore given by persons other than Grantor concerning the property interests herein conveyed.

Dated: Oct. 24, 1994

Grantor: JUDSON F. WILLIAMS

Judson F. Williams

Grantor:

Jackie R. Williams

Social Security or Tax ID #: _____

********ACKNOWLEDGEMENT********

State of Texas
County of El Paso

This instrument was acknowledged before me on this 24th day of October 1994, by Wanda Culberson

Wanda Culberson
Notary Public, State of Texas
My commission expires 2-28-97

WANDA CULBERSON NOTARY PUBLIC STATE OF TEXAS COMM. EXP. 02/28/97

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.

FILED FOR RECORD ON THE 14th DAY OF NOVEMBER A.D. 1994 AT 3:18P M.

DULY RECORDED ON THE 15th DAY OF NOVEMBER A.D. 1994 AT 8:30A M.

BY: Yvonne Avila DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

THE ESTATE OF MARGARET C COLLINS ET AL

TO

COLLINS PARTNERS LTD

CONVEYANCE

DATED:	11/09/1994
FILED:	11/28/1994
BOOK/PAGE:	544/315
FILE NUMBER:	389-544-315
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 20/256 ORRI

FILE #2625-W B COLLINS ET AL TO MICHAEL B COLLINS ET AL

CONVEYANCE

STATE OF TEXAS §
§
COUNTY OF REEVES §

W. B. Collins, also known as Walter B. Collins, and Michael B. Collins, Independent Executor of the Estate of Margaret C. Collins, Deceased ("Grantor") for sufficient consideration the receipt of which is acknowledged hereby, grant, assign and convey to Collins Partners, Ltd., a Texas limited partnership whose managing partners are Michael B. Collins and Charles M. Collins, 5000 Burnet Road, Austin, Texas 78756 ("Grantee"), all of Grantor's interest in oil, gas, and other minerals, in land, and in oil, gas and mineral leaseholds (including overriding royalties, production payments and net profits interests) in REEVES County, Texas, together with all personal property, equipment and fixtures used or obtained in connection therewith.

The interests being conveyed to Grantee in REEVES County, Texas, are believed to be as shown in Exhibit "A", attached hereto and made a part hereof for all purposes, however, this conveyance covers all of Grantor's interest in oil, gas and other minerals, in land, and in oil, gas and mineral leaseholds (including overriding royalties, production payments and net profits interests) in REEVES County, Texas, without regard to the accuracy of the descriptions set out in Exhibit "A".

The interests herein conveyed are subject to all valid and subsisting grazing leases, oil, gas and mineral leases, unitization and pooling agreements of record pertaining to the interests herein conveyed.

Grantor agrees to execute such other instruments as may be necessary to effectuate the conveyance herein made.

Grantor warrants and agrees to defend title to the interest conveyed against the lawful claims of all persons claiming by, through or under Grantor, but not otherwise.

Executed on November 9, 1994, but effective for all purposes as of October 31, 1993.

W. B. Collins

Michael B. Collins, Independent Executor of the Estate of Margaret C. Collins

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this 9th day of Nov, 1994 by W. B. COLLINS.

TONY DEGOLLADO
Notary Public, State of Texas
My Commission Expires Aug. 31, 1996

Notary Public in and for the State of Texas

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this 9th day of Nov, 1994 by MICHAEL B. COLLINS, Independent Executor of the Estate of Margaret C. Collins.

TONY DEGOLLADO
Notary Public, State of Texas
My Commission Expires Aug. 31, 1996

Notary Public in and for the State of Texas

BOOK 544 PAGE 316

EXHIBIT 'A'

Property Exhibit

Attached to and made a part of conveyance from W. B. Collins and Michael B. Collins, Executor of the Estate of Margaret C. Collins, Deceased (Grantor) in favor of Collins Partners, Ltd., (Grantee), dated November 9, 1994, effective for all purposes October 31, 1993.

County of Reeves, State of Texas

214 **A Mineral interest ownership in the following described tracts:**

Fraction	Description	Section/Blk	Township/Range	Survey
1/8	See Tract One Below	21	2	H & GN
1/8	See Tract Two Below	23	2	H & GN

Extended Description

Tract One:
S/2 NW/4 and E/2 NW/4 NW/4 and S/2 NE/4 and NW/4 NE/4 and E/2 SW/4 and N/2 SE/4 SE/4 SE/4 of Sec 21, Block 2, H & GN RR Co, Abstract No 372, Reeves, County, Texas, containing 420 acres.

Tract Two:
NW/4 and S/2 NE/4 and NW/4 NE/4 and N/2 SW/4 and SE/4 SW/4 and NE/4 SE/4 of Sec 23, Block 2, H & GN RR Co, Abstract No 373, Reeves County, Texas, containing 440 acres.

215 **A Mineral interest ownership in the following described tracts:**

Fraction	Description	Section/Blk	Township/Range	Survey
3/8	NW/4 SE/4 NE/4	18	2	H & GN
3/16	NE/4 SW/4 SE/4	18	2	H & GN
3/16	N/2 NW/4 NE/4 SE/4	18	2	H & GN

216 **A Mineral interest ownership in the following described tracts:**

Fraction	Description	Section/Blk	Township/Range	Survey
1/8	E/2 SE/4	18	2	H & GN
1/16	Tracts 25, 31-34, 38-43, 48	18	2	H & GN

217 **A Mineral interest ownership in the following described tracts:**

Fraction	Description	Section/Blk	Township/Range	Survey
1/16	N/2 & SE/4	13	2	H & GN

218 **A Mineral interest ownership in the following described tracts:**

Fraction	Description	Section/Blk	Township/Range	Survey
80/360	1a Out Of	25	C-7	PSL
90/360	S/2 & NE/4 & W/2 NW/4	10	C-7	PSL
80/360	SW/4 & SE/4 & SW/4 NW/4	17	C-7	PSL

219 An Overriding Royalty interest ownership in the following described tracts:

Fraction	Description	Section/Blk	Township/Range	Survey
20/256	ALL	39 57	T-2 -	T & P (MCL)

220 A Mixed Interest ownership in the following described tracts:

Fraction	Description	Section/Blk	Township/Range	Survey
1/8 FEE	S/2	4 7		H & GN (MCL)
1/256 ORR	S/2	4 7		H & GN (MCL)

267 A Surface Only ownership in the following described tracts:

Fraction	Description	Section/Blk	Township/Range	Survey
SURFACE	S/2 & SW/4 NW/4	17 C-7		

273 FEE ownership in the following described tracts:

Fraction	Description	Section/Blk	Township/Range	Survey
7/32 less 1/16	N/2 NE/4 & SW/4 NE/4	14 56	T-5 -	PSL

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.

FILED FOR RECORD ON THE 28TH DAY OF NOVEMBER A.D. 1994 AT 9:14A M.

DULY RECORDED ON THE 28TH DAY OF NOVEMBER A.D. 1994 AT 3:00P M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

OASIS PIPE LINE CO

TO

WESTERN GAS RESOURCES TEXAS

ASSIGNMENT AND CONVEYANCE

DATED:	12/05/1994
FILED:	12/12/1994
BOOK/PAGE:	544/696
FILE NUMBER:	2730
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

544/696

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FILE #2730–OASIS PIPE LINE COMPANY TO WESTERN GAS RESOURCES–TEXAS INC.

ASSIGNMENT AND CONVEYANCE OF EASEMENTS, RIGHTS-OF-WAY, LEASES, PERMITS, AND LICENSES

REEVES COUNTY

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

That, OASIS PIPE LINE COMPANY ("Grantor"), of Harris County, in the State aforesaid, for and in consideration of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, to Grantor in hand paid by WESTERN GAS RESOURCES - TEXAS, INC. ("Grantee"), receipt of which is hereby acknowledged, have GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL, and CONVEY, unto the said Grantee of Denver, Adams County, the State of Colorado, all those certain easements, rights-of-way, leases, permits, and licenses described in **Exhibit A** hereto.

To have and to hold the above-described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantee, its successors or assigns, forever. And Grantor hereby binds itself, its successors, executors, assigns, and administrators to warrant and forever defend all and singular the premises unto the said Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by through or under Grantor, but not otherwise subject to:

(i) any liens for taxes and assessments not yet delinquent or, if delinquent, that are being contested in good faith in the ordinary course of business and which are set forth on **Exhibit B** hereof;

(ii) any obligations or duties reserved to or vested in any municipality or other Governmental Authority to contract or regulate said property in any manner, all applicable Laws and all applicable rules and orders of any Governmental Authority;

(iii) the terms and conditions of all leases, servitudes, easements or other contracts set forth on or described in the **Exhibit C** hereof;

(iv) post-closing consents of governmental or other entities, all as identified as "Grantor" on **Exhibit A** hereof; and

(v) there are no adverse claims, easements, rights-of-way, servitudes, permits, surface leases and other rights with respect to surface obligations, pipelines, grazing, logging, canals, ditches, reservoirs, or the like, conditions, deeds of

HGHOU1:MARTING/136142

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trust, covenants or other restrictions, and easements of streets, alleys, highways, pipelines, telephone lines, power lines, railways, and other easements and rights-of-way on, over or in respect of any of the Assets, so long as individually or in the aggregate they do not have a Material Adverse Effect on or interference with the operation of the Assets (as such terms are defined and described in that certain Purchase and Sale Agreement dated October 27, 1994, by and between Grantor and Grantee and further subject to the limitations and conditions thereof).

Witness my hand this 5th day of December, 1994, to be effective as of 12:01 A. M. on December 1, 1994.

OASIS PIPE LINE COMPANY

By: _____
Jerry A. Leffingwell
Commercial Vice President

Address of Grantee:

Western Gas Resources - Texas, Inc.
12200 N. Pecos Street
Denver, Colorado 80234

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on 5th day of December, 1994, by Jerry A. Leffingwell, Commercial Vice President, of OASIS PIPE LINE COMPANY, a Delaware corporation, on behalf of said company.

NOTARY PUBLIC STATE OF TEXAS
SANDRA K. GRIMES
Notary Public, State of Texas
My Commission Expires Aug. 5, 1997

_____
Notary Public in and for the
State of T E X A S

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Reflects Records Entered as of 7/25/2012

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
Arco-Trees	Waha Field	001-1904	01	Reeves	Henry A. Bergstrom and Pettsburgh National Bank, Co-Trustees of the Est. of Edith L. Trees, Dec'd, & Co-Gaurdians of the Est. of Joe Benedum Trees	Intratex Gas Company	04/15/71	303	124	Deed	NO
Arno (Wildcat Field)	American Quasar-Piper #1-Wildcat Fld.	001-1935	01-001	Reeves	Petroleum Corporation of Texas	Oasis Pipe Line Company	08/27/75	334	671	Deed	NO
	American Quasar-Piper #1-Wildcat Fld.	001-1935	01-002	Reeves	Petroleum Corporation of Texas, and Bob Dean	Oasis Pipe Line Company	08/14/75	334	673	Deed	NO
	American Quasar-Piper #1-Wildcat Fld.	001-1935	02-001	Reeves	Dorothy J. Williams	Oasis Pipe Line Company	08/25/75	334	693	Deed	NO
	American Quasar-Piper #1-Wildcat Fld.	001-1935	02-002	Reeves	Ruth M. Vaughan	Oasis Pipe Line Company	08/27/75	334	695	Deed	NO
	American Quasar-Piper #1-Wildcat Fld.	001-1935	02-003	Reeves	Brenda Vaughan Petke	Oasis Pipe Line Company	08/25/75	334	686	Deed	NO
	American Quasar-Piper #1-Wildcat Fld.	001-1935	02-004	Reeves	Nancy Vaughan Ridgley	Oasis Pipe Line Company	08/27/75	334	689	Deed	NO
	American Quasar-Piper #1-Wildcat Fld.	001-1935	02-005	Reeves	Mabelle McElvain Miller and James M. Raymond	Oasis Pipe Line Company	08/15/75	334	683	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
Arno (Wildcat	American Quasar-Piper #1-Wildcat Fld.	001-1935	02-006	Reeves	Mary Dee Fisher	Oasis Pipe Line Company	08/28/75	334	691	Deed	NO
	American Quasar-Piper #1-Wildcat Fld.	001-1935	03	Reeves	Maurice Meyer Jr., George C. Fraser, III, and George A. Wilson, as Trustees of Texas Pacific Land Trust	Oasis Pipe Line Company	08/18/75	334	697	Deed	NO
	American Quasar-Piper #1-Wildcat Fld.	001-1935	04	Reeves	Janis W. Piper	Oasis Pipe Line Company	08/22/75	334	681	Deed	NO
	MiVida	002-1935	01	Reeves	Janis W. Piper	Oasis Pipe Line Company	07/26/76	345	379	Deed	NO
	MiVida	002-1935	02	Reeves	Texas Pacific Land Trust	Oasis Pipe Line Company	07/22/76	339	639	Deed	NO
	MiVida	002-1935	03	Reeves	W. H. Betts	Oasis Pipe Line Company	07/21/76	345	59	Deed	NO
Aylesworth	Aylesworth Field 6" Line	001-1951	01	Reeves	Blake Oil and Gas Corporation, R. W. Blake	Oasis Pipe Line Company	05/01/79	374	230	Deed	NO
	Aylesworth Field 6" Line	001-1951	02	Reeves	W. A. Halamicek, Jr.	Oasis Pipe Line Company	05/01/79	374	149	Deed	NO
	Aylesworth Field 6" Line	001-1951	03 & 05	Reeves	Texas Pacific Land Trust	Oasis Pipe Line Company	05/07/79	376	387	Deed	NO
	Aylesworth Field 6" Line	001-1951	04	Reeves	Sabine Corporation	Oasis Pipe Line Company	05/01/79	374	227	Deed	NO
	Aylesworth Field 6" Line	001-1951	06	Reeves	Andover Oil Company	Oasis Pipe Line Company					NO

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Reflects Records Entered as of 7/25/2012

2730 - DEED RECORDS

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
Aylesworth	Aylesworth Field 6" Line	001-1951	07	Reeves	Patricia Louise Aylesworth, Jaqueline Sue Alyesworth, Edward Warren Aylesworth, Jr., and Jeffery Lynn Aylesworth	Oasis Pipe Line Company	07/29/79	378	282	Deed	NO
Bateman	King Edwards Field 4"	018-1950	01	Reeves	W. W. Oatman, Mabel Clark Reed and Rita Reed George	Intratex Gas Company	06/24/86	468	631	Deed	NO
	King Edwards Field 4"	D18-1950	02	Reeves	State of Texas	Intratex Gas Company	07/03/86	468	770	Deed	YES
MiVida	American Quasar-1-23 Well Tie In	017-1910	01	Reeves	Joe A. Worsham by Joseph Irion Worsham his agent & Atty. in Fact	Oasis Pipe Line Company	10/13/75	335	308	Deed	NO
	American Quasar-Worsham 1-20 Well Tie-in	018-1910	01	Reeves	Joseph Irion Worsham, Ind. Ex. of the Estate of Joe A. Worsham	Oasis Pipe Line Company	01/12/77	344	1	Deed	NO
	Arno Field 4" Line	001-1970	01	Reeves	Ned S. Marrow	Oasis Pipe Line Company	12/10/82	427	800	Deed	NO
	Arno Field 4" Line	002-1961	01	Reeves	August C. Sievers, Jr., Trustee	Oasis Pipe Line Company	09/22/80	395	480	Deed	NO
	Arno Field 4" Line	002-1961	02	Reeves	Margret L. Marmaduke Estate, by Sam H. Marmaduke Ind. Ex.	Oasis Pipe Line Company	09/29/80	395	478	Deed	NO
	Arno Field 4" Line	002-1961	03	Reeves	State of Texas	Oasis Pipe Line Company	11/07/90	506	625	Deed	YES

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Reflects Records Entered as of 7/25/2012

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	Arno Field 6" Line	001-1961	01	Reeves	N. S. Marrow	Oasis Pipe Line Company	06/17/81	406	347	Deed	NO
	Arno Field 6" Line	001-1961	02	Reeves	N. S. Marrow	Oasis Pipe Line Company	09/05/80	406	349	Deed	NO
	Arno Field 6" Line	001-1961	03	Reeves	Billy H. Hubbs, et al, Jack Hawkins, Louis Roberson Estate	Oasis Pipe Line Company	09/19/80	396	574	Deed	NO
	Arno Field 6" Line	001-1961	04	Reeves	August C. Sievers, Jr., Trustee	Oasis Pipe Line Company	09/22/80	395	483	Deed	NO
	Arno Field 6" Line	001-1961	RRX	Reeves	The Atchison, Topeka and Sante Fe Railway Company	Oasis Pipe Line Company	09/11/80				YES
	Atlantic-Dunagan	014-1902	02	Reeves	Leila Snow Eiken, et vir Sigmind Eiken	Intratex Gas Company	08/31/72	312	711	Deed	NO
	Atlantic-Dunagan	014-1902	03	Reeves	E. C. Schwalbe	Intratex Gas Company	08/24/72	312	709	Deed	NO
	Atlantic-Dunagan	014-1902	04	Reeves	James L. Sears	Intratex Gas Company	09/11/72	312	878	Deed	NO
	MiVida	003-3077	01, 02 & 03	Reeves	James L. Sears	Intratex Gas Company	11/19/69	289	3	Deed	NO
	MiVida	003-3077	04 & 06	Reeves	Ethel Schwalbe	Intratex Gas Company	11/17/69	288	863	Deed	NO
	MiVida	003-3077	05	Reeves	Leila Snow Eiken, et vir Sigmund Eiken	Intratex Gas Company	11/20/69	289	1	Deed	NO
	MiVida	003-3077	07	Reeves	J. R. Humphrey, Martha Jo	Intratex Gas Company	09/09/70	294	567	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	MiVida				Humphrey Muirhead, Lillian Humphrey Rhea						
	MiVida	003-3077	08	Reeves	Mary C. Zeman joined by her husband V. J. Zeman	Intratex Gas Company	09/14/70	294	422	Deed	NO
	MiVida	003-3077	09	Reeves	Humbolt Mandell	Intratex Gas Company	02/14/78	357	437	Deed	NO
	MiVida	003-3077	Canal Crossing	Reeves	Reeves County Water Improvement District No. 2	Intratex Gas Company	02/26/70	291	213	Deed	NO
	MiVida 4" Line	073-1902	02	Reeves	H. L. Brown, Jr.	Oasis Pipe Line Company	02/23/83	437	291	Deed	NO
	MiVida 4" Line	073-1902	03	Reeves	Ione S. P. Korth, Marjorie Ann Burns, Curtis Petrey, Ida Evelyn Poindexter Petrey, Susan Lynn Petry, Joyce Jean Petrey Head, Evelyn Ann Petrey Anderson, Ronald Craig Burns, & Marcus Paul Burns, Jr.	Oasis Pipe Line Company	03/03/83	432	332	Deed	NO
	MiVida 4" Line	073-1902	04	Reeves	B. E. Quinn III, Robert G. Quinn, Patrick J. Quinn, Richard H. Quinn & The B. E. Quinn, Sr. Texas Testamentary Trust FBO Richard H. Quinn	Oasis Pipe Line Company	03/31/83	430	813	Deed	NO
	MiVida Field Greasewood 12" Crossover	018-1902	01	Reeves	J. R. Humphrey, et ux Marana O. Humphrey, Lillian Humphrey Rhea,	Intratex Gas Company	11/26/71	307	173	Deed	NO

Reflects Records Entered as of 7/25/2012

EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	MiVida Field				Martha Jo Humphrey Muirhead						
	MiVida Field Greasewood 12" Crossover	018-1902	02	Reeves	Edna Stephens	Intratex Gas Company	11/25/72	316	557	Deed	NO
	MiVida Field Greasewood 12" Crossover	018-1902	02A	Reeves	Atchison, Topeka and Santa Fe Railway Company	Intratex Gas Company	12/04/72				YES
	MiVida Field Greasewood 12" Crossover	018-1902	03	Reeves	Gulf Oil Corporation	Intratex Gas Company	11/27/72	316	559	Deed	NO
	MiVida Field Greasewood 12" Crossover	018-1902	04	Reeves	Jim Camp Estate by Keith Camp, Executor, Mary Catherine Couch Zeman, V. J. Zeman	Intratex Gas Company	11/29/72	316	674	Deed	NO
	MiVida Field Greasewood 12" Crossover	018-1902	05	Reeves	Dorothy H. Daniels and James Wilson	Intratex Gas Company	12/05/72	316	676	Deed	NO
	MiVida Field Greasewood 12" Crossover	018-1902	06	Reeves	B. E. Quinn, Jr., B. E. Quinn III, Robert G. Quinn, J. B. Morris and Bertha S. Quinn, Trustees of the B. E. Quinn, Sr. Texas Testamentary Trusts, B. B. Quinn III, Ind, Patrick J. Quinn & B. E. Quinn Jr. Gaurd Est Richard H. Quinn	Intratex Gas Company	12/26/72	318	716	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	MiVida Field Greasewood 12" Crossover	018-1902	Canal Crossing	Reeves	Reeves County Water Improvement	Intratex Gas Company	11/28/72				NO
	Orla to MiVida 16" Line	001-1918	01	Reeves	Lelia Snow Eiken	Oasis Pipe Line Company	02/16/76	337	472	Deed	NO
	Orla to MiVida 16" Line	001-1918	01A	Reeves	E. C. Schwalbe	Oasis Pipe Line Company	03/06/76	337	549	Deed	NO
	Orla to MiVida 16" Line	001-1918	01B	Reeves	E. C. Schwalbe	Oasis Pipe Line Company	03/06/76	337	551	Deed	NO
	Orla to MiVida 16" Line	001-1918	02 & 06	Reeves	Evangeline S. Mandell, Humboldt C. Mandell, Jr., and Madeline Mandell	Oasis Pipe Line Company	03/12/76	346	347	Oil and Gas	NO
	Orla to MiVida 16" Line	001-1918	03	Reeves	Joe Bob Kelton, Jim Tom Kelton and Melba K. Younce	Oasis Pipe Line Company	03/08/76	337	553	Deed	NO
	Orla to MiVida 16" Line	001-1918	04	Reeves	Exxon Corporation	Oasis Pipe Line Company	03/31/76	343	436	Oil and Gas	YES
	Orla to MiVida 16" Line	001-1918	05	Reeves	Rex V. Havis and Hoyt N. Havis	Oasis Pipe Line Company	03/12/76	346	336	Oil and Gas	NO
	Orla to MiVida 16" Line	001-1918	07	Reeves	Robert B. Snodgrass, et. ux., Mary E. Snodgrass	Oasis Pipe Line Company	03/10/76	337	574	Deed	NO
	Orla to MiVida 16" Line	001-1918	07A	Reeves	Reeves County Water Improvement District No. 2	Oasis Pipe Line Company					NO

2730 - DEED RECORDS

Reflects Records Entered as of 7/25/2012

EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MIVIDA	Orla to MiVida 16" Line	001-1918	08	Reeves	Jack E. Blake, et. al.	Oasis Pipe Line Company	02/25/76	337	474	Deed	NO
	Orla to MiVida 16" Line	001-1918	08A	Reeves	Atchison, Topeka & Santa Fe Railroas	Oasis Pipe Line Company	03/09/76				YES
	Orla to MiVida 16" Line	001-1918	08B	Reeves	State of Texas Highway Department	Oasis Pipe Line Company	03/01/76				NO
	Orla to MiVida 16" Line	001-1918	10	Reeves	Ester L. Mendoza, widow of Ralhael Mendoza	Oasis Pipe Line Company	02/23/76	377	373	Deed	NO
	Orla to MiVida 16" Line	001-1918	11	Reeves	Floyd D. Redigger, et. ux., Nancy E. Redigger	Oasis Pipe Line Company	05/18/76	338	645	Deed	NO
	Orla to MiVida 16" Line	001-1918	11A	Reeves	Reeves County Water Improvement District No. 2	Oasis Pipe Line Company	03/10/76	337	579	Deed	NO
	Orla to MiVida 16" Line	001-1918	12	Reeves	John Redigger, et ux., Carol Redigger	Oasis Pipe Line Company	05/18/76	338	692	Deed	NO
	Orla to MiVida 16" Line	001-1918	13	Reeves	State of Texas	Oasis Pipe Line Company	03/08/86	468	782	Deed	YES
	Orla to MiVida 16" Line	001-1918	14 & 30	Reeves	J. J. Meeker, L. H. Meeker, L. H. Meeker and First National Bank of Fort Worth, Co-Independent Executors of the Estate of W. W. Meeker, Decd.	Oasis Pipe Line Company	08/25/76	346	340	Deed	NO
	Orla to MiVida	001-1918	15, 31 &	Reeves	James Robert Hill,	Oasis Pipe Line Company	03/22/76	337	746	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MIVIDA	16" Line		38A		Individually and as Independent Executor of the Estate of Emma e. Hill and Virginia Glenn Hill Lattimore						
	Orla to MiVida 16" Line	001-1918	16	Reeves	State National Bank of El Paso	Oasis Pipe Line Company	04/02/76	337	895	Deed	NO
	Orla to MiVida 16" Line	001-1918	17	Reeves	State of Texas	Oasis Pipe Line Company	03/08/86	468	776	Deed	YES
	Orla to MiVida 16" Line	001-1918	18	Reeves	Robert S. Rawlins, et. ux. Lalla C. Rawlins	Oasis Pipe Line Company	03/24/76	338	184	Deed	NO
	Orla to MiVida 16" Line	001-1918	19	Reeves	El Paso Natural Gas Company	Oasis Pipe Line Company	07/19/76	345	377	Oil and Gas	NO
	Orla to MiVida 16" Line	001-1918	20, 62, 65, 67, 69	Reeves	Texas Pacific land Trust	Oasis Pipe Line Company	04/30/76	338	559	Deed	NO
	Orla to MiVida 16" Line	001-1918	21	Reeves	First National Bank of Brenham	Oasis Pipe Line Company	03/11/76	337	577	Deed	NO
	Orla to MiVida 16" Line	001-1918	24	Reeves	Una F. Clark and Jack Clark	Oasis Pipe Line Company	03/15/76	337	643	Deed	NO
	Orla to MiVida 16" Line	001-1918	24	Reeves	Una F. Clark and Jack Clark	Oasis Pipe Line Company	03/15/76	337	645	Deed	NO
	Orla to MiVida 16" Line	001-1918	25	Reeves	Jane Dean Sudderth, Katherine Dean Crews, Katherine Dean Hill,	Oasis Pipe Line Company	03/27/76	339	23	Deed	NO

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Reflects Records Entered as of 7/25/2012

Reflects Records Entered as of 7/25/2012

EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MIVIDA	Orla to MiVida				William Walters Dean, Dorothy F. Dean and Bob Dean						
	Orla to MiVida 16" Line	001-1918	25-001	Reeves	Jane Dean Sudderth, Katherine Dean Crews, Katherine Dean Hill, William Walters Dean, Dorothy F. Dean and Bob Dean	Oasis Pipe Line Company	03/01/76	337	587	Deed	NO
	Orla to MiVida 16" Line	D01-1918	25-002	Reeves	Jane Dean Sudderth, Katherine Dean Crews, Katherine Dean Hill, William Walters Dean, Dorothy F. Dean and Bob Dean	Oasis Pipe Line Company	08/19/76	343	338	Deed	NO
	Orla to MiVida 16" Line	D01-1918	27	Reeves	Vera A. Bond	Oasis Pipe Line Company	03/01/76	337	547	Deed	NO
	Orla to MiVida 16" Line	001-1918	27	Reeves	Vera A. Bond	Oasis Pipe Line Company	07/30/76	339	441	Deed	NO
	Orla to MiVida 16" Line	D01-1918	28	Reeves	State of Texas	Oasis Pipe Line Company	03/11/86	468	794	Deed	YES
	Orla to MiVida 16" Line	001-1918	29	Reeves	August C. Sievers, Jr., Trustee	Oasis Pipe Line Company	08/16/76	339	757	Oil and Gas	NO
	Orla to MiVida 16" Line	001-1918	29 & 32	Reeves	August C. Sievers, Jr., Trustee	Oasis Pipe Line Company	03/23/76	337	845	Deed	NO
	Orla to MiVida	001-1918	33	Reeves	State of Texas	Oasis Pipe Line Company	03/08/86	486	788	Deed	YES

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MIVIDA	16" Line										
	Orla to MiVida 16" Line	001-1918	34 & 35	Reeves	Wesco Materials Corporation	Oasis Pipe Line Company	04/20/76	338	186	Deed	NO
	Orla to MiVida 16" Line	001-1918	35A	Reeves	Robert G. Werner	Oasis Pipe Line Company	03/19/76	337	639	Deed	NO
	Orla to MiVida 16" Line	001-1918	37	Reeves	August C. Sievers, Jr., Trustee	Oasis Pipe Line Company	03/23/76	337	843	Deed	NO
	Orla to MiVida 16" Line	001-1918	38	Reeves	Dorothy M. Hinds, et vir Dr. C. E. Hinds	Oasis Pipe Line Company	03/29/76	337	769	Deed	NO
	Orla to MiVida 16" Line	001-1918	39	Reeves	State of Texas	Oasis Pipe Line Company	03/15/86	468	800	Deed	YES
	Orla to MiVida 16" Line	001-1918	40	Reeves	Barney Hubbs, et al	Oasis Pipe Line Company	03/05/76	337	545	Deed	NO
	Orla to MiVida 16" Line	001-1918	41 & 44	Reeves	August C. Sievers, Jr. Trustee	Oasis Pipe Line Company	03/23/76	337	840	Deed	NO
	Orla to MiVida 16" Line	001-1918	42	Reeves	Nell Anderson Harrison, Indv. & as Indp. Executrix of the Estate of Ollie pruitt Anderson, Deceased, and as Trustee under the Will of Ollie Pruitt Anderson, Deceased	Oasis Pipe Line Company	03/15/76	337	619	Deed	NO
	Orla to MiVida 16" Line	001-1918	45	Reeves	Jesse W. Bush	Oasis Pipe Line Company	03/08/76	337	555	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	Orla to MiVida 16" Line	001-1918	46	Reeves	Mildred Woodcock Leker, et al	Oasis Pipe Line Company	04/16/76	338	398	Deed	NO
	Orla to MiVida 16" Line	001-1918	47	Reeves	Cynthia L. Monroe, et al, Trustee	Oasis Pipe Line Company	04/03/76	338	461	Deed	NO
	Orla to MiVida 16" Line	001-1918	48	Reeves	Nell Anderson Harrison et al	Oasis Pipe Line Company	03/15/76	337	616	Deed	NO
	Orla to MiVida 16" Line	001-1918	50	Reeves	Cynthia L. Monroe et al	Oasis Pipe Line Company	04/03/76	338	459	Deed	NO
	Orla to MiVida 16" Line	001-1918	52	Reeves	The Allar Company	Oasis Pipe Line Company	03/12/76	337	641	Deed	NO
	Orla to MiVida 16" Line	001-1918	53	Reeves	H. T. Harrison et al	Oasis Pipe Line Company	03/12/76	337	614	Deed	NO
	Orla to MiVida 16" Line	001-1918	54	Reeves	Cynthia L. Monroe, et al	Oasis Pipe Line Company	04/03/76	338	463	Deed	NO
	Orla to MiVida 16" Line	001-1918	55	Reeves	L. E. Patterson, Jr. et al	Oasis Pipe Line Company	03/26/76	337	772	Deed	NO
	Orla to MiVida 16" Line	001-1918	56, 57, 58, 60	Reeves	Herman A. Lindley	Oasis Pipe Line Company	06/15/76	339	274	Deed	YES
	Orla to MiVida 16" Line	001-1918	61	Reeves	Harold C. Dudley	Oasis Pipe Line Company	03/22/76	337	744	Deed	NO
	Orla to MiVida 16" Line	001-1918	63 & 64	Reeves	George R. Brown	Oasis Pipe Line Company	12/23/76	343	234	Deed	NO
	Orla to MiVida	001-1918	66A	Reeves	Harold L. Ambler	Oasis Pipe Line Company	04/22/76	338	214	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	16" Line										
	Orla to MiVida 16" Line	001-1918	66B	Reeves	Guy N. Carter	Oasis Pipe Line Company	04/10/76	338	45	Deed	NO
	Orla to MiVida 16" Line	001-1918	66C	Reeves	Doris A. Sanders	Oasis Pipe Line Company	04/09/76	338	047	Deed	NO
	Orla to MiVida 16" Line	001-1918	66D	Reeves	John L. May	Oasis Pipe Line Company	03/31/76	337	850	Deed	NO
	Orla to MiVida 16" Line	001-1918	66D	Reeves	Willaim G. Kuehn	Oasis Pipe Line Company	04/16/76	338	55	Deed	NO
	Orla to MiVida 16" Line	001-1918	66E	Reeves	Clark J. Crawford	Oasis Pipe Line Company	04/09/76	338	53	Deed	NO
	Orla to MiVida 16" Line	001-1918	66F	Reeves	Phillip B. Johnson	Oasis Pipe Line Company	03/31/76	338	179	Deed	NO
	Orla to MiVida 16" Line	001-1918	68	Reeves	Lela May Wynne et al	Oasis Pipe Line Company	03/16/76	338	655	Deed	NO
	Orla to MiVida 16" Line	001-1918	HWY 285	Reeves	Texas Highway Department	Oasis Pipe Line Company	03/04/76				NO
	Orla to MiVida 16" Line	001-1918	SH 302	Reeves	Texas Highway Department	Oasis Pipe Line Company	04/04/76				NO
	R. C. Chapman Field 12" Line	001-1950	03A, 038, 06, 07, 08, 09 & 16	Reeves	State of Texas	Intratex Gas Company	12/15/87	488	391	Deed	YES

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	R. C. Chapman Field 12" Line	001-1950	10	Reeves	Commercial National Bank Shreveport, Trustee for Ama Norfleet Neal, Julia Norfleet Hearne, Virginia Norfleet Sibley	Oasis Pipe Line Company	11/04/77	355	314	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	11	Reeves	James Robert Hill, Individually and as Independent Executor of the Estate of Emma E. Hill and Virginia Lattimore and Emma Hill	Oasis Pipe Line Company	09/28/77	354	130	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	12	Reeves	Atlantic Richfield Company	Oasis Pipe Line Company	09/26/77	354	135	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	14, 17, 19 & 21	Reeves	Texas Pacific Land Trust	Oasis Pipe Line Company	09/12/77	353	386	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	18-001	Reeves	The First National Bank of Midland, Trustee	Oasis Pipe Line Company	12/16/77	356	131	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	18-002	Reeves	Dawson George and Robert Watson, Independent Executors of the Estate of R. S. Brennand, Jr., Deceased	Oasis Pipe Line Company	11/21/77	356	19	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	18-003	Reeves	Anna L. Graves, et. vir, Frank Graves	Oasis Pipe Line Company	11/08/77	356	162	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	18-004	Reeves	William E. Patterson, et. ux. Linda Patterson	Oasis Pipe Line Company	11/12/77	355	151	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	R. C. Chapman Field 12" Line	001-1950	18-005	Reeves	James S. Patterson, et. ux. Frances L. Patterson	Oasis Pipe Line Company	11/01/77	355	643	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-001	Reeves	Huntsville Memorial Hospital	Oasis Pipe Line Company	12/15/77	356	280	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-002	Reeves	Jerry J. Matejek & wife, Lois Matejek	Oasis Pipe Line Company	10/28/77	354	700	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-003	Reeves	Mrs. Tom Ball	Oasis Pipe Line Company	10/21/77	354	280	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-004	Reeves	Dorothy R. Stone Estate	Oasis Pipe Line Company	10/19/77	354	208	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-005	Reeves	Victor H. Zoller and E. Richard Neff	Oasis Pipe Line Company	10/18/77	354	272	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-006	Reeves	Edward H. Leede and Clyde A. Pine	Oasis Pipe Line Company	10/15/77	354	328	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-007	Reeves	Methodist Orphans Home	Oasis Pipe Line Company	10/14/77	354	274	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-008	Reeves	Redfern Oil Company	Oasis Pipe Line Company	10/14/77	354	268	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-009	Reeves	A. K. Randolph	Oasis Pipe Line Company	10/13/77	354	137	Deed	NO
	R. C. Chapman Field 12" Line	001-1950	20-010	Reeves	Olan T. Moore	Oasis Pipe Line Company	10/13/77	354	270	Deed	NO
	S. Barstow	019-1910	01	Reeves	Joseph Irion Worsham,	Oasis Pipe Line Company	09/20/77	353	574	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	Field 4" (Am.-Quas. 1-16)				Ind. Ex. of the Estate of Joe A. Worsham						
	Slash Ranch Field 12" Line	004-1946	01	Reeves	August C. Sievers, Jr., Trustee	Dasis Pipe Line Company	05/13/80	392	87	Deed	NO
	Slash Ranch Field 12" Line	004-1946	01A	Reeves	The Atchison, Topeka and Santa Fe Railway Company	Oasis Pipe Line Company	05/05/80				YES
	Slash Ranch Field 12" Line	004-1946	02	Reeves	The First National Bank of Midland, successor Trustee of the Roberta M. Reagan Trust, dated 3-29-65	Oasis Pipe Line Company	11/07/80	411	384	Deed	NO
	Slash Ranch Field 12" Line	004-1946	03	Reeves	Clay Cooke Estate	Oasis Pipe Line Company	04/15/80	388	583	Deed	NO
	Slash Ranch Field 12" Line	004-1946	04	Reeves	Charles Hunter Strain, Margaret Strain Mallard and Clara M. Strain	Oasis Pipe Line Company	05/28/80	390	460	Deed	NO
	Slash Ranch Field 12" Line	004-1946	05	Reeves	State of Texas	Oasis Pipe Line Company	05/02/80	389	125	Deed	YES
	So. Barstow Field 2" Line	030-1910	01, 02 & 03	Reeves	Jos. Irion Worsham, Ind. Ex. of the Estate of Joe A. Worsham, dec'd	Oasis Pipe Line Company	02/04/80	385	417	Deed	NO
	So. Barstow Field 2" Line	044-1910	01	Reeves	Jos. Irion Worsham, Ind. Ex. of the Estate of Joe A. Worsham and Annabel Irion Worsham	Oasis Pipe Line Company	06/14/82	421	505	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	So. Barstow Field 4" Line	025-1910	01	Reeves	Jos. Irion Worsham, Ind. Ex. of the Estate of Joe A. Worsham, dec'd	Oasis Pipe Line Company	06/21/79	377	46	Deed	NO
	So. Barstow Field 4" Line	043-1910	01	Reeves	Jos. Irion Worsham, Ind. Ex. of the Estate of Joe A. Worsham and Annabel Irion Worsham	Oasis Pipe Line Company	09/25/81	410	523	Deed	NO
	South Barstow 6" American-Quasar -Worsham #48-1	011-1910	01	Reeves	Joe Irion Worshan, Agent and Attorney-in-Fact for Joe A. Worsham	Oasis Pipe Line Company	09/09/74	329	925	Deed	NO
	South Barstow 6" American-Quasar -Worsham #48-1	011-1910	02	Reeves	L. H. Meeker, J. J. Meeker, Lawrence Hill Meeker and First National Bank of Fort Worth, Co-Ind Executors of Est of William Wade Meeker, Deceased	Oasis Pipe Line Company	08/15/74	329	611	Deed	NO
	South Barstow 6" American-Quasar -Worsham #48-1	011-1910	03	Reeves	Pauline Weinacht, Individually and as Independent Executrix of the Estate of L. A. Weinacht, Deceased, Charles Weinacht, and Don Weinacht	Oasis Pipe Line Company	09/04/74	329	790	Deed	NO
	South Barstow Field 6" American-Quasar -Worsham 1	008-1910	01	Reeves	Joe A. Worsham by Jos Irion Worsham, his agent and attorney in fact and Annabel Irion Worsham	Oasis Pipe Line Company	01/31/74	333	247	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	Superior Camp Well Tie-In	008-1902	01	Reeves	Keith Camp, Mary Catherine Couch Zeman et vir V. J. Zeman	Intratex Gas Company	11/29/71	307	176	Deed	NO
	Superior Camp Well Tie-In	008-1902	02	Reeves	Gulf Oil Corporation	Intratex Gas Company	12/02/71	307	179	Deed	NO
	Superior Camp Well Tie-In	008-1902	03	Reeves	Edna Stephens	Intratex Gas Company	12/01/71	307	175	Deed	NO
	Superior Camp Well Tie-In	008-1902	03A	Reeves	The Atchison, Topeka and Santa Fe Railway Company	Intratex Gas Company	12/07/71				YES
	Superior Camp Well Tie-In	008-1902	04	Reeves	J. R. Humphrey, et ux Marana O. Humphrey, Lillian Humphrey Rhea, Martha Jo Humphrey Muirhead	Intratex Gas Company	11/26/71	307	173	Deed	NO
	Superior Oil Co. Schwalbe States Well # 1	013-1902	01	Reeves	Gulf Oil Corporation	Intratex Gas Company	06/28/72	312	39	Deed	NO
	Superior Oil Co. Schwalbe States Well # 1	013-1902	02-001	Reeves	Maxine Perini, Indv. and as Executrix Estate of V. C. Perini	Intratex Gas Company	08/04/72	312	707	Deed	NO
	Superior Dil Co. Schwalbe States Well # 1	013-1902	02-002	Reeves	Edward T. Merry, Indv. and as Executor Estate of Howard R. Merry, Deceased	Intratex Gas Company	07/21/72	312	405	Deed	NO
	Superior Oil Co. Schwalbe States Well # 1	013-1902	02-003	Reeves	Ernest Angelo, Jr.	Intratex Gas Company	07/18/72	312	338	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	Superior Oil Co. Schwalbe States Well # 1	013-1902	02-004	Reeves	Jack E. Blake	Intratex Gas Company	07/12/72	312	340	Deed	NO
	Superior Oil Co. Schwalbe States Well # 1	013-1902	03	Reeves	Ollie L. Gunter	Intratex Gas Company	06/30/72	312	41	Deed	NO
	Superior Oil Co. Schwalbe States Well # 1	013-1902	Canal Crossing	Reeves	Intratex Gas Company	Reeves County Water Improvement District #2	06/24/72				NO
	Texaco Dam Site 10" Line	003-1932	01 & 02	Reeves	Lela Mae Wynne: Sallie Wynne Reynaud; Samuella Wynne Palmer; and Ruth Wynne Hollinshead	Intratex Gas Company	10/08/76	340	370	Deed	NO
	Texaco Dam Site 10" Line	D03-1932	03, 05, 07, 09, 11, 13, 15, 17, 19	Reeves	Texas Pacific Land Trust	Intratex Gas Company	10/06/76	341	148	Deed	NO
	Texaco Dam Site 10" Line	003-1932	04A	Reeves	Howell E. Smith, Ind. Exec. of the Estate of Fayrene R. Smith, Deceased	Intratex Gas Company	09/27/76	340	229	Deed	NO
	Texaco Dam Site 10" Line	003-1932	04B	Reeves	Pattie Peck Wakefield	Intratex Gas Company	10/01/76	340	227	Deed	NO
	Texaco Dam Site 10" Line	003-1932	04C	Reeves	R. S. Brennand, Jr.	Intratex Gas Company	09/27/76	346	697	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	Texaco Dam Site 10" Line	003-1932	04D	Reeves	First National Bank of Midland as Successor Trustee of Roberta M. Reagan Trust dated 03-29-65	Intratex Gas Company	09/10/76	346	326	Deed	NO
	Texaco Dam Site 10" Line	003-1932	04E	Reeves	Ruth Marie Lewis	Intratex Gas Company	09/03/76	346	360	Deed	NO
	Texaco Dam Site 10" Line	003-1932	04F	Reeves	Midland National Bank of Midland, Texas	Intratex Gas Company	09/15/76	346	358	Deed	NO
	Texaco Dam Site 10" Line	003-1932	04G	Reeves	Sid Richardson Foundation	Intratex Gas Company	09/14/76	346	578	Deed	NO
	Texaco Dam Site 10" Line	003-1932	04H	Reeves	The Fort Worth National Bank, Trustee under the Will of Annie Richardson Bass	Intratex Gas Company	09/16/76	346	580	Deed	NO
	Texaco Dam Site 10" Line	003-1932	06	Reeves	Robert J. Arnold & wife, Janey F. Arnold	Intratex Gas Company	09/29/76	340	231	Deed	NO
	Texaco Dam Site 10" Line	003-1932	08	Reeves	Erma G. Lowe and Maralo, Inc.	Intratex Gas Company	09/18/76	346	576	Deed	NO
	Texaco Dam Site 10" Line	003-1932	10	Reeves	Security State Bank of Pecos, Texas, as Trustee under the Will of Bessie Camp, Deceased	Intratex Gas Company	09/29/76	340	233	Deed	NO
	Texaco Dam Site 10" Line	003-1932	12	Reeves	Harold Krom, Independent Executor of the Estate of N. B. Bunin, Deceased	Intratex Gas Company	10/07/76	340	702	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
MiVida	Texaco Dam Site 10" Line	003-1932	FM 6525	Reeves	Texas Highway Department	Intratex Gas Company	09/20/76				NO
	Texaco Dam Site 10" Line	003-1932	HWY-285	Reeves	Texas Highway Department	Intratex Gas Company	09/20/76				NO
	Texaco Dam Site 10" Line	003-1932	RR License	Reeves	The Atchison, Topeka and Santa Fe Railway Company	Intratex Gas Company	09/29/76				YES
Reeves A/Z	Orla Field 4"	023-1918	01	Reeves	Maurice Meyer, Jr., George C. Fraser, III, George A. Wilson, as Trustees of Texas Pacific Land Trust	Intratex Gas Company	07/28/86	470	77	DEED	NO
	Orla Field-Texaco BA-C Well - 6"	009-1918	01 & 03	Reeves	Texas Pacific Land Trust	Oasis Pipe Line Company	05/01/78	360	600	Deed	NO
	Orla Field-Texaco BA-C Well - 6"	009-1918	02	Reeves	Guy Caldwell, Claude T. Touchstone Ind. Exec. & Tr. of the Estate of Mildred C. Touchstone, deceased, and Agnes C. Beckham	Oasis Pipe Line Company	05/03/78	361	505	Deed	NO
	Orla Field-Texaco BA-C Well - 6"	009-1918	02A	Reeves	State Department of Highways and Public Transportation	Oasis Pipe Line Company	04/20/78				NO
	Orla-MiVida 6" Lateral	002-1713	02-001	Reeves	A. K. Randolph, Dorothy R. Stone Estate, Methodist Orphans Home of Waco, Huntsville Memorial	Oasis Pipe Line Company	05/07/76	338	536	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
Reeves A/Z	Orla-MiVida 6"				Hospital, Estate of Tom Ball, Deceased, Gertrude L. Zinck and James B. Lamkin						
	Orla-MiVida 6" Lateral	002-1713	02-002	Reeves	A. K. Randolph, Dorothy R. Stone Estate, Methodist Orphans Home of Waco, Huntsville Memorial Hospital, Estate of Tom Ball, Deceased, Gertrude L. Zinck and James B. Lamkin	Oasis Pipe Line Company	04/26/76	338	262	Deed	NO
	Orla-MiVida 6" Lateral	002-1713	02-003	Reeves	A. K. Randolph, Dorothy R. Stone Estate, Methodist Orphans Home of Waco, Huntsville Memorial Hospital, Estate of Tom Ball, Deceased, Gertrude L. Zinck and James B. Lamkin	Oasis Pipe Line Company	04/22/76	338	211	Deed	NO
	Orla-MiVida 6" Lateral	002-1713	02-004	Reeves	A. K. Randolph, Dorothy R. Stone Estate, Methodist Orphans Home of Waco, Huntsville Memorial Hospital, Estate of Tom Ball, Deceased, Gertrude L. Zinck and James B. Lamkin	Oasis Pipe Line Company	04/22/76	338	209	Deed	NO
	Orla-MiVida 6" Lateral	002-1713	02-005	Reeves	A. K. Randolph, Dorothy R. Stone Estate,	Oasis Pipe Line Company	04/23/76	338	207	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
Reeves A/Z	Orla-MiVida 6"				Methodist Orphans Home of Waco, Huntsville Memorial Hospital, Estate of Tom Ball, Deceased, Gertrude L. Zinck and James B. Lamkin						
	Orla-MiVida 6" Lateral	002-1713	02-006	Reeves	A. K. Randolph, Dorothy R. Stone Estate, Methodist Orphans Home of Waco, Huntsville Memorial Hospital, Estate of Tom Ball, Deceased, Gertrude L. Zinck and James B. Lamkin	Oasis Pipe Line Company	04/23/76	338	205	Deed	NO
	Orla-MiVida 6" Lateral	002-1713	02-007	Reeves	A. K. Randolph, Dorothy R. Stone Estate, Methodist Orphans Home of Waco, Huntsville Memorial Hospital, Estate of Tom Ball, Deceased, Gertrude L. Zinck and James B. Lamkin	Oasis Pipe Line Company	04/23/76	338	181	Deed	NO
	Texaco AZ-2 Well Tie-In	008-1918	01	Reeves	Maurice Meyer, Jr., George C. Fraser, III, and Geroge A. Wilson, as Trustees of Texas Pacific Land Trust	Oasis Pipe Line Company	09/22/77	354	139	Deed	NO
	Texaco AZ-2 Well Tie-In	008-1918	02-001	Reeves	A. K. Randolph	Oasis Pipe Line Company	09/23/77	353	388	Deed	NO

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EXHIBIT "A"

FIELD	RECORD ID	WO#	TRACT NO	COUNTY	GRANTOR	GRANTEE	EXECUTED	BOOK	PAGE	RECORD	CONSENT
Reeves A/Z	Texaco AZ-2 Well Tie-In	008-1918	02-002	Reeves	Gertrude L. Zinck	Oasis Pipe Line Company	09/26/77	357	660	Deed	NO
	Texaco AZ-2 Well Tie-In	008-1918	02-003	Reeves	James B. Lamkin	Oasis Pipe Line Company	09/27/77	353	442	Deed	NO
	Texaco AZ-2 Well Tie-In	008-1918	02-004	Reeves	(Mrs.) Tom Ball, Executrix, Tom Ball Estate	Oasis Pipe Line Company	10/03/77	353	742	Deed	NO
	Texaco AZ-2 Well Tie-In	008-1918	02-005	Reeves	Methodist Orphans Home of Waco	Oasis Pipe Line Company	10/04/77	354	141	Deed	NO
	Texaco AZ-2 Well Tie-In	008-1918	02-006	Reeves	Dorothy R. Stone Estate	Oasis Pipe Line Company	10/19/77	354	206	Deed	NO
	Texaco AZ-2 Well Tie-In	008-1918	02-007	Reeves	Huntsville Memorial Hospital	Oasis Pipe Line Company	12/15/77	356	278	Deed	NO
	Texaco TXL 17-39 Well #2 Tie-in	006-1918	01	Reeves	Texas Pacific Land Trust	Oasis Pipe Line Company	06/07/77	349	715	Deed	NO
Vermejo	Vermejo Field 8" Line	001-1974		Reeves	W. O. Pigman, County Judge of Reeves County	Oasis Pipe Line Company	04/05/84				NO
	Vermejo Field 8" Line	001-1974	06	Reeves	August C. Sievers, Jr., Trustee Goodrich	Oasis Pipe Line Company	04/07/84	442	692	Deed	NO

BOOK 544 PAGE 721

544/721

Reflects Records Entered as of 7/25/2012

Reflects Records Entered as of 7/25/2012

2730 - DEED RECORDS

BOOK 544 PAGE 722

EXHIBIT "A"

Together with all of Grantor's right, title, interest , and obligation, without warranty, express or implied, in and to all gas gathering pipeline segments and other related pipeline facility equipment located in the following sections or surveys, including, without limitation, easements, rights-of-way or covenants running with the land contained in any gas purchase contract or gas gathering or treating contract or any amendments or supplements thereto or which may have arisen by operation of law or otherwise.

FIELD	WORK ORDER NO.	COUNTY	DESCRIPTION
MiVida	073-1912	Reeves	Section 13, Block C-19, Public School Land

544/722

544/723

BOOK 544 PAGE 723

EXHIBIT B

None.

HGHOU1:MARTING/136185

544/724

BOOK 544 PAGE 724

EXHIBIT C

1. Easements, rights-of-way, servitudes, permits, surface leases, and other rights with respect to surface obligations, pipelines, grazing, logging, canals, ditches, reservoirs, or the like, conditions, deeds of trust, covenants or other restrictions, and easements of streets, alleys, highways, pipelines, telephone lines, power lines, railways, and other easements and rights-of-way to the extent they are valid or subsisting and affect said easements, rights-of-way, leases, permits, and licenses described in Exhibit A hereto.

HGHOU1:MARTING/136185

After Recording Please Return To:

Western Gas Resources - Texas, Inc.
10333 Richmond Avenue, Suite 930
Houston, TX 77042
ATTN. LAND DEPT.

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.

FILED FOR RECORD ON THE 12TH DAY OF DECEMBER A.D. 1994 AT 9:22A M.

DULY RECORDED ON THE 13TH DAY OF DECEMBER A.D. 1994 AT 3:00P M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

MARTHA SCOTT CHAPMAN FOWLER AND JERRY HUDGENS CO INDEPENDENT

EXECUTORS OF THE ESTATE OF NETTLES FORD CHAPMAM JR AND GERALDINE LAYTON

CHAPMAN CO TRUSTEES OF THE CHAPMAN FAMILY TAX FREE TRUST THE GERALDINE

LAYTON CHAPMAN COMMUNITY PROPERTY TRUST AND THE CHAPMAN RESIDUARY

TRUSTCREATED UNDER THE WILL OF NETTLES FORD CHAPMAN JR AND CO TRUSTEES

OF THE CHAPMAN GST TRUST CREATED UNDER THE WILL OF GERALD LAYTON CHAPMAN

TO

MARTHA SCOTT CHAPMAN FOWLER

DISTRIBUTION DEED

DATED:	09/30/1995
FILED:	12/19/1995
BOOK/PAGE:	557/226
FILE NUMBER:	389-557-226
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

BOOK 557 PAGE 226

FILE # 2489

DISTRIBUTION DEED AND ASSIGNMENT

For sufficient consideration, Martha Scott Chapman Fowler and Jerry Hudgeons, Co-Independent Executors of the Estates of Nettles Ford Chapman, Jr., and Geraldine Layton Chapman, Co-Trustees of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property Trust, and the Chapman Residuary Trust created under the Will of Nettles Ford Chapman, Jr., and Co-Trustees of the Chapman Family GST Trust created under the Will of Geraldine Layton Chapman ("**Grantors**"), do hereby **grant, convey, and assign** to Martha Scott Chapman Fowler, P. O. Box 1453, Kihei, Maui, Hawaii 96753 ("**Grantee**") all of Grantors' interest in all of the personal and real property belonging to Grantors located in the State of Texas, **save and except** the following described properties:

Section 163, Block 34, H&TC Ry. Co. Survey, Ward County, Texas, containing 640 acres; and

93/420 interest in Section 193, Block 34, H&TC Ry. Co. Survey, Ward County, Texas, containing 640.62 acres (140.93 net acres).

This conveyance is made subject to applicable unit agreements, operating agreements, and pooling agreements, if any, and to rights now existing in favor of any lessee or assigns under any valid and existing oil and gas lease or leases heretofore executed and now of legal record, and Grantee shall receive and enjoy the undivided interests herein granted in the royalties and other benefits which may accrue under any such lease or leases from and after the date hereof just as if Grantee had been at the date of making each such lease the owners of the undivided interests described above in the lands covered by said leases and none other and the lessors therein.

This conveyance and assignment is made without warranty, either expressed or implied.

Dated effective 9/30, 1995.

Martha Scott Chapman Fowler

Martha Scott Chapman Fowler, Successor Co-Executor of the Estate of Nettles Ford Chapman, Jr., Co-Executor of the Estate of Geraldine Layton Chapman, and Co-Trustee of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property Trust, the Chapman Family GST Trust, and the Chapman Family Residuary Trust

Jerry Hudgeons, Successor Co-Executor of the Estate of Nettles Ford Chapman, Jr., Co-Executor of the Estate of Geraldine Layton Chapman, and Co-Trustee of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property, Trust, the Chapman Family GST Trust, and the Chapman Family Residuary Trust

Grantors

H:\DOCS\2217\13\DIST2.DED

STATE OF HAWAII §
§
COUNTY OF Hawi §

This instrument was acknowledged before me on November 7, 1995, by **Martha Scott Chapman Fowler**, as Successor Co-Independent Executor of the Estate of Nettles Ford Chapman, Jr., Deceased, as Co-Independent Executor of the Estate of Geraldine Layton Chapman, Deceased, as Co-Trustee of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property Trust, and the Chapman Residuary Trust created under the Will of Nettles Ford Chapman, Jr., and as Co-Trustee of the Chapman Family GST Trust created under the Will of Geraldine Layton Chapman.

KELLY K. TOBITA NOTARY PUBLIC STATE OF HAWAII

Notary Public, State of Hawaii
Printed Name Kelly K. Tobita
My Commission Expires 07/14/99

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on NOVEMBER 18 1995, by **Jerry Hudgeons**, as Successor Co-Independent Executor of the Estate of Nettles Ford Chapman, Jr., Deceased, as Co-Independent Executor of the Estate of Geraldine Layton Chapman, Deceased, as Co-Trustee of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property Trust, and the Chapman Residuary Trust created under the Will of Nettles Ford Chapman, Jr., and as Co-Trustee of the Chapman Family GST Trust created under the Will of Geraldine Layton Chapman.

FRANK L. RILEY NOTARY PUBLIC STATE OF TEXAS MY COMMISSION EXPIRES October 9, 1998

Notary Public, State of Texas

H:\DOCS\2217\13\DIST2.DED

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. 2489

FILED FOR RECORD ON THE 18TH DAY OF DECEMBER A.D. 1995 AT 8:54 A M.

DULY RECORDED ON THE 19TH DAY OF DECEMBER A.D. 1995 AT 2:00 P M.

BY: Jessica Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

MARTHA CHAPMAN FOWLER

TO

CAPROCK PRODUCING LLC

ASSIGNMENT

DATED:	11/14/1996
FILED:	12/11/1996
BOOK/PAGE:	569/641
FILE NUMBER:	389-569-641
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 3 YEAR TERM ASSIGNMENT

FILE # 2879

TERM ASSIGNMENT AND AGREEMENT

THIS TERM ASSIGNMENT AND AGREEMENT, (hereinafter called "Assignment"), made and effective as of 7:00 a.m. CST, October 1, 1996, by and between Martha Chapman Fowler whose address is P.O. Box 1453, Kihei, Hawaii 96753, hereinafter referred to as "Assignor" and CAPROCK PRODUCING, LLC, a Texas Limited Liability with offices located at 400 North Marienfeld, Suite 100, Midland, Texas, 79701, hereinafter referred to as "Assignee".

ARTICLE I
ASSIGNMENT

Assignor, for Ten Dollars ($10) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, subject to the conditions, exceptions, covenants and agreements hereinafter set forth, does hereby assign and transfer unto Assignee, without representation or warranty of title, either express or implied, all of its right, title and interest in and to the oil and gas leases described in Exhibit "A" insofar as said oil and gas lease covers and pertains to the oil, gas and casinghead gas, and all rights pertaining thereto, in the lands specifically described in Exhibit "A", the rights so assigned being hereinafter sometimes referred to as the "Lease Acreage".

ARTICLE II
TERM

This Assignment shall be for a primary term of three (3) years from the date hereof, and for the life of the oil and gas leases as to each spacing or proration unit producing on the Lease Acreage, or as long thereafter as Assignee conducts additional drilling operations in accordance with the provisions of Article III hereof.

ARTICLE III
CONTINUOUS DRILLING OPTION

This Assignment may be extended past its primary term of three (3) years as specified in Article II hereinabove, by prosecuting the drilling or completion operations of an oil or gas well on the Lease Acreage or acreage pooled therewith over the expiration date of said primary term and shall remain in force and effect so long as such operations are prosecuted with no cessation of more than sixty (60) days. Upon the extension of this Assignment as hereinabove provided, the Assignment may be further extended by prosecuting the drilling and completion of an additional oil and gas well or wells on the Lease Acreage or acreage pooled therewith within one hundred eighty (180) days from reaching total depth in the well drilled over the expiration date of the primary term, and thereafter so long as not more than one hundred eighty (180) days elapses between the time total depth is reached in one additional well and commencement of drilling operations on another additional oil and gas well has occurred. If Assignee has drilled and successfully completed an oil or gas well during the primary term, this Assignment shall not expire unless Assignee fails to prosecute the drilling or completion operations of a subsequent oil or gas well within one hundred eighty (180) days after the expiration date of the primary term.

This Assignment will terminate upon the latter of, a) Expiration of the three (3) year primary term; b) cessation of drilling or completion operations of more than ninety (90) days during the extended term of the Assignment; or c) more than one hundred eighty (180) days elapses between the time total depth is reached in an additional well and the commencement of drilling operations of another additional well during the extended term of the Assignment. Upon termination of this Assignment, Assignee shall reassign, within sixty (60) days to Assignor, all Lease Acreage, or portion thereof, not then included in a spacing or proration unit having thereon a well capable of producing oil or gas in commercial quantities. Each spacing or proration unit shall be no larger than forty (40) acres for an oil well and three hundred twenty (320) acres for a gas well unless otherwise prescribed by law or regulation.

BOOK 569 PAGE 642

ARTICLE IV
OVERRIDE RESERVATION

Assignor reserves, excepts and retains from this Assignment an overriding royalty interest equal to twenty-five percent of eight-eighths (25.00% of 8/8ths) less and except any royalties, overriding royalties or other burdens on production existing as of the date of this Assignment of all oil, gas and casinghead gas produced and saved from such lease acreage upon which a well is located. In the event the leasehold interest of Assignor is less than the full leasehold interest in such lease acreage, the overriding royalty interest retained by Assignor shall be reduced to the proportion thereof which Assignor's leasehold interest bears to the full leasehold interest. In the event the lease acreage upon which such well is located is included in a pooled spacing or proration unit, the overriding royalty interest of Assignor in the production from said unit shall be determined by multiplying said reserved overriding royalty by a fraction, the numerator of which is the net lease acreage in said unit and the denominator of which is the entire acreage of such unit.

Assignee agrees that all overriding royalties accruing to Assignor under this lease shall be without deduction for cost of marketing, producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and other products hereunder ready for sale or use. Said overriding royalty interest shall bear its proportionate part of any gross production, severance and ad valorem taxes.

ARTICLE V
MINIMUM ROYALTIES AND SHUT-IN WELL PAYMENTS

Assignee at its sole cost agrees to timely pay any and all shut-in well payments and minimum royalties which may be permitted by the terms of the oil and gas leases covering the Lease Acreage for any well drilled hereunder, however Assignee shall not be held liable for any inadvertent failure to make said payments.

ARTICLE VI
PERFORMANCE OF LEASE COVENANTS

Assignee agrees to accept this Assignment of certain interests in the Lease Acreage herein provided for, subject to all of the terms, provisions, conditions, and covenants of the oil and gas leases. Assignee further assumes and agrees to comply fully with and to perform timely each and every duty, obligation and covenant (both express and implied), provision, and condition of the oil and gas leases, imposed upon the lessee thereby, insofar as same concerns any interests assigned or which may be assigned pursuant to the terms of this Assignment.

ARTICLE VII
NO WARRANTY

THE ASSIGNMENT FROM ASSIGNOR TO ASSIGNEE AS PROVIDED FOR HEREIN, IS MADE WITH WARRANTY OF TITLE, BY, THROUGH AND UNDER ASSIGNOR, BUT NOT OTHERWISE.

ARTICLE VIII
EXTENSION

Assignee is hereby given the option, to be exercised on or prior to the date on which this assignment or any portion hereof would expire in accordance with its terms and provisions, of extending this Assignment for a period of two (2) years as to all or any portion of the acreage then held hereunder which would expire unless so extended, the only action required by Assignee to exercise this option being the payment to Lessor (or for Lessor's credit to the depository bank named herein) of the additional consideration of the sum of seventy-five dollars ($75.00) per acre for each acre so extended.

ARTICLE IX
DISCLAIMER OF JOINT LIABILITY

It is understood and agreed that this Assignment shall not create the relationship of a partnership or joint venture between the parties hereto, and that no act done by any party, pursuant to the provisions hereof, shall operate to create such relationship, nor shall the provisions of this Assignment be construed as creating such relationship. The liability of the parties shall be several and not joint or collective, and each party shall be responsible only for its own obligations, costs, expenses, and liabilities.

ARTICLE X
APPLICABLE LAWS

This Assignment and the respective rights and obligations of the parties hereto shall be governed by the laws of the state where the Lease Acreage is located and shall be subject to all valid and applicable state, federal, and local laws, rules, regulations, and orders; and, in the event this Assignment or any provision hereof is, or the operations contemplated hereby, are found to be inconsistent with or contrary to any such laws, rules, regulations and orders, the latter shall be deemed to control. This Assignment shall be regarded as modified accordingly and shall, as so modified, continue in full force and effect, provided however, this Assignment shall not become effective until it has been executed by all parties named herein.

ARTICLE XI
SUCCESSORS AND ASSIGNS

The terms, covenants, and conditions hereof shall be deemed to be covenants running with the leasehold estate(s) herein above referred to and as such shall extend to, bind and inure to the benefit of the parties hereto, their successors and assigns.

ARTICLE XII
HEADINGS FOR CONVENIENCE

The paragraph headings used in this Assignment are inserted for convenience only and shall be disregarded in construing this Assignment.

ARTICLE XIII
AMENDMENTS AND WAIVERS

This Assignment shall not be amended or modified except by further written agreement between the Parties hereto. Waiver of any provision of this Assignment shall only be effective if in writing and shall not operate or be construed as a waiver of any subsequent breach or waiver of the same or other provision similar in nature.

ARTICLE XIV
ENTIRE AGREEMENT

This Assignment and its exhibits shall constitute the entire contract of the parties and there are no agreements, undertakings, obligations, promises, assurances or conditions, whether precedent or otherwise, except those specifically set forth herein. In the event of any conflict between the provisions of the attached exhibits and the provisions of this Assignment, the latter shall govern.

BOOK 569 PAGE 644

EXECUTED as of the 14 day of November, 1996, but effective as of 7:00 a.m. Central Standard Time, October 1, 1996.

ASSIGNOR:

Martha Chapman Fowler

Martha Chapman Fowler

ASSIGNEE:

CAPROCK PRODUCING, LLC

By: _____
Richard J. Ganem
President

STATE OF HAWAII §
§
COUNTY OF Maui §

This instrument was acknowledged before me on this 14th day of November, 1996, by Martha Chapman Fowler.

Pamela Craig
Notary Public in and for the State of Hawaii
Printed Name: Pamela Craig
Commission Expires: 2-6-99

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 10th day of December, 1996, by Richard J. Ganem, President of Caprock Producing, LLC, a Texas limited liability company, on behalf of said company.

Robbie M. O'Donnell
Notary Public in and for the State of Texas
Printed Name: Robbie M. O'Donnell
Commission Expires: 3-15-98

ROBBIE M. O'DONNELL
Notary Public, State of Texas
My Commission Expires 03-15-1998

BOOK 569 PAGE 645

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Agreement,
by and between Martha Chapman Fowler, as Assignor
and Caprock Producing, LLC, as Assignee,
dated effective as of 7:00 a.m. CST, October 1, 1996

All of Assignors' right, title and interests in and to the following oil and gas leases (Leases):

1. Sally Wynne Reynaud, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 485, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

2. Lela Mae Wynne, et al, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 489, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

Insofar and only insofar as the above Leases cover the following acreage and depths, all in Section 38, Block 57, TWP 2, T&P RR Co. Sy., Reeves County, Texas (Lease Acreage):

E/2 NE/4, NW/4, W/2 SW/4 and E/2 SE/4, as to all depths below the surface of the earth;
W/2 NE/4, as to depths below 3,260 feet below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth;
W/2 SE/4, as to depths below 3,194 feet below the surface of the earth;

END OF EXHIBIT

FILE NO. 2879

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

FILED FOR RECORD ON THE 11TH. DAY OF DECEMBER A.D. 1996 AT 10:33 A M.

DULY RECORDED ON THE 12TH. DAY OF DECEMBER A.D. 1996 AT 2:00 P M.

BY: Dianne O. Florez DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

JUDSON F WILLIAMS ET UX

TO

CAPROCK PRODUCING LLC

ASSIGNMENT AND BILL OF SALE

DATED:	10/25/1996
FILED:	12/11/1996
BOOK/PAGE:	569/646
FILE NUMBER:	389-569-646
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHT TITLE AND INTEREST IN AND TO THE E/2 OF THE NE/4, NW/4, W/2 OF THE SW/4 AND E/2 OF THE SE/4. ALL DEPTHS BELOW 3260' IN THE W/2 OF THE NE/4; ALL DEPTHS BELOW 4695' IN THE E/2 OF THE SW/4; ALL DEPTHS BELOW 3194' IN THE W/2 OF THE SE/4.

BOOK 569 PAGE 646

FILE # 2880

ASSIGNMENT AND BILL OF SALE

COUNTY OF REEVES }{

STATE OF TEXAS }{

Judson F. Williams, joined herein by his wife, Jackie Williams, whose address is 5711 Mira Grande, El Paso, Texas 79912, hereinafter referred to as "Assignors", for and in consideration of the sum of One-Hundred Dollars ($100.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, grant, sell, assign and convey to Caprock Producing, LLC, whose address is 400 North Marienfeld, Suite 100, Midland, Texas 79701-4324, hereinafter referred to as "Assignee", all of Assignors' right, title and interest in and to those Oil and Gas Leases (hereinafter referred to as the "Leases") and in and to those lands (hereinafter referred to as the "Assigned Premises") more fully described on Exhibit "A" attached hereto and made a part hereof insofar and only insofar as limited therein, subject to all of the covenants and conditions hereof. It is the intention of Assignors to assign to Assignee all of its interest in the Leases and Assigned Premises whether or not such interest, Leases or Assigned Premises are accurately described in Exhibit "A".

Assignee agrees to protect, indemnify and hold Assignors harmless from and against any and all liability, loss, damage, injury and claims, demands and causes of action thereform, after the effective date hereof, related to the Assigned Premises, and the contracts and agreements appertaining thereto, based upon any theory, including, but not limited to, negligence, willfull misconduct or liability without fault.

The terms hereof shall inure to and be binding upon the respective heirs, successors and assigns of Assignors and Assignee.

Assignors agrees to execute and deliver or cause to be executed and delivered, upon the reasonable request of Assignee, such other Assignments, Bill of Sale, Certificates of Title and other matter, which are appropriate to transfer the Leases and Assigned Premises to Assignee, warranting such title against the claims of third parties by, through or under Assignors, but not otherwise.

Assignors hereby warrant title to the interest conveyed herein, against the claims of third parties, by, through or under Assignors, but not otherwise.

IN WITNESS WHEREOF, this instrument is executed this 25 day of October, 1996, but effective as of 7:00 a.m. CST, the 1st day of October, 1996.

Judson F. Williams

Judson F. Williams

Jackie Williams

Jackie R. Williams

THE STATE OF TEXAS }{

COUNTY OF EL PASO }{

This instrument was acknowledged before me on this 25 day of October, 1996, by Judson F. Williams.

Notary Public, State of Texas
Printed Name:_____
Commission Expires:_____

J. CRAWFORD KERR
NOTARY PUBLIC
State of Texas
Comm. Exp. 10-02-2000

THE STATE OF TEXAS }{

COUNTY OF EL PASO }{

This instrument was acknowledged before me on this 25 day of October, 1996, by Jackie Williams.

Notary Public, State of Texas
Printed Name:_____
Commission Expires:_____

J. CRAWFORD KERR
NOTARY PUBLIC
State of Texas
Comm. Exp. 10-02-2000

BOOK 569 PAGE 648

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Bill of Sale, by and between Judson F. Williams and Jackie Williams, as Assignors and Caprock Producing, LLC, as Assignee, dated effective as of 7:00 a.m. CST, October 1, 1996

All of Assignors' right, title and interests in and to the following oil and gas leases (Leases):

1. Sally Wynne Reynaud, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 485, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

2. Lela Mae Wynne, et al, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 489, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

Insofar and only insofar as the above Leases cover the following acreage and depths, all in Section 38, Block 57, TWP 2, T&P RR Co. Sy., Reeves County, Texas (Assigned Premises):

E/2 NE/4, NW/4, W/2 SW/4 and E/2 SE/4, as to all depths below the surface of the earth;
W/2 NE/4, as to depths below 3,260 feet below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth;
W/2 SE/4, as to depths below 3,194 feet below the surface of the earth;

END OF EXHIBIT

This instrument prepared by:
Caprock Producing, LLC
400 North Marienfeld, Suite 100
Midland, Texas 79701

C:\WPDATA\CRP\WILLIAMS.ASM

FILE NO. 2880

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

FILED FOR RECORD ON THE 11TH. DAY OF DECEMBER A.D. 1996 AT 10:33 A M.

DULY RECORDED ON THE 12TH. DAY OF DECEMBER A.D. 1996 AT 2:00 P M.

BY: Deseka Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

JOHN MACGUIRE ET UX

TO

CAPROCK PRODUCING LLC

ASSIGNMENT AND BILL OF SALE

DATED:	11/19/1996
FILED:	12/11/1996
BOOK/PAGE:	569/649
FILE NUMBER:	389-569-649
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHT TITLE AND INTEREST IN AND TO THE E/2 OF THE NE/4, NW/4, W/2 OF THE SW/4 AND E/2 OF THE SE/4. ALL DEPTHS BELOW 3260' IN THE W/2 OF THE NE/4; ALL DEPTHS BELOW 4695' IN THE E/2 OF THE SW/4; ALL DEPTHS BELOW 3194' IN THE W/2 OF THE SE/4.

BOOK 569 PAGE 649

FILE # 2881

ASSIGNMENT AND BILL OF SALE

COUNTY OF REEVES)(

STATE OF TEXAS)(

John MacGuire, joined herein by his wife, Betty MacGuire, whose address is 1209 Thunderbird Drive, El Paso, Texas 79912-2027, hereinafter referred to as "Assignors", for and in consideration of the sum of One-Hundred Dollars ($100.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, grant, sell, assign and convey to Caprock Producing, LLC, whose address is 400 North Marienfeld, Suite 100, Midland, Texas 79701-4324, hereinafter referred to as "Assignee", all of Assignors' right, title and interest in and to those Oil and Gas Leases (hereinafter referred to as the "Leases") and in and to those lands (hereinafter referred to as the "Assigned Premises") more fully described on Exhibit "A" attached hereto and made a part hereof insofar and only insofar as limited therein, subject to all of the covenants and conditions hereof. It is the intention of Assignors to assign to Assignee all of its interest in the Leases and Assigned Premises whether or not such interest, Leases or Assigned Premises are accurately described in Exhibit "A".

Assignee agrees to protect, indemnify and hold Assignors harmless from and against any and all liability, loss, damage, injury and claims, demands and causes of action thereform, after the effective date hereof, related to the Assigned Premises, and the contracts and agreements appertaining thereto, based upon any theory, including, but not limited to, negligence, willfull misconduct or liability without fault.

The terms hereof shall inure to and be binding upon the respective heirs, successors and assigns of Assignors and Assignee.

Assignors agrees to execute and deliver or cause to be executed and delivered, upon the reasonable request of Assignee, such other Assignments, Bill of Sale, Certificates of Title and other matter, which are appropriate to transfer the Leases and Assigned Premises to Assignee, warranting such title against the claims of third parties by, through or under Assignors, but not otherwise.

Assignors hereby warrant title to the interest conveyed herein, against the claims of third parties, by, through or under Assignors, but not otherwise.

IN WITNESS WHEREOF, this instrument is executed this 19th day of ~~October~~ November, 1996, but effective as of 7:00 a.m. CST, the 1st day of October, 1996.

John MacGuire

John MacGuire

Betty MacGuire

Betty MacGuire

BOOK 569 PAGE 650

THE STATE OF TEXAS }{

COUNTY OF EL PASO }{

This instrument was acknowledged before me on this 14th day of ~~October~~ November, 1996, by John MacGuire.

GEORGE ANGELOS
NOTARY PUBLIC
In and for the State of Texas
My commission expires
September 26, 2000

Notary Public, State of Texas
Printed Name:_____
Commission Expires:_____

THE STATE OF TEXAS }{

COUNTY OF EL PASO }{

This instrument was acknowledged before me on this 14th day of ~~October~~ November, 1996, by Betty MacGuire.

GEORGE ANGELOS
NOTARY PUBLIC
In and for the State of Texas
My commission expires
September 26, 2000

Notary Public, State of Texas
Printed Name:_____
Commission Expires:_____

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Bill of Sale,
by and between John MacGuire and Betty MacGuire, as Assignors
and Caprock Producing, LLC, as Assignee,
dated effective as of 7:00 a.m. CST, October 1, 1996

All of Assignors' right, title and interests in and to the following oil and gas leases (Leases):

1. Sally Wynne Reynaud, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 485, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

2. Lela Mae Wynne, et al, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 489, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

Insofar and only insofar as the above Leases cover the following acreage and depths, all in Section 38, Block 57, TWP 2, T&P RR Co. Sy., Reeves County, Texas (Assigned Premises):

E/2 NE/4, NW/4, W/2 SW/4 and E/2 SE/4, as to all depths below the surface of the earth;
W/2 NE/4, as to depths below 3,260 feet below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth;
W/2 SE/4, as to depths below 3,194 feet below the surface of the earth;

END OF EXHIBIT

This instrument prepared by:
Caprock Producing, LLC
400 North Marienfeld, Suite 100
Midland, Texas 79701

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FILE NO. 2881

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

FILED FOR RECORD ON THE 11TH. DAY OF DECEMBER A.D. 1996 AT 10:33 AM.

DULY RECORDED ON THE 12TH. DAY OF DECEMBER A.D. 1996 AT 2:00 PM.

BY: Jessica Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

THE ESTATE OF SALLIE WHNNE RENAUD ET AL

TO

SULLIVAN PARTNERS LTD

DEED WITHOUT WARRANTY

DATED:	12/31/1996
FILED:	01/07/1997
BOOK/PAGE:	570/609
FILE NUMBER:	389-570-609
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 1/2 INTEREST

FILE # 61

DEED WITHOUT WARRANTY

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

THAT, ADAIR REYNAUD SULLIVAN, INDEPENDENT EXECUTRIX FOR THE ESTATE OF SALLIE WYNNE REYNAUD ("Grantor"), for good and valuable consideration paid by SULLIVAN PARTNERS, LTD., a Texas limited partnership ("Grantee"), the receipt and sufficiency of which is hereby acknowledged, has GRANTED, TRANSFERRED AND CONVEYED, and by these presents does GRANT, TRANSFER AND CONVEY, unto Grantee, without warranty, all of Grantor's right, title and interest in the real property described in Exhibit A attached hereto and made a part hereof, and all improvements thereon (the "Real Property").

For the same consideration recited above, Grantor hereby bargains, sells, and transfers, without warranty, express or implied, all rights, title, and interest, if any, of Grantor in (i) strips and gores, if any, between the Real Property and abutting or immediately adjacent properties; (ii) any land lying in or under the bed of any street, alley, road, access way, or right-of-way, opened or proposed, in front of, at the side of, or adjoining the Real Property, to the centerline thereof; (iii) all easements in or upon the Real Property; (iv) all royalty interests and all oil, gas and other minerals in and under and that may be produced from the Real Property; and (v) all royalty interests and all oil, gas and other minerals in and under and that may be produced from any real property of Grantor in Reeves County, Texas; together with the right of ingress and egress at all times for purposes of exploring and drilling for, mining, producing, storing and transporting oil, gas and other minerals on said lands and removing the same therefrom. The Real Property and all other property described in this paragraph are collectively referred to below ae the "Property."

TO HAVE AND TO HOLD the Property, together with the rights and appurtenances thereto belonging, unto Grantee and Grantee's successors and assigns, forever; subject to the provisions stated in this Deed, to Grantee and Grantee's successors and assigns, forever.

This Deed is made subject to the liens securing payment of ad valorem taxes for the current and all subsequent years, as well as to all matters of record to the extent that they are in effect and apply to the Property (collectively, "Permitted Exceptions"). This conveyance is further made subject to the terms and conditions of all oil and gas leases, and covers and includes 100% of all of the oil royalty and gas rental or royalty reserved and/or due and to be paid under the terms of all oil, gas and mineral leases insofar as they cover the Property, together with the executive rights and all reversionary interests pertaining thereto. It is further understood and agreed that all money rentals which may be paid under the terms of any oil, gas and mineral leases are to be paid to Grantee. In the event that any oil, gas and mineral leases currently in effect for any reason become canceled or forfeited,

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then, in that event, Grantee shall own 100% of all oil, gas and other minerals in and under the Property, together with a like 100% interest in all bonuses paid and all royalties and rentals provided for in future oil, gas and mineral leases covering the above-described Property. Grantee by acceptance of delivery of this Deed assumes and agrees to perform all of Grantor's obligations under the Permitted Exceptions.

IT IS UNDERSTOOD AND AGREED THAT GRANTOR HAS NOT MADE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING BUT NOT LIMITED TO, WARRANTIES OR REPRESENTATIONS AS TO MATTERS OF TITLE, ZONING, TAX CONSEQUENCES, PHYSICAL OR ENVIRONMENTAL CONDITIONS, AVAILABILITY OF ACCESS, INGRESS OR EGRESS, OPERATING HISTORY OR PROJECTIONS, VALUATION, GOVERNMENTAL APPROVALS, GOVERNMENTAL REGULATIONS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY. GRANTEE AGREES THAT WITH RESPECT TO THE PROPERTY, GRANTEE HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY REPRESENTATION OR WARRANTY OF GRANTOR. GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTOR IS TRANSFERRING AND CONVEYING TO GRANTEE AND GRANTEE IS ACCEPTING THE PROPERTY "AS IS, WHERE IS," WITH ALL FAULTS, AND THERE ARE NO ORAL AGREEMENTS, WARRANTIES OR REPRESENTATIONS, COLLATERAL TO OR AFFECTING THE PROPERTY BY GRANTOR OR ANY THIRD PARTY.

Grantee's Address: 1520 Roscoe
La Porte, Harris County, Texas 77571

Upon request from Grantee after the date hereof, Grantor and its successors and assigns agree to execute all further documents, if any, necessary to effectively vest title to the Property in Grantee, including but not limited to correction deeds which more accurately describe the Property.

Executed effective the 31st day of December, 1996.

Adair Reynaud Sullivan
Adair Reynaud Sullivan,
Independent Executrix for the
Estate of Sallie Wynne Reynaud

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 31st day of December, 1996, by Adair Reynaud Sullivan, Independent Executrix for the Estate of Sallie Wynne Reynaud.

Ann K Corn
Notary Public, State of Texas

ANN K. CORN
Notary Public, State of Texas
Commission Expires: 03-14-00

AFTER RECORDING RETURN TO:
Michelle M. Maynard
Crady, Jewett & McCulley, L.L.P.
909 Fannin, Suite 1400
Houston, Texas 77010-1006

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BOOK 570 PAGE 611

EXHIBIT A

An undivided one-half (1/2) of State Section Eighteen (18), Abstract No. 2024, containing 640 acres, in Block Fifty-six (56), Township No. Two (No. 2) of TEXAS & PACIFIC RAILWAY COMPANY SURVEY; and an undivided one-half (1/2) of State Section Thirty-eight (38), Abstract No. 2027, containing 640 acres, in Block Fifty-seven (57), Township No. Two (No. 2) of TEXAS & PACIFIC RAILWAY COMPANY SURVEY, all in Reeves County, Texas; being the same tract of land conveyed to G. A. Wynne by deed dated April 11, 1910 from L. J. Cox and Edna Cox recorded in Book 28, Page 11 of the Official Public Records of Reeves County, Texas.

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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. 61

FILED FOR RECORD ON THE 7TH. DAY OF JANUARY A.D. 1997 AT 4:56P M.

DULY RECORDED ON THE 8TH. DAY OF JANUARY A.D. 1997 AT 2:00P M.

BY: Dianne Florez DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

STATEWIDE MINERALS INC

TO

BOLDRICK PARTNERS

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

DATED:	12/26/1996
FILED:	01/10/1997
BOOK/PAGE:	570/647
FILE NUMBER:	389-570-647
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL INTEREST

BOOK 570 PAGE 647

FILE # 73

Reprver

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

KNOW ALL MEN BY THESE PRESENTS that, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, STATEWIDE MINERALS, INC., a Texas corporation, having its principal place of business at 400 West Illinois, Suite 1000, Midland, Midland County, Texas 79701 (hereinafter called "Assignor"), does hereby ASSIGN, TRANSFER and CONVEY, effective as of October 1, 1996, at 7:00 a.m., at the location of the respective Properties (the "Effective Time"), unto BOLDRICK PARTNERS D/B/A STATEWIDE MINERALS CO., a Texas general partnership composed of James Pratt Boldrick and James Miles Boldrick, having its principal place of business at 1801 West Wall, Midland, Texas 79701 (hereinafter called "Assignee"), the following described properties, LESS AND EXCEPT THE EXCLUDED PROPERTIES (the "Properties"):

> All of Assignor's assets and properties of every kind and character, and wherever located, including, without limitation, all of Assignor's mineral, royalty and overriding royalty interests in the lands described on Exhibit "A" attached hereto and made a part hereof, or described in the deeds or other instruments described in Exhibit "A" attached hereto, together with all of Assignor's interest in (i) all oil, gas, mineral and other hydrocarbon substances produced from said properties from and after the Effective Time, and (ii) all contracts, agreements, land files, division order files, title files, and other files and data related to said properties.

This Assignment, Bill of Sale and Conveyance is subject to the following terms, covenants and conditions:

1. THIS ASSIGNMENT IS MADE (a) WITHOUT ANY WARRANTY OR REPRESENTATION OF TITLE, EITHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE; (b) WITHOUT ANY EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION AS TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY TO MODELS OR SAMPLES OF MATERIALS OR MERCHANTABILITY OF ANY OF THE PROPERTIES OR THEIR FITNESS FOR ANY PURPOSE; and (c) WITHOUT ANY OTHER EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION WHATSOEVER. ASSIGNEE SHALL BE DEEMED TO HAVE WAIVED ITS RIGHT TO PHYSICALLY INSPECT ASSIGNOR'S PROPERTIES FOR ALL PURPOSES. ASSIGNEE IS RELYING SOLELY UPON ITS OWN INVESTIGATIONS WITH RESPECT TO THE PROPERTIES AND ASSIGNEE SHALL ACCEPT ALL OF THE SAME IN THEIR "AS IS, WHERE IS" CONDITION. IN ADDITION, ASSIGNOR HAS MADE AND MAKES NO WARRANTY OR REPRESENTATION, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, REPORTS, RECORDS, PROJECTIONS, INFORMATION OR MATERIALS NOW, HERETOFORE OR HEREAFTER FURNISHED OR MADE AVAILABLE TO ASSIGNEE IN CONNECTION WITH THIS ASSIGNMENT, INCLUDING, WITHOUT LIMITATION, ANY DESCRIPTION OF THE PROPERTIES, PRICING ASSUMPTIONS, OR QUALITY OR QUANTITY, OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE

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PROPERTIES OR THE ABILITY OR POTENTIAL OF THE PROPERTIES TO PRODUCE HYDROCARBONS OR THE ENVIRONMENTAL CONDITIONS OF THE PROPERTIES OR ANY OTHER MATTERS CONTAINED IN CONFIDENTIAL INFORMATION AND ANY OTHER MATERIALS FURNISHED OR MADE AVAILABLE TO ASSIGNEE BY ASSIGNOR OR BY ASSIGNOR'S AGENTS OR REPRESENTATIVES. ANY AND ALL SUCH DATA, RECORDS, REPORTS, PROJECTIONS, INFORMATION AND OTHER MATERIALS FURNISHED BY ASSIGNOR OR BY ASSIGNOR'S AGENTS OR REPRESENTATIVES OR OTHERWISE MADE AVAILABLE TO ASSIGNEE ARE AND WERE PROVIDED TO ASSIGNEE AS A CONVENIENCE, AND SHALL NOT CREATE OR GIVE RISE TO ANY LIABILITY OF OR AGAINST ASSIGNOR OR ITS AGENTS OR REPRESENTATIVES. ANY RELIANCE ON OR USE OF THE SAME SHALL BE AT ASSIGNEE'S SOLE RISK.

2. This Assignment, Bill of Sale and Conveyance is made with full rights of substitution and subrogation of Assignee, to the extent of the interest hereby assigned, in and to all covenants and warranties by others heretofore given or made with respect to the Properties.

3. This Assignment, Bill of Sale and Conveyance is made subject to governmental and regulatory agency rules and regulations and subject to all the terms and the express and implied covenants and conditions of the instruments described on Exhibit "A" and of any other matter appearing of record or of which Assignee has either notice or knowledge. Further, the terms, covenants and conditions hereof shall be binding upon and shall inure to the benefit of the Assignor and the Assignee and their respective successors and assigns, and such terms, covenants and conditions shall be covenants running with the land herein assigned and with each transfer or assignment of said land.

4. This Assignment, Bill of Sale and Conveyance is made and shall be subject to the terms and provisions of that certain Purchase and Sale Letter Agreement between Assignor, as Seller, and Assignee, as Buyer, dated December 18, 1996, which shall prevail in the event of any conflict between the terms and provisions hereof and thereof.

5. Notwithstanding anything in this Assignment, Bill of Sale and Conveyance to the contrary, the Properties do not include and Assignee agrees and acknowledges that Assignor has reserved and hereby reserves unto itself any and all of its interest in (a) all Microsoft Office Suite computer software, all Enertech Oil and Gas computer software and all Lasser, Inc. computer software; (b) South Timbalier Block 203, South Timbalier Area, Outer Continental Shelf, being those lands covered by Oil and Gas Lease No. OCS-G-1269 dated June 1, 1962, from the United States of America, as Lessor, to the California Company, as Lessee, and the OCS-G-1269A #2, 3, 4 and 5 wells; and (c) all monies, refunds, proceeds, receipts, credits, receivables, accounts and income attributable to its assets and accruing prior to the Effective Time ((a) through (c), collectively the "Excluded Properties").

6. This Assignment, Bill of Sale and Conveyance may be executed in any number of counterparts and each counterpart shall be deemed to be an original instrument, but all counterparts shall constitute but one Assignment, Bill of Sale and Conveyance. To facilitate recordation, there may be omitted from certain counterparts of this instrument all or part of Exhibit "A".

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TO HAVE AND TO HOLD the Properties unto the Assignee, and its successors and assigns, subject to the terms, covenants and conditions hereinabove set forth.

EXECUTED this 26th day of December, 1996, to be effective in all respects as of the Effective Time.

ASSIGNOR: STATEWIDE MINERALS, INC.

By: _____
Clifford N. Hair, Jr.
Vice President -- Land

ASSIGNEE: BOLDRICK PARTNERS D/B/A STATEWIDE MINERALS CO.

By: _____
James Pratt Boldrick, General Partner

By: _____
James Miles Boldrick, General Partner

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BOOK 570 PAGE 650

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BE IT REMEMBERED that the undersigned, a Notary Public duly qualified, commissioned, sworn and acting in and for the County and State aforesaid, hereby certifies that, on this 16 day of December, 1996, there personally appeared before me Clifford N. Hair, Jr., Vice President -- Land of Statewide Minerals, Inc., a Texas corporation, and that:

ILLINOIS;
MONTANA;
OHIO;
OKLAHOMA;
NEW MEXICO;
TEXAS;
WYOMING

This instrument was acknowledged before me on this date by the aforementioned person as such officer of said corporation, on behalf of said corporation.

LOUISIANA

Before me appeared the above named persons to me personally known and known by me to be the persons whose genuine signatures are affixed to the foregoing instrument as the above designated officer of the above named corporation, who signed said document before me and in the presence of the two witnesses whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that he signed the above and foregoing document as his own free act and deed and as the free act and deed of said corporation on behalf of said corporation and for the uses and purposes therein set forth and apparent.

MISSISSIPPI

Personally appeared before me, the undersigned authority in and for said county and state on this date, within my jurisdiction, the aforementioned person, who acknowledged that be is the above-named officer of said corporation, and that for and on behalf of said corporation, as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Given under my hand and official seal on the date first above written.

GLEN THOMASON
MY COMMISSION EXPIRES
May 11, 1997

Glen Thomason
Notary Public, State of Texas

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STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BE IT REMEMBERED that the undersigned, a Notary Public duly qualified, commissioned, sworn and acting in and for the County and State aforesaid, hereby certifies that, on this 26 day of December, 1996, there personally appeared before me James Pratt Boldrick and James Miles Boldrick, General Partners of BOLDRICK PARTNERS D/B/A STATEWIDE MINERALS CO., a Texas general partnership, and that:

ILLINOIS;
MONTANA;
OHIO;
OKLAHOMA;
NEW MEXICO;
TEXAS;
WYOMING

This instrument was acknowledged before me on this date by each of the aforementioned persons as general partners of said partnership, on behalf of said partnership.

LOUISIANA

Before me appeared the above named persons to me personally known and known by me to be the persons whose genuine signatures are affixed to the foregoing instrument as the general partners of said partnership, who signed said document before me and in the presence of the two witnesses whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that they each signed the above and foregoing document as their own free act and deed and as the free act and deed of said partnership on behalf of said partnership and for the uses and purposes therein set forth and apparent.

MISSISSIPPI

Personally appeared before me, the undersigned authority in and for said county and state, on this date, within my jurisdiction, the aforementioned persons, who each acknowledged that he is a general partner of said partnership and that for and on behalf of said partnership, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said partnership so to do.

Given under my hand and official seal on the date first above written.

GLEN THOMASON
MY COMMISSION EXPIRES
May 11, 1997

Notary Public, State of Texas

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BOOK 570 PAGE 652

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 1

EXHIBIT "A"

LEASE NUMBER: TX-REV-500001- 1
LEASE DATE: 10/16/1994
LEASE NAME: LINDA ANDERSON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 6, SECTION 1, SE/PT
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 186 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500002- 1
LEASE DATE: 10/17/1994
LEASE NAME: JOHN AULD ESTATE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-17 SECTION 22
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 182 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500003- 1
LEASE DATE: 11/08/1994
LEASE NAME: TINA J BODKINS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-4 SECTION 2
REEVES COUNTY, TEXAS
RECORDED: BOOK: 545 PAGE: 75 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500004- 1
LEASE DATE: 10/22/1994
LEASE NAME: MARY K BRADLEY
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 58-1, SECTION 24, N/2 SW/4 SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 629 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500005- 1
LEASE DATE: 10/20/1994
LEASE NAME: BULLIS ESTATE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: HERNANDEZ P, SECTION 5
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 644 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 2

E X H I B I T " A "

LEASE NUMBER: TX-REV-500006- 1
LEASE DATE: 10/17/1994
LEASE NAME: SAM BURK, JR.
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 6, SECTION 45, NW/PT
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 187 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500007- 1
LEASE DATE: 11/02/1994
LEASE NAME: CHACE ASSOCIATES
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-17, SECTION 22
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 779 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500008- 1
LEASE DATE: 10/30/1994
LEASE NAME: GEORGE CLARK
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 7, SECTION 5, AB 356
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 636 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500009- 1
LEASE DATE: 11/25/1994
LEASE NAME: CINDY CRISMAN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 4, SECTION 25
PSL BLOCK C-19, SECTION 9
REEVES COUNTY, TEXAS
RECORDED: BOOK: 545 PAGE: 77 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500010- 1
LEASE DATE: 10/14/1994
LEASE NAME: SAMUEL ELLISON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 33
H&TC BLOCK 33, SECTION 35
H&TC BLOCK 33, SECTION 36

BOOK 570 PAGE 654

STATEMIDE MINERALS, L.C. DM068 12/12/1996 PAGE 3

EXHIBIT "A"

LEASE NUMBER: TX-REV-500010- 1 (continued)
LEGAL DESCRIPTION: * * * C O N T I N U E D * * *
H&TC BLOCK 33, SECTION 37
H&TC BLOCK 33, SECTION 38
H&TC BLOCK 33, SECTION 39
H&TC BLOCK 34, SECTION 155 & 156
H&TC BLOCK 34, SECTION 173
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 199 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500011- 1
LEASE DATE: 11/07/1994
LEASE NAME: ALTHA FARWELL
LESSEE: STATEMIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-2, SECTION 12
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 780 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500012- 1
LEASE DATE: 11/16/1994
LEASE NAME: RICHARD OEHLE
LESSEE: STATEMIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-2, SECTION 12
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 766 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500013- 1
LEASE DATE: 10/17/1994
LEASE NAME: BRUCE HAMPTON
LESSEE: STATEMIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 5, SECTION 1, SW/PT
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 193 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500014- 1
LEASE DATE: 10/20/1994
LEASE NAME: MARIE S HOYER
LESSEE: STATEMIDE MINERALS, L.C.

BOOK 570 PAGE 655

STATEWIDE MINERALS, L.C. DH068 12/12/1996 PAGE 4

EXHIBIT "A"

LEASE NUMBER: TX-REV-500014- 1 (continued)
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 36
H&TC BLOCK 33, SECTION 39
H&TC BLOCK 33, SECTION 40
H&TC BLOCK 33, SECTION 43
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 670 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500015- 1
LEASE DATE: 10/20/1994
LEASE NAME: J CARLTON JONES
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: WANN BLOCK 1, SECTION 18 & SECTION 25
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 295 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500016- 1
LEASE DATE: 10/14/1994
LEASE NAME: R.M. LEISROCK
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 50-7, SECTION 2, AB 2354
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 191 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500017- 1
LEASE DATE: 10/20/1994
LEASE NAME: GRADY LINDSEY
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 39
H&TC BLOCK 33, SECTION 40
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 661 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500018- 1
LEASE DATE: 12/12/1994
LEASE NAME: ELIZABETH MARTIN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-2, SECTION 46, N/2 NE/4
T&P BLOCK 57-2, SECTION 46, S/2 SW/4
T&P BLOCK 57-2, SECTION 46, N/2 SW/4

BOOK 570 PAGE 656

STATEWIDE MINERALS, L.C. DN068 12/12/1996 PAGE 5

EXHIBIT "A"

LEASE NUMBER: TX-REV-500018- 1 (continued)
LEGAL DESCRIPTION: * * * C O N T I N U E D * * *
T&P BLOCK 57-2, SECTION 46, S/PT SE/4
T&P BLOCK 57-2, SECTION 47, S/2 NE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 545 PAGE: 170 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500019- 1
LEASE DATE: 11/10/1994
LEASE NAME: IRA W MCMILLAN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 4, SECTION 15
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 781 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500020- 1
LEASE DATE: 11/07/1994
LEASE NAME: CLAUDE D MOORE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4 EX LT 2 BLOCK 136
T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 778 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500021- 1
LEASE DATE: 10/18/1994
LEASE NAME: RICHARD MOORE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4 EX LT 2 BLOCK 136
T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 632 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500022- 1
LEASE DATE: 10/26/1994
LEASE NAME: PAULINE NORWOOD
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: WANN BLOCK 1, SECTION 18 & SECTION 25
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 663 REGISTRY: OPR
COUNTY: REEVES & WARD

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500023- 1
LEASE DATE: 10/26/1994
LEASE NAME: KARLA SCHMIDT
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 33
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 544 PAGE: 520 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500024- 1
LEASE DATE: 11/03/1994
LEASE NAME: DAVID R THOMAS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 41
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 544 PAGE: 101 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500025- 1
LEASE DATE: 11/03/1994
LEASE NAME: GERALD D WOOD
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: W&NW BLK 1, SEC 20
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 544 PAGE: 103 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500026- 1
LEASE DATE: 11/03/1994
LEASE NAME: TERESA TURNER
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: W&NW BLOCK 1, SECTION 18 & SECTION 25
RBEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 526 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500027- 1
LEASE DATE: 11/17/1994
LEASE NAME: KATHELINE WEHE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-17, SECTION 22
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 764 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500028- 1
LEASE DATE: 11/21/1994
LEASE NAME: GEORGE YOUNG
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 6, SECTION 9, A-16
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 762 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500029- 1
LEASE DATE: 11/10/1994
LEASE NAME: D STUBBLEFIELD
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SECTION 18, LT 9 BLOCK 115 MONTCLAIR TWNSIT
T&P BLOCK 57-1, SECTION 18, LTS 5 & 6 BLK 6 MONTCLAIR TWNSTE
T&P BLOCK 58-1, SECTION 24, N/2 SW/4 SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 769 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500030- 1
LEASE DATE: 10/26/1994
LEASE NAME: SUSAN ROBINSON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-2, SECTION 46, N/2 NE/4
T&P BLOCK 57-2, SECTION 46, S/2 SW/4
T&P BLOCK 57-2, SECTION 46, N/2 SW/4
T&P BLOCK 57-2, SECTION 46, S/PT SE/4
T&P BLOCK 57-2, SECTION 47, S/2 NE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 771 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500031- 1
LEASE DATE: 10/24/1994
LEASE NAME: JAY ROBERTSON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SECTION 20, S/2 NE/2
T&P BLOCK 57-1, SECTION 20, N/2 NE/4
T&P BLOCK 57-1, SECTION 20, NE/4 NW/4
T&P BLOCK 57-1, SECTION 28, PT NW/4 NW/4 & S/2 N/2 & W/2SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 141 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500032- 1
LEASE DATE:	10/14/1994
LEASE NAME:	BAIRD NEVILLE
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 33 H&TC BLOCK 33, SECTION 35 H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 37 H&TC BLOCK 33, SECTION 38 H&TC BLOCK 33, SECTION 39 H&TC BLOCK 34, SECTION 155 & 156 H&TC BLOCK 34, SECTION 173 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 301 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500033- 1
LEASE DATE:	10/22/1994
LEASE NAME:	JETTIE HUGGINS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 39 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 654 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500034- 1
LEASE DATE:	10/18/1994
LEASE NAME:	C. WESCH
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 39 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 550 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500035- 1
LEASE DATE:	10/27/1994
LEASE NAME:	M. MONTALBANO
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 58-1, SECTION 24, N/2 NE/4 SE/4 T&P BLOCK 58-1, SECTION 36, E/2 SW/4 NW/4 T&P BLOCK 58-1, SECTION 36, N/2 SW/4 NW/4

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500035- 1 (continued)
LEGAL DESCRIPTION: * * * C O N T I N U E D * * *
REEVES AND CULBERSON COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 637 REGISTRY: OPR
COUNTY: REEVES/CULBERSO
STATE: TX

LEASE NUMBER: TX-REV-500036- 1
LEASE DATE: 10/18/1994
LEASE NAME: BILL HIGHTOWER
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLK C-4, SEC 6
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 194 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500037- 1
LEASE DATE: 10/20/1994
LEASE NAME: M. CHILDERS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLK C-3, SEC 20
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 185 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500038- 1
LEASE DATE: 10/25/1994
LEASE NAME: FRANK HUDGINS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLK C-20, SEC 10
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 635 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500039- 1
LEASE DATE: 10/24/1994
LEASE NAME: ALICE M MELDEN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLK C-6, SEC 9
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 634 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500040- 1
LEASE DATE:	10/24/1994
LEASE NAME:	JDE TANKERSLEY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	PSL BLK C-20, SEC 10
	REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 181 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500041- 1
LEASE DATE:	11/01/1994
LEASE NAME:	EMILY M KING
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44
	REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 523 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500042- 1
LEASE DATE:	11/01/1994
LEASE NAME:	CHARLES MCCRARY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44
	REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 524 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500043- 1
LEASE DATE:	11/01/1994
LEASE NAME:	INNES MCCRARY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44
	REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 522 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500044- 1
LEASE DATE:	11/01/1994
LEASE NAME:	MARGARET GLASS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44
	REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 525 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500045- 1
LEASE DATE:	10/25/1994
LEASE NAME:	BEAM TRUST
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 630 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500046- 1
LEASE DATE:	11/03/1994
LEASE NAME:	CORPENING ENTER.
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44, SW/4 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 518 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500047- 1
LEASE DATE:	11/01/1994
LEASE NAME:	CHAS. CHANDLER
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 16 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 440 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500048- 1
LEASE DATE:	10/17/1994
LEASE NAME:	DONALD KIEL
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 57-2, SECTION 12 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 104 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500049- 1
LEASE DATE:	10/24/1994
LEASE NAME:	JUDSON WILLIAMS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 57-2, SECTION 38 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 633 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500050- 1
LEASE DATE:	11/03/1994
LEASE NAME:	J.W. KENNEDAY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 50-8, SECTION 15, AB. 717 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 102 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500051- 1
LEASE DATE:	10/17/1994
LEASE NAME:	F.W. CALLAWAY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 50-7, SECTION 2, AB. 2354 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 195 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500052- 1
LEASE DATE:	10/13/1994
LEASE NAME:	W.J. DAWSON
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&GN, BLOCK 4, SECTION 4 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 190 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500053- 1
LEASE DATE:	11/03/1994
LEASE NAME:	CHAS. SCHILLING
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&GN, BLOCK 7, SECTION 6 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 521 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500054- 1
LEASE DATE:	10/20/1994
LEASE NAME:	ARDREY OIL COMPANY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&GN, BLOCK 6, SECTION 9, A-16 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 192 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500055- 1
LEASE DATE:	10/25/1994
LEASE NAME:	ROBERT L. OWEN
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC, BLOCK 33, SECTION 34 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 658 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500056- 1
LEASE DATE:	10/16/1994
LEASE NAME:	M C. BERENS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	W&NW BLOCK 1, SECTION 18 & SECTION 25 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 293 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500057- 1
LEASE DATE:	10/20/1994
LEASE NAME:	MELVIN WILDB
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	W&NW BLOCK 1, SECTION 18 & SECTION 25 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 294 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500058- 1
LEASE DATE:	10/18/1994
LEASE NAME:	EDITH WEEKS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 57-1, SEC 28, PT NW/4 NW/4 & S/2 N/2 & W/2 SE/4 T&P BLOCK 57-1, SEC 28, 3/4 NE/4 NW/4 & N/2 NE/4 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 189 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500059- 1
LEASE DATE:	10/13/1994
LEASE NAME:	JACK LEE
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&GN BLOCK 6, SECTION 13, E/2 N/320 AC H&GN BLOCK 6, SECTION 13-14 REEVES COUNTY, TEXAS

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500059- 1 (continued)
RECORDED: BOOK: 543 PAGE: 197 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500060- 1
LEASE DATE: 10/20/1994
LEASE NAME: EUGENE HUSKEY
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 56-3, SECTION 44, SW/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 184 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500061- 1
LEASE DATE: 11/04/1994
LEASE NAME: ARTHUR B HALL
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 56-3, SECTION 44
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 170 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500062- 1
LEASE DATE: 10/28/1994
LEASE NAME: R.M. TRICE ESTATE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 36
H&TC BLOCK 33, SECTION 40
H&TC BLOCK 33, SECTION 43
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 544 PAGE: 98 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500063- 1
LEASE DATE: 10/31/1994
LEASE NAME: C.K. DAVIS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 41
H&TC BLOCK 33, SECTION 41, SW/2 & SW/2 NE/2
H&TC BLOCK 34, SECTIONS 174 & 183, ADAMS BLK 33, SEC 42
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 643 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500064- 1
LEASE DATE:	10/19/1994
LEASE NAME:	GEORGE STRONG
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 39 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 81 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500065- 1
LEASE DATE:	10/31/1994
LEASE NAME:	VELMA L. BAUER
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 39 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 93 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500066- 1
LEASE DATE:	11/21/1994
LEASE NAME:	CARL M. BAILEY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	W&NW BLOCK 1, SECTION 7 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 763 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500067- 1
LEASE DATE:	10/31/1994
LEASE NAME:	JACK MCINTOSH
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	PSL BLOCK C-20, SECTION 10 T&P BLOCK 56-3, SECTION 6, N/2 EXCEPT S/2 SE/4 NW/4 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 730 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500068- 1
LEASE DATE:	11/15/1994
LEASE NAME:	RICHARD BLACK
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4 EX LT 2 BLOCK 136 T&P BLOCK 57-1, SECTION 10, W/2 NW/4 SE/4 H&TC BLOCK 33, SECTION 39 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 783 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500069- 1
LEASE DATE:	11/02/1994
LEASE NAME:	MARY E. SMITH
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 39 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 785 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500070- 1
LEASE DATE:	11/18/1994
LEASE NAME:	DELLA LEONARD
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36, N/4 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 775 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500071- 1
LEASE DATE:	11/18/1994
LEASE NAME:	CARABEL COOPER
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36, N/4 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 776 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500072- 1
LEASE DATE: 11/29/1994
LEASE NAME: EDITH C COLLIN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: W&NW BLOCK 1, SECTION 20
REEVES COUNTY, TEXAS
RECORDED: BOOK: 546 PAGE: 251 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500073- 1
LEASE DATE: 11/23/1994
LEASE NAME: JEAN RINEHART
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 6, SECTION 13, E/2 N/320 AC
H&GN BLOCK 6, SECTION 13-14
REEVES COUNTY, TEXAS
RECORDED: BOOK: 546 PAGE: 256 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500074- .1
LEASE DATE: 10/17/1994
LEASE NAME: L.E. SAWYER, JR.
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: COUCH UNIT: 677.42 AC POOLED GAS UNIT; RECORDED VOLUME 292, PAGE 670, AS MAY BE AMENDED COVERING PARTS OF SECTIONS 3 & 4, BLOCK 4, H&GN RY CO SURVEY .0007707 RI
HUMPHREY UNIT: 691.3 AC POOLED GAS UNIT; RECORDED VOL. 292, PAGE 240, AS MAY BE AMENDED COVERING PARTS OF SECTIONS 3, 4 & 5, BLOCK 4, H&GN RY CO SURVEY .0031673 RI
RECORDED: BOOK: 542 PAGE: 716 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500075- 1
LEASE DATE: 11/18/1994
LEASE NAME: ROBERT G VIAL
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 36
H&TC BLOCK 33, SECTION 39
H&TC BLOCK 33, SECTION 40
H&TC BLOCK 33, SECTION 43
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 629 PAGE: 580 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500076- 1
LEASE DATE:	12/03/1994
LEASE NAME:	JOHN M COWAN, JR.
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	PSL BLOCK C-6, SECTION 16 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 546 PAGE: 646 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500077- 1
LEASE DATE:	11/03/1994
LEASE NAME:	MORNINGSTAR
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	PSL BLOCK C-17, SECTION 22 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 546 PAGE: 645 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500078- 1
LEASE DATE:	12/07/1994
LEASE NAME:	CONRAD SCHMID
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	SECTION 7, BLOCK 1, W&NW SURVEY REEVES COUNTY, TEXAS
RECORDED:	BOOK: 547 PAGE: 468 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500079- 1
LEASE DATE:	01/03/1995
LEASE NAME:	ALICE S MORAN
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	SECTION 40, BLOCK 50-7, T&P SURVEY REEVES COUNTY, TEXAS
RECORDED:	BOOK: 547 PAGE: 470 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500080- 1
LEASE DATE:	01/14/1995
LEASE NAME:	JACK HAWKINS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	N/4 SECTION 36, BLOCK 33, H&TC SURVEY REEVES & WARD COUNTIES, TEXAS
RECORDED:	BOOK: 549 PAGE: 200 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

BOOK 570 PAGE 670

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 19

EXHIBIT "A"

LEASE NUMBER: TX-REV-500081- 1
LEASE DATE: 03/22/1995
LEASE NAME: GARRY A WEBER
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: SECTION 5, P. HERNANDEZ SURVEY
REEVES COUNTY, TEXAS
RECORDED: BOOK: 549 PAGE: 796 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500082- 1
LEASE DATE: 04/19/1995
LEASE NAME: WALTER H MEYERS
LESSEE: STATEWIDE MINERALS, INC.
LEGAL DESCRIPTION: SECTION 14, BLOCK C-4, PSL SURVEY
REEVES COUNTY, TEXAS

RECORDED: BOOK: 551 PAGE: 338 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500083- 1
LEASE DATE: 05/08/1995
LEASE NAME: ROY E & WANDA CAMPBELL
LESSEE: STATEWIDE MINERALS, INC.
LEGAL DESCRIPTION: SECTION 2, BLOCK 50-7, T&P RR CO. SURVEY
REEVES COUNTY, TEXAS

RECORDED: BOOK: 551 PAGE: 525 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500084- 1
LEASE DATE: 06/20/1995
LEASE NAME: INCE SLATER
LESSEE: STATEWIDE MINERALS, INC.
LEGAL DESCRIPTION: SECTION 37, BLOCK 33, H&TC RR CO. SURVEY
SECTION 36, BLOCK 33, H&TC RR CO. SURVEY
REEVES AND WARD COUNTIES, TEXAS

RECORDED: BOOK: 635 PAGE: 653 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500085- 1
LEASE DATE: 08/04/1995
LEASE NAME: JAMES PAUL VICE ESTATE
LESSEE: STATEWIDE MINERALS, INC.

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 20

EXHIBIT "A"

LEASE NUMBER: TX-REV-500085- 1 (continued)
LEGAL DESCRIPTION: SECTION 24, BLOCK 58-1, T&P RR CO. SURVEY
REEVES COUNTY, TEXAS

RECORDED: BOOK: 555 PAGE: 172 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500086- 1
LEASE DATE: 02/23/1995
LEASE NAME: DALE & BARBARA RANEY
LESSEE: STATEWIDE MINERALS, INC.
LEGAL DESCRIPTION: SECTION 13 &14, BLOCK 6, H&GN SURVEY
REEVES COUNTY, TEXAS

RECORDED: BOOK: 560 PAGE: 612 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

86 LEASES LISTED

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. 73

FILED FOR RECORD ON THE 10TH. DAY OF JANUARY A.D. 1997 AT 9:18A M.

DULY RECORDED ON THE 13TH. DAY OF JANUARY A.D. 1997 AT 2:00P M.

BY: Venessa Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

THE WILLIAM B SHAVER JR TRUST ET AL

TO

W G PARTNERS LTD ET AL

DEED

DATED:	02/27/1997
FILED:	03/24/1997
BOOK/PAGE:	573/6
FILE NUMBER:	389-573-6
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 1/9 INTEREST

BOOK 573 PAGE 6

FILE # 657

SURFACE AND MINERAL DEED

THE STATE OF TEXAS $
$ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF REEVES $

THAT we, **WILLIAM B. SHAVER, JR., SAMUELLA W. PALMER, and RUTH W. HOLLINSHEAD, TRUSTEES OF THE WILLIAM B. SHAVER, JR. TRUST,** ("Grantor"), for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) and other good and valuable consideration in hand paid to me by **WILLIAM B. SHAVER, Manager, WGJ COMPANY, L.C. as General Partner of WG Partners, Ltd.** ("Grantee"), whose address is c/o Jack R. Evans, Esq., 5625 FM 1960 West, Suite 600, Houston, Texas 77069, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, BARGAINED, SOLD and CONVEYED, and by these presents do GRANT, BARGAIN, SELL and CONVEY unto Grantee all of its right, title and interest (calculated to be an undivided 1/9th undivided interest, but not limited thereto) in and to the following property, located in Reeves County, Texas (the "Property"):

TRACT ONE

An undivided 1/9th interest in 640 acres situated in Section 18, Block 56, T-2, T.& P.R.R. SURVEY, A-2024, Reeves County, Texas.

TRACT TWO

An undivided 1/9th interest in 640 acres situated in Section 38, Block 57, T-2, T.& P.R.R. SURVEY, A-2027, Reeves County, Texas.

Both tracts described in Deed dated April 11, 1910 from L.T. Cox et ux to G.A. Wynne, recorded in Volume 17, Page 11, Deed Records, Reeves County, Texas.

This conveyance is expressly made subject to all validly existing restrictions, covenants, conditions, rights-of-way, easements, mineral leases and reservations and royalty reservations of record, if any, affecting the Property, to the extent and only to the extent that same are valid and subsisting against the Property as of the date hereof.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereunto in anywise belonging, unto Grantee, its legal representatives, successors and assigns, forever; and Grantor does hereby bind itself, its heirs, legal representatives, successors and assigns, to warrant and forever defend all and singular, the Property unto Grantee, its legal representatives, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, subject, however, to the matter set forth herein.

EXECUTED this 27th day of February, 1997.

William B. Shaver
WILLIAM B. SHAVER, JR.

Samuella W. Palmer
SAMUELLA W. PALMER

Ruth W. Hollinshead
RUTH W. HOLLINSHEAD

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me this 27th day of February, 1997, by WILLIAM B. SHAVER, JR.

CAROLYN FAYE DECELL
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
APRIL 22, 1998

Carolyn Faye Decell
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WALKER §

This instrument was acknowledged before me this 1st day of MARCH, 1997, by SAMUELLA W. PALMER.

SPECIAL SEAL
LLOYD C. MARTIN
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Expires 1/7/2001

Lloyd C. Martin
Notary Public, State of Texas

BOOK 573 PAGE 8

THE STATE OF TEXAS $
COUNTY OF WALKER $

This instrument was acknowledged before me this 1st day of MARCH, 1997, by RUTH W. HOLLINSHEAD.

OFFICIAL SEAL
LLOYD C. MARTIN
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Expires 1/1/2001

Notary Public, State of Texas

RETURN TO:

Jack R. Evans, Esq.
5625 FM 1960 West, Suite 600
Houston, Texas 77069

3

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. 657

FILED FOR RECORD ON THE 24TH. DAY OF MARCH A.D. 1997 AT 11:44 A M

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

BY: Teresa Coats DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

STATE STREET BANK AND TRUST COMAPNY

TO

MANAGEMENT PARTNERSHIP

PARTIAL RELEASE OF LIEN

DATED:	10/28/1997
FILED:	11/07/1997
BOOK/PAGE:	581/216
FILE NUMBER:	389-581-216
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

BOOK 581 PAGE 216

FILE # 2541

PARTIAL RELEASE

WHEREAS, the property hereinafter described (the "Encumbered Property") is subject to the lien of that certain Indenture of Mortgage and Deed of Trust and Security Agreement, dated as of March 25, 1987, from Valero Management Partnership, L.P., a Delaware limited partnership (now known as "PG&E Texas Management Partnership, L.P.") (referred to hereinafter as "Management Partnership"), to Bank of New England, N.A. (now State Street Bank and Trust Company as successor Trustee), and Brian J. Curtis, as Trustees, as amended and supplemented (said Indenture of Mortgage and Deed of Trust and Security Agreement, as amended and supplemented, being hereafter collectively referred to as the "Indenture"), such Encumbered Property being more particularly described in Exhibit "A", attached hereto and made a part hereof for all purposes; and

WHEREAS, the Indenture was given to secure those certain First Mortgage Notes more particularly described therein; and

WHEREAS, the Indenture has been filed of record, among other places, in the places more particularly described in Exhibit "B", attached hereto and made a part hereof for all purposes; and

WHEREAS, PG&E Texas Pipeline, L.P. (formerly known as "Valero Transmission, L.P."), a Delaware limited partnership and subsidiary operating partnership of Management Partnership holding title to the Encumbered Property (hereafter referred to as the "Subsidiary Operating Partnership"), together with Management Partnership, pursuant to applicable provisions of the Indenture, have agreed to surrender, sell and dispose of its interest in the Encumbered Property free and clear of the lien of the Indenture; and

WHEREAS, it is desirable and appropriate that the Trustees, pursuant to applicable provisions of the Indenture, release all of their interests in the Encumbered Property and evidence such release by executing this "Partial Release of Mortgage and Deed of Trust Lien" in recordable form;

NOW, THEREFORE, State Street Bank and Trust Company, a trust company duly organized and existing under the laws of the Commonwealth of Massachusetts, successor Trustee, having its principal office at 1 Heritage Drive, North Quincy, MA 02171-2128 and Brian J. Curtis, residing at 32 Wadsworth Road, Arlington, Massachusetts 02174, as Trustees under the Indenture, for and in consideration of the premises and the sum of One Dollar ($1.00) to them each in hand paid, the receipt and sufficiency of which are hereby acknowledged, do hereby **GRANT, BARGAIN, SELL, ALIEN, REMISE, RELEASE, CONVEY, ASSIGN, TRANSFER, HYPOTHECATE, SET OVER, CONFIRM AND FOREVER QUITCLAIM** (but without warranty of title or any other warranty, expressed or implied, all of which are expressly disclaimed) unto Management Partnership, the Subsidiary Operating Partnership and their successors and assigns, all right, title and interest of said Trustees in and to the Encumbered Property described in the attached Exhibit "A" and do hereby forever release all of said Encumbered Property from the lien of the Indenture.

This instrument is executed and accepted as a partial release, releasing from the lien of the Indenture only the property described in Exhibit "A", and does not release or in any manner impair the lien of the Indenture as to any other property described in the Indenture or subject thereto which is not particularly described in Exhibit "A".

IN WITNESS WHEREOF, State Street Bank and Trust Company, as successor Trustee, has caused this partial release to be executed on its behalf by one of its Vice President and its corporate seal to be hereto affixed, and said seal and this instrument to be attested by one of its Assistant Secretary; and Brian J. Curtis, as Trustee, has affixed his hand hereto as of the 20 day of October, 1997.

ATTEST:

Printed Name: [illegible]klyn Thompson
Title: Assistant Secretary

STATE STREET BANK AND TRUST COMPANY,
As Trustee and Secured Party

By
Printed Name: Gerald R. Wheeler
Title: Vice President

[Seal]

Brian J. Curtis,
As Trustee and Secured Party

Signed, sealed, acknowledged and delivered by **STATE STREET BANK AND TRUST COMPANY, as Trustee and Secured Party,** in the presence of:

As Witnesses

V:\LGLCORP\MOLLY\RELEASES\GRS-WOOD\P-RELEAS; FILE SERIES 9.0002

PAGE 2

BOOK 5381 PAGE 218

COMMONWEALTH OF MASSACHUSETTS §
§
COUNTY OF Suffolk §

BEFORE ME, Scott Knox, a Notary Public duly commissioned and qualified to act as such throughout the Commonwealth of Massachusetts, on this day personally appeared Gerald R. Wheeler and Jacklyn Thompson, known to me to be the identical persons who subscribed the name of **STATE STREET BANK AND TRUST COMPANY, as Trustee,** a trust company organized under the laws of the Commonwealth of Massachusetts, to the foregoing instrument as its Vice President and Assistant Secretary, respectively, and each 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 national banking association, for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2nd day of October, 1997.

Notary Public in and for
the Commonwealth of Massachusetts

My Commission Expires:
SCOTT KNOX
Notary Public
My Commission Expires July 12, 2002

COMMONWEALTH OF MASSACHUSETTS §
§
COUNTY OF Suffolk §

BEFORE ME, Scott Knox, a Notary Public duly commissioned and qualified to act as such throughout the Commonwealth of Massachusetts, on this day personally appeared **BRIAN J. CURTIS,** known to me to be the person who executed the within and foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

GIVEN UNDER THE HAND AND SEAL OF OFFICE, this 2nd day of October, 1997.

Notary Public in and for
the Commonwealth of Massachusetts

My Commission Expires:

SCOTT KNOX
Notary Public
My Commission Expires July 12, 2002

V:\LGLCORP\MOLLY\RELEASES\GRS-WOODP-RELEAS; FILE SERIES 9.0002

EXHIBIT A

Greasewood Asset Description:

The Greasewood Treating Plant, owned by PG&E Texas Pipeline, L.P., located on a 10.1263 acre leased site approximately 10 miles north of the city of Pecos on U.S. Hwy 285, Reeves County, Texas, (recorded in Volume 300, Pages 77, 79, 82, 83, 85 and 87 - 10 acres; Volume 387, pages 123, 151, 445, 447, 637, 656, 658 and 679 - .1263 acres). The Greasewood Plant includes the following items:

Item Type:	Item:	Description:	Tag #:
Vessels -	DGA Contactor	96"ID x 48'0", 1200 psig	8.01
	DGA Flash Tank	72"ID x 20'0", 100 psig	8.02
	DGA Still	90" & 120"ID x 68'0", 50 psig	8.03
	DGA Reflux Accumulator	60"OD x 16'0", 50 psig	8.04
	Incline Separator	Glycol contactor overhead	8.05
	Iron Sponge Instrument Gas Treater		8.06
	Fuel Gas Scrubber	24"ID x 12'0", 225 psig	8.07
	Glycol Contactor	72"ID x 26'0", 1200 psig	8.08
Heat Exchangers -	DGA Exchanger (lean/rich)	Plate & Frame, 10,900 MBtu/hr	2.01
	DGA Cooler	Air Exchanger, 45,400 MBtu/hr	2.02
	DGA Still Reflux Condenser	Air Exchanger, 26,900 MBtu/hr	2.03
	Glycol Cooler	470 MBtu/hr	2.04
	Amine Contactor Residue Cooler	Air Exchanger	2.05
Storage -	DGA Storage	100 Bbls	5.01
	Tri Glycol Storage	100 Bbls	5.02
	Amine Sump	500 Gal	5.03
Fired Equipment -	Make up Water Vaporizer	3,300 MBtu/hr	1.01
	DGA Reboiler - Unit A	34,000 MBtu/hr, 4951 ft² Surface Area	1.03
Packaged Units -	Glycol regeneration and pump unit	Skid mounted	13.01
	Acid Gas Flare Stack		n/a
Filters -	DGA Filter	90 gpm	12.01
	Inlet Filter Separator	125MMscfd @ 1000 psig PECO-75H-19-FG372, s/n8174	12.02
Pumps -	DGA Still Reflux	61 gpm	3.01,.02
	DGA Reboiler Charge	1142 gpm/unit	3.03.,04
	Amine Booster	Hydraulic Turbine, 1004 gpm	3.05
	Amine Charge	457 gpm, Engine driven	3.07,.08

BOOK [illegible] PAGE [illegible]

EXHIBIT A

Greasewood Area Pipelines

The following pipelines traversing Reeves, Ward, and Loving Counties, Texas, together with all valves, taps, side valves, regulators, meters, separators, and other appurtenant facilities necessary for the transportation of gas through such pipelines.

1. Orla System		Length	
Size	Line Number	Feet	Miles
16"	194	135,082	25.58
6"	194/4	9,630	1.82
3"	194/5	2,766	0.52
6"	194A	6,109	1.16
6"	194A/1	2,710	0.51
8"	194A/2	8,556	1.62
6"	194A/3	6,225	1.18
6"	194A/5	614	0.12
2"	194A/6	3,453	0.65
6"	194A1	7,073	1.34
6"	194B	3,462	0.66
12"	194B/1	3,340	0.63
12"	194B/2	1,783	0.34
12"	194B/3	5,228	0.99
4"	194B/4	1,865	0.35
6"	194B1	3,462	0.66
8"	235	2,966	0.56
8"	235/1	37,892	7.18
4"	235A	5,225	0.99
4"	235A1	1,746	0.33

2. Mentone System		Length	
Size	Line Number	Feet	Miles
12"	231	66,042	12.51
6"	231/1	3,857	0.73
6"	231/10	2,847	0.54
8"	231/10	21,707	4.11
6"	231/11	160	0.03
6"	231/12	838	0.16
6"	231/13	147	0.03
6"	231/14	2,274	0.43
6"	231/15	752	0.14
6"	231/16	2,119	0.40
6"	231/17	469	0.09

8"	231/18	977	0.19
6"	231/19	531	0.10
12"	231/5	38,310	7.26
12"	231/7	9,784	1.85
12"	231/8	19,111	3.62
6"	231/9	5,443	1.03
4"	231A	3,504	0.66
6"	231B	4,606	0.87
6"	231B/1	4,967	0.94
6"	231B/2	3,471	0.66
6"	231C	2,138	0.40
6"	231D/1	4,483	0.85
6"	293/1	19,239	3.64

3. Other		Length	
Size	Line Number	Feet	Miles
3"	93J	8,647	1.64
16"	100	47,224	8.94
12"	100/3	24,863	4.71
6"	100A	8,635	1.64
6"	100B	2,965	0.56
6"	100C	5,782	1.10
8"	100D	1,193	0.23
6"	100E	2,670	0.51
6"	100F	3,350	0.63
20"	101	71,280	13.50
5"	140/1	952	0.18
10"	140/2	57,349	10.86
6"	140B	4,688	0.89
4"	140B1	1,731	0.33
12"	171	24,305	4.60
10"	192	26,348	4.99
4"	192/1	22,036	4.17
10"	192/2	888	0.17
4"	192A	239	0.05
10"	212	32	0.01
6"	229	2,876	0.54
4"	229/4	460	0.09
6"	244	22,466	4.25
10"	278/1	1,017	0.19
3"	290/1	2,640	0.50

BOOK 653 PAGE 232

PROPERTY DESCRIPTION

All that certain tract or parcel of land containing ten acres, more or less, out of that certain 219 acre tract which is also a part of Section 230, Block 34, H&TC Ry. Co. Survey in Ward County, Texas, said 219 acre tract being the same tract conveyed to Jessie N. Shelton by Davis Dresser, et ux, by Deed dated January 8, 1953 and recorded in Volume 152, Page 544, Deed Records, Ward County, Texas and by Juan Silvas, et ux, by Deed dated January 8, 1953 and recorded at Volume 152, Page 545, Deed Records, Ward County, Texas, said ten acre tract being more fully described as follows:

BEGINNING at a point in the centerline of F.M. Highway No. 516 in the Southwest boundary line of Section 230, Block 34, H&TC RR Co. Survey, Ward County, Texas.

WHENCE the West corner of Section 230 bears North 50° 00' West 1360 feet and the West corner of a 219 acre tract out of Section 230, which this survey is a part of, bears North 50° 00' West, 40 feet for the West corner of this tract;

THENCE North 40° 00' East at 30 feet past an iron pin in the East line of a tract being occupied and used for said F.M. Highway, 732.58 feet to an iron pin set for the North corner of this tract;

THENCE South 50° 00' East, 620 feet to an iron pin set in the Northwest boundary line of Houston Natural Gas Company's Plant Site for the East corner of this tract;

THENCE South 40° 00' West, along the Northwest boundary line of said plant site at 702.58 feet past an iron pin in the East line of said tract, being occupied and used by F.M. Highway 516, 732.58 feet to a point in the centerline of said F.M. Highway for the South corner of this tract;

THENCE North 50° 00' West, 620 feet along the centerline of said Highway to the place of beginning and containing 10.42 acres of land, more or less, 0.42 acres of this above tract being occupied and used as the right-of-way of F.M. Highway 516.

389-581-216 - OFFICIAL PUBLIC RECORDS

PIPELINE #194

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-002-K02	Wiggins, P.N. Jr Estate	Valero Transmission	Reeves	10-29-81	413/564
C 146-002-K03	Wiggins, P.N. Jr Estate	Valero Transmission	Reeves	10-29-81	413/562
C 146-002	Wiggins, P.N. Jr. et al	LoVaca Gathering Co.	Reeves	02-17-73	320/760
D 146-004	State of Texas - Rental #4-30	Valero Transmission, L.P.	Reeves	07-07-93	529/362
T 146-005	Lindley, H.A. et ux	Valero Energy Corporation	Reeves	11-01-80	401/260
R 146-010	Whissell, George B.	LoVaca Gathering Co.	Reeves	03-02-73	320/822
R 146-011	West Texas Prod Credit Assoc	LoVaca Gathering Co.	Reeves	02-19-73	320/827
R 146-012	Richardson, S.E. et al	LoVaca Gathering Co.	Reeves	02-13-73	320/829
R 146-013	Youngblood, Zella P.	LoVaca Gathering Co.	Reeves	03-01-73	321/12
R 146-014	Wakefield, Patti et vir	LoVaca Gathering Co.	Reeves	02-15-73	320/851
R 146-014	Weinstein, Geoerge	LoVaca Gathering Co.	Reeves	04-30-73	320/836
R 146-014	Dean, Bob et al	LoVaca Gathering Co.	Reeves	02-15-73	320/842
R 146-014	Smith, Fayrene Richardson	LoVaca Gathering Co.	Reeves	02-19-73	320/845
R 146-014	Slack, R.C.	LoVaca Gathering Co.	Reeves	02-19-73	320/834
R 146-014	Petroleum Corp of Texas	LoVaca Gathering Co.	Reeves	02-15-73	320/848
R 146-014	National Diversified Ind.	LoVaca Gathering Co.	Reeves	02-15-73	320/854
R 146-014	Midland National Bank Tr.	LoVaca Gathering Co.	Reeves	02-15-73	320/839

Reflects Records Entered as of 7/25/2012

R 146-014	Petroleum Corp of Texas	LoVaca Gathering Co.	Reeves	02-26-73	320/831
R 146-015	Slaughter, Elna et al	LoVaca Gathering Co.	Reeves	02-13-73	320/857
R 146-016	Dorr, John R.	LoVaca Gathering Co.	Reeves	02-13-73	320/790
R 146-017	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	02-28-73	320/792
R 146-018	Betts, W.H.	Lovaca Gathering Co.	Reeves	03-08-73	320/795
R 146-019	First National Bank Brenham	Lovaca Gathering Co.	Reeves	02-13-73	320/798
R 146-020	Dean, Bob	Lovaca Gathering Co.	Reeves	02-15-73	320/800
R 146-020	National Diversified Inc.	Lovaca Gathering Co.	Reeves	04-30-73	320/802
R 146-020	Petroleum Corp of Texas	Lovaca Gathering Co.	Reeves	02-12-73	320/805
R 146-021	Williams, Dorothy J. et al	Lovaca Gathering Co.	Reeves	02-13-73	320/808
R 146-021	McElvain, J. William et al	Lovaca Gathering Co.	Reeves	03-28-73	320/810
R 146-022	State of Texas - Rental #01-29	Valero Transmission, L.P.	Reeves	07-02-93	529/512
R 146-023	Douglas, Ralph W.	Lovaca Gathering Co.	Reeves	02-15-73	320/813
R 146-024	Aylesworth, Edward W. Jr etal	Lovaca Gathering Co.	Reeves	02-22-73	321/797
R 146-025	Luckel, Ted R. et al	Lovaca Gathering Co.	Reeves	02-12-73	320/815
R 146-026	Fouts, Frances Bates et al	Lovaca Gathering Co.	Reeves	02-13-73	320/817
R 146-027	Harrison, Nell Anderson Exe	Lovaca Gathering Co.	Reeves	02-19-73	320/819
R 146-028	Wallace, Hugh D. Exe.	Lovaca Gathering Co.	Reeves	02-19-73	320/763
R 146-029	McElvain, Catherine B. et al	Lovaca Gathering Co.	Reeves	02-13-73	320/767
R 146-029	First National Bank of Midland	Lovaca Gathering Co.	Reeves	02-21-73	320/765

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R 146-030	Trippett, William A. et al	Lovaca Gathering Co.	Reeves	02-19-73	320/770
R 146-030	Trippet, H.H. et al	Lovaca Gathering Co.	Reeves	02-12-73	320/772
R 146-031	Causbie, Margaret R. et al	Lovaca Gathering Co.	Reeves	02-12-73	320/774
R 146-032	Bolinger, Clarence E.	Lovaca Gathering Co.	Reeves	02-12-73	320/776
R 146-033	Atlantic Richfield Company	Lovaca Gathering Co.	Reeves	02-15-73	320/778
R 146-034	Goodin, Magdalene E.	Lovaca Gathering Co.	Reeves	02-12-73	320/780
R 146-035	Reed, Russell M. et al	Lovaca Gathering Co.	Reeves	02-12-73	320/782
R 146-036	Regan, John N. Trustee	Lovaca Gathering Co.	Reeves	02-13-73	320/784
R 146-037	Schlofman, Arthur S. Jr. etal	Lovaca Gathering Co.	Reeves	02-12-73	320/788
R 146-037	Brantley, Mary Ann	Lovaca Gathering Co.	Reeves	02-14-73	320/786
R 146-038	Patterson, Annie May Ind.	Lovaca Gathering Co.	Reeves	02-12-73	320/756
R 146-038	Brennand, R.S. Jr.	Lovaca Gathering Co.	Reeves	02-12-73	320/758
R 146-039	Wiggins, P.N. Jr. et al	Lovaca Gathering Co.	Reeves	02-17-73	320/760

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PIPELINE #194/4

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-017-K02	Texas Pacific Land - Rental #01-34	LoVaca Gathering Co.	Reeves	02-22-78	358/44
C 146-017-K03	Atlantic Richfield Company	LoVaca Gathering Co.	Reeves	02-08-78	358/48
C 146-017-K04	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	02-22-78	358/50
R 146-017-K10	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	02-16-78	358/54
R 146-017-K11	Foster, B. Leroy et al	LoVaca Gathering Co.	Reeves	02-08-78	358/207
R 146-017-K12	Atlantic Richfield Company	LoVaca Gathering Co.	Reeves	02-08-78	358/56

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PIPELINE #194/5

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-018-K02	Betts, W.H.	LoVaca Gathering Co.	Reeves	07-21-78	363/477
C 146-018-K03	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	08-01-78	364/405
R 146-018-K10	Betts, W.H.	LoVaca Gathering Co.	Reeves	07-21-78	363/477
R 146-018-K11	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	07-31-78	364/307

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PIPELINE #194A

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-039-K02	Wynne, Lela Mae et al	LoVaca Gathering Co.	Reeves	08-06-73	325/227
C 146-039-K02	Reynaud, Sallie Wynne	LoVaca Gathering Co.	Reeves	01-23-75	331/654
C 146-039-K03	Wiggins, P.N. Jr. et al	LoVaca Gathering Co.	Reeves	08-02-73	325/235
R 146-039-K10	Wiggins, P.N. Jr. et al	LoVaca Gathering Co.	Reeves	08-01-73	325/229
R 146-039-K11	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	08-07-73	325/232
R 146-039-K12	Wynne, Lela Mae et al	LoVaca Gathering Co.	Reeves	08-06-73	325/225
R 146-039-K12	Reynaud, Sallie Wynne	LoVaca Gathering Co.	Reeves	01-23-75	331/377

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PIPELINE #194A/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-039-K12-K002	Randolph, A.K.	LoVaca Gathering Co.	Reeves	06-09-77	350/587
C 146-039-K12-K002	Ball, Thomas H. Jr.	LoVaca Gathering Co.	Reeves	06-09-77	350/590
C 146-039-K12-K002	Lamkin, James B.	Lo Vaca Gathering Co.	Reeves	06-16-77	350/593
C 146-039-K12-K002	Stone, Dorothy Estate	LoVaca Gathering Co.	Reeves	06-09-77	350/596
C 146-039-K12-K002	Zinck, Gertrude L.	LoVaca Gathering Co.	Reeves	06-09-77	350/599
C 146-039-K12-K002	Huntsville Memorial Hospital	LoVaca Gathering Co.	Reeves	06-09-77	350/602
C 146-039-K12-K002	Methodist Home	LoVaca Gathering Co.	Reeves	06-09-77	350/583
E 146-039-K12-K006	No Document				
R 146-039-K12-K013	Randolph A.K.	LoVaca Gathering Co.	Reeves	06-09-77	350/576
R 146-039-K12-K013	Methodist Home	LoVaca Gathering Co.	Reeves	06-09-77	350/578
R 146-039-K12-K013	Zinck, Gertrude	LoVaca Gathering Co.	Reeves	06-09-77	350/574
R 146-039-K12-K013	Huntsville Memorial Hospital	LoVaca Gathering Co.	Reeves	06-09-77	350/572
R 146-039-K12-K013	Lamkin, James B.	LoVaca Gathering Co.	Reeves	06-16-77	350/570
R 146-039-K12-K013	Stone, Dorothy R. Estate	LoVaca Gathering Co.	Reeves	06-09-77	350/568
R 146-039-K12-K013	Ball, Thomas H. Jr.	LoVaca Gathering Co.	Reeves	06-09-77	350/581

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PIPELINE #194A/2

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
G 146-039-K12-J009	Texas Hwy Dept FM 652	LoVaca Gathering Co.	Reeves	03-28-77	---
R 146-039-K12-J010	Stone, Dorothy R. Est.	LoVaca Gathering Co.	Reeves	03-23-77	349/195
R 146-039-K12-J010	Randolph A.K.	LoVaca Gathering Co.	Reeves	03-23-77	349/185
R 146-039-K12-J010	Lamkin, James B.	LoVaca Gathering Co.	Reeves	04-12-77	349/193
R 146-039-K12-J010	Zinck, Gertrude L.	LoVaca Gathering Co.	Reeves	03-23-77	349/191
R 146-039-K12-J010	Ball, Mrs. Willie Mae	LoVaca Gathering Co.	Reeves	05-02-77	349/189
R 146-039-K12-J010	Methodist Home	LoVaca Gathering Co.	Reeves	03-23-77	349/187
R 146-039-K12-J010	Huntsville Memorial Hospital	LoVaca Gathering Co.	Reeves	03-23-77	349/313
R 146-039-K12-J011	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	03-25-77	349/205
R 146-039-K12-J012	Blake, Jack E. et al	LoVaca Gathering Co.	Reeves	03-23-77	349/203
R 146-039-K12-J012	First National Bank of Midland	LoVaca Gathering Co.	Reeves	03-23-77	349/201
R 146-039-K12-J012	Appling, J.B.	LoVaca Gathering Co.	Reeves	03-23-77	349/199
R 146-039-K12-J012	Anderson, Mary Perry et al	LoVaca Gathering Co.	Reeves	03-23-77	349/197

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PIPELINE #194A/3

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-039-K12-H002	Anderson, Mary Perry et al	LoVaca Gathering Co.	Reeves	06-03-77	350/542
C 146-039-K12-H002	Blake, Jack E. et al	LoVaca Gathering Co.	Reeves	06-03-77	350/638
C 146-039-K12-H002	First National Bank of Midland	LoVaca Gathering Co.	Reeves	06-03-77	350/544
C 146-039-K12-H003	Hanson, Jessie Merle	LoVaca Gathering Co.	Reeves	06-03-77	350/546
C 146-039-K12-H003	Hall, Ella Mae	LoVaca Gathering Co.	Reeves	06-03-77	350/548
C 146-039-K12-H003	Lewelling, Robert M.	LoVaca Gathering Co.	Reeves	06-03-77	350/550
C 146-039-K12-H003	Lewelling, Jackie C.	LoVaca Gathering Co.	Reeves	06-03-77	350/552
C 146-039-K12-H003	Lewelling, Hazel	LoVaca Gathering Co.	Reeves	06-03-77	351/384
R 146-039-K12-H010	First National Bank of Midland	LoVaca Gathering Co.	Reeves	06-03-77	350/554
R 146-039-K12-H010	Anderson, Mary Perry	LoVaca Gathering Co.	Reeves	06-03-77	350/556
R 146-039-K12-H010	Blake, Jack E. et al	LoVaca Gathering Co.	Reeves	06-03-77	350/636
R 146-039-K12-H011	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	06-10-77	350/558
R 146-039-K12-H012	Lewelling, Hazel	LoVaca Gathering Co.	Reeves	06-03-77	351/386
R 146-039-K12-H012	Hanson, Jessie Merle	LoVaca Gathering Co.	Reeves	06-03-77	350/560
R 146-039-K12-H012	Hall, Ella Mae	LoVaca Gathering Co.	Reeves	06-03-77	350/562
R 146-019-K12-H012	Lewelling, Robert M.	LoVaca Gathering Co.	Reeves	06-03-77	350/564
R 146-019-K12-H012	Lewelling, Jackie C.	LoVaca Gathering Co.	Reeves	06-03-77	350/566

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PIPELINE #194A/5

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
D 146-039-K12-K002	Texas Pacific Land - Rental #11-29	LoVaca Gathering Co.	Reeves	12-08-77	356/561
R 146-039-K12-K014	Texas Pacific Land	LoVaca Gathering Co.	Reeves	06-09-77	350/581

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PIPELINE #194A/6

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-039-K12-L002	Caldwell, Guy et al	LoVaca Gathering Co.	Reeves	10-30-78	367/871
R 146-039-K12-L010	Lewelling, Hazel et al	LoVaca Gathering Co.	Reeves	10-30-78	367/873
R 146-039-K12-L010	Hall, Ella Mae	LoVaca Gathering Co.	Reeves	10-30-78	367/875
R 146-039-K12-L010	Lewelling, Robert M.	LoVaca Gathering Co.	Reeves	10-30-78	367/877
R 146-039-K12-L010	Hanson, Jessie Merle	LoVaca Gathering Co.	Reeves	10-30-78	367/879
R 146-039-K12-L011	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	11-08-78	367/881
R 146-039-K12-L012	Caldwell, Guy et al	LoVaca Gathering Co.	Reeves	10-30-78	367/883

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PIPELINE #194A1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 146-039-K12-K010	Reynaud, Sallie Wynne et al	LoVaca Gathering Co.	Reeves	10-18-74	334/796
R 146-039-K12-K011	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	10-18-74	334/798
R 146-039-K12-K012	Randolph, A. T. Estate	LoVaca Gathering Co.	Reeves	02-19-75	334/800
R 146-039-K12-K012	Ball, Willie May	LoVaca Gathering Co.	Reeves	02-19-75	334/803
R 146-039-K12-K012	Flag - Redfern Oil Company	LoVaca Gathering Co.	Reeves	02-19-75	334/806
R 146-039-K12-K012	Huntsville Memorial Hospital	LoVaca Gathering Co.	Reeves	02-19-75	334/809
R 146-039-K12-K012	Lamkin, James B.	LoVaca Gathering Co.	Reeves	03-10-75	334/812
R 146-039-K12-K012	Zinck, Gertrude	LoVaca Gathering Co.	Reeves	02-19-75	334/814
R 146-039-K12-K012	Methodist Home Foundation	LoVaca Gathering Co.	Reeves	02-19-75	338/701

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PIPELINE #194B

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 146-039-M10	Wiggins, P.N. Jr. et al	LoVaca Gathering Co.	Reeves	01-30-74	327/942
R 146-039-M11	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	01-29-74	327/940

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PIPELINE #194B/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
D 146-039-M11-L003	Texas Pacific Land Trust - Rental #01-32	Valero Transmission, L.P.	Reeves	02-15-97	575/430
D 146-039-M11-L004	Texas Pacific Land Trust - Rental #01-33	Valero Transmission, L.P.	Reeves	02-15-97	575/434
R 146-039-M11-L010	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	02-08-77	345/370

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PIPELINE 194B/3

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 146-039-M11-M010	Patton, Minnie K.	LoVaca Gathering Co.	Reeves	03-22-77	347/539
R 146-039-M11-M010	Wiggins, P.N. Jr.	LoVaca Gathering Co.	Reeves	03-22-77	347/536
R 146-039-M11-M011	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	03-25-77	349/84
R 146-039-M11-M012	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	03-25-77	349/84
R 146-039-M11-M013	Lamkin, James B.	LoVaca Gathering Co.	Reeves	04-12-77	349/78
R 146-039-M11-M013	Stone, Dorothy Estate	LoVaca Gathering Co.	Reeves	03-22-77	349/80
R 146-039-M11-M013	Randolph, A.K.	LoVaca Gathering Co.	Reeves	03-22-77	349/82
R 146-039-M11-M013	Zinck, Gertrude L.	LoVaca Gathering Co.	Reeves	03-22-77	349/76
R 146-039-M11-M013	Ball, Willie May	LoVaca Gathering Co.	Reeves	05-02-77	349/74
R 146-039-M11-M013	Methodist Home	LoVaca Gathering Co.	Reeves	03-22-77	349/72

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PIPELINE #194B/4

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-039-M11-J002	Randolph, A.K.	LoVaca Gathering Co.	Reeves	05-11-78	363/480
C 146-039-M11-J002	Methodist Home Foundation	LoVaca Gathering Co.	Reeves	05-11-78	363/482
C 146-039-M11-J002	Ball, Willie Mae	LoVaca Gathering Co.	Reeves	05-11-78	363/486
C 146-039-M11-J002	Leede and Pine	LoVaca Gathering Co.	Reeves	05-11-78	363/488
C 146-039-M11-J002	Zoller and Neff	LoVaca Gathering Co.	Reeves	05-11-78	363/490
C 146-039-M11-J002	Huntsville Memorial Hospital	LoVaca Gathering Co.	Reeves	05-11-78	363/492
C 146-039-M11-J002	Flag - Redfern Oil Company	LoVaca Gathering Co.	Reeves	05-11-78	363/484
C 146-039-M11-J002	Moore, Olan T.	LoVaca Gathering Co.	Reeves	05-11-78	363/494
C 146-039-M11-J002	Stone, Dorothy R. Estate	LoVaca Gathering Co.	Reeves	05-11-78	363/496
C 146-039-M11-J002	Matejek, Jerry J. et al	LoVaca Gathering Co.	Reeves	05-11-78	363/498
R 146-039-M11-J010	Randolph, A.K.	LoVaca Gathering Co.	Reeves	05-11-78	363/500
R 146-039-M11-J010	Methodist Home Foundation	LoVaca Gathering Co.	Reeves	05-11-78	363/502
R 146-039-M11-J010	Ball, Willie Mae	LoVaca Gathering Co.	Reeves	05-11-78	363/504
R 146-039-M11-J010	Leede and Pine	LoVaca Gathering Co.	Reeves	05-11-78	363/506
R 146-039-M11-J010	Zoller and Neff	LoVaca Gathering Co.	Reeves	05-11-78	363/508
R 146-039-M11-J010	Huntsville Memorial Hospital	LoVaca Gathering Co.	Reeves	05-11-78	363/510
R 146-039-M11-J010	Flag - Redfern Oil Company	LoVaca Gathering Co.	Reeves	05-11-78	363/512
R 146-039-M11-J010	Moore, Olan T.	LoVaca Gathering Co.	Reeves	05-11-78	363/514

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R 146-039-M11-J010	Stone, Dorothy R.	LoVaca Gathering Co.	Reeves	05-11-78	363/516
R 146-039-M11-J010	Matejek, Jerry J. et al	LoVaca Gathering Co.	Reeves	05-11-78	363/518
R 146-039-M11-J011	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	06-08-78	363/752

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PIPELINE #194B1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 146-039-M11-K010	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	10-18-74	334/798
R 146-039-M11-K011	Randolph, A.T. Estate	LoVaca Gathering Co.	Reeves	02-19-75	334/800
R 146-039-M11-K011	Ball, Willie Mae	LoVaca Gathering Co.	Reeves	02-19-75	334/803
R 146-039-M11-K011	Flag - Redfern Oil Company	LoVaca Gathering Co.	Reeves	02-19-75	334/806
R 146-039-M11-K011	Huntsville Memorial Hospital	LoVaca Gathering Co.	Reeves	02-19-75	334/809
R 146-039-M11-K011	Zoller and Neff	LoVaca Gathering Co.	Reeves	02-19-75	334/816
R 146-039-M11-K011	Matejek, Jerry J.	LoVaca Gathering Co.	Reeves	02-19-75	334/818
R 146-039-M11-K011	Leede and Pine	LoVaca Gathering Co.	Reeves	02-19-75	334/820
R 146-039-M11-K011	Moore, Olan T.	LoVaca Gathering Co.	Reeves	02-19-75	334/822
R 146-039-M11-K011	Methodist Home Foundation	LoVaca Gathering Co.	Reeves	02-19-75	338/701

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PIPELINE #235

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 146-039-L10	Fortune, Pearl G.	Lovaca Gathering Company	Reeves	11-26-73	327/184

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PIPELINE #235/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-039-L10-J002	Fortune, Pearl	LoVaca Gathering Co.	Reeves	11-06-78	368/416
D 146-039-L10-J003	State of Texas - Rental #10-22	Valero Transmission, L.P.	Reeves	03-10-89	
R 146-039-L10-J010	Fortune, Pearl	LoVaca Gathering Co.	Reeves	11-10-78	368/438
R 146-039-L10-J011	Fortune, Pearl et al	LoVaca Gathering Co.	Reeves	11-10-78	368/432
R 146-039-L10-J011	Goodspeed, Jack et al	LoVaca Gathering Co.	Reeves	11-10-78	368/436
R 146-039-L10-J011	Stepan, Tobi	LoVaca Gathering Co.	Reeves	11-10-78	368/434
R 146-039-L10-J012	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	11-28-78	368/847
R 146-039-L10-J013	Atlantic Richfield Company	LoVaca Gathering Co.	Reeves	12-07-78	368/430
R 146-039-L10-J014	Taylor, Virginia K. Trustee et al	LoVaca Gathering Co.	Reeves	07-18-79	378/793
R 146-039-L10-J015	Hill, James R. et al	LoVaca Gathering Co.	Reeves	12-07-78	368/424
R 146-039-L10-J016	State of Texas - Rental #10-20	Valero Transmission, L.P.	Reeves	04-24-89	493/451

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PIPELINE #235/A

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-039-L10-K002	Fortune, Pearl G.	LoVaca Gathering Co.	Reeves	05-22-74	329/573
R 146-039-L10-K010	Fortune, Pearl G.	LoVaca Gathering Co.	Reeves	05-22-74	329/575
R 146-039-L10-K011	Brennand, R.S.	LoVaca Gathering Co.	Reeves	06-24-74	329/584
R 146-039-L10-K011	Zoller, Victor H.	LoVaca Gathering Co.	Reeves	05-22-74	329/582
R 146-039-L10-K011	Patterson, Annie May Ind. Exe.	LoVaca Gathering Co.	Reeves	05-22-74	329/579
R 146-039-L10-K011	Leede and Pine	LoVaca Gathering Co.	Reeves	05-22-74	329/577

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PIPELINE #235A1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 146-039-N02	Fortune, Pearl G. et al	LoVaca Gathering Co.	Reeves	01-16-75	331/694
R 146-039-N10	Fortune, Pearl G. et al	LoVaca Gathering Co.	Reeves	01-16-75	331/696

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PIPELINE #231

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M02	Wheat, James J.	LoVaca Gathering Co.	Loving	09-27-73	47/125
C 145-001-M02	Ammerman, W.S. Jr.	LoVaca Gathering Co.	Loving	09-24-73	47/128
C 145-001-M02	Hull, H.W.	LoVaca Gathering Co.	Loving	11-14-73	47/130
C 145-001-M02	Moore, Betty Jane Trustee et al	LoVaca Gathering Co.	Loving	09-24-73	47/132
C 145-001-M02	Hooper, Jerry L.	LoVaca Gathering Co.	Loving	09-24-73	47/134
C 145-001-M02	Reichle, Vernon E.	LoVaca Gathering Co.	Loving	09-24-73	47/136
C 145-001-M02	Starley, Willie Fay	LoVaca Gathering Co.	Loving	09-24-73	47/138
C 145-001-M02	Rice, Dennis	LoVaca Gathering Co.	Loving	09-24-73	47/142
C 145-001-M02	Griffin, Ross & Burnett Inc.	LoVaca Gathering Co.	Loving	09-24-73	47/144
C 145-001-M02	Rice, Michael	LoVaca Gathering Co.	Loving	12-19-73	47/796
C 145-001-M02	Rice, Dorothy	LoVaca Gathering Co.	Loving	12-19-73	47/206
C 145-001-M03	Russell, Ralph C. et al	LoVaca Gathering Co.	Reeves	12-12-73	47/751
C 145-001-M04	Knight, F.R. Estate	LoVaca Gathering Co.	Reeves	08-13-73	327/51
C 145-001-M04	Knight, Merrill M.	LoVaca Gathering Co.	Reeves	08-13-73	327/53
C 145-001-M04	Owens, Mrs. Norma Knight	LoVaca Gathering Co.	Reeves	08-13-73	327/55
C 145-001-M05	Russell Family Trust	LoVaca Gathering Co.	Loving	07-01-76	53/714
C 145-001-M06	Sudderth, Jane Dean et al	LoVaca Gathering Co.	Ward	07-14-76	345/598
F 145-001-M08	Commissioners Court (map only)	LoVaca Gathering Co.	Reeves	---	---

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G 145-001-M09	Texas Highway Dept. US 285	LoVaca Gathering Co.	Reeves	08-16-73	---
R 145-001-M10	Rice, Michael	LoVaca Gathering Co.	Loving	12-19-73	47/798
R 145-001-M10	Rice, Dorothy A.	LoVaca Gathering Co.	Loving	12-19-73	47/204
R 145-001-M10	Wheat, James J.	LoVaca Gathering Co.	Loving	09-27-73	47/146
R 145-001-M10	Griffin, Ross & Burnett Inc.	LoVaca Gathering Co.	Loving	09-24-73	47/167
R 145-001-M10	Rice, Dennis	LoVaca Gathering Co.	Loving	12-19-73	47/165
R 145-001-M10	Starley, Willie May	LoVaca Gathering Co.	Loving	08-08-73	47/161
R 145-001-M10	Moore, Betty Jane Trustee et al	LoVaca Gathering Co.	Loving	08-08-73	47/159
R 145-001-M10	Reichle,Vernon E.	LoVaca Gathering Co.	Loving	08-08-73	47/157
R 145-001-M10	Hooper, Jerry L.	LoVaca Gathering Co.	Loving	08-08-73	47/155
R 145-001-M10	Hull, H.W.	LoVaca Gathering Co.	Loving	11-14-73	47/153
R 145-001-M10	Ammerman, W.S. Jr.	LoVaca Gathering Co.	Loving	08-08-73	47/151
R 145-001-M11	Russell, Ralph C. et al	LoVaca Gathering Co.	Loving	12-12-73	47/747
R 145-001-M12	Wheat, James J.	LoVaca Gathering Co.	Loving	09-27-73	47/146
R 145-001-M13	Stowell, Lida F. Estate	LoVaca Gathering Co.	Loving	08-31-73	47/173
R 145-001-M13	Carter, Earle D.	LoVaca Gathering Co.	Loving	08-31-73	47/171
R 145-001-M13	Hamilton, Helen V.	LoVaca Gathering Co.	Loving	08-31-73	47/202
R 145-001-M14	Goodrich, Ellen	LoVaca Gathering Co.	Loving	08-08-73	47/169
R 145-001-M15	Gregg, A.W. Jr. Trustee et al	LoVaca Gathering Co.	Loving	08-13-73	47/175
R 145-001-M16	State of Texas - Rental Unit #07-41	Valero Transmission, L.P.	Loving	10-12-95	100/362
R 145-001-M17	Kennedy, Mary Louise	LoVaca Gathering Co.	Loving	08-09-73	47/183
R 145-001-M18	McCrea,Marshall S. Jr. Ind	LoVaca Gathering Co.	Loving	08-08-73	47/186

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R 145-001-M19	Cleys, Albert F. et ux	LoVaca Gathering Co.	Loving	11-01-73	47/190
R 145-001-M20	Bentley, George R.	LoVaca Gathering Co.	Loving	08-15-73	47/188
R 145-001-M20	Bentley, George R.	LoVaca Gathering Co.	Ward	08-15-73	381/503
R 145-001-M21	Petroleum Corporation	LoVaca Gathering Co.	Loving	08-16-73	47/192
R 145-001-M21	Petroleum Corporation	LoVaca Gathering Co.	Ward	08-16-73	379/325
R 145-001-M22	State of Texas				
R 145-001-M23	Sievers, Lucy H.	LoVaca Gathering Co.	Reeves	08-08-73	327/48
R 145-001-M24	Atchison, Topeka & Santa Fe RR	LoVaca Gathering Co.	Reeves	09-20-73	---
R 145-001-M25	State of Texas - Rental Unit #07-43	Valero Transmission, L.P.	Reeves	08-01-93	574/359
R 145-001-M26	Bond, Vera B.	LoVaca Gathering Co.	Reeves	08-08-73	327/33
R 145-001-M27	Sudderth, Jane Dean et al	LoVaca Gathering Co.	Reeves	08-08-73	327/35
R 145-001-M28	Kerr, William L. et al	LoVaca Gathering Co.	Reeves	08-23-73	327/7
R 145-001-M29	Clark, Una F. (Power of Attny)	LoVaca Gathering Co.	Reeves	08-08-73	327/31
R 145-001-M30	Betts, W.H.	LoVaca Gathering Co.	Reeves	08-31-73	327/27
R 145-001-M31	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	08-23-73	327/29
R 145-001-M32	Johnson, Joe D. et al	LoVaca Gathering Co.	Reeves	08-15-73	327/23
R 145-001-M33	State of Texas - Rental Unit #07-44	Valero Transmission, L.P.	Reeves	06-27-96	563/733
R 145-001-M34	Knight, F.R. Estate	LoVaca Gathering Co.	Reeves	08-10-73	327/14
R 145-001-M34	Knight, Merrill M.	LoVaca Gathering Co.	Reeves	08-10-73	327/16
R 145-001-M34	Owen, Mrs. Norma Knight	LoVaca Gathering Co.	Reeves	08-10-73	327/12

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PIPELINE #231/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M11-L002	Bush, William Leslie Estate	LoVaca Gathering Co.	Loving	07-29-75	51/368
C 145-001-M11-L002	Craven, Katherine et al	LoVaca Gathering Co.	Loving	07-29-75	51/366
R 145-001-M11-L010	Russell, Ralph C. Trustee	LoVaca Gathering Co.	Loving	07-29-75	51/364
R 145-001-M11-L011	Wheat, J.J.	LoVaca Gathering Co.	Loving	10-31-75	51/700
R 145-001-M11-L011	Wheat, Woodrow	LoVaca Gathering Co.	Loving	01-27-76	52/377
R 145-001-M11-L011	Burnett, Gary G.	LoVaca Gathering Co.	Loving	11-17-75	51/798
R 145-001-M11-L011	Hooper, Jerry L.	LoVaca Gathering Co.	Loving	10-07-75	52/103
R 145-001-M11-L011	Moore, J.Hiram Trustee et al	LoVaca Gathering Co.	Loving	10-07-75	51/827
R 145-001-M11-L011	Reichle, Vernon E.	LoVaca Gathering Co.	Loving	10-07-75	51/796
R 145-001-M11-L011	Griffin, Kenneth H.	LoVaca Gathering Co.	Loving	11-17-75	51/800
R 145-001-M11-L011	Ross, Robert B.	LoVaca Gathering Co.	Loving	11-17-75	51/766
R 145-001-M11-L011	White, Margaret F.	LoVaca Gathering Co.	Loving	11-17-75	51/768
R 145-001-M11-L011	Rice, Dorothy A.	LoVaca Gathering Co.	Loving	10-07-75	54/376
R 145-001-M11-L012	Craven, Katherine et al	LoVaca Gathering Co.	Loving	07-28-75	51/361
R 145-001-M11-L012	Bush, William Leslie Estate	LoVaca Gathering Co.	Loving	07-28-75	51/358

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PIPELINE #231/10

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
E 144-006	Installation without Easement				
R 144-010	Ky-Tex Properties, Inc.	El Paso Natural Gas Co.	Loving	10-07-75	51/652
R 144-010	Goodrich, Ellen	El Paso Natural Gas Co.	Loving	05-04-76	---
R 144-011	McGinley, Thomas K.	El Paso Natural Gas Co.	Loving	10-09-75	57/579
R 144-011	Goodrich, Elen	El Paso Natural Gas Co.	Loving	05-04-76	---
R 144-012	Davey, M.A. III	El Paso Natural Gas Co.	Loving	05-19-77	56/20
R 144-012	Colley, Dorothy N.	El Paso Natural Gas Co.	Loving	11-17-76	54/791
R 144-012	Colley, Martin D.	El Paso Natural Gas Co.	Loving	03-10-76	54/863
R 144-012	Davey, Martin A. III	El Paso Natural Gas Co.	Loving	10-25-76	54/710
R 144-012	Colley, Thomas M. Jr.	El Paso Natural Gas Co.	Loving	09-16-76	54/435
R 144-012	Joyce, Lottie May	El Paso Natural Gas Co.	Loving	03-10-76	53/78
R 144-012	Hamilton, Kathleen Davey et al	El Paso Natural Gas Co.	Loving	09-16-76	---
R 144-012	Goodrich, Ellen	El Paso Natural Gas Co.	Loving	05-04-76	---
R 144-013	Wheat, Woodrow et ux	El Paso Natural Gas Co.	Loving	02-04-76	52/541
R 144-013	Wheat, Woodrow et ux	El Paso Natural Gas Co.	Loving	06-26-75	51/477
R 144-014	Phillips, B.F. Jr. et al	El Paso Natural Gas Co.	Loving	10-02-75	53/85
R 144-014	Phillips, B.F. Jr. et al	El Paso Natural Gas Co.	Loving	11-28-73	46/638
R 144-014	Phillips, B.F. Jr. et al	El Paso Natural Gas Co.	Loving	05-10-74	48/575

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R 144-014	Wheat, James J.	El Paso Natural Gas Co.	Loving	07-25-74	49/15
R 144-015	State of Texas - Rental Unit #09-32	Valero Transmission, L.P.	Loving	09-13-96	101/700
R 144-016	State of Texas - Rental Unit #05-56	Valero Transmission, L.P.	Loving	09-20-96	101/715
R 144-017	Wheat, James J.	El Paso Natural Gas Co.	Ward	07-25-74	384/513
R 144-017	Wheat, James J.	El Paso Natural Gas Co.	Loving	07-25-74	49/18

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PIPELINE #231/11

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 144-010-K10	Ky-Tex Properties, Inc.	El Paso Natural Gas Co.	Loving	10-07-75	51/652
R 144-010-K10	Goodrich, Ellen	El Paso Natural Gas Co.	Loving	05-04-76	---

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PIPELINE #231/12

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 144-012-K10	Hamilton, Kathleen Davey	El Paso Natural Gas Co.	Loving	01-14-76	52/554
R 144-012-K10	Colley, Martin D.	El Paso Natural Gas Co.	Loving	01-14-76	52/546
R 144-012-K10	Colley, Thomas M. Jr.	El Paso Natural Gas Co.	Loving	01-14-76	52/544
R 144-012-K10	Davey, M.A. III	El Paso Natural Gas Co.	Loving	01-14-76	52/548
R 144-012-K10	Joyce, Lottie May	El Paso Natural Gas Co.	Loving	01-14-76	52/552
R 144-012-K10	Colley, Dorothy N.	El Paso Natural Gas Co.	Loving	01-14-76	52/550
R 144-012-K10	Davey, M.A. III	El Paso Natural Gas Co.	Loving	01-14-76	52/556
R 144-012-K10	Goodrich, Ellen	El Paso Natural Gas Co.	Loving	05-04-76	---

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PIPELINE #231/13

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 144-013-K10	Wheat, Woodrow et al	El Paso Natural Gas Co.	Loving	06-26-75	51/477

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PIPELINE #231/14

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 144-014-K10	Phillips, B.F. Jr. et al	El Paso Natural Gas Co.	Loving	11-28-73	46/638
R 144-014-K10	Phillips, B.F. Jr. et al	El Paso Natural Gas Co.	Loving	10-02-75	53/85
R 144-014-K10	Wheat, James J.	El Paso Natural Gas Co.	Loving	07-25-74	49/15
R 144-014-K10	Phillips, B.F. Jr. et al	El Paso Natural Gas Co.	Loving	05-10-74	48/575

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PIPELINE #231/15

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 144-015-K10	State of Texas - Rental Unit #08-59	Valero Transmission, L.P.	Loving	11-07-95	100/370

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PIPELINE #231/16

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 144-016-K10	State of Texas - Rental Unit #08-60	Valero Transmission, L.P.	Loving	11-07-95	100/346

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PIPELINE #231/17

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 144-016-L10	State of Texas - Rental Unit #08-61	Valero Transmission, L.P.	Loving	11-07-95	100/354

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PIPELINE #231/18

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
D 143-002	State of Texas - Rental Unit #08-56	Valero Transmission, L.P.	Loving	09-02-88	87/203
D 143-003	State of Texas - Rental Unit #08-55	Valero Transmission, L.P.	Loving	09-02-88	87/210
R 143-010	State of Texas - Rental Unit #08-57	Valero Transmission, L.P.	Loving	09-02-88	87/479

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PIPELINE #231/19

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 144-017-K10	Wheat, James J.	El Paso Natural Gas Co.	Ward	07-25-74	384/435

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PIPELINE #231/5

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
G 145-001-M10-H009	Texas Hwy Dept FM 1211	Valero Transmission Co.	Loving	02-21-80	---
R 145-001-M10-H010	Wheat, James J.	Valero Gathering Co.	Loving	09-29-80	62/405
R 145-001-M10-H011	Key, Hobart Jr.	Valero Transmission Co.	Loving	02-14-80	61/79
R 145-001-M10-H011	Key, Hobart Jr. et al	Valero Transmission Co.	Loving	02-14-80	61/107
R 145-001-M10-H011	Key, Albert W.	Valero Transmission Co.	Loving	02-14-80	61/27
R 145-001-M10-H011	Key, Hobart Jr. et al	Valero Transmission Co.	Loving	02-14-80	60/905
R 145-001-M10-H011	Virden, Mary Lee et al	Valero Transmission Co.	Loving	02-14-80	60/907
R 145-001-M10-H011	Houghton, Thomas W.	Valero Transmission Co.	Loving	02-14-80	60/909
R 145-001-M10-H012	Wheat, J.J.	Valero Gathering Co.	Loving	08-27-80	62/399
R 145-001-M10-H013	Wheat, Woodrow	Valero Gathering Co.	Loving	08-27-80	62/444
R 145-001-M10-H014	Abernathy, William et al	Valero Gathering Co.	Loving	09-02-80	62/295
R 145-001-M10-H015	Continental Bank of Ft Worth	(No executed document)			
R 145-001-M10-H016	Texas Pacific Land Trust	Valero Gathering Co.	Loving	09-24-80	62/441

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PIPELINE #231/7

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M10-G002	Abernathy, William et al	Valero Gathering Co.	Loving	08-21-80	62/301
R 145-001-M10-G010	Abernathy, William et al	Valero Gathering Co.	Loving	09-02-88	62/304
R 145-001-M10-G011	Texas Pacific Land Trust	Valero Transmission Co.	Loving	09-24-80	62/356

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PIPELINE #231/8

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M10-F002	Abernathy, William et al	Valero Gathering Co.	Loving	08-29-80	62/315
R 145-001-M10-F010	Abernathy, William et al	Valero Gathering Co.	Loving	09-02-88	62/323
R 145-001-M10-F011	Texas Pacific Land Trust	Valero Gathering Co.	Loving	09-24-80	62/438
R 145-001-M10-F012	Ahearn, Myrtle B.	Valero Gathering Co.	Loving	07-12-80	62/124
R 145-001-M10-F013	Abernathy, William et al	Valero Gathering Co.	Loving	09-02-80	62/318

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PIPELINE #231/9

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M10-P002	Abernathy, William et al	Valero Gathering Co.	Loving	08-04-81	65/375
R 145-001-M10-P010	Abernathy, William et al	Valero Gathering Co.	Loving	08-04-81	65/375

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PIPELINE #231A

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 145-001-M10-L010	Starley, J.H.	LoVaca Gathering Co.	Loving	05-15-74	49/802
R 145-001-M10-L010	Reichle,Vernon E. et al	LoVaca Gathering Co.	Loving	05-15-74	49/800
R 145-001-M10-L010	Ammerman,W.S. Jr.	LoVaca Gathering Co.	Loving	05-15-74	49/798
R 145-001-M10-L010	Young, Lois A. Trustee	LoVaca Gathering Co.	Loving	05-15-74	49/796
R 145-001-M10-L010	Rice, Michael	LoVaca Gathering Co.	Loving	05-15-74	49/794
R 145-001-M10-L010	Landua, Harvin L.	LoVaca Gathering Co.	Loving	05-15-74	49/792
R 145-001-M10-L010	Griffin Ross & Burnett Inc.	LoVaca Gathering Co.	Loving	04-26-74	49/790
R 145-001-M10-L010	Wheat, James J.	LoVaca Gathering Co.	Loving	05-24-74	49/804
R 145-001-M10-L011	Key, Hobart Jr. et al	LoVaca Gathering Co.	Loving	09-26-74	49/809
R 145-001-M10-L011	Turner, Elizabeth T. Jones	LoVaca Gathering Co.	Loving	09-26-74	49/816
R 145-001-M10-L011	Virden, Mary Lee	LoVaca Gathering Co.	Loving	09-26-74	49/818
R 145-001-M10-L011	Houghton, Dudley W.	LoVaca Gathering Co.	Loving	09-26-74	49/812
R 145-001-M10-L011	Houghton, Thomas W.	LoVaca Gathering Co.	Loving	09-26-74	49/814
R 145-001-M10-L011	Dorr, John R.	LoVaca Gathering Co.	Loving	09-03-74	49/820

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PIPELINE #231B

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M10-K002	Wheat, James J.	LoVaca Gathering Co.	Loving	12-12-74	49/762
R 145-001-M10-K010	Ammerman, W.S. Jr.	LoVaca Gathering Co.	Loving	12-06-74	49/765
R 145-001-M10-K010	Reichle,Vernon E.	LoVaca Gathering Co.	Loving	12-06-74	49/767
R 145-001-M10-K010	Hooper, Jerry L.	LoVaca Gathering Co.	Loving	12-06-74	49/769
R 145-001-M10-K010	Landua, H.L. (Power of Attorney)	LoVaca Gathering Co.	Loving	12-06-74	49/771
R 145-001-M10-K010	Starley, J.H. (Attorney in fact)	LoVaca Gathering Co.	Loving	12-06-74	49/778
R 145-001-M10-K011	Houghton, Dudley W.	LoVaca Gathering Co.	Loving	12-06-74	49/780
R 145-001-M10-K011	Virden, Mary Lee	LoVaca Gathering Co.	Loving	12-06-74	49/782
R 145-001-M10-K011	Houghton, Thomas W.	LoVaca Gathering Co.	Loving	12-06-74	49/784
R 145-001-M10-K011	Key, Hobart Jr. et al	LoVaca Gathering Co.	Loving	12-06-74	49/786
R 145-001-M10-K011	Turner, Elizabeth T. Jones	LoVaca Gathering Co.	Loving	12-06-74	49/788
R 145-001-M10-K012	Wheat, James J.	LoVaca Gathering Co.	Loving	12-12-74	49/773

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PIPELINE #231B/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M10-N002	Burnett, Gary G.	LoVaca Gathering Co.	Loving	11-17-75	51/802
C 145-001-M10-N002	Wheat, J.J.	LoVaca Gathering Co.	Loving	10-31-75	51/734
C 145-001-M10-N002	Hooper, Jerry L.	LoVaca Gathering Co.	Loving	10-07-75	52/97
C 145-001-M10-N002	Moore, J.Hiram Trustee et al	LoVaca Gathering Co.	Loving	10-07-75	51/831
C 145-001-M10-N002	Reichle,Vernon E.	LoVaca Gathering Co.	Loving	10-07-75	51/804
C 145-001-M10-N002	White, Margaret F.	LoVaca Gathering Co.	Loving	11-17-75	51/760
C 145-001-M10-N002	Ross, Robert B.	LoVaca Gathering Co.	Loving	11-17-75	51/758
C 145-001-M10-N002	Rice, Dorothy A.	LoVaca Gathering Co.	Loving	10-07-75	54/372
C 145-001-M10-N002	Griffin, Kenneth H.	LoVaca Gathering Co.	Loving	11-17-75	51/806
C 145-001-M10-N002	Wheat, Woodrow	LoVaca Gathering Co.	Loving	01-27-76	52/382
C 145-001-M10-N003	Abernathy, William et al	LoVaca Gathering Co.	Loving	10-03-75	51/739
G 145-001-M10-N009	Texas Hwy Dept. FM 1211	LoVaca Gathering Co.	Loving	07-18-75	---
R 145-001-M10-N010	Wheat, J.J. et al	LoVaca Gathering Co.	Loving	10-31-75	51/734
E 145-001-M10-N011	No Easement				
R 145-001-M10-N011	Abernathy, William et al	LoVaca Gathering Co.	Loving	10-03-75	51/739
R 145-001-M10-N011	Wheat, Woodrow	LoVaca Gathering Co.	Loving	01-27-76	52/382
R 145-001-M10-N011	Ross, Robert B.	LoVaca Gathering Co.	Loving	11-17-75	51/764
R 145-001-M10-N011	White, Margaret F.	LoVaca Gathering Co.	Loving	11-17-75	51/762

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R 145-001-M10-N011	Reichle, Vernon E.	LoVaca Gathering Co.	Loving	10-07-75	51/808
R 145-001-M10-N011	Griffin, Kenneth	LoVaca Gathering Co.	Loving	11-17-75	51/812
R 145-001-M10-N011	Burnett, Gary G.	LoVaca Gathering Co.	Loving	11-17-75	51/810
R 145-001-M10-N011	Hooper, Jerry L.	LoVaca Gathering Co.	Loving	10-07-75	52/99
R 145-001-M10-N011	Moore, J. Hiram Trustee et al	LoVaca Gathering Co.	Loving	10-07-75	51/833
R 145-001-M10-N011	Rice, Dorothy A.	Lo Vaca Gathering Co.	Loving	10-07-75	54/370
R 145-001-M10-N011	Abernathy, William et al	LoVaca Gathering Co.	Loving	10-03-75	51/739

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PIPELINE #231B/2

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M10-J002	Wheat, Woodrow	LoVaca Gathering Co.	Loving	04-20-76	53/615
C 145-001-M10-J003	Abernathy, William et al	LoVaca Gathering Co.	Loving	04-05-76	53/620
R 145-001-M10-J010	Abernathy, William et al	LoVaca Gathering Co.	Loving	04-05-76	53/620
R 145-001-M10-J011	Wheat, Woodrow	LoVaca Gathering Co./TUFCO	Loving	04-20-76	53/615

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PIPELINE #231C

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 145-001-M11-K010	Russell, Ralph C. Trustee	LoVaca Gathering Co.	Loving	03-18-75	51/25

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PIPELINE #231D/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 145-001-N10	Bell, Ruth V. Estate	Devon Energy Corporation	Loving	12-24-82	68/739

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PIPELINE #231D/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-M10-M002	Bell, Ruth V. et al	LoVaca Gathering Co./TUFCO	Loving	06-06-75	51/704
C 145-001-M10-M002	Miller, Mabelle McElvain	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/706
C 145-001-M10-M002	Bell, Ruth V. et al	LoVaca Gathering Co./TUFCO	Loving	06-12-75	51/710
C 145-001-M10-M002	Miller, Mabelle McElvain	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/708
C 145-001-M10-M002	McElvain, J. Wm.	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/782
C 145-001-M10-M002	McElvain, J. Wm.	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/784
C 145-001-M10-M002	Vaughn, Ruth M.	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/786
C 145-001-M10-M002	Vaughn, Ruth M.	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/788
G 145-001-M10-M009	Texas Hwy Dept FM 1211	LoVaca Gathering Co./TUFCO	Loving	06-09-75	—
R 145-001-M10-M010	Wheat, J.J.	LoVaca Gathering Co./TUFCO	Loving	10-31-75	51/712
R 145-001-M10-M010	Wheat, Woodrow	LoVaca Gathering Co./TUFCO	Loving	01-27-76	52/388
R 145-001-M10-M010	Burnett, Gary G.	LoVaca Gathering Co./TUFCO	Loving	11-17-75	51/776
R 145-001-M10-M010	Griffin, Kenneth H.	LoVaca Gathering Co./TUFCO	Loving	11-17-75	51/778
R 145-001-M10-M010	Reichle, Vernon E.	LoVaca Gathering Co./TUFCO	Loving	06-09-75	51/774
R 145-001-M10-M010	Hooper, Jerry L.	LoVaca Gathering Co./TUFCO	Loving	06-09-75	52/65
R 145-001-M10-M010	Ross, Robert B.	LoVaca Gathering Co./TUFCO	Loving	11-17-75	51/772
R 145-001-M10-M010	White, Margaret F.	LoVaca Gathering Co./TUFCO	Loving	11-17-75	51/770

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R 145-001-M10-M010	Moore, J. Hiram Trustee et al	LoVaca Gathering Co./TUFCO	Loving	06-09-75	51/829
R 145-001-M10-M010	Rice, Dorothy A.	LoVaca Gathering Co./TUFCO	Loving	06-09-75	54/374
R 145-001-M10-M011	Bell, Ruth V.	LoVaca Gathering Co./TUFCO	Loving	06-09-75	51/719
R 145-001-M10-M011	McElvain, J. Wm.	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/790
R 145-001-M10-M011	Miller, Mabelle McElvain	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/716
R 145-001-M10-M011	Vaughn, Ruth M.	LoVaca Gathering Co./TUFCO	Loving	09-30-75	51/793

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PIPELINE #293/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 147-002	Tompkins, Ruth D. Estate	LoVaca Gathering Co.	Loving	10-19-78	58/728
C 147-003	Allen, Franklin Lee et al	LoVaca Gathering Co.	Loving	10-24-78	58/740
C 147-004	Abernathy, J. Logan et al	Valero Transmission Co.	Loving	08-12-82	67/796
R 147-010	Tompkins, Ruth D. Estate	LoVaca Gathering Co.	Loving	10-19-78	58/744
R 147-011	Abernathy, William L. et al	LoVaca Gathering Co.	Loving	02-09-79	59/201
R 147-012	Wheat, J.J.	LoVaca Gathering Co.	Loving	10-25-78	58/735
R 147-013	Wheat, Woodrow	LoVaca Gathering Co.	Loving	11-09-78	58/730
R 147-014	Allen, Franklin Lee et al	LoVaca Gathering Co.	Loving	10-24-78	58/712

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PIPELINE #93J

ROW FILE #.	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 153-001-L35-K002	Wilson, John	LoVaca Gathering Co.	Ward	03-03-75	392/586
C 153-001-L35-K003	Wilson, John	LoVaca Gathering Co.	Ward	03-03-75	392/587
R 153-001-L35-K010	Wilson, John	LoVaca Gathering Co.	Ward	03-03-75	392/589

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PIPELINE #100

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 153-001-K02	Steinkirchner, Clarice	LoVaca Gathering Co.	Reeves	01-13-71	300/71
C 153-001-K02	Knight, Merrill M.	LoVaca Gathering Co.	Reeves	01-13-71	300/73
C 153-001-K02	Slocum, Doris	LoVaca Gathering Co.	Reeves	02-12-71	300/89
C 153-001-K02	Owens, Norma Knight	LoVaca Gathering Co.	Reeves	01-13-71	300/91
C 153-001-K02	Knight, Cornell et al	LoVaca Gathering Co.	Reeves	01-13-71	300/75
C 153-001-K03	Knight, Merrill M.	LoVaca Gathering Co.	Reeves	12-02-70	300/83
C 153-001-K03	Owens, Norma Knight	LoVaca Gathering Co.	Reeves	12-02-70	300/87
C 153-001-K03	Lamberson, Shirley Knight et al	LoVaca Gathering Co.	Reeves	12-02-70	300/85
C 153-001-K03	Bagwell, Nell Dean Knight	LoVaca Gathering Co.	Reeves	12-02-70	300/81
C 153-001-K03	Slocum, Doris Arlene	LoVaca Gathering Co.	Reeves	12-02-70	300/79
C 153-001-K03	Steinkirchner, Clarice Jean	LoVaca Gathering Co.	Reeves	12-02-70	300/77
C 153-001-K04	Knight, Merrill M.	Valero Transmission Co.	Reeves	02-21-80	387/447
C 153-001-K04	Slocum, Doris Arlene	Valero Transmission Co.	Reeves	02-21-80	389/123
C 153-001-K04	Bagwell, Nell Dean	Valero Transmission Co.	Reeves	02-21-80	387/637
C 153-001-K04	Owens, R.D.	Valero Transmission Co.	Reeves	02-21-80	387/151
C 153-001-K04	Steinkirchner, Clarice	Valero Transmission Co.	Reeves	02-21-80	387/445
C 153-001-K04	Owens, Norma Knight	Valero Transmission Co.	Reeves	02-21-80	386/679

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C 153-001-K04	Knight, Ruth	Valero Transmission Co.	Reeves	02-21-80	386/656
C 153-001-K04	Lamberson, Shirley Ruth	Valero Transmission Co.	Reeves	02-21-80	386/658
G 153-001-K09	Texas Hwy Dept FM 1216	LoVaca Gathering Co.	Reeves	11-30-70	---
G 153-001-K09	Texas Hwy Dept US 285	LoVaca Gathering Co.	Reeves	11-30-70	---
G 153-001-K09	Texas Hwy Dept FM 516	LoVaca Gathering Co.	Reeves	11-30-70	---
R 153-001-K10	Shelton, Jessie N.	LoVaca Gathering Co.	Ward	11-24-70	342/38
R 153-001-K11	Majors, Winnie E.	LoVaca Gathering Co.	Ward	11-19-70	342/39
R 153-001-K12	Nutter, Jack O. et al	LoVaca Gathering Co.	Ward	12-07-70	342/41
R 153-001-K13	Wheelis, Tommy B.	LoVaca Gathering Co.	Ward	07-30-69	342/44
K 153-001-K14	State of Texas	Valero Transmission Co.	Ward	10-08-80	457/539
K 153-001-K14	State of Texas	Valero Transmission Co.	Reeves	10-08-80	398/153
R 153-001-K15	Sears, James L. et ux	LoVaca Gathering Co.	Reeves	07-30-69	300/98
R 153-001-K16	Schwalbe, E.C.	LoVaca Gathering Co.	Reeves	11-23-70	300/99
R 153-001-K17	Mandell, Humboldt C. et ux	LoVaca Gathering Co.	Reeves	11-20-70	300/101
M 153-001-K18	Atchison, Topeka & Santa Fe RR	LoVaca Gathering Co.	Reeves	11-29-73	---
R 153-001-K19	Gunter, Ollie L.	LoVaca Gathering Co.	Reeves	07-30-69	300/104
R 153-001-K20	Johnson, Zemula Estate	LoVaca Gathering Co.	Reeves	12-09-70	300/106
R 153-001-K20	Insirilo, Vivian Palmer	LoVaca Gathering Co.	Reeves	11-25-70	300/253
R 153-001-K20	Bellocchio, Clara Elizabeth	LoVaca Gathering Co.	Reeves	03-12-71	300/235
R 153-001-K20	Booth, Opal Palmer	LoVaca Gathering Co.	Reeves	11-25-70	300/153
R 153-001-K20	Perini, V.C. Estate	LoVaca Gathering Co.	Reeves	12-03-70	300/111

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R 153-001-K20	Anderson, Ollie P. Estate	LoVaca Gathering Co.	Reeves	11-25-70	300/113
R 153-001-K20	Blake, Jack E. et al	LoVaca Gathering Co.	Reeves	11-25-70	300/115
R 153-001-K21	Armstrong, Fred P.	LoVaca Gathering Co.	Reeves	08-08-69	300/117
R 153-001-K22	Dorr, John J. et ux	LoVaca Gathering Co.	Reeves	07-30-69	300/119
R 153-001-K23	Heinrich, Louis M. et ux	LoVaca Gathering Co.	Reeves	07-30-69	300/121
R 153-001-K24	Ward County Irrigation Dist.	LoVaca Gathering Co.	Reeves	12-01-70	300/124
R 153-001-K24	Ward County Irrigation Dist.	LoVaca Gathering Co.	Ward	12-29-70	342/31
R 153-001-K24	Ward County Water Improvement	LoVaca Gathering Co.	Ward	02-26-71	343/630
R 153-001-K25	Clark, Jack	LoVaca Gathering Co.	Reeves	07-31-69	300/130
R 153-001-K26	Regan, Roberta M. Trust	LoVaca Gathering Co.	Reeves	08-13-69	300/132
R 153-001-K27	Steinkirchner, Clarice Jean	LoVaca Gathering Co.	Reeves	12-16-70	300/133
R 153-001-K27	Slocum, Doris Arlene	LoVaca Gathering Co.	Reeves	12-16-70	300/135
R 153-001-K27	Bagwell, Nell Dean Knight	LoVaca Gathering Co.	Reeves	12-16-70	300/137
R 153-001-K27	Knight, Merrill N.	LoVaca Gathering Co.	Reeves	12-16-70	300/139
R 153-001-K27	Owens, Norma Knight	LoVaca Gathering Co.	Reeves	12-16-70	300/141
R 153-001-K27	Lamberson, Shirley Knight et al	LoVaca Gathering Co.	Reeves	12-16-70	300/144

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PIPELINE #100/3

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 153-001-M02	Sears, James L. et ux	Valero Gathering Co.	Reeves	08-28-81	409/218
G 153-001-M09	Texas Hwy Dept FM 1216	Valero Gathering Co.	Reeves	09-01-81	---
J 153-001-M09	Corp of Engineers	Valero Gathering Co.	Reeves	08-18-81	---
K 153-001-M06	State of Texas	Valero Gathering Co.	Reeves	09-08-81	---
K 153-001-M07	Ward Co. Irrigation	Valero Gathering Co.	Ward	12-08-81	476/399
K 153-001-M08	Reeves Co. Irrigation	Valero Gathering Co.	Reeves	03-09-82	418/551
K 153-001-M09	Ward Co. Irrigation	Valero Gathering Co.	Ward	12-10-81	472/132
M 153-001-M09	Atchison, Topeka, Santa Fe RR	Valero Gathering Co.	Reeves	09-24-81	---
R 153-001-M10	Shelton, Jessie Nancy	Valero Gathering Co.	Ward	08-24-81	469/214
R 153-001-M11	Majors, Winnie E.	Valero Gathering Co.	Ward	09-28-81	471/143
R 153-001-M12	Chadwick, James H.	Valero Gathering Co.	Ward	09-16-81	469/411
R 153-001-M13	Federal Inter. Credit Bank of TX	Valero Gathering Co.	Ward	08-31-81	469/212
R 153-001-M14	Sears, James L. et ux	Valero Gathering Co.	Reeves	08-28-81	409/216
R 153-001-M15	Schwalbe, Ethel C. Estate	Valero Gathering Co.	Reeves	09-17-81	410/17
R 153-001-M16	Eiken, Sigmund Estate	Valero Gathering Co.	Reeves	12-02-81	413/547
R 153-001-M17	Mandell, Madeline	Valero Gathering Co.	Reeves	06-16-82	423/681
R 153-001-M17	Mandell, Humboldt C Jr.	Valero Gathering Co.	Reeves	08-24-81	411/363
R 153-001-M18	Humphrey, Marana O. et al	Valero Gathering Co.	Reeves	08-24-81	412/186

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R 153-001-M18	Muirhead, Martha Jo Humphrey	Valero Gathering Co.	Reeves	08-24-81	413/709
R 153-001-M19	Mesecher, Lucille	Valero Gathering Co.	Reeves	08-24-81	422/87
R 153-001-M19	Morrow, Lola Marie	Valero Gathering Co.	Reeves	08-24-81	414/609
R 153-001-M19	Sadegur, Dorothy	Valero Gathering Co.	Reeves	08-24-81	417/82
R 153-001-M19	Edwards, Terry Lynn	Valero Gathering Co.	Reeves	08-24-81	---
R 153-001-M20	Gulf Oil Corporation	Valero Gathering Co.	Reeves	08-24-81	411/517
R 153-001-M21	Zeman, Mary Catherine et al	Valero Gathering Co.	Reeves	06-16-82	423/683
R 153-001-M21	Camp, Jim Estate	Valero Gathering Co.	Reeves	08-31-81	409/220
R 153-001-M22	Daniels, Dorothy et al - Judgement	Valero Gathering Co.	Reeves	12-21-81	---
R 153-001-M23	Quinn, B.E. III et al	Valero Gathering Co.	Reeves	08-24-81	412/180

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ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 145-010	Ward Co. Irrigation Dist.	LoVaca Gathering Co.	Reeves	01-25-71	308/427
R 145-011	Whissell, George B.	LoVaca Gathering Co.	Reeves	07-02-71	308/432
R 145-012	West Texas Production Credit Assn.	LoVaca Gathering Co.	Reeves	06-08-71	308/436
R 145-013	Knight, Merrill M.	LoVaca Gathering Co.	Reeves	07-19-71	308/441
R 145-013	Slocum, Doris Arlene Knight	LoVaca Gathering Co.	Reeves	07-28-71	308/438
R 145-013	Bagwell, Nell Dean Knight	LoVaca Gathering Co.	Reeves	07-19-71	308/444
R 145-013	Owens, Norma Knight	LoVaca Gathering Co.	Reeves	07-19-71	308/447
R 145-013	Steinkirchner, Clarice Jean	LoVaca Gathering Co.	Reeves	07-19-71	308/450
R 145-001-K10	Knight, Ruth et al	LoVaca Gathering Co.	Reeves	07-19-71	308/404
R 145-001-K10	Slocum, Doris Arlene	LoVaca Gathering Co.	Reeves	07-28-71	308/407
R 145-001-K10	Bagwell, Nell Dean Knight	LoVaca Gathering Co.	Reeves	07-19-71	308/410
R 145-001-K10	Owens, Norma Knight	LoVaca Gathering Co.	Reeves	07-19-71	308/413
R 145-001-K10	Knight, Merrill M.	LoVaca Gathering Co.	Reeves	07-19-71	308/416
R 145-001-K10	Steinkirchner, Clarice Jean	LoVaca Gathering Co.	Reeves	07-19-71	308/419
R 145-001-K11	Ward County Irrigation	LoVaca Gathering Co.	Reeves	07-07-71	308/422

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PIPELINE #101

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 153-001-L02	Avary, G.Q. Jr. et al	LoVaca Gathering Co.	Ward	07-06-71	350/60
C 153-001-L02	Avary, G.Q. Jr. et al	LoVaca Gathering Co.	Ward	04-16-71	343/304
C 153-001-L03	Wilson, John H.	LoVaca Gathering Co.	Ward	03-20-75	400/288
C 153-001-L04	Thornton, Bluford A. Trustee	LoVaca Gathering Co.	Ward	02-02-77	415/21
C 153-001-L05	Avary, G.Q. Jr. et al	LoVaca Gathering Co.	Ward	11-15-79	447/357
K 153-001-L07	Ward County Irrigation	LoVaca Gathering Co.	Ward	02-02-71	363/720
F 153-001-L08	Commissioners Court	LoVaca Gathering Co.	Reeves	12-12-69	---
K 153-001-L08	Ward County Water Improvement	LoVaca Gathering Co.	Ward	01-23-71	363/726
K 153-001-L08	Ward County Water Improvement	LoVaca Gathering Co.	Ward	03-12-71	363/730
G 153-001-L09	Texas Hwy Dept. IH 20	LoVaca Gathering Co.	Ward	01-21-71	---
R 153-001-L10	Shelton, Jessie N.	LoVaca Gathering Co.	Ward	07-31-69	342/603
R 153-001-L11	Pioneer Western Corp.	LoVaca Gathering Co.	Ward	01-11-71	342/604
R 153-001-L12	Monroe, Day et al	LoVaca Gathering Co.	Ward	01-18-71	342/605
R 153-001-L13	Blake, Jack E.	LoVaca Gathering Co.	Ward	07-30-69	342/608
R 153-001-L15	Majors, Nannie Mona	LoVaca Gathering Co.	Ward	12-17-69	342/609
R 153-001-L16	Orr, Mona M.	LoVaca Gathering Co.	Ward	12-17-69	342/612
R 153-001-L16	Majors, Winnie E.	LoVaca Gathering Co.	Ward	01-17-71	342/610
R 153-001-L17	Majors, Winnie E.	LoVaca Gathering Co.	Ward	01-07-71	342/613

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R 153-001-L18	Hillhouse, Mary et al	LoVaca Gathering Co.	Ward	08-01-69	342/614
R 153-001-L19	Denver Producing & Refining Co.	LoVaca Gathering Co.	Ward	01-18-71	342/618
R 153-001-L19	Monroe, Cynthia L. et al	LoVaca Gathering Co.	Ward	01-18-71	342/616
R 153-001-L20	Burkholder, Ralph W. et al	LoVaca Gathering Co.	Ward	11-06-69	342/621
R 153-001-L21	Tripp, Phil	LoVaca Gathering Co.	Ward	07-31-69	342/622
R 153-001-L22	Bilberry, Georgia H. Trust et al	LoVaca Gathering Co.	Ward	01-13-71	342/624
R 153-001-L23	Monroe, Cynthia L. et al	LoVaca Gathering Co.	Ward	01-18-71	342/625
R 153-001-L23	Monroe, Cynthia L. et al	LoVaca Gathering Co.	Ward	01-18-71	342/628
R 153-001-L24	Pevehouse, B.J.	LoVaca Gathering Co.	Ward	07-30-69	342/631
R 153-001-L25	Wilson, John H.	LoVaca Gathering Co.	Ward	11-07-69	342/632
R 153-001-L26	Tenneco Oil Company	LoVaca Gathering Co.	Ward	10-01-69	342/633
R 153-001-L27	McGregor, Edna Earl et al	LoVaca Gathering Co.	Ward	01-06-71	342/635
R 153-001-L27	McGregor, Odell	LoVaca Gathering Co.	Ward	01-06-71	342/637
R 153-001-L27	Burns, Floy et al	LoVaca Gathering Co.	Ward	01-06-71	342/638
R 153-001-L27	Davis, Elva Jo et al	LoVaca Gathering Co.	Ward	01-06-71	342/640
R 153-001-L28	Leeper, Towner	LoVaca Gathering Co.	Ward	02-02-71	342/642
R 153-001-L28	McCall, J.O.	LoVaca Gathering Co.	Ward	08-15-69	342/647
R 153-001-L28	Delk, V. Randolph et al	LoVaca Gathering Co.	Ward	01-07-71	342/645
R 153-001-L28	Olson, Paul A.	LoVaca Gathering Co.	Ward	02-04-71	342/643
R 153-001-L29	Blake, Jack et al	LoVaca Gathering Co.	Ward	07-09-69	342/648
R 153-001-L30	Slack, Annie L.	LoVaca Gathering Co.	Ward	07-07-69	342/650
R 153-001-L30	Slack, Enid Estate	LoVaca Gathering Co.	Ward	07-15-69	342/653

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R 153-001-L30	Mitchell, Lucille Slack	LoVaca Gathering Co.	Ward	11-03-69	342/651
R 153-001-L31	Waldron, A. B. Estate	LoVaca Gathering Co.	Ward	01-06-71	342/654
R 153-001-L32	Burrell, Jack Luse	LoVaca Gathering Co.	Ward	01-06-71	343/119
R 153-001-L32	McGowan, R.B. Jr.	LoVaca Gathering Co.	Ward	01-05-71	343/120
R 153-001-L33	Hall, G.T. Estate	LoVaca Gathering Co.	Ward	01-11-71	342/655
R 153-001-L33	Tucker, Emma Sue Powell	LoVaca Gathering Co.	Ward	01-20-71	342/657
R 153-001-L33	Craig, Omar D.	LoVaca Gathering Co.	Ward	01-20-71	342/658
R 153-001-L33	Roberts, C.B.	LoVaca Gathering Co.	Ward	01-20-71	342/660
R 153-001-L33	Appling, J.B.	LoVaca Gathering Co.	Ward	02-02-71	342/661
R 153-001-L33	Dyer, Irby L.	LoVaca Gathering Co.	Ward	01-20-71	342/663
R 153-001-L33	Jones, William D. Jr. et al	LoVaca Gathering Co.	Ward	01-20-71	342/664
R 153-001-L33	Bryan, Janice Powell	LoVaca Gathering Co.	Ward	01-20-71	342/666
R 153-001-L33	Wilson, John H.	LoVaca Gathering Co.	Ward	01-20-71	342/667
R 153-001-L33	Patterson, Morris et al	LoVaca Gathering Co.	Ward	01-20-71	342/669
R 153-001-L33	Cline, J.V. et ux	LoVaca Gathering Co.	Ward	01-20-71	342/670
R 153-001-L34	Pederson, Mackie M. et al	LoVaca Gathering Co.	Ward	01-12-71	342/672
R 153-001-L35	Wilson, John H.	LoVaca Gathering Co.	Ward	01-11-71	342/673
M 153-001-L36	Texas and Pacific Railway	LoVaca Gathering Co.	Ward	02-04-71	---

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R 153-001-L37* * No farther east than the western boundary of Seller's surface site for the tie-in of Seller's pipeline to the 30-inch pipeline of Natural Gas Pipeline Company of America.	Avary, G.Q. Jr. et al	LoVaca Gathering Co.	Ward	01-11-71	342/675
R 153-001-L38	Roden Oil Company	LoVaca Gathering Co.	Ward	07-14-69	342/678

Reflects Records Entered as of 7/25/2012

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Reflects Records Entered as of 7/25/2012

PIPELINE #140/2, 140/1, and 140-B

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-013-K02	State of Texas-See R 145-013-K18				
C 145-013-K03	George, Edith E. et al	LoVaca Gathering Co.	Reeves	07-01-76	345/295
F 145-013-K08	Commissioners Court	LoVaca Gathering Co.	Reeves	12-26-72	
G 145-013-K09	Tx Hwy Dept FM 2119	Valero Transmission Co.	Reeves	09-22-80	
R 145-013-K10	Knight, Cornell Estate	LoVaca Gathering Co.	Reeves	07-19-71	308/404
R 145-013-K11	Ward Co. Irrigation District No. 1	LoVaca Gathering Co.	Reeves	01-04-73	320/152
R 145-013-K12	Hill, George P. et al	LoVaca Gathering Co.	Reeves	12-16-72	320/56
R 145-013-K13	Moran Mary Nell et al	LoVaca Gathering Co.	Reeves	12-16-72	320/34
R 145-013-K14	Texas Pacific Land Trust	LoVaca Gathering Co.	Reeves	12-19-72	320/31
R 145-013-K15	Reed, Hiram M. Estate	LoVaca Gathering Co.	Reeves	12-15-72	320/37
R 145-013-K15	Kirk, TA et ux	LoVaca Gathering Co.	Reeves	12-15-72	320/40
R 145-013-K16	Brackenridge, Geo. W. Foundation	LoVaca Gathering Co.	Reeves	12-16-72	320/53
R 145-013-K17	Smith, Lily E. Casey Estate	LoVaca Gathering Co.	Reeves	12-15-72	320/54
R 145-013-K18	State of Texas - Rental #10-26	Valero Transmission Co.	Reeves	06-27-96	563/745
R 145-013-K19	Bates, William Trust	LoVaca Gathering Co.	Reeves	03-08-74	328/40
R 145-013-K20	State of Texas - Rental #6-14	Valero Transmission, LP	Reeves	04-17-97	575/428

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BOOK [illegible]

PIPELINE #171

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
G 145-001-L09	Texas Hwy Dept US 285	LoVaca Gathering Co.	Reeves	11-15-72	---
R 145-001-L10	Steinkirchner, Clarice Jean	LoVaca Gathering Co.	Reeves	12-16-70	300/133
R 145-001-L11	Regan, R.M. Trust	LoVaca Gathering Co.	Reeves	11-13-72	318/49
R 145-001-L12	Clark, Jack	LoVaca Gathering Co.	Reeves	11-13-72	318/50
R 145-001-L13	Petrey, Curtis et al	LoVaca Gathering Co.	Reeves	11-13-72	318/53
R 145-001-L14	Quinn, B.E. Sr. Trustee et al	LoVaca Gathering Co.	Reeves	11-13-72	316/752

Reflects Records Entered as of 7/25/2012

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Reflects Records Entered as of 7/25/2012

PIPELINE #192 and 192-A

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
F 155-008	Commissioners Court	Valero Transmission Co.	Reeves	11-17-69	---
G 155-009	Texas Hwy Dept FM 2119	Valero Transmission Co.	Reeves	09-22-80	---
R 155-010	Owens, Norma Knight	LoVaca Gathering Co.	Reeves	11-04-69	291/24
R 155-010	Knight, Merrill M.	LoVaca Gathering Co.	Reeves	11-04-69	291/22
R 155-010	Knight, Cornell	LoVaca Gathering Co.	Reeves	11-04-69	291/20
R 155-010	Bagwell, Nell Dean Knight	LoVaca Gathering Co.	Reeves	11-04-69	291/18
R 155-010	Slocum, Doris Arlene	LoVaca Gathering Co.	Reeves	11-12-69	291/16
R 155-010	Steinkirchner, Clarice Jean	LoVaca Gathering Co.	Reeves	11-04-69	291/14
R 155-010	Lamberson, Shirley Ruth	LoVaca Gathering Co.	Reeves	11-04-69	291/12
R 155-010	Knight, Frank	LoVaca Gathering Co.	Reeves	11-04-69	291/10
R 155-011	Ward County Irrigation	LoVaca Gathering Co.	Reeves	12-05-69	291/26
R 155-012	Hill, George P.	LoVaca Gathering Co.	Reeves	10-21-69	291/31
R 155-013	Moran, Beulah T. et al	LoVaca Gathering Co.	Reeves	11-13-69	291/33
R 155-014	Regan, Roberta Trust	LoVaca Gathering Co.	Reeves	10-21-69	291/42
R 155-014	Northrup, Preston G. Estate	LoVaca Gathering Co.	Reeves	10-21-69	291/40
R 155-015	Howard, Milford S. et ux	LoVaca Gathering Co.	Reeves	10-21-69	291/44
R 155-016	Reed, Hiram M. et ux	LoVaca Gathering Co.	Reeves	10-24-69	291/48

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R 155-016	Kirk, T.A. et ux	LoVaca Gathering Co.	Reeves	10-24-69	291/46
R 155-017	Birge, Jack S. et al	LoVaca Gathering Co.	Reeves	11-19-69	291/50
R 155-018	Birge, Jack S. Trustee	LoVaca Gathering Co.	Reeves	11-19-69	291/53
R 155-019	Ellis, Mary E. et al	LoVaca Gathering Co.	Reeves	10-28-69	291/55

Reflects Records Entered as of 7/25/2012

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PIPELINE #192/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 260-002	Regan, Roberta M. Trust	LoVaca Gathering Co./TUFCO	Reeves	07-03-75	334/572
C 260-003	Fernandes, William D. et ux	LoVaca Gathering Co./TUFCO	Reeves	10-30-75	335/585
F 260-008	Commissioners Court	LoVaca Gathering Co./TUFCO	Reeves	07-14-75	---
R 260-010	Regan, Roberta M. Trust	LoVaca Gathering Co./TUFCO	Reeves	06-26-75	334/575
R 260-011	Regan, Roberta M. Trust et al	LoVaca Gathering Co./TUFCO	Reeves	06-26-75	334/578
R 260-012	Gulf Oil Corporation	LoVaca Gathering Co./TUFCO	Reeves	06-26-75	334/580
R 260-012	Gulf Oil Corporation	LoVaca Gathering Co./TUFCO	Reeves	06-26-75	334/582
R 260-013	Prewit, Billie et ux	LoVaca Gathering Co./TUFCO	Reeves	06-26-75	334/584
R 260-014	Wohlford, Chas. Jr.	LoVaca Gathering Co./TUFCO	Reeves	06-26-75	334/586
R 260-015	Scott, Ruth B.	LoVaca Gathering Co./TUFCO	Reeves	07-29-75	334/588
R 260-015	Stults, Dorotha B. et al	LoVaca Gathering Co./TUFCO	Reeves	06-26-75	334/590
R 260-016	Kraus, F.J. et ux	LoVaca Gathering Co./TUFCO	Reeves	06-26-75	334/592
R 260-017	Fernandes, William D.	LoVaca Gathering Co./TUFCO	Reeves	10-30-75	335/590
R 260-017	West Texas Production Credit Assn	LoVaca Gathering Co./TUFCO	Reeves	07-16-75	334/594
R 260-018	Fernandes, William D. et ux	LoVaca Gathering Co./TUFCO	Reeves	10-30-75	335/585

Reflects Records Entered as of 7/25/2012

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PIPELINE #192/2

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 153-001-K27-K010	Knight, Merrill M. et al	LoVaca Gathering Co.	Reeves	03-19-76	338/477
R 153-001-K27-K010	Steinkirchner, Clarice Jean	LoVaca Gathering Co.	Reeves	03-19-76	338/467
R 153-001-K27-K010	Lamberson, Shirley Ruth et al	LoVaca Gathering Co.	Reeves	03-19-76	338/469
R 153-001-K27-K010	Owens, R.D.	LoVaca Gathering Co.	Reeves	03-19-76	338/471
R 153-001-K27-K010	Owens, Norma Knight	LoVaca Gathering Co.	Reeves	03-19-76	338/473
R 153-001-K27-K010	Bagwell, Nell Dean	LoVaca Gathering Co.	Reeves	03-19-76	338/475
R 153-001-K27-K010	Slocum, Doris Arlene	LoVaca Gathering Co.	Reeves	03-19-76	338/479

Reflects Records Entered as of 7/25/2012

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Reflects Records Entered as of 7/25/2012

PIPELINE #229

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-L14-K002	Quinn, B.E. Jr. et al	LoVaca Gathering Co.	Reeves	07-10-75	334/351
C 145-001-L14-K002	Quinn, B.E. Jr. et al	LoVaca Gathering Co.	Reeves	09-13-73	325/842
C 145-001-L14-K003	Camp, Jim Estate	LoVaca Gathering Co.	Reeves	05-08-73	325/856
C 145-001-L14-K003	Camp, Jim Estate	LoVaca Gathering Co.	Reeves	05-08-73	325/853
R 145-001-L14-K010	Quinn, B.E. Jr. et al	LoVaca Gathering Co.	Reeves	09-13-73	325/859
R 145-001-L14-K011	Mandell, H.C.	LoVaca Gathering Co.	Reeves	05-08-73	325/844
R 145-001-L14-K012	Camp, Jim Estate	LoVaca Gathering Co.	Reeves	05-08-73	325/850
R 145-001-L14-K012	Camp, Jim Estate	LoVaca Gathering Co.	Reeves	05-08-73	325/847

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PIPELINE #229/4

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 145-001-L14-L002	Majors, O.C. Estate	LoVaca Gathering Co.	Ward	10-03-73	375/654
R 145-001-L14-L010	Majors, O.C. Estate	LoVaca Gathering Co.	Ward	08-15-73	375/655
R 145-001-L14-L011	Shelton, Jessie N.	LoVaca Gathering Co.	Ward	08-15-73	375/657

PIPELINE #290/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
C 158-002	Couch, J.E.	LoVaca Gathering Co.	Reeves	07-20-78	366/151
C 158-003	Roberts, R.C.	LoVaca Gathering Co.	Reeves	07-20-78	366/153
C 158-003	Adam, Lester et al	LoVaca Gathering Co.	Reeves	09-15-78	367/139
R 158-010	Couch, J.E.	LoVaca Gathering Co.	Reeves	07-20-78	366/155
R 158-011	Roberts, R.C.	LoVaca Gathering Co.	Reeves	07-20-78	366/157
R 158-011	Adam, Lester et al	LoVaca Gathering Co.	Reeves	09-15-78	367/143

Reflects Records Entered as of 7/25/2012

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PIPELINE #212

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 153-010	Dowell, W.A., et ux	LoVaca Gathering Co.	Ward	04/27/70	335/208
C 153-002	Majors, Winnie E.	LoVaca Gathering Co.	Ward	02/03/75	392/542
G 153-009	Texas Highway Department	LoVaca Gathering Co.	Ward	05/01/70	--
L 153-008	Shelton, Jessie N.	LoVaca Gathering Co.	Ward	03/11/70	334/317
R 153-011	Shelton, Jessie N.	LoVaca Gathering Co.	Ward	02/03/75	392/544
C 153-002	Valero Transmission Co.	Majors, Winnie E.	Ward	06/12/86	522/467

PIPELINE #244

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
R 156-010	Halbrook, Vera Berryhill	LoVaca Gathering Co.	Reeves	08/13/74	332/149
R 156-011	United States National Co.	LoVaca Gathering Co.	Reeves	08/14/74	332/146
R 156-012	West TX Production Credit Assn. In Receivership	LoVaca Gathering Co.	Reeves	08/19/74	332/143
R 156-013	Abraham, Joseph, Sr.	LoVaca Gathering Co.	Reeves	12/06/74	332/141
R 156-014	Salgado, Manuel	LoVaca Gathering Co.	Reeves	08/13/74	332/139
R 156-015	Spence, Charles T.	LoVaca Gathering Co.	Reeves	08/20/74	332/137
R 156-016	McDonald, Edwin L.	LoVaca Gathering Co.	Reeves	08/14/74	332/134

PIPELINE #278/1

ROW FILE #	GRANTOR	GRANTEE	COUNTY	DATE	VOL/PG
G 154-009	Texas Highway Department	LoVaca Gathering Co.	Ward	07/20/76	--
R 154-010	Oasis Pipeline Co.	LoVaca Gathering Co.	Ward	10/26/76	412/07

FILE NO. 2541

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.

FILED FOR RECORD ON THE 7TH. DAY OF NOVEMBER A.D. 1997 AT 2:56 P M

DULY RECORDED ON THE 10TH. DAY OF NOVEMBER A.D. 1997 AT 2:00 P M

BY: Deneka Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

CAPROCK PRODUCING LLC

TO

PENWELL ENERGY INC

ASSIGNMENT

DATED:	07/22/1997
FILED:	06/22/1998
BOOK/PAGE:	590/445
FILE NUMBER:	389-590-445
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 553 PAGE 445

FILE # 1782

ASSIGNMENT

STATE: Texas

COUNTY: Reeves

Assignor: Caprock Producing, LLC

Assignor's Address: 400 N. Marienfeld, Suite 100
Midland, TX 79701

Assignee: Penwell Energy, Inc.

Assignee's Address: 600 N. Marienfeld, Suite 1100
Midland, TX 79701

Date Executed: July 22, 1997

For adequate consideration, Assignor assigns and conveys to Assignee all of Assignor's right, title and interest in those certain Assignment and Bill of Sale and Term Assignment and Agreement covering

E/2 NE/4, NW/4, W/2 SW/4 and E/2 SE/4 as to all depths below the surface of the earth;
W/2 NE/4, as to depths below 3,260 feet below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth;
W/2 SE/4, as to depths below 3,194 feet below the surface of the earth;
Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas

located in the County and State named above, which Assignments are described in Exhibit "A" to this Assignment. That Exhibit is incorporated into this Assignment for all purposes and reference is made to the Assignment and Bill of Sale and Term Assignment and Agreement, as recorded, for a complete description of the lands they cover.

Caprock Producing, LLC

Richard J. Ganem, President

State of Texas }
}
County of Midland }

Before me, the undersigned authority, on this day personally appeared Richard J. Ganem, President of CAPROCK PRODUCING, LLC, a Texas Limited Liability Company, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that said officer executed the same as the act and deed of said Company for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 22nd day of July, 1997.

ROBBIE M. O'DONNELL
Notary Public, State of Texas
My Commission Expires 03-15-1998

Robbie M. O'Donnell
Notary Public in and for the State of Texas
ROBBIE M. O'DONNELL

BOOK 570 PAGE 416

EXHIBIT "A"
Attached hereto and made a part hereof that certain Assignment and
Bill of Sale and Term Assignment and Agreement dated July 22, 1997 by and between
Caprock Producing, LLC, as Assignor, and Penwell Energy, Inc.

1. Assignment and Bill of Sale dated October 25, 1996, but effective as October 1, 1996, by Judson F. Williams and wife, Jackie R. Williams, recorded in Volume 569, page 646 of the Official Public Records of Reeves County, Texas.

2. Assignment and Bill of Sale dated November 19, 1996, but effective as October 1, 1996, by John MacGuire and wife, Betty MacGuire, recorded in Volume 569, page 649 of the Official Public Records of Reeves County, Texas.

3. Term Assignment and Agreement dated November 14, 1996, but effective as October 1, 1996, by Martha Chapman Fowler, recorded in Volume 569, page 641 of the Official Public Records of Reeves County, Texas.

FILE NO. 1782

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.

FILED FOR RECORD ON THE 22ND. DAY OF JUNE A.D. 1998 AT 1:21 P M

DULY RECORDED ON THE 23RD. DAY OF JUNE A.D. 1998 AT 2:00 P M

BY: Vivian Acosta DEPUTY

DIANNE O, FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

PENWELL ENERGY INC

TO

PAUL R BARWIS ET AL

ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS

DATED:	09/18/1998
FILED:	09/25/1998
BOOK/PAGE:	594/586
FILE NUMBER:	389-594-586
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

BOOK 594 PAGE 586

FILE # 2757

ASSIGNMENT OF OVERRIDING ROYALTY INTEREST

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

WHEREAS, PENWELL ENERGY, INC. (Assignor) whose address is 600 North Marienfeld, Suite 1100, Midland, Texas, 79701, is now the owner and holder of an undivided interest in and to those certain oil and gas leases described on the attached Exhibit "A" (Said Leases); and,

WHEREAS, PENWELL ENERGY, INC. is conveying unto the following named Assignees the overriding royalty interests described hereafter. Each Assignee described below is entitled to an overriding royalty interest aggregating not more than 3% of 8/8 of production from or attributable to the lands covered by Said Leases with a net revenue interest equal to or in excess of 80% and aggregating not more than 2% of 8/8 of production from or attributable to the lands covered by Said Leases with a net revenue interest of less than 80%, subject in each instance to proportionate reduction as hereinafter provided:

PAUL R. BARWIS
2201 Southampton Lane
Midland, Texas 79705

JAREED PARTNERS, LTD.
2407 Bellechase Court
Midland, Texas 79705

WHEREAS, Assignor desires to execute this instrument in fulfillment of the above obligation;

NOW THEREFORE, for and in consideration of the premises, and subject to all of the terms of this Assignment, Assignor does hereby transfer, assign and convey unto said Assignees, their heirs, successors and assigns, as an overriding royalty interest, the undivided percentage as shown above for each Assignee, of the oil and gas produced and saved from the lands covered by Said Leases, under the provisions of Said Leases.

The overriding royalty interests assigned herein shall be free and clear of all cost and expense of development, operation, maintenance, and production, but shall be subject to its proportionate share of any applicable costs of gathering, treating, compressing, transporting, and marketing and to ad valorem, severance, windfall profits, and any other applicable taxes upon or measured by production or otherwise attributable to such interests.

Assignor shall have the use, free of each Assignee's overriding royalty, of the oil and gas produced from said land in all operations under Said Leases.

If the interest of Assignor in a Lease is now or hereafter covered by a pooling agreement, unit agreement, operating agreement or any other type of agreement or instrument which further reduces Assignor's cost-bearing interest in the lands covered by the Leases (a "Pooling Agreement"), the overriding royalty interest assigned herein shall be further reduced to Assignor's cost-bearing interest in the lands covered by such Lease resulting from such Pooling Agreement. If Assignor's interest in a Lease is now or hereafter covered by such a Pooling Agreement, Assignee shall be entitled to the resulting overriding royalty interest assigned herein as to such Lease in all of the lands with which Assignor's interest in such Lease has been pooled by virtue of such Pooling Agreement.

Assignor, its successors and assigns, reserves the right without consent or joinder of Assignees, to pool or unitize at any time and from time to time as to any land covered by Said Leases with other leases, lands and minerals in order to form and/or from time to time reform, either before or after production has been obtained, a unit or units by executing and placing of record in the county in which Said Leases are located, a written instrument or instruments

designating the unit or units which Assignor has elected to form. Assignor also reserves the right to pool or unitize the lands covered by Said Leases to the same extent as may be provided in Said Leases or any amendments thereto without any of the Assignee(s) consent or joinder. If such pooling occurs, the overriding royalty interests herein assigned will be reduced in such unit in the proportion that the number of acres of land covered by Said Leases within such unit bears to the total number of acres in such unit.

If Said Leases do not cover the entire fee mineral estate in the lands covered thereby, or if Assignor does not own the full leasehold interest in Said Leases, the overriding royalty interests assigned herein shall be proportionately reduced.

This Assignment of overriding royalty interests shall not give rise or create any obligations or covenants, express or implied, to drill wells or reasonably develop or protect against drainage of minerals from the land covered by Said Leases.

No change in the ownership of said overriding royalty interest or any part thereof shall be binding upon Assignor until thirty (30) days after written evidence of such new ownership, satisfactory to Assignor, has been furnished to Assignor.

This assignment is made without warranty of title, either express or implied.

Executed this 18th day of September 1998, but shall be effective as of the 4th day of March, 1998.

PENWELL ENERGY, INC.

By: _____
Steven R. Foy
Vice President

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 18th day of September, 1998, by Steven R. Foy, as Vice President of Penwell Energy, Inc., a Texas corporation, on behalf of said corporation.

Given under my hand and seal of office this 18th day of September, 1998.

HOLLY BURGESS
Notary Public, State of Texas
My commission expires 7-3-99

Holly Burgess
Notary Public in and for
The State of Texas

My Commission Expires:
7-3-99

389-594-586 - OFFICIAL PUBLIC RECORDS

Reflects Records Entered as of 7/25/2012

EXHIBIT "A"

LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
David Aston	7/26/96	3 Years	1/5	7/26/99	565/181	Arno East	54	4-S	T&P RR Co	24	E/2
Bob Brill	7/26/96	3 Years	1/5	7/26/99	568/807	Arno East	54	4-S	T&P RR Co	24	E/2
The Brown Foundation, Inc.	7/3/96	3 Years	1/5	7/3/99	565/171	Arno East	54	4-S	T&P RR Co	24	E/2
George R. Brown Partnership	7/3/96	3 Years	1/5	7/3/99	564/304	Arno East	54	4-S	T&P RR Co	24	E/2
Ballard M. Burgher	7/26/96	3 Years	1/5	7/26/99	567/352	Arno East	54	4-S	T&P RR Co	24	E/2
Sam F. Darnell, Jr.	7/31/96	3 Years	1/5	7/31/99	568/231	Arno East	54	4-S	T&P RR Co	24	E/2
Ted C. Darnell	7/31/96	3 Years	1/5	7/31/99	568/233	Arno East	54	4-S	T&P RR Co	24	E/2
John B. Duffield, Jr. Independent Exec	7/11/96	3 Years	1/5	7/11/99	565/169	Arno East	54	4-S	T&P RR Co	24	E/2
Herbert J. Frensley Estate Trust & Smith, Ind.	3/27/97	3 Years	1/4	3/27/00	575/159	Arno East	54	4-S	T&P RR Co	24	E/2
R. W. Goff	7/26/96	3 Years	1/5	7/26/99	565/183	Arno East	54	4-S	T&P RR Co	24	E/2
Jack E. Kleban	8/1/96	3 Years	1/5	8/1/99	565/177	Arno East	54	4-S	T&P RR Co	24	E/2
Russell J. Landry	7/26/96	3 Years	1/5	7/26/99	565/185	Arno East	54	4-S	T&P RR Co	24	E/2
T. E. LeRoy	7/31/96	3 Years	1/5	7/31/99	565/187	Arno East	54	4-S	T&P RR Co	24	E/2
Dorothy L. Lewis	3/28/97	3 Years	1/5	3/28/00	573/683	Arno East	54	4-S	T&P RR Co	24	E/2
Ray C. Lewis	8/21/96	3 Years	1/5	8/21/99	566/368	Arno East	54	4-S	T&P RR Co	24	E/2
Milton Brooks McGee, Trustee	7/31/96	3 Years	1/5	7/31/99	565/692	Arno East	54	4-S	T&P RR Co	24	E/2
Duane M. Norman	7/31/96	3 Years	1/5	7/31/99	565/462	Arno East	54	4-S	T&P RR Co	24	E/2
Issaac W. Norman	7/26/96	3 Years	1/5	7/26/99	565/179	Arno East	54	4-S	T&P RR Co	24	E/2
T. L. Saunders	3/28/97	3 Years	1/5	3/28/00	576/583	Arno East	54	4-S	T&P RR Co	24	E/2
Sharon St. Clair et al	8/15/96	3 Years	1/5	8/15/99	566/372	Arno East	54	4-S	T&P RR Co	24	E/2
J. E. Teddlie, Sr.	7/26/96	3 Years	1/5	7/26/99	565/165	Arno East	54	4-S	T&P RR Co	24	E/2
Harley C. Watson	7/26/96	3 Years	1/5	7/26/99	565/167	Arno East	54	4-S	T&P RR Co	24	E/2
State of Texas M-97551	10/1/96	3 Years	1/4	10/1/99	569/571	Cajones	57	3	T&P RR Co	28	N/2
State of Texas M-97553	10/1/96	3 Years	1/4	10/1/99	569/562	Cajones	57	3	T&P RR Co	20	All
State of Texas M-97550	10/1/96	3 Years	1/4	10/1/99	569/553	Cajones North	57	3	T&P RR Co	16	All
Mary Ann Brantley	4/16/97	3 Years	1/5	4/16/00	574/619	Baltic	57	3	T&P RR Co	2	SE/4
Dawson George, Trustee R. S. Brennard Test. Trust	6/3/97	3 Years	1/5	6/3/00	576/641	Baltic	57	3	T&P RR Co	2	SW/4 & NE/4
Anna Louise Graves	4/16/97	3 Years	1/5	4/16/00	574/628	Baltic	57	3	T&P RR Co	2	NE/4
Anna Louise Graves	7/18/97	3 Years	1/5	7/18/00	578/301	Baltic	57	3	T&P RR Co	2	SW/4
James S. Patterson	7/18/97	3 Years	1/5	7/18/00	577/219	Baltic	57	3	T&P RR Co	2	SW/4
James S. Patterson	4/16/97	3 Years	1/5	4/16/00	574/601	Baltic	57	3	T&P RR Co	2	NE/4
William E. Patterson	7/18/97	3 Years	1/5	7/18/00	577/228	Baltic	57	3	T&P RR Co	2	SW/4
William E. Patterson	4/16/97	3 Years	1/5	4/16/00	574/20	Baltic	57	3	T&P RR Co	2	NE/4
Arthur S. Schlofman, Jr.	4/16/97	3 Years	1/5	4/16/00	574/610	Baltic	57	3	T&P RR Co	2	SE/4
Sallie Wynne Reynaud, (State)	9/21/70	HBP	1/6	HBP	297/485	Chapman NE	57	2	T&P RR Co	38	All

LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
Lela Mae Wynne, et al (State)	9/21/70	HBP	1/6	HBP	297/489	Chapman NE	57	2	T&P RR Co	38	All
Warren Malcolm Clark, Trustee (State)	5/15/97	3 Years	1/4	5/15/00	575/564	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Rita Reed George (State)	5/15/97	3 Years	1/4	5/15/00	575/495	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Carolyn C. Oatman (State)	5/15/97	3 Years	1/4	5/15/00	575/460	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
W. W. Oatman (State)	5/15/97	3 Years	1/4	5/15/00	575/610	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Rita Reed July 1998 Trust - TCB, Trustee	7/8/97	3 Years	1/4	7/8/00	576/497	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Alliance Oil & Gas Co.	5/9/97	2 Years	3/16	5/9/99	576/541	Cyclops	54	4-S	T&P RR Co	30	All
Harry L. Bickford	5/9/97	3 Years	1/4	5/9/00	576/585	Cyclops	54	4-S	T&P RR Co	30	All
James H. Butler	9/9/97	3 Years	1/5	9/9/00	580/548	Cyclops	54	4-S	T&P RR Co	30	All
Max Christensen Estate	9/9/97	3 Years	1/5	9/9/00	581/375	Cyclops	54	4-S	T&P RR Co	30	All
Christensen Petroleum, Inc.	9/9/97	3 Years	1/5	9/9/00	581/378	Cyclops	54	4-S	T&P RR Co	30	All
John L. Cox	9/9/97	3 Years	1/5	9/9/00	581/381	Cyclops	54	4-S	T&P RR Co	30	All
Donna L. Durham	5/9/97	3 Years	3/16	5/9/00	576/544	Cyclops	54	4-S	T&P RR Co	30	All
Ada Mae Tims English	5/9/97	3 Years	3/16	5/9/00	576/546	Cyclops	54	4-S	T&P RR Co	30	All
Ann Tims Fish	5/9/97	3 Years	3/16	5/9/00	576/548	Cyclops	54	4-S	T&P RR Co	30	All
Lahoma Joy Getgen, et vir	5/9/97	3 Years	3/16	5/9/00	576/550	Cyclops	54	4-S	T&P RR Co	30	All
Phil Gordon	5/9/97	3 Years	3/16	5/9/00	576/552	Cyclops	54	4-S	T&P RR Co	30	All
Billie Mac Jobe	4/29/97	3 Years	1/5	4/29/00	574/237	Cyclops	55	4-S	T&P RR Co	34	All
Mart & Mary C. Hardin, Trustee	5/9/97	3 Years	3/16	5/9/00	576/554	Cyclops	54	4-S	T&P RR Co	30	All
Walter & Maxine Ingle Trust	5/9/97	3 Years	3/16	5/9/00	576/556	Cyclops	54	4-S	T&P RR Co	30	All
Jeroco, Inc.	5/9/97	3 Years	3/16	5/9/00	575/819	Cyclops	54	4-S	T&P RR Co	30	All
Anna Tims Lewis	5/9/97	3 Years	3/16	5/9/00	574/684	Cyclops	54	4-S	T&P RR Co	30	All
Delores L. Noe	5/9/97	3 Years	3/16	5/9/00	574/686	Cyclops	54	4-S	T&P RR Co	30	All
Ted J. Pasley	5/9/97	3 Years	1/4	5/9/00	576/587	Cyclops	54	4-S	T&P RR Co	30	All
James W. Pitts	5/9/97	3 Years	3/16	5/9/00	576/558	Cyclops	54	4-S	T&P RR Co	30	All
Spindletop Exploration, Inc.	5/9/97	3 Years	1/5	5/9/00	576/560	Cyclops	54	4-S	T&P RR Co	30	All
G. W. Thomas III	5/9/97	3 Years	3/16	5/9/00	583/83	Cyclops	54	4-S	T&P RR Co	30	All
Billie D. Tims	5/9/97	3 Years	3/16	5/9/00	576/563	Cyclops	54	4-S	T&P RR Co	30	All
Larry K. Tims	5/9/97	3 Years	3/16	5/9/00	577/522	Cyclops	54	4-S	T&P RR Co	30	All
R. E. & Mattie Lee Tims	5/9/97	3 Years	3/16	5/9/00	576/567	Cyclops	54	4-S	T&P RR Co	30	All
Timothy B. Tims	5/9/97	3 Years	3/16	5/9/00	576/569	Cyclops	54	4-S	T&P RR Co	30	All
William E. & Carol Tims	5/9/97	3 Years	3/16	5/9/00	576/571	Cyclops	54	4-S	T&P RR Co	30	All
Fern Tims, Independent Executrix	5/9/97	3 Years	3/16	5/9/00	576/565	Cyclops	54	4-S	T&P RR Co	30	All
John B. Wooten	3/3/98	1 Year	3/16	3/3/99	586/865	Cyclops	54	4-S	T&P RR Co	30	All
State of Texas M-97554	10/1/96	3 Years	1/5	10/1/99	569/544	Fred SE	53	4-S	T&P RR Co	6	NE/4, SW/4 and S/2 SE/4
State of Texas M-96703	10/3/95	3 Years	1/5	10/3/98	557/184	Gorgons/Cyclops	54	4-S	T&P RR Co	36	All
Blake O & G Corp.	2/15/97	3 Years	1/4	2/15/00	572/262	Hayot	C-18		PSL	4	SE/4 NE/4

389-594-586 - OFFICIAL PUBLIC RECORDS

Reflects Records Entered as of 7/25/2012

LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
Blake O & G Corp.	2/15/97	3 Years	1/4	2/15/00	572/256	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
Jack E. Blake, et ux	2/15/97	3 Years	1/4	2/15/00	572/259	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
Jack E. Blake, et ux	2/15/97	3 Years	1/4	2/15/00	572/265	Hayot	C-18		PSL	4	SE/4 NE/4
Jessie W. Bush	12/23/96	3 Years	3/16	12/23/99	573/458	Hayot	C-18		PSL	12	South 430.0 acres
Michael W. Coke	8/22/97	3 Years	1/4	8/22/00	582/563	Hayot	C-18		PSL	12	North 210.0 acres
Tracy Fishburn Trust #2 (3194-00)	8/22/97	3 Years	1/4	8/22/00	583/96	Hayot	C-18		PSL	12	North 210.0 acres
John D. Halamicek	2/24/97	3 Years	3/16	2/24/00	573/748	Hayot	C-18		PSL	4	NW/4
W. A. Halamicek, Jr.	2/24/97	3 Years	3/16	2/24/00	573/746	Hayot	C-18		PSL	4	NW/4
Fred A. Hammond	3/10/97	3 Years	1/4	3/10/00	573/742	Hayot	C-18		PSL	11	All
Suzanne Clark Hughes	8/22/97	3 Years	1/4	8/22/00	583/87	Hayot	C-18		PSL	12	North 210.0 acres
Billie Mac Jobe	2/24/97	3 Years	3/16	2/24/00	573/744	Hayot	C-18		PSL	4	SW/4 & E/2 SE/4
Yvonne Coke Julian Agency #3102-02	8/22/97	3 Years	1/4	8/22/00	583/93	Hayot	C-18		PSL	12	North 210.0 acres
Fred Corwin Klein	2/24/97	3 Years	3/16	2/24/00	574/84	Hayot	C-18		PSL	4	W/2 SE/4
Linda C. Newton	8/22/97	3 Years	1/4	8/22/00	582/557	Hayot	C-18		PSL	12	North 210.0 acres
Marilyn White Phillips	10/17/97	18 Months	1/4	4/17/99	582/560	Hayot	C-18		PSL	12	North 210.0 acres
C. L. Stephens, Individually and as Independent Executor	11/5/96	3 Years	3/16	11/5/99	572/653	Hayot	C-18		PSL	12	South 430.0 acres
C. L. Stephens, Individually and as Independent Executor	3/27/97	3 Years	3/16	3/27/00	574/409	Hayot	C-18		PSL	11	All
Margery Ann Harper (Slate)	8/9/96	3 Years	1/5	8/9/99	566/264	Mediterranean	56	3	T&P RR Co	4	S/2
Russell M. Reed, et ux	8/9/96	3 Years	1/5	8/9/99	566/255	Mediterranean	56	3	T&P RR Co	4	N/2
Warren Malcolm Clark, Trustee	5/15/97	3 Years	1/4	5/15/00	575/595	Medusa	C-18		PSL	27	All
Rita Reed George	5/15/97	3 Years	1/4	5/15/00	575/521	Medusa	C-18		PSL	27	All
Bobbie Ann McGinn	7/24/97	3 Years	1/5	7/24/00	578/38	Medusa	C-18		PSL	27	All
W. W. Oatman	5/15/97	3 Years	1/4	5/15/00	575/621	Medusa	C-18		PSL	27	All
Carolyn C. Oatman, ssp	5/15/97	3 Years	1/4	5/15/00	575/541	Medusa	C-18		PSL	27	All
Carolyn C. Oatman, Trustee	5/15/97	3 Years	1/4	5/15/00	575/487	Medusa	C-18		PSL	27	All
Naomi Russell	7/26/97	3 Years	1/5	7/26/00	578/42	Medusa	C-18		PSL	27	All

FILE NO. 2757

FILED FOR RECORD ON THE 25TH. DAY OF SEPTEMBER A.D. 1998 AT 2:41 P M

DULY RECORDED ON THE 6TH. DAY OF OCTOBER A.D. 1998 AT 2:00 P M

BY: Jessica Acosta DEPUTY

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.

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

PENWELL ENERGY INC

TO

MCNIC OIL & GAS PROPERTIES INC

ASSIGNMENT OF OIL AND GAS LEASE

DATED:	09/18/1998
FILED:	09/25/1998
BOOK/PAGE:	594/614
FILE NUMBER:	389-594-614
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 72.25% INTEREST

BOOK 594 PAGE 614

FILE # 2764

ASSIGNMENT OF OIL AND GAS LEASE

STATE OF TEXAS §
§
COUNTY OF REEVES §

KNOW ALL MEN BY THESE PRESENTS:

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, **PENWELL ENERGY, INC.** whose address is 600 North Marienfeld, Suite 1100, Midland, Texas 79701 ("Assignor"), does hereby assign and convey unto MCNIC Oil & Gas Properties, Inc. ("Assignee"), its successors and assigns, the undivided percentage shown opposite Assignee's name of Assignor's right, title and interest in and to the Oil and Gas Leases ("Assigned Leases") described in the attached Exhibit "A", covering the lands described in Exhibit "A" situated in Reeves County, Texas.

MCNIC Oil & Gas Properties, Inc. 1360 Post Oak Blvd., Suite 1500 Houston, Texas 77056	**72.25%**

The interests assigned herein are subject to the following:

(a) All royalty, overriding royalty and other lease burdens, if any, of record in Reeves County, Texas, to the extent of the interests assigned herein;

(b) All of the terms and provisions contained in Assigned Leases.

Assignor warrants title to the interests hereinabove assigned against the lawful claims of all persons claiming the same by, through or under Assignor, but not otherwise.

IN WITNESS WHEREOF, this instrument has been executed on this the 18th day of September, 1998, but shall be effective as of the 5th day of March, 1998.

PENWELL ENERGY, INC.

By: _____
Steven R. Foy
Vice President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this the 18th day of September, 1998, by Steven R. Foy, Vice President of Penwell Energy, Inc., a Texas corporation, on behalf of said corporation.

HOLLY BURGESS
Notary Public, State of Texas
My commission expires 7-3-99

_____
Notary Public in and for
The State of Texas

My Commission Expires:
7-3-99

mcnic assign

389-594-614 - OFFICIAL PUBLIC RECORDS

EXHIBIT "A"

LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
David Aston	7/26/96	3 Years	1/5	7/26/99	565/181	Amo East	54	4-S	T&P RR Co	24	E/2
Bob Brill	7/26/96	3 Years	1/5	7/26/99	568/807	Amo East	54	4-S	T&P RR Co	24	E/2
The Brown Foundation, Inc.	7/3/96	3 Years	1/5	7/3/99	565/171	Amo East	54	4-S	T&P RR Co	24	E/2
George R. Brown Partnership	7/3/96	3 Years	1/5	7/3/99	564/304	Amo East	54	4-S	T&P RR Co	24	E/2
Ballard M. Burgher	7/26/96	3 Years	1/5	7/26/99	567/352	Amo East	54	4-S	T&P RR Co	24	E/2
Sam F. Damell, Jr.	7/31/96	3 Years	1/5	7/31/99	568/231	Amo East	54	4-S	T&P RR Co	24	E/2
Ted C. Damell	7/31/96	3 Years	1/5	7/31/99	568/233	Amo East	54	4-S	T&P RR Co	24	E/2
John B. Duffield, Jr. Independent Exec	7/11/96	3 Years	1/5	7/11/99	565/169	Amo East	54	4-S	T&P RR Co	24	E/2
Herbert J. Frensley Estate Trust & Smith, Ind.	3/27/97	3 Years	1/4	3/27/00	575/159	Amo East	54	4-S	T&P RR Co	24	E/2
R. W. Goff	7/26/96	3 Years	1/5	7/26/99	565/183	Amo East	54	4-S	T&P RR Co	24	E/2
Jack E. Kleban	8/1/96	3 Years	1/5	8/1/99	565/177	Amo East	54	4-S	T&P RR Co	24	E/2
Russell J. Landry	7/26/96	3 Years	1/5	7/26/99	565/185	Amo East	54	4-S	T&P RR Co	24	E/2
T. E. LeRoy	7/31/96	3 Years	1/5	7/31/99	565/187	Amo East	54	4-S	T&P RR Co	24	E/2
Dorothy L. Lewis	3/28/97	3 Years	1/5	3/28/00	573/683	Amo East	54	4-S	T&P RR Co	24	E/2
Ray C. Lewis	8/21/96	3 Years	1/5	8/21/99	566/368	Amo East	54	4-S	T&P RR Co	24	E/2
Milton Brooks McGee, Trustee	7/31/96	3 Years	1/5	7/31/99	565/692	Amo East	54	4-S	T&P RR Co	24	E/2
Duane M. Norman	7/31/96	3 Years	1/5	7/31/99	565/462	Amo East	54	4-S	T&P RR Co	24	E/2
Issaac W. Norman	7/26/96	3 Years	1/5	7/26/99	565/179	Amo East	54	4-S	T&P RR Co	24	E/2
T. L. Saunders	3/28/97	3 Years	1/5	3/28/00	576/583	Amo East	54	4-S	T&P RR Co	24	E/2
Sharon St. Clair et al	8/15/96	3 Years	1/5	8/15/99	566/372	Amo East	54	4-S	T&P RR Co	24	E/2
J. E. Teddlie, Sr.	7/26/96	3 Years	1/5	7/26/99	565/165	Amo East	54	4-S	T&P RR Co	24	E/2
Harley C. Watson	7/26/96	3 Years	1/5	7/26/99	565/167	Amo East	54	4-S	T&P RR Co	24	E/2
State of Texas M-97551	10/1/96	3 Years	1/4	10/1/99	569/571	Cajones	57	3	T&P RR Co	28	N/2
State of Texas M-97553	10/1/96	3 Years	1/4	10/1/99	569/562	Cajones	57	3	T&P RR Co	20	All
State of Texas M-97550	10/1/96	3 Years	1/4	10/1/99	569/553	Cajones North	57	3	T&P RR Co	16	All
Mary Ann Brantley	4/16/97	3 Years	1/5	4/16/00	574/619	Baltic	57	3	T&P RR Co	2	SE/4
Dawson George, Trustee R. S. Brennard Test. Trust	6/3/97	3 Years	1/5	6/3/00	576/641	Baltic	57	3	T&P RR Co	2	SW/4 & NE/4
Anna Louise Graves	4/16/97	3 Years	1/5	4/16/00	574/628	Baltic	57	3	T&P RR Co	2	NE/4
Anna Louise Graves	7/18/97	3 Years	1/5	7/18/00	578/301	Baltic	57	3	T&P RR Co	2	SW/4
James S. Patterson	7/18/97	3 Years	1/5	7/18/00	577/219	Baltic	57	3	T&P RR Co	2	SW/4
James S. Patterson	4/16/97	3 Years	1/5	4/16/00	574/601	Baltic	57	3	T&P RR Co	2	NE/4
William E. Patterson	7/18/97	3 Years	1/5	7/18/00	577/228	Baltic	57	3	T&P RR Co	2	SW/4
William E. Patterson	4/16/97	3 Years	1/5	4/16/00	574/20	Baltic	57	3	T&P RR Co	2	NE/4
Arthur S. Schlofman, Jr.	4/16/97	3 Years	1/5	4/16/00	574/610	Baltic	57	3	T&P RR Co	2	SE/4
Sallie Wynne Reynaud, (State)	9/21/70	HBP	1/8	HBP	297/485	Chapman NE	57	2	T&P RR Co	38	All

Reflects Records Entered as of 7/25/2012

389-594-614 - OFFICIAL PUBLIC RECORDS

LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
Lela Mae Wynne, et al (State)	9/21/70	HBP	1/6	HBP	297/489	Chapman NE	57	2	T&P RR Co	38	All
Warren Malcolm Clark, Trustee (State)	5/15/97	3 Years	1/4	5/15/00	575/564	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Rita Reed George (State)	5/15/97	3 Years	1/4	5/15/00	575/495	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Carolyn C. Oatman (State)	5/15/97	3 Years	1/4	5/15/00	575/460	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
W. W. Oatman (State)	5/15/97	3 Years	1/4	5/15/00	575/610	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Rita Reed July 1998 Trust - TCB, Trustee	7/8/97	3 Years	1/4	7/8/00	576/497	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Alliance Oil & Gas Co.	5/9/97	2 Years	3/16	5/9/99	576/541	Cyclops	54	4-S	T&P RR Co	30	All
Harry L. Bickford	5/9/97	3 Years	1/4	5/9/00	576/585	Cyclops	54	4-S	T&P RR Co	30	All
James H. Butler	9/9/97	3 Years	1/5	9/9/00	580/548	Cyclops	54	4-S	T&P RR Co	30	All
Max Christensen Estate	9/9/97	3 Years	1/5	9/9/00	581/375	Cyclops	54	4-S	T&P RR Co	30	All
Christensen Petroleum, Inc.	9/9/97	3 Years	1/5	9/9/00	581/378	Cyclops	54	4-S	T&P RR Co	30	All
John L. Cox	9/9/97	3 Years	1/5	9/9/00	581/381	Cyclops	54	4-S	T&P RR Co	30	All
Donna L. Durham	5/9/97	3 Years	3/16	5/9/00	576/544	Cyclops	54	4-S	T&P RR Co	30	All
Ada Mae Tims English	5/9/97	3 Years	3/16	5/9/00	576/546	Cyclops	54	4-S	T&P RR Co	30	All
Ann Tims Fish	5/9/97	3 Years	3/16	5/9/00	576/548	Cyclops	54	4-S	T&P RR Co	30	All
Lahoma Joy Getgen, et vir	5/9/97	3 Years	3/16	5/9/00	576/550	Cyclops	54	4-S	T&P RR Co	30	All
Phil Gordon	5/9/97	3 Years	3/16	5/9/00	576/552	Cyclops	54	4-S	T&P RR Co	30	All
Billie Mac Jobe	4/29/97	3 Years	1/5	4/29/00	574/237	Cyclops	54	4-S	T&P RR Co	30	All
Mart & Mary C. Hardin, Trustee	5/9/97	3 Years	3/16	5/9/00	576/554	Cyclops	55	4-S	T&P RR Co	34	All
Walter & Maxine Ingle Trust	5/9/97	3 Years	3/16	5/9/00	576/556	Cyclops	54	4-S	T&P RR Co	30	All
Jeroco, Inc.	5/9/97	3 Years	3/16	5/9/00	575/819	Cyclops	54	4-S	T&P RR Co	30	All
Anna Tims Lewis	5/9/97	3 Years	3/16	5/9/00	574/684	Cyclops	54	4-S	T&P RR Co	30	All
Delores L. Noe	5/9/97	3 Years	3/16	5/9/00	574/686	Cyclops	54	4-S	T&P RR Co	30	All
Ted J. Pasley	5/9/97	3 Years	1/4	5/9/00	576/587	Cyclops	54	4-S	T&P RR Co	30	All
James W. Pitts	5/9/97	3 Years	3/16	5/9/00	576/558	Cyclops	54	4-S	T&P RR Co	30	All
Spindletop Exploration, Inc.	5/9/97	3 Years	1/5	5/9/00	576/560	Cyclops	54	4-S	T&P RR Co	30	All
G. W. Thomas III	5/9/97	3 Years	3/16	5/9/00	583/83	Cyclops	54	4-S	T&P RR Co	30	All
Billie D. Tims	5/9/97	3 Years	3/16	5/9/00	576/563	Cyclops	54	4-S	T&P RR Co	30	All
Larry K. Tims	5/9/97	3 Years	3/16	5/9/00	577/522	Cyclops	54	4-S	T&P RR Co	30	All
R. E. & Mattie Lee Tims	5/9/97	3 Years	3/16	5/9/00	576/567	Cyclops	54	4-S	T&P RR Co	30	All
Timothy B. Tims	5/9/97	3 Years	3/16	5/9/00	576/569	Cyclops	54	4-S	T&P RR Co	30	All
William E. & Carol Tims	5/9/97	3 Years	3/16	5/9/00	576/571	Cyclops	54	4-S	T&P RR Co	30	All
Fern Tims, Independent Executrix	5/9/97	3 Years	3/16	5/9/00	576/565	Cyclops	54	4-S	T&P RR Co	30	All
John B. Wooten	3/3/98	1 Year	3/16	3/3/99	586/865	Cyclops	54	4-S	T&P RR Co	30	All
State of Texas M-97554	10/1/96	3 Years	1/5	10/1/99	569/544	Fred SE	53	4-S	T&P RR Co	6	NE/4, SW/4 and S/2 SE/4
State of Texas M-96703	10/3/95	3 Years	1/5	10/3/98	557/184	Gorgons/Cyclops	54	4-S	T&P RR Co	36	All
Blake O & G Corp.	2/15/97	3 Years	1/4	2/15/00	572/262	Hayot	C-18		PSL	4	SE/4 NE/4

Reflects Records Entered as of 7/25/2012

LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
Blake O & G Corp.	2/15/97	3 Years	1/4	2/15/00	572/256	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
Jack E. Blake, et ux	2/15/97	3 Years	1/4	2/15/00	572/259	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
Jack E. Blake, et ux	2/15/97	3 Years	1/4	2/15/00	572/265	Hayot	C-18		PSL	4	SE/4 NE/4
Jessie W. Bush	12/23/96	3 Years	3/16	12/23/99	573/458	Hayot	C-18		PSL	12	South 430.0 acres
Michael W. Coke	8/22/97	3 Years	1/4	8/22/00	582/563	Hayot	C-18		PSL	12	North 210.0 acres
Tracy Fishburn Trust #2 (3194-00)	8/22/97	3 Years	1/4	8/22/00	583/96	Hayot	C-18		PSL	12	North 210.0 acres
John D. Halamicek	2/24/97	3 Years	3/16	2/24/00	573/748	Hayot	C-18		PSL	4	NW/4
W. A. Halamicek, Jr.	2/24/97	3 Years	3/16	2/24/00	573/746	Hayot	C-18		PSL	4	NW/4
Fred A. Hammond	3/10/97	3 Years	1/4	3/10/00	573/742	Hayot	C-18		PSL	11	All
Suzanne Clark Hughes	8/22/97	3 Years	1/4	8/22/00	583/87	Hayot	C-18		PSL	12	North 210.0 acres
Billie Mac Jobe	2/24/97	3 Years	3/16	2/24/00	573/744	Hayot	C-18		PSL	4	SW/4 & E/2 SE/4
Yvonne Coke Julian Agency #3102-02	8/22/97	3 Years	1/4	8/22/00	583/93	Hayot	C-18		PSL	12	North 210.0 acres
Fred Corwin Klein	2/24/97	3 Years	3/16	2/24/00	574/84	Hayot	C-18		PSL	4	W/2 SE/4
Linda C. Newton	8/22/97	3 Years	1/4	8/22/00	582/557	Hayot	C-18		PSL	12	North 210.0 acres
Marilyn White Phillips	10/17/97	18 Months	1/4	4/17/99	582/560	Hayot	C-18		PSL	12	North 210.0 acres
C. L. Stephens, Individually and as Independent Executor	11/5/96	3 Years	3/16	11/5/99	572/653	Hayot	C-18		PSL	12	South 430.0 acres
C. L. Stephens, Individually and as Independent Executor	3/27/97	3 Years	3/16	3/27/00	574/409	Hayot	C-18		PSL	11	All
Margery Ann Harper (State)	8/9/96	3 Years	1/5	8/9/99	566/264	Mediterranean	56	3	T&P RR Co	4	S/2
Russell M. Reed, et ux	8/9/96	3 Years	1/5	8/9/99	566/255	Mediterranean	56	3	T&P RR Co	4	N/2
Warren Malcolm Clark, Trustee	5/15/97	3 Years	1/4	5/15/00	575/595	Medusa	C-18		PSL	27	All
Rita Reed George	5/15/97	3 Years	1/4	5/15/00	575/521	Medusa	C-18		PSL	27	All
Bobbie Ann McGinn	7/24/97	3 Years	1/5	7/24/00	578/38	Medusa	C-18		PSL	27	All
W. W. Oatman	5/15/97	3 Years	1/4	5/15/00	575/621	Medusa	C-18		PSL	27	All
Carolyn C. Oatman, ssp	5/15/97	3 Years	1/4	5/15/00	575/541	Medusa	C-18		PSL	27	All
Carolyn C. Oatman, Trustee	5/15/97	3 Years	1/4	5/15/00	575/487	Medusa	C-18		PSL	27	All
Naomi Russell	7/26/97	3 Years	1/5	7/26/00	578/42	Medusa	C-18		PSL	27	All

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. 2764

FILED FOR RECORD ON THE 25TH DAY OF SEPTEMBER A.D. 1998 AT 2:41 P M

DULY RECORDED ON THE 6TH DAY OF OCTOBER A.D. 1998 AT 2:00 P M

BY: Dianne O. Flores DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

389-594-614 - OFFICIAL PUBLIC RECORDS

Reflects Records Entered as of 7/25/2012

McNIC OIL & GAS PROPERTIES, INC.

TO

PENWELL ENERGY, INC.

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

DATED:	01/21/1999
FILED:	01/28/1999
BOOK/PAGE:	601/2
FILE NUMBER:	224
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: VARIOUS LEASES

BOOK 601 PAGE 2

FILE # 224

Reeves County, Texas

ASSIGNMENT, CONVEYANCE, AND BILL OF SALE

THIS ASSIGNMENT, CONVEYANCE, AND BILL OF SALE made effective as of October 1, 1998 at 7:00 a.m., local time (the "Effective Time"), by and between **MCNIC OIL & GAS PROPERTIES, INC.**, a Michigan corporation which is the successor by merger to CoEnergy Central Exploration, Inc. and whose address is 1360 Post Oak Boulevard, Suite 1500, Houston, Texas 77056 ("Assignor"), and **PENWELL ENERGY, INC.**, a Texas corporation whose address is 600 N. Marienfeld, Suite 1100, Midland, Texas 79701 ("Assignee").

FOR AND IN CONSIDERATION of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby GRANT, BARGAIN, SELL, TRANSFER, CONVEY and ASSIGN unto Assignee and its successors and assigns, effective as of the Effective Time, all of the following property, less and except the Excluded Assets (as so limited, the "Assets"):

A. All of Assignor's undivided interest in and to the oil and gas leases, lands, and other property rights described on **Exhibit A** attached hereto and made a part hereof for all purposes (collectively, the "Leases");

B. All of Assignor's undivided interest in and to all improvements, fixtures, personal property, easements, permits, licenses, servitudes, and rights-of-way to the extent the same are situated upon and used or held for use in connection with the exploration, development, or operation of the Leases, or the production, treating, storage, or transportation of oil, gas, other hydrocarbons, or other minerals or the disposal of water or other wastes therefrom, including, without limitation, all wells (whether producing, plugged and abandoned, shut-in, injection, disposal, or water supply wells), tanks, boilers, buildings, machinery and other equipment, pipelines, power lines, telephone and telegraph lines, roads, and other appurtenances to the extent the same are situated upon and used or held for future use in connection with the exploration, development, or operation of the Assets and/or the production, treating, storing, or transportation of oil, gas, other hydrocarbons, or other minerals or the disposal of water or other wastes therefrom;

C. All of Assignor's right, title, and interest in, to, under, or derived from any presently existing and valid unitization and pooling agreements and the units created thereby (including all units formed by voluntary agreements and those formed under orders, regulations, rules, or other official acts of any federal, state, or other governmental agency having jurisdiction);

D. All of Assignor's right, title, and interest in, to, under, or derived from all of the presently existing and valid oil, casinghead gas and gas sales, purchase, exchange, operating, and processing contracts and agreements, and all other contracts, agreements, and instruments relating to the Leases, including, but not limited to, that certain Exploration Agreement dated as of September 1, 1995, between Assignee and CoEnergy Central Exploration, Inc., and the other agreements listed on **Exhibit B** attached hereto and made a part hereof for all purposes (the "Contracts");

E. To the extent transferable, all of Assignor's right, title, and interest in and to all seismic, geological, and geophysical licenses, data, records, information, and interpretations jointly acquired by Assignor and Assignee with respect to the Leases or any lands or leases pooled or unitized therewith;

F. All of Assignor's right, title, and interest in and to any and all claims and causes of action of Assignor arising from the ownership or operation of the Assets during periods subsequent to the Effective Time;

G. All of Assignor's right, title, and interest in and to any and all other property rights and interests situated in the State of Texas or in the State of New Mexico, regardless of whether or not described on attached **Exhibit A**, in which Assignee and Assignor have jointly acquired rights or interests, save and except the Excluded Assets; and

H. All of Assignor's right, title, and interest in and to all oil, gas, and other hydrocarbon substances produced from or attributable or allocable to the Leases on and after the Effective Time.

This Assignment, Conveyance, and Bill of Sale is made subject to the following terms, covenants, conditions, and reservations:

1. Notwithstanding anything herein to the contrary, the Assets do not include, and Assignor hereby expressly excludes from this sale and reserves unto itself, its successors and assigns, any and all rights, titles, and interests of Assignor in and to the following (collectively, the AExcluded Assets@): (a) that certain Oil and Gas Lease dated January 11, 1995, from Hutchings Joint Stock Association Number Two et al., as Lessors, to Assignee, as Lessee, recorded in Book 629, Page 463, Deed Records, Ward County, Texas and any and all data, information, and records relating thereto or to the lands covered thereby; (b) Assignor's corporate, financial, and tax records and legal files, except that Assignor will provide Assignee with copies of any tax records that are necessary for Assignee's ownership, administration, or operation of the Assets; (c) all oil, gas, and other hydrocarbon substances produced from or attributable or allocable to Assignor's interest in the Leases for periods prior to the Effective Time; and (d) the non-participating term royalty interest acquired by Assignor under that certain Assignment dated February 21, 1996, recorded in Volume 643, Page 116, Deed Records, Ward County, Texas.

2. This Assignment, Conveyance, and Bill of Sale is made pursuant and expressly subject to the provisions of that certain Purchase and Sale Agreement (the "Agreement") dated as of December 18, 1998, between Assignor, as Seller, and Assignee, as Purchaser, the terms of which shall prevail in the event of any conflict between the provisions thereof and hereof.

3. The undivided interests herein conveyed are transferred and accepted subject to normal wear and tear and, except for the special warranty of title set forth herein, without warranty of any kind, whether expressed or implied, and are sold "AS IS, WITH ALL FAULTS AND DEFECTS" and "WITH NO WARRANTY AS TO MERCHANTABILITY, FITNESS, OR SUITABILITY FOR ANY PARTICULAR PURPOSE."

4. This Assignment, Conveyance, and Bill of Sale is made with full rights of substitution and subrogation of Assignee in and to all covenants and warranties by others heretofore given or made with respect to the Assets.

5. This Assignment, Conveyance, and Bill of Sale is made subject to governmental and regulatory agency rules and regulations and subject to all the terms and the express and implied covenants and conditions of the instruments described on Exhibit A. Further, the terms, covenants, conditions, and reservations hereof shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns, and such terms, covenants, conditions, and reservations shall be covenants running with the land and the leasehold and fee estates herein assigned and with each transfer or assignment of said land and leasehold and fee estates.

6. Assignor agrees to warrant and defend title to the Assets, except the Tubular Goods, unto Assignee, its successors and assigns forever, as against all claims and demands by, through, or under Assignor, but not otherwise.

OPR

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7. This Assignment, Conveyance, and Bill of Sale may be executed in any number of counterparts and each counterpart shall be deemed to be an original instrument, but all counterparts shall constitute but one Assignment, Conveyance, and Bill of Sale.

TO HAVE AND TO HOLD the Assets, together with all rights and privileges in anywise appertaining thereto, unto Assignee and its successors and assigns forever.

EXECUTED as of the 21st day of January, 1999, but effective for all purposes as of the Effective Time.

ASSIGNOR:

MCNIC OIL & GAS PROPERTIES, INC.

By: Thomas H Neel
Printed Name: THOMAS H. NEEL
Title: PRESIDENT

ASSIGNEE:

PENWELL ENERGY, INC.

By: N. Joseph Bailey
Printed Name: N. JOSEPH BAILEY
Title: VICE PRESIDENT

ACKNOWLEDGMENTS

THE STATE OF Texas

COUNTY OF Harris

This instrument was acknowledged before me on the 21 day of January, 1999, by Thomas H. Neel, President of MCNIC OIL & GAS PROPERTIES, INC., a Michigan corporation, on behalf of said corporation.

KAREN A. GONZALES
MY COMMISSION EXPIRES
September 9, 2002

Karen A. Gonzales
Notary Public in and for
the State of Texas

KAREN A. GONZALES NOTARY PUBLIC STATE OF TEXAS 9-9-2002

THE STATE OF Texas

COUNTY OF Harris

This instrument was acknowledged before me on the 21 day of January, 1999, by N. Joseph Bailey, Vice President of PENWELL ENERGY, INC., a Texas corporation, on behalf of said corporation.

KAREN A. GONZALES
MY COMMISSION EXPIRES
September 9, 2002

Karen A. Gonzales
Notary Public in and for
the State of Texas

KAREN A. GONZALES NOTARY PUBLIC STATE OF TEXAS 9-9-2002

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-040-01A	Hill Investments, Ltd.	3/18/97	573/301	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-01B	H-S Minerals and Realty, Ltd.	3/18/97	573/679	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-01C	James Robert Hill Investments, Ltd.	3/5/97	573/750	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-01D	Hill Trust	3/18/97	575/155	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-01E	Dorothy Jean Keenom	3/18/97	574/405	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-02	State of Texas M-098013	4/1/97	574/796	Erg	54	4-S	T&P RR Co	8	All
TX-040-03A	J. R. Meeker Trust FLBO	5/7/97	574/793	Erg	54	4-S	T&P RR Co	2	West 2/3 of the N/2
TX-040-03C	J. J. Meeker and Meeker Investments, Inc.	5/13/97	578/532	Erg	54	4-S	T&P RR Co	2	West 2/3 of the N/2
TX-040-04	Texaco Exploration and Production, Inc.	6/8/97	593/62	Erg	54	4-S	T&P RR Co	1, 7, 9	All
TX-043-01A	John L. May	4/23/96	563/492	Chapman	57	2	T&P RR Co	48	All
TX-043-01B	Harold L. Ambler	4/23/96	563/501	Chapman	57	2	T&P RR Co	48	All
TX-043-01C	Phillip B. Johnson	4/23/96	563/511	Chapman	57	2	T&P RR Co	48	All
TX-043-01D	Willard G. Kuehn	4/23/96	563/520	Chapman	57	2	T&P RR Co	48	All
TX-043-01E	Doris Ruth Sanders	4/23/96	563/529	Chapman	57	2	T&P RR Co	48	All
TX-043-01F	Bus T. Schageman et al	4/23/96	563/538	Chapman	57	2	T&P RR Co	48	All
TX-043-01G	Betty B. Crawford	4/23/96	563/795	Chapman	57	2	T&P RR Co	48	All
TX-046-01A	George R. Brown Partnership	7/3/96	564/304	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01B	The Brown Foundation, Inc.	7/3/96	565/171	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01C	R. W. Goff	7/26/96	565/183	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01D	T. E. LeRoy	7/31/96	565/187	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01E	Russell J. Landry	7/26/96	565/185	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01F	David Aston	7/26/96	565/181	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01G	Issaac W. Norman	7/26/96	565/179	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01H	Jack E. Kleban	8/1/96	565/177	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01I	John B. Duffield, Jr. Independent Exec	7/11/96	565/169	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01J	Harley C. Watson	7/26/96	565/167	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01K	J. E. Teddlie, Sr.	7/26/96	565/165	Amo East	54	4-S	T&P RR Co	24	E/2

Reflects Records Entered as of 7/25/2012

EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-046-01L	Bob Brill	7/26/96	568/607	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01M	Duane M. Norman	7/31/96	565/462	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01N	Ray C. Lewis	8/21/96	566/368	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01O	Sharon St. Clair et al	8/15/96	568/372	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01P	Milton Brooks McGee, Trustee	7/31/96	565/692	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01Q	Ballard M. Burgher	7/26/96	567/352	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01R	Ted C. Darnell	7/31/96	568/233	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01S	Sam F. Darnell, Jr.	7/31/96	568/231	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01T	Dorothy L. Lewis	3/28/97	573/683	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01U	Herbert J. Frensley Estate Trust & Smith, Ind.	3/27/97	575/159	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01V	T. L. Saunders	3/28/97	576/583	Amo East	54	4-S	T&P RR Co	24	E/2
TX-054-01A	Greg R. Billington	11/11/96	571/152	Hayot	C-18		PSL	11	All
TX-054-01B	Ronnie Billington	1/13/97	572/489	Hayot	C-18		PSL	11	All
TX-054-01C	C. L. Stephens, Individually and as Independent Executor	3/27/97	574/409	Hayot	C-18		PSL	11	All, containing 640 acres, more or less
TX-054-01D	Fred A. Hammond	3/10/97	573/742	Hayot	C-18		PSL	11	All, containing 640 acres, more or less
TX-054-02A	Jessie W. Bush	12/23/96	573/458	Hayot	C-18		PSL	12	South 430.0 acres
TX-054-02B	C. L. Stephens, Individually and as Independent Executor	11/5/96	572/653	Hayot	C-18		PSL	12	South 430.0 acres
TX-054-03A	Blake O & G Corp.	2/15/97	572/262	Hayot	C-18		PSL	4	SE/4 NE/4
TX-054-03B	Jack E. Blake, et ux	2/15/97	572/265	Hayot	C-18		PSL	4	SE/4 NE/4
TX-054-04A	Blake O & G Corp.	2/15/97	572/256	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
TX-054-04B	Jack E. Blake, et ux	2/15/97	572/259	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
TX-054-05	Billie Mac Jobe	2/24/97	573/744	Hayot	C-18		PSL	4	SW/4 & E/2 SE/4
TX-054-06A	W. A. Halamicek, Jr.	2/24/97	573/746	Hayot	C-18		PSL	4	NW/4
TX-054-06B	John D. Halamicek	2/24/97	573/748	Hayot	C-18		PSL	4	NW/4
TX-054-07	Fred Corwin Klein	2/24/97	574/84	Hayot	C-18		PSL	4	W/2 SE/4
TX-054-08A	Linda C. Newton	8/22/97	582/557	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08B	Marilyn White Phillips	10/17/97	582/560	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less

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EXHIBIT "A"
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LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-054-08C	Michael W. Coke	8/22/97	582/563	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08D	Suzanne Clark Hughes	8/22/97	583/87	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08E	Tracy Fishburn Trust #2 (3194-00)	8/22/97	583/96	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08F	Yvonne Coke Julian Agency #3102-02	8/22/97	583/93	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08G	Julia Graham Benkofsky-Webb	8/22/97	583/90	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-062-01	Texaco E&P, Inc.	9/19/96	567/257	Block 1-Shallow Rights	54	5	T&P Ry Co	13	All
					55	5	T&P Ry Co	37, 39 & 47	All and the N/2 of Sec. 45
TX-062-02	Texaco E&P, Inc.	9/19/96	567/203	Block 1-Shallow Rights	55	5	T&P Ry Co	15, 23, 25, 27 & 35	All
TX-062-03	Texaco E&P, Inc.	9/19/96	567/221	Block 1-Shallow Rights	54	5	T&P Ry Co	5, 7, 9 & 11	All
					55	5	T&P Ry Co	13	All
TX-062-04	Texaco E&P, Inc.	9/19/96	567/209	Block 1-Shallow Rights	55	4	T&P Ry Co	41	All
					55	5	T&P Ry Co	5, 9, 17, 21	All
TX-062-05	Texaco E&P, Inc.	9/19/96	567/215	Block 1-Shallow Rights	55	4	T&P Ry Co	35 & 43	All
					55	5	T&P Ry Co	1, 3 & 11	All
TX-063-01	Texaco E&P, Inc.	9/19/96	567/227	Block 2-Shallow Rights	54	4	T&P Ry Co	29, 31 & 37	All
					54	5	T&P Ry Co	1 & 3	All
TX-063-02	Texaco E&P, Inc.	9/19/96	567/233	Block 2-Shallow Rights	54	4	T&P Ry Co	21, 23, 25, 33 & 35	All

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LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-063-03	Texaco E&P, Inc.	9/19/96	567/239	Block 2-Shallow Rights	54	4	T&P Ry Co	5, 15, 17 & 27	All
					55	4	T&P Ry Co	33	All
TX-063-04	Texaco E&P, Inc.	9/19/96	567/245	Block 2-Shallow Rights	54	4	T&P Ry Co	1, 3, 7, 9 & 13	All
TX-063-05	Texaco E&P, Inc.	9/19/96	567/251	Block 2-Shallow Rights	53	4	T&P Ry Co	1, 3 & 5	All
					54	4	T&P Ry Co	11	All
TX-064-01	Texaco E&P, Inc.	11/11/96	569/739	Block 3-Shallow Rights	56	3	T&P Ry Co	1	N/2
					56	3	T&P Ry Co	5	NW/4 and S/2
					56	3	T&P Ry Co	7	N/2, save and except the SW/4 of NW/4 from the surface down to 3,430' as measured by the Acoustic-Gamma Ray Log, dated February 10, 1965, for Texaco Inc.'s Reeves AS Fee No. 1 Well
					56	3	T&P Ry Co	11	N/2, save and except the SE/4 of NE/4 from the surface down to 3,430' as measured by the Acoustic-Gamma Ray Log, dated May 14, 1964, for Texaco Inc.'s Reeves AK Fee No. 1 Well
					56	3	T&P Ry Co	13	All
TX-064-02	Texaco E&P, Inc.	11/11/96	569/759	Block 3-Shallow Rights	57	3	T&P Ry Co	5, 17, 19 & 21	All
					57	3	T&P Ry Co	9	All, save and except the W/2 of SW/4 from the surface to a depth of 3,270'
TX-064-03	Texaco E&P, Inc.	11/11/96	569/765	Block 3-Shallow Rights	56	3	T&P Ry Co	3	All
					57	3	T&P Ry Co	1, 11, 13 & 15	All

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EXHIBIT "A"
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LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-064-04	Texaco E&P, Inc.	11/11/96	569/746	Block 3-Shallow Rights	57	3	T&P Ry Co	29, 31, 33 & 39	All
TX-064-05	Texaco E&P, Inc.	11/11/96	569/752	Block 3-Shallow Rights	57	3	T&P Ry Co	23	All
TX-064-05	Texaco E&P, Inc.	11/11/96	569/752	Block 3-Shallow Rights	57	3	T&P Ry Co	25	All, save and except (a) the SE/4 of Sec. 25 from the surface down to a depth of 3,301', (b) 40 acs in the form of sq. around Texaco-Reeves AM Fee Well No. 1, located 1,980' FSL & 660' FWL of Sec 25, from the surface to a depth of 3,252',(c) 40 acs in the form of a sq around the Texaco-Reeves AM Fee Well No. 2 located 1980' FN&EL of Sec 25 from the surface to a depth of 3,230' and (d) 40 acres in the form of a sq. aound the Texaco-Reeves AM Fee Well No. 3, located 990' FWL & 1,320' FNL of Sec. 25 from the surface to a depth of 3,300'

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LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-064-05	Texaco E&P, Inc.	11/11/96	569/752	Block 3-Shallow Rights	57	3	T&P Ry Co	27	All, save and except a) 40 acs in the form of a sq around the Texaco-Reeves BD Fee Well No. 1, located 1,980' FNL & 1,320' FEL of Sec 27 from the surface to a depth of 3,179' and b) 40 acs in the form of a sq around the Texaco-Reeves BD Fee Well No. 2, located 1,220' FNL & 1,320' FWL of Sec 35 from the surface to a depth of 3,300'
					57	3	T&P Ry Co	37	All
TX-071-01A	Sallie Wynne Reynaud, (Stale)	9/21/70	297/485	Chapman NE	57	2	T&P RR Co	38	E/2 NE/4, NW/4, W/2 SW/4 & E/2 SE/4 as to all depths below the surface of the earth; W/2 NE/4, as to depths below 3,260' below the surface of the earth; E/2 SW/4, as to depths below 4,695' below the surface of the earth;W/2 SE/4, as to depths below 3,194' below the surface of the earth.

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LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-071-01B	Lela Mae Wynne, et al (State)	9/21/70	297/489	Chapman NE	57	2	T&P RR Co	38	E/2 NE/4, NW/4, W/2 SW/4 & E/2 SE/4 as to all depths below the surface of the earth; W/2 NE/4, as to depths below 3,260' below the surface of the earth; E/2 SW/4, as to depths below 4,695' below the surface of the earth;W/2 SE/4, as to depths below 3,194' below the surface of the earth.
TX-072-01	State of Texas M-97551	10/1/96	569/571	Cajones	57	3	T&P RR Co	28	N/2
TX-072-02	State of Texas M-97553	10/1/96	569/562	Cajones	57	3	T&P RR Co	20	All
TX-073-01	State of Texas M-97550	10/1/96	569/553	Cajones North	57	3	T&P RR Co	16	All
TX-074-01	State of Texas M-97554	10/1/96	569/544	Fred SE	53	4-S	T&P RR Co	6	NE/4, SW/4 and S/2 SE/4
TX-081-01	John Dorr, as Agent	8/28/96	568/54	Greasewood North	54	4-S	T&P RR Co	32	NW/4 NE/4, NW/4 NW/4 & S/2 NE/4 NW/4
TX-081-02A	Petco, Limited	10/8/96	568/100	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02B	Nancy Dean Invest. (State)	9/12/96	568/109	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02C	R. C. Slack	9/12/96	568/118	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02D	Pursuit Energy, Inc.	12/10/96	576/632	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02E	TCB Josie Faye Peck, Tr. & Patti P. Wood	4/29/97	576/223	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02F	NationsBank, Tr-Nancy A. Wynne, as Agent	12/10/96	573/557	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02G	Sid W. Richardson Foundation	12/10/96	573/566	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02H	Lloyd Powell, Jr., Children's Trust	6/25/97	577/255	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02I	Andrews Royalty (State)	7/7/97	577/246	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02J	William B. Wakefield	6/25/97	578/319	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02K	Annie R. Bass Trust	7/22/97	579/581	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02L	Howell Smith Wynne	6/25/97	579/572	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02M	Ruth Marie Lewis Estate	6/30/97	580/427	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-03A	Peggy Nell Montgomery Herrin, as Agent	8/29/96	568/91	Greasewood North	54	4-S	T&P RR Co	32	SW/4 NW/4

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TX-081-03B	Jerry S. Montgomery Thompson	8/29/96	568/82	Greasewood North	54	4-S	T&P RR Co	32	SW/4 NW/4
TX-081-03C	Bobby Joe Montgomery	8/29/96	568/73	Greasewood North	54	4-S	T&P RR Co	32	SW/4 NW/4
TX-081-03D	Cecil B. Lovell, et al	8/28/96	568/64	Greasewood North	54	4-S	T&P RR Co	32	SW/4 NW/4
TX-081-05	Joseph G. Stafford	5/1/97	576/232	Greasewood North	54	4-S	T&P RR Co	32	N/2 NE/4 NW/4
TX-081-06A	Ann Lowery Bains, ssp	4/23/95	550/670	Greasewood North	54	4-S	T&P RR Co	32	SW/4
TX-081-06B	J. Robert McGehee	4/23/95	550/688	Greasewood North	54	4-S	T&P RR Co	32	SW/4, A-3465
TX-081-06C	Lynn M. Stewart	4/23/95	550/679	Greasewood North	54	4-S	T&P RR Co	32	SW/4, A-3465
TX-081-07	S. E. Richardson, Jr.	4/17/95	550/661	Greasewood North	54	4-S	T&P RR Co	32	SE/4, A-3652
TX-082-01A	Jeroco, Inc.	5/9/97	575/815	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01B	Larry K. Tims	5/9/97	575/817	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01C	Harry L. Bickford	4/18/97	576/187	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01D	Donna L. Durham	4/18/97	576/171	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01E	Gary W. Farabough	4/18/97	576/185	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01F	Ann Tims Fish	4/18/97	576/328	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01G	Lahoma Joy Getgen, et vir	4/18/97	576/175	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01H	Phil Gordon	4/16/97	576/196	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01I	Mart & Mary C. Hardin, Trustee	5/9/97	576/194	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01J	Walter & Maxine Ingle Trust	4/18/97	576/173	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01K	Anna Tims Lewis	4/18/97	576/177	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01L	Delores L. Noe	4/18/97	576/169	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01M	Ted J. Pasley	4/16/97	576/183	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01N	James W. Pitts	5/9/97	577/520	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01O	Spindletop Exploration, Inc.	5/9/97	576/191	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01P	Billy D. Tims	4/18/97	576/189	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01Q	Timothy B. Tims, et ux	5/9/97	576/181	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01R	William E. & Carol Tims, et ux	5/9/97	576/179	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01S	Alliance Oil and Gas Co.	5/9/97	576/530	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01T	Ada Mae Tims English	5/9/97	576/533	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01V	John B. Wooten	9/15/97	580/358	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01W	James H. Butler	9/9/97	580/551	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01X	G. W. Thomas III	5/9/97	581/589	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-02	Billie Mac Jobe	4/10/97	574/682	Gorgons/Eaglet	55	4-S	T&P RR Co	56	All
TX-083-01A	Mary Ann Brantley	4/16/97	574/619	Baltic	57	3	T&P RR Co	2	SE/4
TX-083-01B	Arthur S. Schlofman, Jr.	4/16/97	574/610	Baltic	54	3	T&P RR Co	2	SE/4
TX-083-02A	Anna Louise Graves	4/16/97	574/628	Baltic	57	3	T&P RR Co	2	NE/4
TX-083-02B	James S. Patterson	4/16/97	574/601	Baltic	57	3	T&P RR Co	2	NE/4
TX-083-02C	William E. Patterson	4/16/97	574/20	Baltic	57	3	T&P RR Co	2	NE/4

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TX-083-03	Dawson George, Trustee R. S. Brennard Test. Trust	6/3/97	576/641	Baltic	57	3	T&P RR Co	~2	SW/4 & NE/4
TX-083-04B	William E. Patterson	7/18/97	577/228	Baltic	57	3	T&P RR Co	2	SW/4
TX-083-04C	James S. Patterson	7/18/97	577/219	Baltic	57	3	T&P RR Co	2	SW/4
TX-083-04D	Anna Louise Graves	7/18/97	578/301	Baltic	57	3	T&P RR Co	2	SW/4
TX-084-01	Russell M. Reed, et ux	8/9/96	566/255	Mediterranean	56	3	T&P RR Co	4	N/2
TX-084-02	Margery Ann Harper (State)	8/9/96	566/264	Mediterranean	56	3	T&P RR Co	4	S/2
TX-085-01A	Jessie Mae Kelton (State)	4/14/97	574/100	Gorgons	54	5-S	T&P RR Co	2	SE/4
TX-085-01B	Jim Tom Kelton, et ux	4/14/97	574/91	Gorgons	54	5-S	T&P RR Co	2	SE/4
TX-085-01C	Melba Kelton Younce (State)	4/15/97	574/29	Gorgons	54	5-S	T&P RR Co	2	SE/4
TX-085-02A	R. C. Slack (State)	4/15/97	574/38	Gorgons	54	5-S	T&P RR Co	2	SW/4
TX-085-02B	Nancy Dean Invest. (State)	4/15/97	574/574	Gorgons	54	5-S	T&P RR Co	2	SW/4
TX-085-02C	Petco Limited (State)	4/15/97	576/665	Gorgons	54	5-S	T&P RR Co	2	SW/4
TX-085-03	Billie Mac Jobe (State)	4/10/97	574/11	Gorgons	54	5-S	T&P RR Co	2	NE/4
TX-085-04A	R. C. Slack (State)	4/15/97	574/47	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04B	Nancy Dean Invest. (State)	4/15/97	574/583	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04C	Petco Limited (State)	4/15/97	576/656	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04D	Andrews Royalty (State)	4/15/97	576/674	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04E	Pursuit Energy Corporation (State)	4/15/97	576/683	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04F	Howell Smith Wynne (State)	4/15/97	576/692	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04G	Nations B.-Nancy Adele Wynne T.T. (State)	4/15/97	576/701	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04H	Loyd W. Powell (State)	5/19/97	577/237	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04I	Royce Lewis, Independent (State)	6/30/97	580/436	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04J	TCB-Josie Peck/Patti Wood (State)	6/25/97	578/310	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04L	Sid Richardson Foundation, Inc. (State)	11/18/97	583/325	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04M	Edward P. Bass, et al (State)	2/3/98	585/27	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-05A	Lucille Hodge Gill King (State)	5/5/97	576/379	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	West 1/3 of the N/2 SW/4
TX-085-05B	Jan Vaughn (State)	5/5/97	576/388	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	West 1/3 of the N/2 SW/4
TX-085-05C	Jerry Cramer (State)	5/5/97	576/711	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	West 1/3 of the N/2 SW/4
TX-085-06	Billie Mac Jobe (State)	5/7/97	574/592	Gorgons	55	4-S	T&P RR Co	44	S/2
TX-085-07A	Carolyn C. Oatman (State)	5/15/97	575/449	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	E/2, NW/4
TX-085-07B	Rita Reed George (State)	5/15/97	575/506	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	E/2, NW/4
TX-085-07C	Warren Malcolm Clark, Trustee	5/15/97	575/553	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	E/2, NW/4
TX-085-07D	W. W. Oatman (State)	5/15/97	575/599	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	E/2, NW/4

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LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-085-08A	Charles J. Heagney (State)	6/10/97	577/430	Gorgons	55	4-S	T&P RR Co	44	NE/4 NE/4, E/2 NW/4 NE/4
TX-085-08B	Mary Elizabeth Sesney (State)	6/10/97	577/439	Gorgons	55	4-S	T&P RR Co	44	NE/4 NE/4, E/2 NW/4 NE/4
TX-085-08C	Michael Storm Casper (State)	6/10/97	577/448	Gorgons	55	4-S	T&P RR Co	44	NE/4 NE/4, E/2 NW/4 NE/4
TX-085-08D	Patricia Levy (State)	6/10/97	577/457	Gorgons	55	4-S	T&P RR Co	44	NE/4 NE/4, E/2 NW/4 NE/4
TX-085-09A	John C. Harris III (State)	4/4/97	574/411	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	S/2 SW/4
TX-085-09B	Angela H. Caughlin	4/4/97	574/414	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	S/2 SW/4
TX-085-09C	Mary C. Grimaldo	4/4/97	574/417	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	S/2 SW/4
TX-085-10	Bobbie G. Pirtle (State)	4/4/97	574/802	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	N/2 SW/4;SAVE AND EXCEPT the W/3 of the N/2 SW/4 & the E/3 of the N/2 SW/4
TX-085-11A	Marvolene Speed Bennett Family Trust (State)	4/2/97	575/20	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	East 1/3 of N/2 SW/4
TX-085-11B	Carleton D. Speed Estate #3430 (State)	4/2/97	575/29	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	East 1/3 of N/2 SW/4
TX-085-11C	Shannan Lynn Speed et al (State)	4/2/97	577/466	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	East 1/3 of N/2 SW/4
TX-085-13A	John L. Cox	9/9/97	581/366	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-085-13B	Christensen Petroleum, Inc.	9/9/97	581/369	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-085-13C	Marcella B. Christensen, widow	9/9/97	581/372	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-085-14	State of Texas M-99108	4/7/98	589/376	Gorgons	55	4-S	T&P RR Co	44	NW/4, S/2 NE/4 and the W/2 NW/4 NE/4
TX-085-15	Billie Mac Jobe (State)	3/13/98	586/270	Gorgons	55	5	T&P RR Co	2	All
TX-085-16	Billie Mac Jobe (State)	3/13/98	586/262	Gorgons	55	4	T&P RR Co	36	All
TX-085-17	Texaco Exploration and Production, Inc.	7/31/97	595/113	Gorgons	54	4-S	T&P RR Co	37	All
					54	5-S	T&P RR Co	1, 3, 5	All
					55	4-S	T&P RR Co	35 & 43	All
					55	5-S	T&P RR Co	1	All
TX-086-01A	Jeroco, Inc.	5/9/97	575/819	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01B	Anna Tims Lewis	5/9/97	574/684	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01C	Delores L. Noe	5/9/97	574/686	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01D	Alliance Oil & Gas Co.	5/9/97	576/541	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01E	Donna L. Durham	5/9/97	576/544	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01F	Ada Mae Tims English	5/9/97	576/546	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01G	Ann Tims Fish	5/9/97	576/548	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01H	Lahoma Joy Geigen, et vir	5/9/97	576/550	Cyclops	54	4-S	T&P RR Co	30	All

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-086-01I	Phil Gordon	5/9/97	576/552	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01J	Mart & Mary C. Hardin, Trustee	5/9/97	576/554	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01K	Walter & Maxine Ingle Trust	5/9/97	576/556	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01L	James W. Pitts	5/9/97	576/558	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01M	Billie D. Tims	5/9/97	576/563	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01N	Spindletop Exploration, Inc.	5/9/97	576/560	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01O	Fern Tims, Independent Executrix	5/9/97	576/565	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01P	R. E. & Mattie Lee Tims	5/9/97	576/567	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01Q	Timothy B. Tims	5/9/97	576/569	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01R	William E. & Carol Tims	5/9/97	576/571	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01S	Lonnie W. Jourdan Mgmt. Trust	5/9/97	576/527	Gorgons/Cylcops	54	4-S	T&P RR Co	30 & 38	All
TX-086-01T	Harry L. Bickford	5/9/97	576/585	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01U	Ted J. Pasley	5/9/97	576/587	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01V	Larry K. Tims	5/9/97	577/522	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01W	G. W. Thomas III	5/9/97	583/83	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01X	James H. Butler	9/9/97	580/548	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01Y	John L. Cox	9/9/97	581/381	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01Z	Christensen Petroleum, Inc.	9/9/97	581/378	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01AA	Max Christensen Estate	9/9/97	581/375	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01AB	John B. Wooten	3/3/98	586/865	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-02	Billie Mac Jobe	4/29/97	574/237	Cyclops	55	4-S	T&P RR Co	34	All
TX-086-03A	Ann Thompson White	6/16/98	591/570	Cyclops	54	4-S	T&P RR Co	28	All, Cert. 4023
TX-086-03B	John M. Thompson, Jr.	6/16/98	591/578	Cyclops	54	4-S	T&P RR Co	28	All, Cert. 4023
TX-086-03C	James Cash Thompson, et ux	6/16/98	591/586	Cyclops	54	4-S	T&P RR Co	28	All, Cert. 4023
TX-087-01A	Rita Reed July 1998 Trust - TCB, Trustee	7/8/97	576/497	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-087-01B	Carolyn C. Oatman (State)	5/15/97	575/460	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-087-01C	Rita Reed George (State)	5/15/97	575/495	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-087-01D	Warren Malcolm Clark, Trustee (State)	5/15/97	575/564	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-087-01E	W. W. Oatman (State)	5/15/97	575/610	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-088-01A	Dell Shettle	5/19/97	575/807	Medusa	C-18		PSL	26	All
TX-088-01B	Georgia Faye Bingham	5/8/97	575/809	Medusa	C-18		PSL	26	All
TX-088-01C	Lonnie Winterrowd	4/30/97	576/167	Medusa	C-18		PSL	26	All
TX-088-01D	L. D. McNeil Estate	4/29/97	574/694	Medusa	C-18		PSL	26	All, being 640.0 acres
TX-088-01E	Roddy L. Harrison	4/29/97	574/698	Medusa	C-18		PSL	26	All, being 640.0 acres
TX-088-01F	Don Weinacht	5/1/97	574/700	Medusa	C-18		PSL	26	All, being 640.0 acres
TX-088-01H	Warren Malcolm Clark, Trustee	5/15/97	575/591	Medusa	C-18		PSL	26	All
TX-088-01I	Rita Reed George, ssp	5/15/97	575/525	Medusa	C-18		PSL	26	All

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REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-01J	Robert Hughes	4/30/97	578/52	Medusa	C-18		PSL	26	All
TX-088-01K	Carolyn C. Oatman, Trustee	5/15/97	575/491	Medusa	C-18		PSL	26	All
TX-088-01L	W. W. Oatman	5/15/97	575/625	Medusa	C-18		PSL	26	All
TX-088-01M	Dennis Winterrowd	4/30/97	578/48	Medusa	C-18		PSL	26	All
TX-088-01N	Earnestine Winterrowd, Tr., Curtis Winterrowd	4/30/97	578/46	Medusa	C-18		PSL	26	All
TX-088-01O	Mike Winterrowd	4/30/97	578/50	Medusa	C-18		PSL	26	All
TX-088-01Q	W. D. Faulkner	5/30/97	576/376	Medusa	C-18		PSL	26	All
TX-088-01R	Bobbie Ann McGinn	6/24/97	578/87	Medusa	C-18		PSL	26	All
TX-088-01S	Naomi Russell	6/26/97	578/54	Medusa	C-18		PSL	26	All
TX-088-01T	Fred P. Armstrong	6/26/97	578/58	Medusa	C-18		PSL	26	All
TX-088-01U	John Dorr	8/28/97	580/308	Medusa	C-18		PSL	26	All
TX-088-01V	Barbara Ann Scott Family Partnership, Ltd.	8/28/97	580/177	Medusa	C-18		PSL	26	All
TX-088-01W	Mary Peyton, Indp Exec	8/28/97	580/174	Medusa	C-18		PSL	26	All
TX-088-01X	Kelly Lynn Poer, et al	6/24/97	591/473	Medusa	C-18		PSL	26	All
TX-088-02A	Georgia Faye Bingham	5/8/97	575/812	Medusa	C-18		PSL	25	NW/4
TX-088-02B	Frances Keith	5/12/97	578/68	Chimaera/Gorgons/Medusa	C-18 & C-19		PSL	4 & 25	Sec. 4: SW/4 (160 acs.); Sec. 25: NW/4 (160 acs.), NW/4NE/4 (40 acs.)
TX-088-03	Alliance Tr. Co., Tr., Pearl & N. Allan Birge Trust	5/23/97	575/292	Medusa	C-18		PSL	24	Lot 1
TX-088-04A	Alliance Tr. Co., Tr., Nat Birge Trust #1	5/23/97	575/295	Medusa	C-18		PSL	24	Lots 2,3,4, E/2 5, 6-10, S/2 11, S/2 S/2 12, 13
TX-088-04B	Alliance Tr. Co., Tr., Nat Birge Trust #2	5/23/97	575/301	Medusa	C-18		PSL	24	Lots 2,3,4, E/2 5, 6-10, S/2 11, S/2 S/2 12, 13
TX-088-04C	Alliance Tr. Co., Tr., Christine Birge Trust	5/23/97	575/298	Medusa	C-18		PSL	24	Lots 2,3,4, E/2 5, 6-10, S/2 11, S/2 S/2 12, 13
TX-088-04D	Alliance Tr. Co., Tr., Patti Birge Tyson Rev. Trust	5/23/97	575/289	Medusa	C-18		PSL	24	Lots 2,3,4, E/2 5, 6-10, S/2 11, S/2 S/2 12, 13
TX-088-05A	Milford S. Howard Estate	4/28/97	574/690	Medusa	C-18		PSL	23 & 25	NE/4NW/4 & NE/4 NE/4
TX-088-05B	Matthews-Link Properties, Ltd.	7/3/97	576/445	Medusa	C-18		PSL	23 & 25	NE/4 NW/4 & NE/4 NE/4
TX-088-05C	D. W. St. Clair	7/10/97	576/516	Medusa	C-18		PSL	23	NE/4 NW/4
TX-088-05D	William W. Bentley	7/10/97	578/34	Medusa	C-18		PSL	23	NE/4NW/4
TX-088-05E	James M. Howard, et al	7/10/97	578/520	Medusa	C-18		PSL	23 & 25	NE/4 NW/4 & NE/4 NE/4

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LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-05F	Lowenthal, Hale & Jaffe, Inc.	7/15/97	578/328	Medusa	C-18		PSL	23 & 25	NE/4 NW/4 & NE/4 NE/4
TX-088-05G	Vasilios Thomas	12/1/97	583/101	Medusa	C-18		PSL	23 & 25	NE/4 NW/4 & NE/4 NE/4
TX-088-06B	D. W. St. Clair	5/28/97	578/24	Medusa	C-18		PSL	25	NE/4NE/4
TX-088-06D	William W. Bentley	7/10/97	578/36	Medusa	C-18		PSL	25	NE/4NE/4
TX-088-07A	L. D. McNeil Estate	4/29/97	574/692	Medusa	C-18		PSL	23	NE/4 , S/2 less NW/4 SW/4 SE/4 S/2 NW/4, E/2 NW/4 NW/4, SW/4 NW/4 NW/4
TX-088-07B	Doug Miller	4/29/97	578/525	Medusa	C-18		PSL	23, 25 & 26	Sec. 23: NE/4, S/2 less NW/4SW/4SE/4, S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4; Sec. 25: NW/4, S/2 and S/2NE/4, NW/4NE/4; Sec. 26: All
TX-088-07C	Rita Reed July 1998 Trust	7/9/97	576/506	Medusa	C-18		PSL	23	580 acres, more or less, being the NE/4 & S/2 Save and Except the NW/4 SW/4 SE/4, S/2 NW/4, E/2 NW/4 NW/4, SW/4 NW/4 NW/4
TX-088-07D	Carolyn C. Oatman, Trustee	5/15/97	575/479	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 and S/2NW/4, E/2NW/4 NW/4, SW/4NW/4 NW/4
TX-088-07E	W. W. Oatman	5/15/97	575/633	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 and S/2NW/4, E/2NW/4 NW/4, SW/4NW/4 NW/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-07F	Warren Malcolm Clark, Trustee	5/15/97	575/583	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 & S/2NW/4, E/2NW/4NW/4, SW/4 NW/4NW/4
TX-088-07G	Rita Reed George	5/15/97	575/533	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 & S/2NW/4, E/2NW/4NW/4, SW/4 NW/4NW/4
TX-088-07H	Florence McNeil	7/7/97	578/522	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 & S/2NW/4, E/2NW/4NW/4, SW/4 NW/4NW/4
TX-088-07I	Bobbie Ann McGinn	6/24/97	576/351	Medusa	C-18		PSL	23	S/2 of the NW/4, E/2 of the NW/4 of the NW/4, SW/4 of the NW/4 of the NW/4, NE/4, and the S/2 less and except the NW/4 of the SW/4 of the SE/4
TX-088-07J	Naomi Russell	6/26/97	576/355	Medusa	C-18		PSL	23	Less & except, the NW/4 of the SW/4 of the SE/4, the NW/4 of the NW/4 of the NW/4, and the NE/4 of the NW/4
TX-088-08B	L. D. McNeil Estate	4/29/97	574/696	Medusa	C-18		PSL	25	NW/4 (160 acs.), S/2 & S/2NE/4 (400 acs.), NW/4NE/4 (40 acs.)
TX-088-08C	Julia H. Ward	4/30/97	574/702	Medusa	C-18		PSL	25	NW/4 (160 acs.), S/2&S/2NE/4 (400 acs.), NW/4NE/4 (40 acs.)
TX-088-08D	Warren Malcolm Clark, Trustee	5/15/97	575/587	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-08E	Rita Reed George, ssp	5/15/97	575/529	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4
TX-088-08F	Carolyn C. Oatman, ssp	5/15/97	575/545	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4
TX-088-08G	Carolyn C. Oatman, Trustee	5/15/97	575/483	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4
TX-088-08H	W. W. Oatman	5/15/97	575/629	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4
TX-088-08J	Naomi Russell	6/26/97	578/30	Medusa	C-18		PSL	25	Less & except, the NE/4 of NE/4
TX-088-08K	Bobbie Ann McGinn	6/24/97	578/26	Medusa	C-18		PSL	25	NW/4, S/2, S/2 of the NE/4 and the NW/4 of the NE/4
TX-088-08L	John Dorr	8/28/97	580/311	Medusa	C-18		PSL	25	NW/4 (160 acs.), NW/4NE/4 (40 acs.), S/2 & S/2NE/4 (400 acs.)
TX-088-09A	Blake Oil & Gas Corp.	5/9/97	576/406	Medusa	C-18		PSL	23	NW/4SW/4SE/4, NW/4NW/4NW/4
TX-088-09B	Jack E. Blake et ux	5/9/97	576/403	Medusa	C-18		PSL	23	NW/4SW/4SE/4, NW/4NW/4NW/4
TX-088-10A	Janice Nicolson Holmes	4/28/97	576/397	Medusa	C-18		PSL	23	S/2 NW/4, E/2NW/4NW/4, SW/4NW/4NW/4
TX-088-10B	Olive Nicolson Pemberton	4/28/97	576/399	Medusa	C-18		PSL	23	S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4
TX-088-10C	Jerry C. Keeton et ux	6/15/97	576/359	Medusa	C-18		PSL	23	S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4
TX-088-10D	Larry & Bobbie Jones Roberts	6/15/97	576/363	Medusa	C-18		PSL	23	S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4
TX-088-10E	Binnie Jones Strother	6/15/97	576/361	Medusa	C-18		PSL	23	S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-11A	Mobil Producing Texas & New Mexico, Inc.	6/1/97	576/623	Medusa	C-18		PSL	24	Lots 14-21(283.85 gross acs., more or less)
TX-088-11B	Altura Energy, Ltd.	7/7/97	576/720	Medusa	C-18		PSL	24	Lots 14-21(283.85 gross acs., more or less)
TX-088-12A	Georgia Faye Bingham	5/8/97	575/821	Chimaera/Gorgons/Medusa	C-19		PSL	4	N/2NW/4 (90.13 acs.), S/2NW/4 (90.13 acs.), N/2NE/4 (90.13 acs.), S/2SE/4 (90.13 acs.), SW/4 (180.25 acs.)
TX-088-12B	Buna Fullwood	5/12/97	578/64	Chimaera/Gorgons/Medusa	C-19		PSL	4	S/2NW/4, S/2SE/4 (180.26 acs.)
TX-088-12D	Carolyn C. Oatman, ssp	5/15/97	575/549	Chimaera/Gorgons/Medusa	C-19		PSL	4	N/2 SE/4, S/2 SE/4
TX-088-13A	Warren Malcolm Clark, Trustee	5/15/97	575/575	Chimaera/Gorgons/Medusa	C-19		PSL	1	West 80 acres
TX-088-13B	Rita Reed George, ssp	5/15/97	575/517	Chimaera/Gorgons/Medusa	C-19		PSL	1	West 80 acres
TX-088-13C	Carolyn C. Oatman, Trustee	5/15/97	575/471	Chimaera/Gorgons/Medusa	C-19		PSL	1	West 80 acres
TX-088-13D	W. W. Oatman	5/15/97	575/641	Chimaera/Gorgons/Medusa	C-19		PSL	1	West 80 acres
TX-088-13E	TCB, Tr, Rita Reed George 1998 Trust	7/9/97	576/511	Chimaera/ Gorgons/Medusa	C-18 & C-19		PSL	1, 4, 25, 26, 27	Sec. 1: West 80 acres; Sec. 4:NE/4, N/2NW/4, S/2NW/4, N/2SE/4, S/2SE/4 and SW/4; Sec. 25: NW/4, S/2, S/2 NE/4 and NW/4 NE/4 Sec. 26: All; Sec. 27: All
TX-088-14A	Warren Malcolm Clark, Trustee	5/15/97	575/595	Medusa	C-18		PSL	27	All
TX-088-14B	Rita Reed George	5/15/97	575/521	Medusa	C-18		PSL	27	All
TX-088-14C	Carolyn C. Oatman, ssp	5/15/97	575/541	Medusa	C-18		PSL	27	All
TX-088-14D	Carolyn C. Oatman, Trustee	5/15/97	575/487	Medusa	C-18		PSL	27	All
TX-088-14E	W. W. Oatman	5/15/97	575/621	Medusa	C-18		PSL	27	All
TX-088-14F	Bobbie Ann McGinn	7/24/97	578/38	Medusa	C-18		PSL	27	All
TX-088-14G	Naomi Russell	7/26/97	578/42	Medusa	C-18		PSL	27	All
TX-088-15	Ingrid U. Armstrong	6/26/97	578/61	Medusa	C-18		PSL	19	SW/160 acres, A-5202
TX-088-16A	Carolyn C. Oatman, Trustee	5/15/97	575/475	Chimaera/Gorgons/Medusa	C-19		PSL	4	All
TX-088-16B	Rita Reed George, ssp	5/15/97	575/537	Chimaera/Gorgons/Medusa	C-19		PSL	4	All
TX-088-16C	Warren Malcolm Clark, Trustee	5/15/97	575/579	Chimaera/Gorgons/Medusa	C-19		PSL	4	All

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-16D	W. W. Oatman	5/15/97	575/637	Chimaera/Gorgons/Medusa	C-19		PSL	4	All
TX-088-17A	Nat. Bank of Texas, Tr, Roberta M. Regan	11/12/97	583/251	Chimaera/Gorgons/Medusa	C-19		PSL	~ 1	E/2 W/4 (80 acs.) and the East 291 acs.

EXHIBIT B

The Contracts

1. Exploration Agreement dated September 1, 1995, between Penwell Energy, Inc., a Texas corporation, and CoEnergy Central Exploration, Inc., a Michigan corporation, (and any and all Operating Agreements entered into pursuant thereto).

2. Amended and Restated Joint Venture Agreement of San Juan Joint Venture dated August 13, 1997, between Advanced Technology Oil & Gas Incorporated, a Texas corporation, Discovery Exploration Incorporated, a Colorado corporation, MCNIC Oil & Gas Properties, Inc., a Michigan corporation, Oil & Gas Acquisition Group, Inc., a Texas corporation, Penwell Energy, Inc., a Texas corporation, and SEEL Development Co., L.L.C., a Texas limited liability company.

3. Exploration Agreement (San Juan Exploration Program) dated July 22, 1997, between Penwell Energy, Inc., a Texas corporation, MCNIC Oil & Gas Properties, Inc., a Michigan corporation, Oil & Gas Acquisition Properties, Inc., a Texas corporation, Discovery Exploration Incorporated, a Colorado corporation, Advanced Technology Oil & Gas Incorporated, and Seel Development Co., L.L.C., a Texas limited liability company.

4. Letter Agreement dated August 7, 1995, between Penwell Energy, Inc. and Southwest Gas Supply, Inc., covering the Sable/NW Brahaney Prospect of Yoakum County, Texas.

5. Letter agreement dated July 7, 1997, between Penwell Energy, Inc. and MCNIC Oil & Gas Properties, Inc., covering the Entrada JV Area in McKinley, Sandoval and San Juan Counties, New Mexico.

6. Letter Agreement dated February 6, 1998, between Penwell Energy, Inc. and MCNIC Oil & Gas Properties, Inc., covering the Unforgiven Prospect-East Amacker Tippett Area in Upton 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.

FILE NO. 224

FILED FOR RECORD ON THE 28TH. DAY OF JANUARY A.D. 1999 AT 1:46 P M.

DULY RECORDED ON THE 2ND. DAY OF FEBRUARY A.D. 1999 AT 2:00 P M.

BY: Sandra Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

TEXAS FIRMS, INC.

TO

PBR PROPERTIES JOINT VENTURE; PECOS BEND ROYALTIES, INC., TOMMY VASCOCU

QUITCLAIM DEED

DATED:	04/09/1999
FILED:	04/20/1999
BOOK/PAGE:	603/566
FILE NUMBER:	389-603-566
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: AN UNDIVIDED 1/2 GRANTOR'S RIGHT, TITLE, AND INTEREST EACH.

BOOK 603 PAGE 566

FILE # 821

QUIT CLAIM DEED

TEXAS FIRMS, INC. ("Grantor"), whose address is 401 W. Texas, Suite 1014, Midland, TX 79701, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, does hereby GRANT, BARGAIN, SELL, CONVEY, TRANSFER, ASSIGN and forever QUIT CLAIM and by these presents has hereby GRANTED, BARGAINED, SOLD, CONVEYED, TRANSFERRED, ASSIGNED and forever QUIT CLAIMED unto the following named person(s) and/or firm(s) ("Grantees"), their heirs, representatives, successors and assigns, in the proportions set forth opposite their names, **an undivided 1/2 of Grantor's right, title and interest** in and to the royalties, mineral interests and/or overriding royalty interests of those certain Defendants, their heirs, successors and assigns, as foreclosed upon in Suit No. 98-07-16,094-CVR, styled Pecos-Barstow-Toyah Independent School District, Reeves County, Reeves County Hospital District vs. J. T. Price, et al, Reeves County, Texas, as set forth on Exhibit "A", attached hereto and made a part hereof. Said royalties, mineral interests and/or overriding royalty interests were acquired by Grantor by virtue of that certain Sheriff's Tax Deed dated April 6, 1999 from Arnulfo Gomez, Sheriff, Reeves County, Texas to Texas Firms, Inc. and recorded in Volume _____, Page _____ of the Official Public Records of Reeves County, Texas.

PBR PROPERTIES JOINT VENTURE
P. O. Box 2802
Midland, TX 79702 ..... 1/3

PECOS BEND ROYALTIES, INC.
P. O. Box 2802
Midland, TX 79702 ..... 1/3

TOMMY VASCOCU
P. O. Box 51524
Midland, TX 79710-1524 ..... 1/3

Any and all other interests in the lands described on Exhibit "A" owned by Grantor prior to the aforementioned Sheriff's Tax Deed are expressly reserved by Grantor.

Executed this 9th day of April, 1999, but effective for all purposes as of February 19, 1999, the date of the judgment rendered in Suit No. 98-07-16,094-CVR, District Court, Reeves County, Texas.

GRANTOR

TEXAS FIRMS, INC.

Gene Drummond

Gene Drummond, President

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared Gene Drummond, President of Texas Firms, Inc. and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 9th day of April, 1999.

NOTARY PUBLIC STATE OF TEXAS
Laura Morris
Notary Public, State of Texas
My Commission Expires 8-24-2002

Notary Public in and for the
State of Texas

BOOK 603 PAGE 568

Exhibit "A"

Defendant Name:	All Interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
A C F PETROLEUM COMPANY INC	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
C & K PETROLEUM INC.	CAMPBELL STATE	32	50-7	T&P
CHAPELL HARRIET P	REEVES TXL FEE UT W1	46	50-7	T&P
CHAPELLE HARRIET P	REEVES TXL FEE UT W1	46	50-7	T&P
CONNELL ALAN B	HARDIN-STATE	48	50-7	T&P
FERGUSON BETTY BESS BROWN	HARDIN-STATE	48	50-7	T&P
FERGUSON BETTY BESS BROWNELL	HARDIN-STATE	48	50-7	T&P
GADDY CHRISTOPHER JOEL	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
GADDY RICHARD MICHAEL	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
HOLLOWAY WYLIE R II	REEVES TXL FEE UT W4	44	50-7	T&P
MCCONN THOMAS P & NANCY B	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
MORRISS WILL A JR	CAMPBELL STATE	32	50-7	T&P
STEPHENS MARY H	REEVES TXL FEE UT W4	44	50-7	T&P
UNKNOWN a .001297 OR more or less	CAMPBELL STATE	32	50-7	T&P
WHITING RIM	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
WHITLEY A L	YOUNG JB	2	50-7	T&P
WILLIAM DAVID JR	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
Sale # 9				

Note: The Intent of this Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
BOWEN C R	DIXIELAND 6	6	55-3	T&P
GILSTRAP BERDETTA JENKINS	DIXIELAND 6	6	55-3	T&P
GIVENS ROBERTA D	DIXIELAND 6	6	55-3	T&P
LOVEJOY J.B. & JG Jr.	CRAVEY	2	55-3	T&P
NORDBY SANDRA LYNN FLIPPE	DIXIELAND 6	6	55-3	T&P
NORDBY SANDRA LYNN FLIPPEN	DIXIELAND 6	6	55-3	T&P

Sale # 13

Note: The intent of this Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
AHLGREN MATHILDA	FORD EAST UT TR 3, 15, et al	20	57-1	T&P
ARNOLD E B	FORD EAST UT TR 5, 6, et al	28	57-1	T&P
BARFIELD EMMA LOU	MCLAUGHLIN FR TR 72	115	57-1	T&P
BARFIELD RUTH	MCLAUGHLIN FR TR 72	115	57-1	T&P
BARNES S A	AGNES	33	57-1	T&P
BARTON O FRAZIER & VERDA		22	57-2	T&P
BARTON O FRAZIER & VERDA	JV-P 7617 ORLA	22	57-2	T&P
BELL W E	SIGNAL DAVIS, FORD EAST UT, et al	20	57-1	T&P
BRAUN WILLIAM	FORD EAST UT TR 5, et al	28	57-1	T&P
BROLASKI M S MRS	FORD EAST UT TR 3,4,5,6,15, et al	20,28	57-1	T&P
BROWN JOHN HOWE	AGNES	33	57-1	T&P
CALDWELL CLIFTON	SABRE DEL UT TR 6	26	57-2	T&P
CAMPBELL MADELYN	RANDOLPH G	46	57-2	T&P
CHILES ELLA W	AGNES	33	57-1	T&P
CRANE ANNA B	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DELWALMO H O	SIGNAL DAVIS, FORD EAST UT, et al	20	57-1	T&P
DESPAIN ET AL	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DESPAIN WJ et al	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DIXON ANNA L	AGNES	33	57-1	T&P
DIXON ARTHUR W	AGNES	33	57-1	T&P
DOWDLE OIL CO.		16	57-1	T&P
ENSIGN FLOYD E	RANDOLPH AT	46	57-2	T&P
ENSIGN FLOYD E	TXL W	47	57-2	T&P
FOLEY J W	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
FORD GEORGE MELVIN	RAMSEY GE OIL UT	18	57-1	T&P
FOSTER J S	FORD EAST UT TR 3,15, et al	20	57-1	T&P
GALLOWAY FRANCES	FORD EAST UT TR 3,15, et al	20	57-1	T&P
GERST MAMIE	FORD EAST UT TR 5,6, et al	28	57-1	T&P
GLASS C A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
GLENN JAMES J & RUTH D	AGNES	33	57-1	T&P
GOAD E M ESTATE	FORD GERALD TR 65, et al	18	57-1	T&P
GRAY JUSTUS L	AGNES	33	57-1	T&P
GUERIN JOHN G	FORD EAST UT TR 6, et al	28	57-1	T&P
HAMANN ED H	AGNES	33	57-1	T&P
HANSON JENORA W aka GENORA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
Harcrow Realty Pool	FORD EAST UT TR 5, et al	28	57-1	T&P
HARCROW ROYALTY POOL	FORD EAST UT TR 5, et al	28	57-1	T&P
HARMON KATHARYN B	FORD GERALD TR 63, et al	18	57-1	T&P
HENDERSON IRA M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
HILLIARD O&G INC	JV-P 7710 CHAPMAN	24,27	57-2	T&P
HOLDEN TIMOTHY G	JV-P 7710 CHAPMAN	24,27	57-2	T&P
IPIOTIS SPIROS	AGNES	33	57-1	T&P
KERLIN WILLIAM M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
KIEL DONALD H	NORTHSHOT	12	57-2	T&P
LEONARD RUTH L	AGNES	33	57-1	T&P
LINDSAY J L aka JJ	FORD EAST UT TR 5,6, et al	28	57-1	T&P
LINGHAM ALFREO L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
LOONEY WILLIAM W & MARGARET	AGNES	33	57-1	T&P
LYNG OLAF O	FORD EAST UT TR3,4,15, et al	20	57-1	T&P
MARTIN ELIZABETH	RANDOLPH AT	46	57-2	T&P
MARTIN ELIZABETH	RANDOLPH G	47	57-2	T&P
MARTIN ELIZABETH	RANDOLPH J	46	57-2	T&P
MARTIN ELIZABETH	RANDOLPH R	46	57-2	T&P
MARTIN ROBERT LEE	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MATTON H G	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MAX MILDREO	NORTHSHOT	12	57-2	T&P
MCCOLLUM MAXINE	FORD EAST UT TR 15, et al	20	57-1	T&P
MCCOMBS J O	ETTA LOUISE #1 & 2	44	57-1	T&P
MCDONOUGH A T MRS	FORD GERALD TR 71	18	57-1	T&P
MCLEAN J L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MCMULLEN SUSIE	SIGNAL DAVIS, FORD EAST UT, et al	20	57-1	T&P
MCROBERTS WILLIAM A	FORD EAST UT TR 3,4,15,et al	20	57-1	T&P
MERRILL E L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MILLS SYLVIA	FORD EAST UT TR 3,4,15,et al	20	57-1	T&P
MORAN ROSA A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH AT	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH AT A	46	57-2	T&P

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
NORRIS DELORES DRAKE ESTATE	RANDOLPH B	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH G	47	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH J	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH R	46	57-2	T&P
OLSON CHRISTINA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
ORNSBY WILLIAM A	FORD EAST UT TR 3,15, et al	20	57-1	T&P
OWEN HOMER F ESTATE	FORD GERALD TR 68, et al	18	57-1	T&P
PARKER CHRYSTAL EST	FORD GERALD TR 63, et al	18	57-1	T&P
PARKER CHRYSTAL EST	WHITLATCH MILO M TR 63, et al	18	57-1	T&P
PARKER MARY F	FORD GERALD TR 63, et al	18	57-1	T&P
PHILLIPS GEORGE	FORD EAST UT TR 5, 6, et al	28	57-1	T&P
PRICE J T aka L L	FORD EAST UT TR 5	28	57-1	T&P
PORTER EST	KEITH D L	19	57-1	T&P
RHOMBERG WILLIAM H	FORD EAST UT TR 5,6, et al	28	57-1	T&P
ROREX ALBERT; Elise Carter Rorex	FORD EAST UT TR 5, et al	28	57-1	T&P
ROREX ALBERT; Elise Carter Rorex	RED BLUFF 28, FORD EAST UT, et al	28	57-1	T&P
RUTLAND HENRIETTA MILLER	RANDOLPH G	46	57-2	T&P
RUTLAND HENRIETTA MILLER	RANDOLPH J	46	57-2	T&P
SCHLICHER ROSE MARY FREMA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
SCHOENBORN J	FORD EAST UT TR 5,6, et al	28	57-1	T&P
SCHULER VIOLET	NORTHSHOT	12	57-2	T&P
SHERWOOD F B JR	RED BLUFF 28, FORD EAST UT5, et al	28	57-1	T&P
SMITH SUSIE	FORD GERALD TR 73, et al	18	57-1	T&P
STEELE W L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
STEVENSON THOMAS A	RANDOLPH AT	40	57-2	T&P
STONE MAUDE F	FORD EAST UT TR 5,6, et al	28	57-1	T&P
STUCKEY CHARLES W JR	FORD GERALD TR 63, et al	18	57-1	T&P
SULLIVAN ADAIR REYNAUD	SANDBEND	38	57-2	T&P
TEMPLETON PAULINE	FORD GERALD TR 64,72, et al	18	57-1	T&P
TEMPLETON PAULINE	FORD GERALD TR 72, et al	18	57-1	T&P
THORP E D	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
TILSON E W	AGNES	33	57-1	T&P
TYLER LUCY A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
UNKNOWN a .0625 RI more or less	MCDONOUGH JACK TR 71	18	57-1	T&P
UNKNOWN a .0625 RI more or less	OWEN HOMER F TR68	18	57-1	T&P
UNKNOWN a .00043 RI more or less	RAMSEY GE	18	57-1	T&P
UNKNOWN a .0625 RI more or less	SHIPP MINNIE V TR 76	18	57-1	T&P
UNKNOWN a .0625 RI more or less	SIMMONS MARY L TR 64	18	57-1	T&P
UTILE ALBERT	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
VANSELOW ARTHUR B	AGNES	33	57-1	T&P
VERDERKUNZ T F	FORD GERALD TR 77, et al	18	57-1	T&P
WALLACE LEMUEL	FORD EAST UT TR 5,6,et al	28	57-1	T&P
WARREN BANK & TRUST CO	FORD EAST UT TR 4, et al	20	57-1	T&P
WEITZEL THEODORE H	FORD GERALD TR 55, et al	19	57-1	T&P
WILLIAMS HARRY M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WITTE PHILLIP C & Robert A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WOODS D L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WOODS VOYD L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WURM ESTHER I	NORTHSHOT	12	57-2	T&P

Sale # 17

Note: The intent of this Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

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. 821

FILED FOR RECORD ON THE 12TH DAY OF APRIL A.D. 1999 AT 9:52 AM.

DULY RECORDED ON THE 20TH DAY OF APRIL A.D. 1999 AT 1:00 PM.

BY: Debbie Lopez DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

ARNULFO GOMEZ, SHERIFF OF REEVES COUNTY

TO

TEXAS FIRMS, INC.

SHERIFFS TAX DEED

DATED:	04/06/1999
FILED:	04/20/1999
BOOK/PAGE:	603/585
FILE NUMBER:	389-603-585
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHT, TITLE, AND INTEREST.

FILE # 827

SHERIFF'S TAX DEED

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

That, whereas, by virtue of an Order of Sale issued by the Clerk of the District Court in and for Reeves County, Texas, dated March 3, 1999, on a certain judgment rendered in said District Court on February 19, 1999, in a certain SUIT NO. 98-07-16,094-CVR, styled **PECOS-BARSTOW-TOYAH INDEPENDENT SCHOOL DISTRICT, REEVES COUNTY, REEVES COUNTY HOSPITAL DISTRICT vs. J. T. PRICE**, et al, against the following Defendants, and their heirs, successors and assigns (hereinafter referred to as "Defendants"):

See Exhibit "A"

I, Arnulfo Gomez, Sheriff of Reeves County, did upon March 3, 1999, levy upon and advertise the said premises as described in said Order of Sale, by giving public notice of the time and place of said sale by and advertisement in the English language, published once a week for three (3) consecutive weeks preceding such sale, the first publication appearing not less than twenty (20) days immediately preceding the day of sale, beginning on March 11, 1999, in The Pecos Enterprise, a newspaper published in Reeves County, stating in said advertisement the authority by virtue of which such sale was to be made, the time of notice to each of the named Defendants by posting in the Reeves County Courthouse and on the first Tuesday in April, 1999, beginning at 10:00 a.m. sold said hereinafter described royalties, mineral interests and/or overriding royalty interests at public venue, at the Front Door of the Reeves County Courthouse, at which sale the premises hereinafter described were sold to:

Texas Firms, Inc
401 W Tx Suite 1014
Midland, TX 79701

(hereinafter referred to as "Grantee"), for the sum of $ 37,612.13, it being the highest bidder, therefore and that being the highest bid for same,

NOW THEREFORE, in consideration of the premises aforesaid, and of the payment of the aforesaid sum, the receipt of which is hereby acknowledged, I, Arnulfo Gomez, as Sheriff of Reeves County, have GRANTED, SOLD and CONVEYED and by these presents do GRANT, SELL and CONVEY unto the said Grantee all of the estate, right, title and interest which the Defendants in such suit had on the date said judgment was rendered or at anytime afterwards, in and to the royalties, mineral interests and/or overriding royalty interests of all Defendants, herein above named, as foreclosed in Suit No. 98-07-16,094-CVR, hereinabove described, without warranty of any kind, as described in the Order of Sale, viz:

See Exhibit "A"

TO HAVE and to hold the above described premises unto the said Grantee, its heirs, successors and assigns forever, as fully and absolute as I, Arnulfo Gomez, Sheriff of Reeves County, Texas can convey by virtue of said Order of Sale; Subject, however to the owner's right to redeem the same in the manner and within the time prescribed by Section 34.21, of the Property Tax Code of the State of Texas.

Assignor also assigns and transfers to Grantee all of Assignor's right, granted in the judgment authorizing foreclosure of the hereinabove described properties, to any funds escheated or in suspense, arising out of or attributable to the properties and interests herein conveyed and assigned, but not heretofore paid to Assignor, including any funds that have accumulated prior to the effective date of sale. Provided, however, that assignor has no knowledge of such funds, makes no claim that such funds exist, and makes no warranty of any nature as to such funds. Grantee specifically acknowledges that obtaining such funds is the sole responsibility of Grantee and waives any and all liability of Assignor as to any such funds.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 6th day of April, 1999.

Arnulfo Gomez
Arnulfo Gomez
Sheriff, Reeves County, Texas
By Victoria Prieto, Deputy

STATE OF TEXAS
COUNTY OF REEVES

BEFORE ME, the undersigned authority, on this day personally appeared Victoria Prieto, Deputy Sheriff of Reeves County, Texas, known to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes, consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL, this the 6th day of April, 1999.

Notary Public, State of Texas
1999

Olfida Enriquez
NOTARY PUBLIC in and for the State of Texas

BOOK 603 PAGE 58

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
A C F PETROLEUM COMPANY INC	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
C & K PETROLEUM INC.	CAMPBELL STATE	32	50-7	T&P
CHAPELL HARRIET P	REEVES TXL FEE UT W1	46	50-7	T&P
CHAPELLE HARRIET P	REEVES TXL FEE UT W1	46	50-7	T&P
CONNELL ALAN B	HARDIN-STATE	48	50-7	T&P
FERGUSON BETTY BESS BROWN	HARDIN-STATE	48	50-7	T&P
FERGUSON BETTY BESS BROWNELL	HARDIN-STATE	48	50-7	T&P
GADDY CHRISTOPHER JOEL	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
GADDY RICHARD MICHAEL	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
HOLLOWAY WYLIE R II	REEVES TXL FEE UT W4	44	50-7	T&P
MCCONN THOMAS P & NANCY B	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
MORRISS WILL A JR	CAMPBELL STATE	32	50-7	T&P
STEPHENS MARY H	REEVES TXL FEE UT W4	44	50-7	T&P
UNKNOWN a .001297 OR more or less	CAMPBELL STATE	32	50-7	T&P
WHITING RIM	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
WHITLEY A L	YOUNG JB	2	50-7	T&P
WILLIAM DAVID JR	UTP-NRM CHAPPARRAL 1	8	49-8	T&P

Sale # 9

Note: The intent of this Sheriff's Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
BOWEN C R	DIXIELAND 6	6	55-3	T&P
GILSTRAP BERDETTA JENKINS	DIXIELAND 6	6	55-3	T&P
GIVENS ROBERTA D	DIXIELAND 6	6	55-3	T&P
LOVEJOY J.B. & JG Jr.	CRAVEY	2	55-3	T&P
NORDBY SANDRA LYNN FLIPPE	DIXIELAND 6	6	55-3	T&P
NORDBY SANDRA LYNN FLIPPEN	DIXIELAND 6	6	55-3	T&P

Sale # 13

Note: The intent of this Sheriff's Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

BOOK 603 PAGE 58

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
AHLGREN MATHILDA	FORD EAST UT TR 3, 15, et al	20	57-1	T&P
ARNOLD E B	FORD EAST UT TR 5, 6, et al	28	57-1	T&P
BARFIELD EMMA LOU	MCLAUGHLIN FR TR 72	115	57-1	T&P
BARFIELD RUTH	MCLAUGHLIN FR TR 72	115	57-1	T&P
BARNES S A	AGNES	33	57-1	T&P
BARTON O FRAZIER & VERDA		22	57-2	T&P
BARTON O FRAZIER & VERDA	JV-P 7617 ORLA	22	57-2	T&P
BELL W E	SIGNAL DAVIS, FORD EAST UT, et al	20	57-1	T&P
BRAUN WILLIAM	FORD EAST UT TR 5, et al	28	57-1	T&P
BROLASKI M S MRS	FORD EAST UT TR 3,4,5,6,15, et al	20,28	57-1	T&P
BROWN JOHN HOWE	AGNES	33	57-1	T&P
CALDWELL CLIFTON	SABRE DEL UT TR 6	26	57-2	T&P
CAMPBELL MADELYN	RANDOLPH G	46	57-2	T&P
CHILES ELLA W	AGNES	33	57-1	T&P
CRANE ANNA B	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DELWALMO H O	SIGNAL DAVIS, FORD EAST UT, et al	20	57-1	T&P
DESPAIN ET AL	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DESPAIN WJ et al	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DIXON ANNA L	AGNES	33	57-1	T&P
DIXON ARTHUR W	AGNES	33	57-1	T&P
DOWDLE OIL CO.		18	57-1	T&P
ENSIGN FLOYD E	RANDOLPH AT	46	57-2	T&P
ENSIGN FLOYD E	TXL W	47	57-2	T&P
FOLEY J W	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
FORD GEORGE MELVIN	RAMSEY GE OIL UT	18	57-1	T&P
FOSTER J S	FORD EAST UT TR 3,15, et al	20	57-1	T&P
GALLOWAY FRANCES	FORD EAST UT TR 3,15, et al	20	57-1	T&P
GERST MAMIE	FORD EAST UT TR 5,6, et al	28	57-1	T&P
GLASS C A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
GLENN JAMES J & RUTH D	AGNES	33	57-1	T&P
GOAD E M ESTATE	FORD GERALD TR 65, et al	18	57-1	T&P
GRAY JUSTUS L	AGNES	33	57-1	T&P
GUERIN JOHN G	FORD EAST UT TR 6, et al	28	57-1	T&P
HAMANN ED H	AGNES	33	57-1	T&P
HANSON JENORA W aka GENORA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
Harcrow Really Pool	FORD EAST UT TR 5, et al	28	57-1	T&P
HARCROW ROYALTY POOL	FORD EAST UT TR 5, et al	28	57-1	T&P
HARMON KATHARYN B	FORD GERALD TR 63, et al	18	57-1	T&P
HENDERSON IRA M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
HILLIARD O&G INC	JV-P 7710 CHAPMAN	24,27	57-2	T&P
HOLDEN TIMOTHY G	JV-P 7710 CHAPMAN	24,27	57-2	T&P
IPIOTIS SPIROS	AGNES	33	57-1	T&P
KERLIN WILLIAM M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
KIEL DONALD H	NORTHSHOT	12	57-2	T&P
LEONARD RUTH L	AGNES	33	57-1	T&P
LINDSAY J L aka JJ	FORD EAST UT TR 5,6, et al	28	57-1	T&P
LINGHAM ALFRED L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
LOONEY WILLIAM W & MARGARET	AGNES	33	57-1	T&P
LYNG OLAF O	FORD EAST UT TR3,4,15, et al	20	57-1	T&P
MARTIN ELIZABETH	RANDOLPH AT	46	57-2	T&P
MARTIN ELIZABETH	RANDOLPH G	47	57-2	T&P
MARTIN ELIZABETH	RANDOLPH J	46	57-2	T&P
MARTIN ELIZABETH	RANDOLPH R	46	57-2	T&P
MARTIN ROBERT LEE	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MATTON H G	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MAX MILDRED	NORTHSHOT	12	57-2	T&P
MCCOLLUM MAXINE	FORD EAST UT TR 15, et al	20	57-1	T&P
MCCOMBS J O	ETTA LOUISE #1 & 2	44	57-1	T&P
MCDONOUGH A T MRS	FORD GERALD TR 71	18	57-1	T&P
MCLEAN J L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MCMULLEN SUSIE	SIGNAL DAVIS, FORD EAST UT, et al	20	57-1	T&P
MCROBERTS WILLIAM A	FORD EAST UT TR 3,4,15,et al	20	57-1	T&P
MERRILL E L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MILLS SYLVIA	FORD EAST UT TR 3,4,15,et al	20	57-1	T&P
MORAN ROSA A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH AT	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH AT A	46	57-2	T&P

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
NORRIS DELORES DRAKE ESTATE	RANDOLPH B	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH G	47	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH J	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH R	46	57-2	T&P
OLSON CHRISTINA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
ORNSBY WILLIAM A	FORD EAST UT TR 3,15, et al	20	57-1	T&P
OWEN HOMER F ESTATE	FORD GERALD TR 68, et al	18	57-1	T&P
PARKER CHRYSTAL EST	FORD GERALD TR 63, et al	18	57-1	T&P
PARKER CHRYSTAL EST	WHITLATCH MILO M TR 63, et al	18	57-1	T&P
PARKER MARY F	FORD GERALD TR 63, et al	18	57-1	T&P
PHILLIPS GEORGE	FORD EAST UT TR 5, 6, et al	28	57-1	T&P
PRICE J T aka L L	FORD EAST UT TR 5	28	57-1	T&P
PORTER EST	KEITH D L	19	57-1	T&P
RHOMBERG WILLIAM H	FORD EAST UT TR 5,6, et al	28	57-1	T&P
ROREX ALBERT; Elise Carter Rorex	FORD EAST UT TR 5, et al	28	57-1	T&P
ROREX ALBERT; Elise Carter Rorex	RED BLUFF 28, FORD EAST UT, et al	28	57-1	T&P
RUTLAND HENRIETTA MILLER	RANDOLPH G	46	57-2	T&P
RUTLAND HENRIETTA MILLER	RANDOLPH J	46	57-2	T&P
SCHLICHER ROSE MARY FREMA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
SCHOENBORN J	FORD EAST UT TR 5,6, et al	28	57-1	T&P
SCHULER VIOLET	NORTHSHOT	12	57-2	T&P
SHERWOOD F B JR	RED BLUFF 28, FORD EAST UT5, et al	28	57-1	T&P
SMITH SUSIE	FORD GERALD TR 73, et al	18	57-1	T&P
STEELE W L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
STEVENSON THOMAS A	RANDOLPH AT	40	57-2	T&P
STONE MAUDE F	FORD EAST UT TR 5,6, et al	28	57-1	T&P
STUCKEY CHARLES W JR	FORD GERALD TR 63, et al	18	57-1	T&P
SULLIVAN ADAIR REYNAUD	SANDBEND	38	57-2	T&P
TEMPLETON PAULINE	FORD GERALD TR 64,72, et al	18	57-1	T&P
TEMPLETON PAULINE	FORD GERALD TR 72, et al	18	57-1	T&P
THORP E D	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
TILSON E W	AGNES	33	57-1	T&P
TYLER LUCY A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
UNKNOWN a .0625 RI more or less	MCDONOUGH JACK TR 71	18	57-1	T&P
UNKNOWN a .0625 RI more or less	OWEN HOMER F TR68	18	57-1	T&P
UNKNOWN a .00043 RI more or less	RAMSEY GE	18	57-1	T&P
UNKNOWN a .0625 RI more or less	SHIPP MINNIE V TR 76	18	57-1	T&P
UNKNOWN a .0625 RI more or less	SIMMONS MARY L TR 64	18	57-1	T&P
UTILE ALBERT	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
VANSELOW ARTHUR B	AGNES	33	57-1	T&P
VERDERKUNZ T F	FORD GERALD TR 77, et al	18	57-1	T&P
WALLACE LEMUEL	FORD EAST UT TR 5,6,et al	28	57-1	T&P
WARREN BANK & TRUST CO	FORD EAST UT TR 4, et al	20	57-1	T&P
WEITZEL THEODORE H	FORD GERALD TR 55, et al	19	57-1	T&P
WILLIAMS HARRY M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WITTE PHILLIP C & Robert A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WOODS D L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WOODS VOYD L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WURM ESTHER I	NORTHSHOT	12	57-2	T&P

Sale # 17

Note: The intent of this Sheriff's Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

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. 827

FILED FOR RECORD ON THE 12TH. DAY OF APRIL A.D. 1999 AT 10:20 A M.

DULY RECORDED ON THE 20TH. DAY OF APRIL A.D. 1999 AT 1:00 PM.

BY: Debbie Lopez DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

TEXAS FIRMS, INC.

TO

MAP RESOURCES, INC.

QUITCLAIM DEED

DATED:	04/12/1999
FILED:	04/23/1999
BOOK/PAGE:	604/100
FILE NUMBER:	389-604-100
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO THE ROYALTIES, MINERAL INTERESTS AND/OR OVERRIDING ROYALTY INTEREST.

VOL. 604 PG. 100

FILE # 916

QUIT CLAIM DEED

STATE OF TEXAS

COUNTY OF REEVES

TEXAS FIRMS, INC. ("Grantor"), whose address is 401 W. Texas, Suite 1014, Midland, Texas 79701, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, does hereby GRANT, BARGAIN, SELL, CONVEY, TRANSFER, ASSIGN and forever QUIT CLAIM and by these presents has hereby GRANTED, BARGAINED, SOLD, CONVEYED, TRANSFERRED, ASSIGNED and forever QUIT CLAIMED unto MAP RESOURCES, INC. ("Grantee"), whose address is 500 West Wall, Suite 400, Midland, Texas 79701, its heirs, representatives, successors and assigns, all of Grantor's right, title and interest in and to the royalties, mineral interests and/or overriding royalty interests of those certain Defendants, their heirs, successors and assigns, as foreclosed upon in Suit No. 98-07-16, 094-CVR, styled Pecos-Barstow-Toyah Independent School District, Reeves County, Reeves County Hospital District vs. J. T. Price, et al, Reeves County, Texas, as set forth on Exhibit "A", attached hereto and made a part hereof. Said royalties, mineral interests and/or overriding royalty interests were acquired by Grantor by virtue of that certain Sheriff's Tax Deed dated April 6, 1999 from Arnulfo Gomez, Sheriff, Reeves County, Texas to Texas Firms, Inc. and recorded in Volume_____, Page_____ of the Official Public Records of Reeves County, Texas.

Any and all other interests in the lands described on Exhibit "A" owned by Grantor prior to the aforementioned Sheriff's Tax Deed are expressly reserved by Grantor.

Executed this 12th day of April, 1999, but effective for all purposes as of February 19, 1999, the date of the judgment rendered in Suit No. 98-07-16, 094-CVR, District Court, Reeves County, Texas.

GRANTOR

TEXAS FIRMS, INC.

Gene Drummond

Gene Drummond, President

STATE OF TEXAS

COUNTY OF MIDLAND

BEFORE ME, the undersigned authority, on this day personally appeared Gene Drummond, President of Texas Firms, Inc. and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12th day of April, 1999.

BRENDA MILLER
MY COMMISSION EXPIRES
March 16, 2001

Brenda Miller

Notary Public, State of Texas

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
A C F PETROLEUM COMPANY INC	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
C & K PETROLEUM INC.	CAMPBELL STATE	32	50-7	T&P
CHAPELL HARRIET P	REEVES TXL FEE UT W1	46	50-7	T&P
CHAPELLE HARRIET P	REEVES TXL FEE UT W1	46	50-7	T&P
CONNELL ALAN B	HARDIN-STATE	48	50-7	T&P
FERGUSON BETTY BESS BROWN	HARDIN-STATE	48	50-7	T&P
FERGUSON BETTY BESS BROWNELL	HARDIN-STATE	48	50-7	T&P
GADDY CHRISTOPHER JOEL	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
GADDY RICHARD MICHAEL	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
HOLLOWAY WYLIE R II	REEVES TXL FEE UT W4	44	50-7	T&P
MCCONN THOMAS P & NANCY B	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
MORRISS WILL A JR	CAMPBELL STATE	32	50-7	T&P
STEPHENS MARY H	REEVES TXL FEE UT W4	44	50-7	T&P
UNKNOWN a .001297 OR more or less	CAMPBELL STATE	32	50-7	T&P
WHITING RIM	UTP-NRM CHAPPARRAL 1	8	49-8	T&P
WHITLEY A L	YOUNG JB	2	50-7	T&P
WILLIAM DAVID JR	UTP-NRM CHAPPARRAL 1	8	49-8	T&P

Sale # 9.

Note: The intent of this Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

VOL. 604 PG. 102

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
BOWEN C R	DIXIELAND 6	6	55-3	T&P
GILSTRAP BERDETTA JENKINS	DIXIELAND 6	6	55-3	T&P
GIVENS ROBERTA D	DIXIELAND 6	6	55-3	T&P
LOVEJOY J.B. & JG Jr.	CRAVEY	2	55-3	T&P
NORDBY SANDRA LYNN FLIPPE	DIXIELAND 6	6	55-3	T&P
NORDBY SANDRA LYNN FLIPPEN	DIXIELAND 6	6	55-3	T&P

Sale # 13

Note: The intent of this Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
AHLGREN MATHILDA	FORD EAST UT TR 3, 15, et al	20	57-1	T&P
ARNOLD E B	FORD EAST UT TR 5, 6, et al	28	57-1	T&P
BARFIELD EMMA LOU	MCLAUGHLIN FR TR 72	115	57-1	T&P
BARFIELD RUTH	MCLAUGHLIN FR TR 72	115	57-1	T&P
BARNES S A	AGNES	33	57-1	T&P
BARTON O FRAZIER & VERDA		22	57-2	T&P
BARTON O FRAZIER & VERDA	JV-P 7617 ORLA	22	57-2	T&P
BELL W E	SIGNAL DAVIS, FORD EAST UT, et al	20	57-1	T&P
BRAUN WILLIAM	FORD EAST UT TR 5, et al	28	57-1	T&P
BROLASKI M S MRS	FORD EAST UT TR 3,4,5,6,15, et al	20,28	57-1	T&P
BROWN JOHN HOWE	AGNES	33	57-1	T&P
CALDWELL CLIFTON	SABRE DEL UT TR 6	26	57-2	T&P
CAMPBELL MADELYN	RANDOLPH G	46	57-2	T&P
CHILES ELLA W	AGNES	33	57-1	T&P
CRANE ANNA B	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DELWALMO H O	SIGNAL DAVIS, FORD EAST UT, et al	20	57-1	T&P
DESPAIN ET AL	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DESPAIN WJ et al	FORD EAST UT TR 5,6, et al	28	57-1	T&P
DIXON ANNA L	AGNES	33	57-1	T&P
DIXON ARTHUR W	AGNES	33	57-1	T&P
DOWDLE OIL CO.		18	57-1	T&P
ENSIGN FLOYD E	RANDOLPH AT	46	57-2	T&P
ENSIGN FLOYD E	TXL W	47	57-2	T&P
FOLEY J W	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
FORD GEORGE MELVIN	RAMSEY GE OIL UT	18	57-1	T&P
FOSTER J S	FORD EAST UT TR 3,15, et al	20	57-1	T&P
GALLOWAY FRANCES	FORD EAST UT TR 3,15, et al	20	57-1	T&P
GERST MAMIE	FORD EAST UT TR 5,6, et al	28	57-1	T&P
GLASS C A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
GLENN JAMES J & RUTH D	AGNES	33	57-1	T&P
GOAD E M ESTATE	FORD GERALD TR 65, et al	18	57-1	T&P
GRAY JUSTUS L	AGNES	33	57-1	T&P
GUERIN JOHN G	FORD EAST UT TR 6, et al	28	57-1	T&P
HAMANN ED H	AGNES	33	57-1	T&P
HANSON JENORA W aka GENORA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
Harcrow Realty Pool	FORD EAST UT TR 5, et al	28	57-1	T&P
HARCROW ROYALTY POOL	FORD EAST UT TR 5, et al	28	57-1	T&P
HARMON KATHARYN B	FORD GERALD TR 63, et al	18	57-1	T&P
HENDERSON IRA M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
HILLIARD O&G INC	JV-P 7710 CHAPMAN	24,27	57-2	T&P
HOLDEN TIMOTHY G	JV-P 7710 CHAPMAN	24,27	57-2	T&P
IPIOTIS SPIROS	AGNES	33	57-1	T&P
KERLIN WILLIAM M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
KIEL DONALD H	NORTHSHOT	12	57-2	T&P
LEONARD RUTH L	AGNES	33	57-1	T&P
LINDSAY J L aka JJ	FORD EAST UT TR 5,6, et al	28	57-1	T&P
LINGHAM ALFRED L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
LOONEY WILLIAM W & MARGARET	AGNES	33	57-1	T&P
LYNG OLAF O	FORD EAST UT TR3,4,15, et al	20	57-1	T&P
MARTIN ELIZABETH	RANDOLPH AT	46	57-2	T&P
MARTIN ELIZABETH	RANDOLPH G	47	57-2	T&P
MARTIN ELIZABETH	RANDOLPH J	46	57-2	T&P
MARTIN ELIZABETH	RANDOLPH R	46	57-2	T&P
MARTIN ROBERT LEE	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MATTON H G	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MAX MILDRED	NORTHSHOT	12	57-2	T&P
MCCOLLUM MAXINE	FORD EAST UT TR 15, et al	20	57-1	T&P
MCCOMBS J O	ETTA LOUISE #1 & 2	44	57-1	T&P
MCDONOUGH A T MRS	FORD GERALD TR 71	18	57-1	T&P
MCLEAN J L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MCMULLEN SUSIE	SIGNAL DAVIS; FORD EAST UT, et al	20	57-1	T&P
MCROBERTS WILLIAM A	FORD EAST UT TR 3,4,15,et al	20	57-1	T&P
MERRILL E L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
MILLS SYLVIA	FORD EAST UT TR 3,4,15,et al	20	57-1	T&P
MORAN ROSA A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH AT	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH AT A	46	57-2	T&P

Exhibit "A"

Defendant Name:	All interest owned by Defendant in the following Lease Names:	Legal Description: Section	Block	Survey
NORRIS DELORES DRAKE ESTATE	RANDOLPH B	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH G	47	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH J	46	57-2	T&P
NORRIS DELORES DRAKE ESTATE	RANDOLPH R	46	57-2	T&P
OLSON CHRISTINA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
ORNSBY WILLIAM A	FORD EAST UT TR 3,15, et al	20	57-1	T&P
OWEN HOMER F ESTATE	FORD GERALD TR 68, et al	18	57-1	T&P
PARKER CHRYSTAL EST	FORD GERALD TR 63, et al	18	57-1	T&P
PARKER CHRYSTAL EST	WHITLATCH MILO M TR 63, et al	18	57-1	T&P
PARKER MARY F	FORD GERALD TR 63, et al	18	57-1	T&P
PHILLIPS GEORGE	FORD EAST UT TR 5, 6, et al	28	57-1	T&P
PRICE J T aka L L	FORD EAST UT TR 5	28	57-1	T&P
PORTER EST	KEITH D L	19	57-1	T&P
RHOMBERG WILLIAM H	FORD EAST UT TR 5,6, et al	28	57-1	T&P
ROREX ALBERT; Elise Carter Rorex	FORD EAST UT TR 5, et al	28	57-1	T&P
ROREX ALBERT; Elise Carter Rorex	RED BLUFF 28, FORD EAST UT, et al	28	57-1	T&P
RUTLAND HENRIETTA MILLER	RANDOLPH G	46	57-2	T&P
RUTLAND HENRIETTA MILLER	RANDOLPH J	46	57-2	T&P
SCHLICHER ROSE MARY FREMA	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
SCHOENBORN J	FORD EAST UT TR 5,6, et al	28	57-1	T&P
SCHULER VIOLET	NORTHSHOT	12	57-2	T&P
SHERWOOD F B JR	RED BLUFF 28, FORD EAST UT5, et al	28	57-1	T&P
SMITH SUSIE	FORD GERALD TR 73, et al	18	57-1	T&P
STEELE W L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
STEVENSON THOMAS A	RANDOLPH AT	40	57-2	T&P
STONE MAUDE F	FORD EAST UT TR 5,6, et al	28	57-1	T&P
STUCKEY CHARLES W JR	FORD GERALD TR 63, et al	18	57-1	T&P
SULLIVAN ADAIR REYNAUD	SANDBEND	38	57-2	T&P
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TEMPLETON PAULINE	FORD GERALD TR 72, et al	18	57-1	T&P
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TILSON E W	AGNES	33	57-1	T&P
TYLER LUCY A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
UNKNOWN a .0625 RI more or less	MCDONOUGH JACK TR 71	18	57-1	T&P
UNKNOWN a .0625 RI more or less	OWEN HOMER F TR68	18	57-1	T&P
UNKNOWN a .00043 RI more or less	RAMSEY GE	18	57-1	T&P
UNKNOWN a .0625 RI more or less	SHIPP MINNIE V TR 76	18	57-1	T&P
UNKNOWN a .0625 RI more or less	SIMMONS MARY L TR 64	18	57-1	T&P
UTILE ALBERT	FORD EAST UT TR 3,4,15, et al	20	57-1	T&P
VANSELOW ARTHUR B	AGNES	33	57-1	T&P
VERDERKUNZ T F	FORD GERALD TR 77, et al	18	57-1	T&P
WALLACE LEMUEL	FORD EAST UT TR 5,6,et al	28	57-1	T&P
WARREN BANK & TRUST CO	FORD EAST UT TR 4, et al	20	57-1	T&P
WEITZEL THEODORE H	FORD GERALD TR 55, et al	19	57-1	T&P
WILLIAMS HARRY M	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WITTE PHILLIP C & Robert A	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WOODS D L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WOODS VOYD L	FORD EAST UT TR 5,6, et al	28	57-1	T&P
WURM ESTHER I	NORTHSHOT	12	57-2	T&P

Sale # 17

Note: The intent of this Deed is to transfer all of the net mineral acres and/or net royalty acres in the leases and/or units described above, as to the above described Defendant.

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. 916

FILED FOR RECORD ON THE 19TH. DAY OF APRIL A.D. 1999 AT 3:33 P M.

DULY RECORDED ON THE 23RD. DAY OF APRIL A.D. 1999 AT 9:00 A M.

BY: Debbie Lopez DEPUTY DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

Reflects records posted as of 11/29/2023

LLOYD HILL

TO

LARRY HILL ET AL

ASSIGNMENT AND BILL OF SALE

DATED:	10/30/2000
FILED:	11/13/2000
BOOK/PAGE:	626/706
FILE NUMBER:	389-626-706
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 626 PAGE 706

LE # 2656

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 30th day of October 2000. but effective as of 7a.m. at the location of the properties on January 1, 2000 (hereinafter referred to as "Effective Time"), is by and between Lloyd Hill (hereinafter referred to as "Assignor"), with offices at 824 South Avenue "C", Kermit, Texas 79745 and Larry and Becky Hill, (hereinafter referred to as "Assignee"), whose address is PO Box 206, Wink, Texas 79789.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells) and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A"(the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and leases (the "Equipment"), including, but not limited to all lease equipment, tanks and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit the leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"), which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitude's, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produce from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, an all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (I) TITLE TO THE PROPERTIES, AND (II) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR OF THE PROPERITES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSE.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTRAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PRUPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made I respect to the Properties or any part thereof.

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4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment of attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach of result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action new or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expresly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors, employee, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and insure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 30th day of ~~January~~ October, 2000, but effective for all purposes as of the Effective Time.

ASSIGNOR:

LLOYD HILL

By: Lloyd Hill
Lloyd Hill

ASSIGNEE:

LARRY AND BECKY HILL

By: Larry Hill
Larry Hill

By: Becky Hill
Becky Hill

Name: LARRY AND BECKY HILL

Title: OWNERS

THE STATE OF TEXAS

COUNTY OF WINKLER

This instrument was acknowledged before me on this 30th day of Oct., 2000, by LLOYD HILL.

Billie Johnson
Notary Public, State of Texas

BILLIE JOHNSON
Notary Public, State of Texas
My Commission Expires
March 27, 2004

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 10' 17" East 842.4 feet; and South 2 26' 37" East 295.2 feet to a stake at the Northwest corner Of this tract; THENCE South 88 10' 17" East 295.2 feet to a stake At the Northeast corner of this tract; THENCE South 2 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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

FILE NO. 2656

FILED FOR RECORD ON THE 13TH DAY OF NOVEMBER A.D. 2000 AT 2:26P M.

DULY RECORDED ON THE 13TH DAY OF NOVEMBER A.D. 2000 AT 4:30P M.

BY: Dianne O. Flores DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

PENWELL ENERGY INC

TO

SILVER OIL AND GAS CO INC

ASSIGNMENT

DATED:	12/07/2000
FILED:	12/19/2000
BOOK/PAGE:	628/40
FILE NUMBER:	389-628-40
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: TERM ASSIGNMENT FOR 2 YEARS

BOOK 628 PAGE 40

FILE # 2952

ASSIGNMENT

STATE OF TEXAS δ
δ
COUNTY OF REEVES δ

KNOW ALL MEN BY THESE PRESENTS:

THIS ASSIGNMENT (referred to hereinafter as "Assignment"), is effective as of December 1, 2000 (referred to hereinafter as "Effective Date"), from Penwell Energy, Inc. (referred to hereinafter as "Assignor"), whose address is 600 N. Marienfeld, Suite 1100, Midland, Texas 79701, to Silver Oil & Gas Co., Inc., (referred to hereinafter as "Assignee") whose mailing address is P. O. Box 61147, San Angelo, Texas 76906.

WITNESSETH:

FOR Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby GRANTS, CONVEYS and ASSIGNS to Assignee, WITHOUT COVENANT, REPRESENTATION OR WARRANTY OF ANY KIND WHATSOEVER, EXPRESS, STATUTORY, OR IMPLIED, AS TO DESCRIPTION, TITLE, CONDITION, QUALITY, OR OTHERWISE, subject to the reservations herein, the following:

(a) All of Assignor's right, title and interest in and to the oil and gas leases, as described in Exhibit "A" attached hereto and made a part hereof by reference;

(b) All rights, privileges, benefits and powers with respect thereto and use and occupancy of the surface and subsurface depths under the surface covered thereby which are necessary or incidental to possession and enjoyment thereof or any interest therein under the terms of the leases applicable thereto; and

(c) All agreements, contracts and rights of Assignor insofar as the same relate to the lands described on Exhibit "A", including all tenements, hereditaments and appurtenances belonging thereto. (All properties and rights (contractual or otherwise) described in (a), (b) and (c) above, conveyed hereby, and subject to the hereinafter stated reservations, are sometimes referred to hereinafter as the "Properties").

ASSIGNOR HEREBY EXPRESSLY EXCEPTS, RESERVES AND RETAINS unto itself, its successors and assigns, an overriding royalty (referred to hereinafter as "Assignor's Overriding Royalty") on all oil and gas and other minerals produced from, or allocated to, the Properties, as to each of the leases described on Exhibit "A", equal to Twenty-Five Percent (25%) of eighty-eighths (25% of 8/8), less Existing Burdens created by Assignor and/or Assignor's predecessors in title (including, but not limited to, the royalty reserved to the lessor(s) in the Leases, any production payments and/or overriding royalty interests) of:

(a) All oil, distillate, condensate and other liquid or liquefiable hydrocarbons produced and saved, which shall be delivered free of all cost and expense, except taxes on production, at the well or wells or, at Assignor's option, to the credit of Assignor into the pipeline to which said well or wells may be connected;

(b) The amount realized by Assignee on the sale in an Arms-length Contract or Arms-length Transaction of all gas and casinghead gas produced and saved from the Properties, less taxes on production; provided, that for the purposes of this provision Arms-length Contract or Arms-length Transaction means a contract or transaction entered into after bona fide negotiations with a party that is not an Affiliate. Affiliate means and includes any entity that, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the entity specified. If any sale of gas or casinghead gas produced and saved from the Properties is made in a contract which is not an Arms-length Contract or transaction that is not an Arms-length Transaction, then Assignor's Overriding Royalty shall be paid on the basis of the market value at the well of all such gas and casinghead gas produced and saved, which shall be paid to Assignor free of all costs and expenses, except taxes on production;

(c) All other minerals produced and saved, free of all cost and expense, except taxes on production.

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With respect to Assignor's Overriding Royalty, Assignor and Assignee agree as follows:

(a) The oil and gas used in drilling and operations on the Properties and in the handling of production therefrom shall be deducted before Assignor's Overriding Royalty is computed;

(b) That Assignee shall furnish to Assignor itemized monthly reports of all production from the Properties, such reports to be mailed no later than the last day of the month following that for which the report is made, and Assignor shall have the right to audit all records of Assignee relating to the Properties and to Assignor's Overriding Royalty; provided, however, that all payments shall be deemed correct and no adjustments shall be made after the expiration of two (2) years for any payments (except as to payments for which an objection is raised within said 2-year period);

(c) That in the event a lease hereby assigned covers less than all of the oil and gas and mineral rights in the entire oil and gas and mineral estate in the land described therein (whether or not such lease purports to cover a whole or fractional interest), or, in the event the leasehold interest hereby assigned in a lease is less than the whole leasehold interest in such lease, then the overriding royalty herein retained with respect to that lease shall be proportionately reduced in accordance with the extent of the oil and gas and mineral rights covered by such lease, or the portion of the leasehold interest in such lease which is hereby assigned, whichever is applicable;

(d) That if Assignee exercises any pooling rights contained in any of the Leases comprising the Properties, Assignor's Overriding Royalty insofar as it covers such leases and the lands included in such pooled unit(s) shall be unitized and paid on a unitized basis; and

(e) That Assignor's Overriding Royalty shall apply to all of the leases comprising the Properties, and to any extension or renewal of any of said leases or new leases on the Properties taken within six (6) months of expiration of existing leases or any of them.

TO HAVE AND TO HOLD the Properties, subject to the following terms and conditions:

1. Term of Assignment. This assignment shall be for a term of two (2) years from the Effective Date and for so long thereafter as oil and/or gas are produced in paying quantities from the Properties or from lands validly pooled therewith or for so long as this Assignment is otherwise maintained in effect pursuant to the provisions hereof.

2. Extension by Drilling or Reworking.

   (a) If, at the expiration of the 2-year term of this Assignment, oil and/or gas are not being produced from the Properties or lands validly pooled therewith, but Assignee is then engaged in drilling or reworking operations thereon, this Assignment shall remain in force so long as drilling or reworking operations are prosecuted (whether on the same well or different wells) with no cessation of more that sixty (60) consecutive days; and, if such operations result in production on paying quantities, then this Assignment shall remain in effect for so long thereafter as oil and/or gas are produced in paying quantities from the Properties or lands validly pooled therewith, subject to the provisions of Paragraph 3 hereof.

   (b) If, after the expiration of the 2-year term hereof, all oil and/or gas on the Properties or lands validly pooled therewith, shall cease producing in paying quantities from any cause, this Assignment nevertheless shall continue in force and effect as long as additional drilling operations or reworking operations are conducted on the Properties or on lands validly pooled therewith, which additional operations shall be deemed to be had when not more than sixty (60) consecutive days elapse between the abandonment of operations on one well and the actual commencement of drilling on another well; and if production in paying quantities is obtained, this Assignment shall continue as long thereafter as oil and/or gas is produced in paying quantities

from the Properties or lands validly pooled therewith, and as long thereafter as additional operations, either drilling or reworking, are had thereon.

3. Continuous Development.

(a) If, at the expiration of the 2-year term, Assignee is engaged in actual drilling operations, this Assignment shall remain in full force and effect as to all lands covered hereby for so long as such operations continue in accordance with the provisions of Paragraph 2(a) above to completion or abandonment and for so long thereafter as continuous development is conducted, being defined as no more that 180 days elapsing between the completion or abandonment of one well and the commencement of actual drilling operations on another well; or

(b) If, at the expiration of the 2-year term, Assignee is not conducting actual drilling operations, but Assignee has completed a well on the properties prior to the expiration of the 2-year term which is capable of producing oil and/or gas in paying quantities, this Assignment shall remain in full force and effect for so long as actual drilling operations on an additional well are commenced within 180 days following the expiration of the 2-year term, and this Assignment shall continue in force for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between completion or abandonment of one well and the commencement of actual drilling operations on the next succeeding well.

(c) At such time as Assignee (1) fails to commence said continuous development, or (2) once commenced, fails to continue same, this Assignment shall automatically terminate as to (a) all land not included within a proration unit assigned to a well then producing oil or gas in paying quantities and (b) all subsurface depths in said proration unit(s) deeper than 100 feet below the total depth drilled and logged in the producing well(s) thereon. (The term "proration unit" as used herein shall be the number of acres which are allocated to a well under regulation of the Railroad Commission of Texas [or other governmental body having jurisdiction over producing tracts] for production of oil or gas under Special Field Rules applicable to the area involved herein so as to enable the well to full allowable; provided, however, if no Special Field Rules have been adopted by the said commission (or other body), then such proration unit shall be deemed to be 40 acres as to oil wells and 640 acres as to gas wells).

4. INDEMNITIES AND ASSUMPTION OF OBLIGATIONS AND CONDITION OF THE PROPERTIES

(a) Assignee shall release Assignor from and shall fully protect, indemnify and defend Assignor, its officers, agents and/or employees and hold them harmless from any and all claims, losses, damages, demands, suits, causes of action, and liabilities (including attorneys' fees, costs of litigation and/or investigation and other costs associated therewith) (collectively referred to hereafter as "Claims") of every kind, including but not limited to those relating to contractual rights and obligations, injury or death of any person or persons whomsoever, and/or to damage to or loss of property or resource (except as may be specifically set out otherwise in subparagraph 4(c) below), arising out of or connected, directly or indirectly, with the ownership or operation of the Properties, or any part thereof, accruing during the term of this Assignment, regardless of cause or of Assignor's negligence or fault imposed by statute, rule or regulation or strict liability of Assignor, its officers, agents and/or employees.

(b) Assignor shall fully protect, indemnify and defend Assignee, its officers, agents and/or employees and hold them harmless from any and all third party Claims of every kind including, but not limited to those relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property or resource (except as specifically set out in subparagraph 4(c) below), arising out of or connected, directly or indirectly, with Assignor's ownership or operation of the Properties, or any part thereof, accruing before the Effective Date, regardless of cause or of Assignee's negligence or fault imposed by statute, rule or regulation or strict liability of Assignee, its officers, agents, and/or employees.

(c) Assignee shall timely perform and discharge all duties and obligations of the owner of Properties including, but not limited to: restoration of the surface, environmental and pollution clean up, and plugging and abandonment of all wells drilled by Assignee. Assignor shall incur no liability for Assignee's failure to properly perform and discharge such duties and obligations. Assignee shall release Assignor from and fully protect, indemnify, defend, and hold Assignor, its officers, agents and/or employees harmless against any and all Claims for pollution and/or environmental damage of any kind (including without limitation any liability under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601, et seq. and as the same may be amended), any fines or penalties assessed on account of such damage, caused by, arising out of, or any way incidental to ownership or operations conducted on the Properties, if asserted subsequent to the Effective Date, regardless of cause or of Assignor's negligence or fault imposed by statute, rule or regulation or strict liability of Assignor, its officers, agents or employees.

(d) Assignee shall dispose of or discharge all wastes from the Properties (including without limitation, produced water and drilling fluids) in accordance with applicable local, state and federal laws and regulations. Assignee shall keep complete and accurate records of the types, amounts and location of wastes from the Properties which are disposed of onsite and offsite. Assignee shall take all such remedial action on the Properties as is necessary to comply with local, state and federal requirements directed at protecting health and environment.

5. Drilling of Wells. Assignee shall notify Assignor immediately when each well location is staked and when actual drilling is commenced, and shall furnish daily drilling reports and all other information requested by Assignor relative to each well. Each well drilled by Assignee which is capable of producing oil and/or gas in paying quantities shall be equipped for production by Assignee; every oil well shall be equipped through lease storage and every gas well to the pipeline connection unless no market is available in which case it shall be equipped as a shut-in gas well until a market is available, whereupon it shall be completed to the pipeline connection. Exhibit "AA", attached hereto, sets out certain requirements with regard to Assignor's rights to data, access, surveys, samples, tests and other information which go to the essence of this Assignment, and failure of Assignee to strictly comply therewith shall be considered a material breach of this Assignment which shall entitle Assignor to equitable relief (including without limitation, specific performance) as well as such other remedies at law or in equity to which Assignor shall be entitled. Assignee shall plug each well which is not capable of producing in paying quantities in accordance with the rules and regulations of the jurisdiction where the Properties are located, and shall restore the premises as nearly as possible to its original condition and shall settle or otherwise dispose of all Claims for damage to the surface. Assignee shall notify Assignor prior to the plugging and abandonment of each well drilled by Assignee on the Properties, and Assignor shall have forty-eight (48) hours after actual receipt of such notice in which to elect to take over each such well. If Assignor elects to take over such well for the limited purpose of conducting further tests, such tests shall be at Assignor's sole risk and expense, but Assignee shall retain the obligation to bear all normal plugging and abandoning costs and Assignor shall bear all extraordinary plugging and abandonment costs created by Assignor's use of such well. If Assignor elects to take over operations, Assignee (within thirty days notice of such election) shall assign to Assignor the well, all equipment appurtenant thereto and all interest of Assignee in such well, including the right to earn Assignee's interest under any farmouts or other agreements insofar as they concern said well. Assignor shall pay Assignee an amount equal to the salvage value of the salvageable equipment and material in the well less the cost of salvaging and less the cost of plugging and abandoning such well, such plugging and abandonment cost shall not include any extraordinary plugging and abandonment costs created by Assignor's use and/or operation of such well. Assignor shall be responsible for the plugging and abandoning of any such well it takes over.

6. Leases and Contracts. This Assignment is subject to all terms, covenants and conditions and existing burdens and encumbrances of oil, gas and mineral leases

and previous assignments thereof and any other agreements or contracts covering the Properties described in Exhibit "A"; and at and after the Effective Date, Assignee shall perform all covenants and obligations of Assignor under said lease, except as herein expressly provided otherwise. Assignee shall be responsible for making any shut-in royalty payments applicable to any well drilled on the properties after the Effective Date, at Assignee's sole expense, with prompt notice given to Assignor as to all such wells that Assignee shuts in. Assignee shall record this Assignment in the county or counties listed in the caption hereof and shall furnish Assignor with all pertinent recording data. Assignee shall promptly make all required filings, if any, with state and/or federal agencies and pay all fees associated with such filings. Assignee shall post all bonds required by such governmental agencies.

7. Observance of Laws. This Assignment is subject to all applicable laws, ordinances, rules, and regulations affecting the Properties, and Assignee shall comply with the same and shall promptly obtain and maintain all permits required by governmental authorities in connection therewith.

8. Investment Representation. Assignee represents and certifies that it is acquiring the Properties for its own account, for use in its trade or business or for investment, and with no present intention of making a distribution thereof within the meaning of the Securities Act of 1933, as amended. Assignee shall notify Assignor promptly of any federal and/or state securities law(s) or Federal Trade Commission filing requirements and/or any other disclosure requirements to which it believes it may be subject.

9. Reassignment.

(a) Assignee shall not surrender, let expire, abandon or release the Properties or any portion thereof by cessation of operations or otherwise, and Assignee shall perform all that may be necessary regarding the same to maintain the interests of both Assignor and Assignee in the Properties and all or any part thereof, unless Assignee has given Assignor written notice thereof at least sixty (60) days prior to such surrender, expiration, abandonment or release, or to the time payment, operations or other action is necessary to maintain said rights; and thereafter, if requested by Assignor, Assignee shall immediately reassign such rights in the Properties, or such part thereof, to Assignor. If, without cause, Assignee fails or refuses to deliver such reassignment to Assignor, Assignor may execute and record a document relating the facts and describing the title involved, and upon filing such document in the county records where the Properties are located, all rights granted hereunder to Assignee shall terminate absolutely and shall revest in Assignor. If Assignor accepts a reassignment hereunder, Assignor shall pay to Assignee the reasonable salvage value of any materials and equipment that it shall elect to take in any wells affected thereby, but otherwise the transaction shall be without cost to Assignor. All wells not accepted by Assignor shall be plugged by Assignee in a lawful manner at Assignee's sole cost, risk and expense.

(b) Within thirty (30) days after complete termination of this Agreement under the provisions of Paragraphs 1, 2 or 3 hereof, Assignee shall execute and deliver to Assignor a reassignment of all acreage covered hereby. In the event of a partial termination at any time or from time to time in accordance with Subparagraph 3(c) hereof, Assignee shall execute and deliver to Assignor within thirty (30) days of such termination(s) a reassignment of all land not included within a proration unit assigned to a well producing oil or gas in paying quantities and of all subsurface depths in said proration unit(s) deeper than 100 feet below the total depth drilled and logged in the producing well thereon. If Assignee shall fail to execute or deliver to Assignor any reassignment(s) required hereunder within the thirty (30) day period, Assignee agrees that Assignor may unilaterally execute an instrument declaring termination of all or the portions of the Property affected, as applicable, and upon recordation of such instrument in the county records of the county or counties in which the Properties are located, such instrument shall be conclusive notice to all third parties dealing with Assignee or Assignor or with the Properties or production therefrom of the termination of Assignee's interests, as stated therein.

628/45

10. No Partnership Created. This Assignment is not intended to create, nor shall it be construed as creating, a joint venture, partnership, or any type of association; and parties hereto are not authorized to act as agent or principal for each other with respect to any matter related hereto.

11. Notices. All notices and other communications required, permitted, or desired to be given hereunder must be in writing and sent by registered or certified U.S. mail (return receipt requested), properly addressed and with all postage or charges fully prepaid. Date of service by mail is the date on which such notice or other communication is received by the addressee. Each party hereto has the right to change its address for all purposes of this Assignment by notifying the other party hereto in writing.

12. GOVERNING LAW. THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS, AND THE VENUE OF ANY ACTION BROUGHT BY EITHER PARTY IN REGARD HERETO OR ARISING OUT OF THE TERMS OR CONDITIONS HEREOF SHALL BE MIDLAND COUNTY, TEXAS

13. Successors and Assigns. The terms, covenants, and conditions hereof bind and inure to the benefit of the parties hereto and their respective successors and assigns and are covenants running with the lands, leases, equipment, and facilities and with each transfer or assignment thereof or any portion thereof. All future conveyances of any portion of the Properties and/or their associated facilities and equipment shall recognize and perpetuate the rights and obligations set out herein.

14. **Waiver. Assignor and Assignee certify that they are not "Consumers" within the meaning of the Texas Deceptive Trade Practices-Consumer Protection Act, Subchapter E of Chapter 17, Sections 17.41 et seq., of the Texas Business and Commerce Code, as amended (the "DTPA"). The parties covenant, for themselves and for and in behalf of any successors or assignees, that if the DTPA is applicable, (I) the parties are "business consumers" thereunder, (ii) each party hereby waives and releases all of its rights and remedies thereunder (other than Section 17.555, Texas Business Commerce Code) as applicable to the other party and its successors, and (iii) each party shall defend and indemnify the other from and against any and all claims, demands, or causes of action of or by that party or any successor or any of its affiliates based in whole or in part on the DTPA, arising out of or in connection with the transaction set forth in this Assignment.**

15. Entirety and Amendments. This Assignment constitutes the entire agreement between the parties with respect to the matters herein and the Properties, notwithstanding any prior oral or written promise or understanding to the contrary. This Assignment can be amended only by written agreement signed by Assignor and Assignee.

16. Survival. The provisions of this Assignment shall survive indefinitely the termination or reversion of this Assignment.

SIGNED this 7th day of December, 2000, but effective as of the Effective date.

PENWELL ENERGY, INC.

By _____
Steven R. Foy, Vice President

SILVER OIL & GAS CO., INC.

By _____
Mike L. Varnadore, President

BOOK 628 PAGE 6

THE STATE OF TEXAS δ
δ
COUNTY OF MIDLAND δ

BEFORE ME, the undersigned authority, on this day personally appeared Steven R. Foy, known to be the person who executed the foregoing instrument as Vice President for PENWELL ENERGY, INC., and acknowledged to me that he executed the same for the purposes and consideration, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 7th day of December, 2000.

CATHY M LIVINGSTON
NOTARY PUBLIC
State of Texas
Comm. Exp.01-09-2004

Cathy M Livingston
Notary Public in and for
Midland County, Texas

THE STATE OF TEXAS δ
δ
COUNTY OF TOM GREEN δ

BEFORE ME, the undersigned authority, on this day personally appeared Mike L. Vamadore, known to be the person who executed the foregoing instrument as President for SILVER OIL & GAS CO., Inc., a Texas Corporation, and acknowledged to me that he executed the same for the purposes and consideration, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11th day of December, 2000.

KEN LYONS, JR.
Notary Public, State of Texas
My Commission Expires 02-07-02

Notary Public in and for
Tom Green County, Texas

EXHIBIT "A"

Attached to and made a part of that certain Assignment effective December 1, 2000, between Penwell Energy, Inc., as Assignor, and Silver Oil & Gas Co., Inc., as Assignee.

1. Sally Wynne Reynaud, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 485, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

2. Lela Mae Wynne, et al, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 489, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

Insofar and only insofar as the above Leases cover the following acreage and depths, all in Section 38, Block 57, TWP 2, T&P RR Co. Sy., Reeves County, Texas (Assigned Premises):

W/2 SW/4, as to all depths below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth.

EXHIBIT "AA" TO ASSIGNMENT EFFECTIVE DECEMBER 1, 2000
GEOLOGIC REQUIREMENTS

A. Penwell shall at all times have free access to all wells on the above land, to all records pertaining thereto and the production records thereof.

B. Unless other arrangements are made prior to reaching total depth, it is the responsibility of Silver, at its own cost, to transport all sample logs, survey and all other information and data to Penwell. All geologic requirements must be met to fulfill contract obligations.

In addition to those items enumerated above in (A) and (B), the following listed items applicable to geological information and material will be furnished:

1. Daily drilling reports and completion reports should be phoned to Bill Pierce (915) 683-2534, or fax (915) 683-1562.

2. Upon availability, immediately send the following by mail to:

Penwell Energy, Inc.
600 N. Marienfeld, Ste 1100
Midland, Texas 79701
Attn: Mike Ford

(a) Permit application forms: One (1) copy.
(b) Drilling Prognosis, casing program and mud program: One (1) copy.
(c) Plugging Reports: One (1) copy.
(d) Completion Reports: One (1) copy.
(e) Compilation of daily drilling reports: One (1) copy.
(f) Copies of all Wireline logs Silver elects to run, if any: One (1) final print.
(g) If mudlogger is used: One (1) final print.
(h) If drillstem test, RFT, or core analysis is run: One (1) copy of final report as prepared by testing company (no photocopies).
(i) If water analyses and/or hydrocarbon analyses are run: One (1) copy.

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. 2952

FILED FOR RECORD ON THE 19TH DAY OF DECEMBER A.D. 2000 AT 2:46P M.

DULY RECORDED ON THE 22ND DAY OF DECEMBER A.D. 2000 AT 8:00A M.

BY: Dianne O. Florez DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

PAUL L DAVIS JR

TO

PAUL DAVIS LTD

MINERAL AND ROYALTY DEED

DATED:	12/31/2000
FILED:	02/15/2001
BOOK/PAGE:	631/320
FILE NUMBER:	389-631-320
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 1/2 OF 20/256 OF 5% OF 8/8 ORRI

BOOK 631 PAGE 320

FILE#429

MINERAL/ROYALTY DEED

State of Texas)
) KNOW ALL MEN BY THESE PRESENTS:
County of Reeves)

PAUL L. DAVIS, Jr., dealing in sole and separate property, ("Grantor"), whose address is P. O. Box 871, Midland, Texas, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration to it in hand paid by PAUL DAVIS, LTD., a Texas Limited Partnership ("Grantee"), whose address is P. O. Box 871, Midland, Texas 79702, the receipt and sufficiency of which is hereby acknowledged, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL, AND CONVEY unto Grantee, the interest set forth on Exhibit "A", hereto, in and to the oil, gas and other minerals, royalty, overriding royalty, production payments or other similar interests in the lands described in Exhibit "A"; SUBJECT, however, to the terms and conditions of all presently existing and valid unit agreements and communitization agreements where applicable, and all valid and subsisting oil, gas and mineral leases of record. All of the foregoing property shall hereinafter be referred to as the "Property."

By this Deed, Grantee is also conveyed the right of ingress and egress, at all times, for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas and other minerals and storing, handling, transporting and marketing same from said lands.

It is the intention of Grantor to convey to Grantee, and Grantor does hereby grant, convey, assign, transfer and deliver unto Grantee, and Grantee's successors and assigns, all of Grantor's right, title, interest and estate in and to any and all oil, gas and mineral interests, royalty interests, overriding royalty interests and payments out of production in land of every kind and nature located in Reeves County, Texas.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto belonging, unto the said Grantee, its successors and assigns forever. Grantor hereby binds itself, its successors and assigns, to warrant and defend title to the Property against the claims and demands of all persons claiming by, through or under Grantor, but no further.

EXECUTED this 31st day of December, 2000; effective for all purposes as of December 31, 2000; at 11:59 P.M..

BY: Paul L Davis Jr
Paul L. Davis, Jr.

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

This instrument was acknowledged before me this 31st day of December, 2000, by Paul L. Davis, Jr.

VICKI B. RYPKAL
NOTARY PUBLIC STATE OF TEXAS
EXPIRES: MAY 26, 2003

Vicki B Rypkal
Notary Public in and for the State of Texas.
Print Name: Vicki B Rypkal
My Commission Expires: 5/26/03

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF MINERAL/ROYALTY DEED DATED EFFECTIVE DECEMBER 31, 2000 FROM TO PAUL L. DAVIS, JR. TO PAUL DAVIS, LTD.

REEVES COUNTY, TEXAS

DeVito An undivided 1/2 of 7/32 Fee Interest in the following described lands:

N/2 NE/4 and the SW/4 NE/4 of Section 14, Block 55, T-5, T & P Ry. Co. Survey, containing 120 acres, more or less.

Subject to a free royalty reserved by the State of Texas of 1/8 on sulphur and 1/16 on all other minerals.

DR-293 An undivided 1/2 of 1/9 Mineral Interest in the following described lands:

First Tract: S/2 NW/4, E/2 NW/4 NW/4, S/2 NE/4, NW/4 NE/4, E/2 SW/4, N/2 SE/4 and SE/4 SE/4 of Section 21, Block 2, H & GN Ry. Co. Survey, containing 420 acres, more or less, and;

Second Tract: NW/4, S/2 NE/4, NW/4 NE/4, N/2 SW/4, SE/4 SW/4, and NE/4 SE/4 of Section 23, Block 2, Abstract 373, H & GN Ry. Co. Survey, containing 440 acres, more or less.

DR-338 An undivided 1/2 of 19/92 Mineral Interest in the following described lands:

One (1) acre out of Section 25, Block C-7, Abstract 3040, PSL Survey;

-and-

S/2, NE/4, and W/2 NW/4 Section 10, Block C-7, Abstract 4363, PSL Survey, containing 560 acres, more or less;

-and-

S/2, and SW/4 NW/4 Section 17, Block C-7, Abstract 4330, PSL Survey, containing 360 acres, more or less.

DR-365 An undivided 1/2 of 1/8 Mineral Interest in the following described lands:

E/2 SE/4 of Section 18, Block 2, H & GN Ry. Co. Survey, containing 80 acres, more or less, and;

An undivided 1/2 of 1/16 Mineral Interest in the following described lands:

Tracts 25, 31, 32, 33, 34, 38, 39, 40, 41, 42, 43, and 48, out of Subdivision of the W/2 of Section 18, Block 2, H & GN Ry. Co. Survey, containing 60 acres, more or less.

DR-383 An undivided 1/2 of 1/8 Interest in the following described lands:

S/2 of Section 4, Block 7, H & GN Ry. Co. Survey, containing 320.87 acres, more or less.

Subject to the mineral interest in said land owned by the State of Texas (Mineral Classified).

-and-

DR-353 (cont.) An undivided 1/2 of 1/256 of 8/8 Overriding Royalty Interest in the following described lands:

S/2 of Section 4, Block 7, H & GN Ry. Co. Survey, containing 320.87 acres, more or less, at all depths below the base of the Delaware Sand Formation; pursuant to that certain Assignment of Overriding Royalty dated November 20, 1967, from Ralph H. Meriwether to Paul L. Davis, recorded in Volume 272, Page 494, Oil and Gas Lease Records of Reeves County, Texas.

DR-438 The following undivided Mineral Interest in the below listed acreage, all in Section 18, Block 2, H & GN Ry. Co. Survey.

INTEREST	DESCRIPTION	ACRES
1/2 of 3/8	NW/4 SE/4 NE/4	5.00
1/2 of 3/16	NE/4 SW/4 SE/4	5.00
1/2 of 3/16	N/2 NW/4 NE/4 SE/4	2.50

DR-440 An undivided 1/2 of 20/256 or 5% of 8/8 Overriding Royalty Interest in the following described lands:

All of Section 38, Block 57, T-2, T & P Ry. Co. Survey, containing 640 acres, more or less, pursuant to that certain Assignment of Overriding Royalty dated December 12, 1972, from Geraldine Layton Chapman to Paul L. Davis, et al, recorded in Volume 315, Page 791, Oil & Gas Records of Reeves County, Texas.

TX-113 An undivided 1/36 Mineral Interest in the following described lands:

The North One-Half (N/2), and the Southeast Quarter (SE/4) of Section 13, Block 2, H&GN RR Company Survey.

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. 429

FILED FOR RECORD ON THE 15TH DAY OF FEBRUARY A.D. 2001 AT 4:39 P. M.

DULY RECORDED ON THE 19TH DAY OF FEBRUARY A.D. 2001 AT 10:00 A. M.

BY: [illegible] DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BOLDRICK PARTNERS DBA STATEWIDE MINERALS CO

TO

MILES BOLDRICK
JAMES P BOLDRICK

ASSIGNMENT AND CONVEYANCE

DATED:	04/01/2001
FILED:	04/11/2001
BOOK/PAGE:	634/189
FILE NUMBER:	389-634-189
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: MILES BOLDRICK - 60%
JAMES P BOLDRICK - 40%

FILE# 1040

ASSIGNMENT AND CONVEYANCE

STATE: TEXAS

COUNTY: REEVES

ASSIGNOR: **Boldrick Partners, D/B/A/ Statewide Minerals Co.**
PO Box 10648, Midland, TX 79702

ASSIGNEE: **Miles Boldrick (60%)**
PO Box 10648, Midland, TX 79702

James P. Boldrick (40%)
PO Box 10605, Midland, TX 79702

WHEREAS, Boldrick Partners D/B/A/ Statewide Minerals Co., A Texas General Partnership ("Partnership") is the owner of certain assets, including but not limited to oil and gas leases, working interests, participating and non-participating royalty interests, overriding royalty interests, mineral interests, and other similar interests in the county and state, recited above ("Assets"); and,

WHEREAS, the Partnership, in anticipation of its dissolution, desires to convey any and all Assets, including any other assets of whatever kind and nature it may own in the county and state recited above.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor, recited above, (hereinafter referred to as "Assignor" whether one or more), by these presents does hereby grant, transfer, assign and convey unto Assignee, recited above, in the percentages set forth next to their respective names, their successors and assigns (hereinafter referred to as "Assignee" whether one or more), without warranty of title either express or implied, all of Assignor's right, title, and interest in and to the (i) Assets, and (ii) any other assets of whatever kind and nature it may own in the county and state recited above.

It is the express intent of Grantor that this conveyance transfer to Grantee, all of Grantor's interest in and to the property in the county and state recited above, including any interest or property which is not fully or accurately described. In furtherance of this purpose, Grantor agrees to execute and deliver to Grantee such other and further instruments of conveyance, assignment and transfer, and to do or cause to be done all such acts and things as may be necessary to more fully convey, assign and transfer the property to Grantee, as to the extent contemplated hereby, in a timely fashion.

TO HAVE AND TO HOLD the same unto the Assignee, its heirs, administrators, executors, devisees, trustees, successors, and assigns, according to the terms, covenants, and conditions of the instruments by which Assignor acquired said Assets and any other assets conveyed hereunder, the Assignee to perform all such terms, covenants, and conditions thereof as to the Assets and any other assets conveyed herunder, as well as all of the terms, covenants, and conditions hereof.

IN WITNESS WHEREOF, this instrument is executed as of the date set forth in the acknowledgment below, but **EFFECTIVE for all purposes as of April 1, 2001.**

ASSIGNOR:

BOLDRICK PARTNERS D/B/A STATEWIDE MINERALS CO.

Miles Boldrick, Partner

James P. Boldrick, Partner

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 1st day of April, 2001 by Miles Boldrick and James P. Boldrick, as General Partners of Boldrick Partners D/B/A Statewide Minerals Co., a Texas general partnership.

Stacy L. Mathews
Notary Public in and for the State of Texas
My Commission Expires: 1-2-2002

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 01-02-2002

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. 1040

FILED FOR RECORD ON THE 11TH DAY OF APRIL A.D. 2001 AT 4:19 P. M.

DULY RECORDED ON THE 12TH DAY OF APRIL A.D. 2001 AT 2:00 P. M.

BY: Estella Amaya DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

PACIFIC ENTERPRISES ABC CORPORATION

TO

SEMPRA ENERGY PRODUCTION COMPANY

CERT OF NAME CHANGE

DATED:	04/16/2001
FILED:	07/24/2001
BOOK/PAGE:	638/670
FILE NUMBER:	638/670/2063
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

BOOK 638 PAGE 670

FILE # 2063

CERTIFICATE OF CORPORATE NAME CHANGES

SEMPRA ENERGY PRODUCTION COMPANY

I, the undersigned, being the Secretary of Sempra Energy Production Company, a California corporation, hereinafter referred to as the "Corporation", do hereby certify as follows:

1. The Corporation was incorporated in the State of California on September 30, 1992, as PACIFIC ENTERPRISES ABC CORPORATION.

2. By Certificate of Amendment of its Articles of Incorporation, the name of the Corporation was changed from PACIFIC ENTERPRISES ABC CORPORATION to SEMPRA OIL & GAS on March 29, 1999.

3. By Certificate of Amendment of its Articles of Incorporation, the name of the Corporation was changed from SEMPRA OIL & GAS to SEMPRA ENERGY PRODUCTION COMPANY on September 30, 1999.

4. The present name and principal business address of the Corporation is as follows:

Sempra Energy Production Company
8235 Douglas Avenue, Suite 525
Dallas, Texas 75225

IN WITNESS WHEREOF, I execute this certificate and affix the seal of the Corporation hereto this 16th day of April, 2001.

Thomas C. Sanger
Secretary

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

This instrument was acknowledged before me this 16th day of April, 2001, by THOMAS C. SANGER, Secretary of SEMPRA ENERGY PRODUCTION COMPANY.

Notary Public
State of California

LOIDA C. MORRISON
Commission # 1190516
Notary Public - California
San Diego County
My Comm. Expires Jul 19, 2002

AFTER RECORDING RETURN TO:

Sempra Energy Production Company
8235 Douglas Avenue, Suite 525
Dallas, Texas 75225

85988

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. 2063

FILED FOR RECORD ON THE 24TH DAY OF JULY A.D. 2001 AT 1:19 P. M.

DULY RECORDED ON THE 25TH DAY OF JULY A.D. 2001 AT 11:00 A. M.

BY: _____ DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

JAMES P BOLDRICK

TO

WINDOM ROYALTIES LLC

ASSIGNMENT, DEED AND BILL OF SALE

DATED:	09/29/2006
FILED:	10/16/2006
BOOK/PAGE:	747/288
FILE NUMBER:	389-747-288
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

BOOK 747 PAGE 288

FILE# 5408

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

COUNTY OF REEVES

STATE OF TEXAS

ASSIGNMENT, DEED AND BILL OF SALE

THIS ASSIGNMENT, DEED AND BILL OF SALE ("Assignment") is made this 29 day of September, 2006, and is effective at 12:01 a.m. local time, September 1, 2006 (the "Effective Time"), by **James P. Boldrick,** . whose address is, P.O. Box 10605, Midland, TX 79702, (herein called "Assignor"), and **Windom Royalties LLC, a wholly owned subsidiary of Noble Royalties, Inc.**, with a mailing address of15601 North Dallas Parkway, Suite 900, Addison, Texas 75001 (herein called "Assignee").

Assignor in consideration of Ten Dollars ($10.00) cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL, CONVEY, ASSIGN, and DELIVER unto Assignee all of the following:

A. All right, title and interest of Assignor in all oil, gas, and other minerals, royalty interests, fee mineral interests, overriding royalty interests, net profits interests, production payments and other similar interests owned by Seller as of the Effective Time in, to and under all lands located in the counties and states described on Exhibit 'A' attached hereto, including but not limited to all lands described in said Exhibit 'A' or described in any instrument referred to in Exhibit 'A' (attached hereto and made a part hereof for all purposes); Any and all oil, gas and other minerals, royalty interests, fee mineral interests, overriding royalty interests, net profits interests, production payments and other similar interests purchased by Assignor, which have an effective date after seid Effective Time, are specifically excluded from this assignment, deed and bill of sale end shall be reserved in their entirety by Assignor. In a like manner, all working interests and participating mineral interests are specifically excluded from the assignment and retained by Assignor;

B. All right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil, gas or mineral unitization, pooling, farmout and communitization agreements, declarations and orders, and in and to the properties covered and the units created thereby, which are appurtenant to the properties in A above;

C. All right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, operating agreements, joint venture agreements, partnership agreements, rights of way easements, permits and surface leases and other contracts, agreements and instruments, insofar as the same are appurtenant to the properties in A above;

All of the foregoing properties (contractual or otherwise) described in paragraphs A through C, above, are herein called the "Properties" as more completely described on Exhibit 'A' hereof.

TO HAVE AND TO HOLD the Properties forever, subject to the following terms and conditions:

1. WARRANTIES: THIS ASSIGNMENT IS WITHOUT WARRANTY OF TITLE, EXPRESS, STATUTORY OR IMPLIED AS TO DESCRIPTION, TITLE, CONDITION, LOCATION, QUALITY,

MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, EXCEPT THAT SELLER SHALL WARRANT AND DEFEND TITLE TO THE PROPERTIES AGAINST EVERY PERSON WHOMSOEVER LAWFULLY CLAIMING THE SAME OR ANY PART THEREOF BY, THOUGH, OR UNDER ASSIGNOR BUT NOT OTHERWISE.

2. ASSUMPTION OF OBLIGATIONS: Assignee hereby assumes and agrees to timely perform and discharge all duties and obligations of the owner of the Properties on and after the Effective Time.

3. LEASES AND OTHER CONTRACTS AND AGREEMENTS: This Assignment is made by Assignor and accepted by Assignee subject to all the terms, covenants and conditions of the oil, gas and mineral leases described in Exhibit "A" or covering the properties described or referred to in Exhibit 'A'and to the terms, covenants and conditions of the instruments, contracts and agreements affecting the Properties or production therefrom recorded in county and state in which the Property is located, and the same shall bind Assignee and Assignee's successors and assigns on and after the Effective Time hereof.

4. OBSERVANCE OF LAWS: This Assignment is subject to all applicable laws, ordinances, rules and regulations affecting the Properties, and Assignee shall comply with the same and shall promptly obtain and maintain all permits required by governmental authorities in connection therewith.

5. HEADINGS: Titles and headings in this Assignment are included solely for ease of reference and are not to be considered in interpretation or construction of this Assignment.

6. PURCHASE AND SALE AGREEMENTS: This Assignment is expressly made subject to the provisions of that certain Purchase and Sale Agreement dated effective September 1, 2006, by and between the parties hereto, and the provisions of said Agreement are incorporated herein by reference as fully as though said provisions were set forth herein verbatim.

7. SUCCESSORS AND ASSIGNS: The terms, covenents, and conditions hereof bind and inure to the benefit of the parties hereto and their respective successors and assigns and are covenants running with the lands, leases, equipment, and facilities and with each transfer or assignment thereof or any portion thereof. All future assignments of any portion of the Properties shall recognize and perpetuate the rights and obligations set out herein.

EXECUTED this 29 day of September 2006, but effective as of the Effective Time.

ASSIGNOR:

James P. Boldrick

ASSIGNEE:

Windom Royalties LLC
a wholly owned subsidiary of
Noble Royalties, Inc.

By: A. Scott Noble
President

BOOK 747 PAGE 290

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 29 day of September, 2006, by James P. Boldrick, an individual.

My Commission Expires: _____

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 1-23-2010

Stacy L. Mathews
NOTARY PUBLIC

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me this 29 day of September, 2006, on behalf of Windom Royalties LLC, a Texas limited liability company and a wholly owned subsidiary of Noble Royalties, Inc., by A. Scott Noble, as President of Noble Royalties, Inc. a Texas corporation.
My Commission Expires: _____

PAULA BRUNSON
Notary Public, State of Texas
My Commission Expires
March 23, 2008

Paula Brunson
NOTARY PUBLIC

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN JAMES P. BOLDRICK., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	CRISP, SHIRLEY F., EXECUTRIX OF THE					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	POE, GRADY R. JR. A/K/A GRADY BUTCH					
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 96					
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC. 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL.	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

BOOK 747 PAGE 292

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN JAMES P. BOLDRICK., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK B SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 8 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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BOOK 747 PAGE 294

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 152	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 175	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610

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BOOK 747 PAGE 296

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3-SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN JAMES P. BOLDRICK., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

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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. 5408

FILED FOR RECORD ON THE 16TH DAY OF OCTOBER A.D. 2006 10:17 A. M.

DULY RECORDED ON THE 17TH DAY OF OCTOBER A.D. 2006 3:00 P. M.

BY: _____ DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

MILES BOLDRICK DBA STATEWIDE MINERALS COMPANY

TO

WINDOM ROYALTIES LLC

ASSIGNMENT, DEED AND BILL OF SALE

DATED:	09/29/2006
FILED:	10/16/2006
BOOK/PAGE:	747/307
FILE NUMBER:	389-747-307
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: 50% INTEREST

FILE# 5410

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

COUNTY OF REEVES

STATE OF TEXAS

ASSIGNMENT, DEED AND BILL OF SALE

THIS ASSIGNMENT, DEED AND BILL OF SALE ("Assignment") is made this 29th day of September, 2006, and is effective at 12:01 a.m. local time, September 1, 2006 (the "Effective Time"), by Miles Boldrick, d/b/a Statewide Minerals Company, whose address is, P.O. Box 10648, Midland, TX 79702, (herein called "Assignor"), and Windom Royalties LLC, a wholly owned subsidiary of Noble Royalties, Inc., with a mailing address of 15601 North Dallas Parkway, Suite 900, Addison, Texas 75001 (herein called "Assignee").

Assignor in consideration of Ten Dollars ($10.00) cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL, CONVEY, ASSIGN, and DELIVER unto Assignee all of the following:

A. Fifty per cent (50%) of all right, title and interest of Assignor in all oil, gas and other minerals, royalty interests, fee mineral interests, overriding royalty interests, net profits interests, production payments and other similar interests owned by Seller as of the Effective Time in, to and under all lands located in the counties and states described on Exhibit "A" attached hereto, including but not limited to all lands described in said Exhibit "A" or described in any instrument referred to in Exhibit "A" (attached hereto and made a part hereof for all purposes). Any and all oil, gas and other minerals, royalty interests, fee mineral interests, overriding royalty interests, net profits interests, production payments and other similar interests purchased by Assignor, which have an effective date after said Effective Time, are specifically excluded from this assignment, deed and bill of sale and shall be reserved in their entirety by Assignor. In a like manner, all working interests and participating mineral interests are specifically excluded from the assignment and retained by Assignor;

B. Fifty per cent (50%) of all right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil, gas or mineral unitization, pooling, farmout and communitization agreements, declarations and orders, and in and to the properties covered and the units created thereby, which are appurtenant to the properties in A. above;

C. Fifty per cent (50%) of all right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, operating agreements, joint venture agreements, partnership agreements, rights of way easements, permits and surface leases and other contracts, agreements and instruments, insofar as the same are appurtenant to the properties in A. above;

All of the foregoing properties (contractual or otherwise) described in paragraphs A through C, above, are herein called the "Properties" as more completely described on Exhibit 'A' hereof.

TO HAVE AND TO HOLD the Properties forever, subject to the following terms and conditions:

BOOK 747 PAGE 308

1. WARRANTIES: THIS ASSIGNMENT IS WITHOUT WARRANTY OF TITLE, EXPRESS, STATUTORY OR IMPLIED AS TO DESCRIPTION, TITLE, CONDITION, LOCATION, QUALITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, EXCEPT THAT SELLER SHALL WARRANT AND DEFEND TITLE TO THE PROPERTIES AGAINST EVERY PERSON WHOMSOEVER LAWFULLY CLAIMING THE SAME OR ANY PART THEREOF BY, THOUGH, OR UNDER ASSIGNOR BUT NOT OTHERWISE.

2. ASSUMPTION OF OBLIGATIONS: Assignee hereby assumes and agrees to timely perform and discharge all duties and obligations of the owner of the Properties on and after the Effective Time.

3. LEASES AND OTHER CONTRACTS AND AGREEMENTS: This Assignment is made by Assignor and accepted by Assignee subject to all the terms, covenants and conditions of the oil, gas and mineral leases described in Exhibit "A" or covering the properties described or referred to in Exhibit "A" and to the terms, covenants and conditions of the instruments, contracts and agreements affecting the Properties or production therefrom recorded in county and state in which the Property is located, and the same shall bind Assignee and Assignee's successors end assigns on and after the Effective Time hereof.

4. OBSERVANCE OF LAWS: This Assignment is subject to all applicable laws, ordinances, rules and regulations affecting the Properties, and Assignee shall comply with the same and shall promptly obtain and maintain all permits required by governmental authorities in connection therewith.

5. HEADINGS: Titles and headings in this Assignment are included solely for ease of reference and are not to be considered in interpretation or construction of this Assignment.

6. PURCHASE AND SALE AGREEMENTS: This Assignment is expressly made subject to the provisions of that certain Purchase and Sale Agreement dated effective September 1, 2006, by and between the parties hereto, and the provisions of said Agreement are incorporated herein by reference as fully as though said provisions were set forth herein verbatim.

7. SUCCESSORS AND ASSIGNS: The terms, covenants, and conditions hereof bind and inure to the benefit of the parties hereto and their respective successors and assigns and are covenants running with the lands, leases, equipment, and facilities and with each transfer or assignment thereof or any portion thereof. All future assignments of any portion of the Properties shall recognize and perpetuate the rights and obligations set out herein.

EXECUTED this 29th day of September 2006, but effective as of the Effective Time.

ASSIGNOR:

Miles Boldrick
d/b/a Statewide Minerals Company

By; Miles Boldrick

ASSIGNEE:

Windom Royalties LLC
a wholly owned subsidiary of
Noble Royalties, Inc.

By: A. Scott Noble
President

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 29 day of September, 2006, by Miles Boldrick, an individual, d/b/a Statewide Minerals Company.

My Commission Expires:

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 1-23-2010

Stacy L. Mathews
NOTARY PUBLIC

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me this 29 day of September, 2006, on behalf of Windom Royalties LLC, a Texas limited liability company, a wholly owned subsidiary of Noble Royalties, Inc., by A. Scott Noble, as President of Noble Royalties, Inc. a Texas corporation.

My Commission Expires:

PAULA BRUNSON
Notary Public, State of Texas
My Commission Expires
March 23, 2008

Paula Brunson
NOTARY PUBLIC

BOOK 747 PAGE 310

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN MILES BOLDRICK D/B/A STATEWIDE MINERALS CO., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 16, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA A/K/A					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
	H.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	692/416
	POE, GRADY R. JR. A/K/A GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 96					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN MILES BOLDRICK D/B/A STATEWIDE MINERALS CO., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610

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BOOK 747 PAGE 312

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
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		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
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		T&P BLK 58- 3 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
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		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

BOOK 747 PAGE 314

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN MILES BOLDRICK D/B/A STATEWIDE MINERALS CO., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN MILES BOLDRICK D/B/A STATEWIDE MINERALS CO., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 8	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

BOOK 747 PAGE 316

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN MILES BOLDRICK D/B/A STATEWIDE MINERALS CO., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

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. 5410

FILED FOR RECORD ON THE 16TH DAY OF OCTOBER A.D. 2006 10:17 A. M.

DULY RECORDED ON THE 17TH DAY OF OCTOBER A.D. 2006 3:00 P. M.

BY: [signature], DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

MILES BOLDRICK INDIVIDUALLY AND AS DBA STATEWIDE MINERALS CO

TO

BOLDRICK FAMILY PROPERTIES L P

ASSIGNMENT AND CONVEYANCE

DATED:	01/09/2007
FILED:	01/12/2007
BOOK/PAGE:	753/405
FILE NUMBER:	389-753-405
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: AFFECTS SEC. 38, BLK. 57, T-2, T & P RAILWAY COMPANY SURVEY

Certificate of Record

10.00 Recording Fee
6.00 Refund Certified Copy Fee
16.00 Total Paid envelope

Return to:
Boldrick Family Properties
P.O. Box 10648
Midland, Tx 79702

000172

FILED FOR RECORD
2007 JAN 12 PM 4:44
DIANNE O. FLOREZ
COUNTY CLERK, REEVES COUNTY, TX.
By: Josie Deputy

COMPARED

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.

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

I, hereby certify that this instrument with its certificates of authenticity was FILED on the date and at the time stamped thereon and was duly RECORDED in the OFFICIAL PUBLIC RECORDS of Real Property of Reeves County, Texas, as indicated.

OPR VOL. 753 PAGE 405 DATE RECORDED 01/16/2007

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
By: Josie Deputy

OSAR GRAPHICS, INC.

ASSIGNMENT AND CONVEYANCE

STATE: TEXAS

COUNTY: REEVES

ASSIGNOR: Miles Boldrick, Individually and as D/B/A Statewide Minerals Co.
P.O. Box 10648, Midland, TX 79702

ASSIGNEE: Boldrick Family Properties L.P.
P.O. Box 10648, Midland, TX 79702

WHEREAS, Miles Boldrick, Individually and as D/B/A Statewide Minerals Co. is the owner of certain assets, including but not limited to oil and gas leases, working interests, participating and non-participating royalty interests, overriding royalty interests, mineral interests, and other similar interests in the county and state, recited above ("Assets"); and,

WHEREAS, the Individual desires to convey any and all Assets, including any other assets of whatever kind and nature it may own in the county and state recited above.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor, recited above, (hereinafter referred to as "Assignor" whether one or more), by these presents does hereby grant, transfer, assign and convey unto Assignee, recited above, in the percentages set forth next to their respective names, their successors and assigns (hereinafter referred to as "Assignee" whether one or more), without warranty of title either express or implied, all of Assignor's right, title, and interest in and to the (i) Assets, and (ii) any other assets of whatever kind and nature it may own in the county and state recited above.

It is the express intent of Assignor that this conveyance transfer to Assignee, all of Assignor's interest in and to the property in the county and state recited above, including any interest or property which is not fully or accurately described. In furtherance of this purpose, Assignor agrees to execute and deliver to Assignee such other and further instruments of conveyance, assignment and transfer, and to do or cause to be done all such acts and things as may be necessary to more fully convey, assign and transfer the property to Assignee, as to the extent contemplated hereby, in a timely fashion

TO HAVE AND TO HOLD the same unto the Assignee, its heirs, administrators, executors, devisees, trustees, successors, and assigns, according to the terms, covenants, and conditions of the instruments by which Assignor acquired said Assets and any other assets conveyed hereunder, the Assignee to perform all such terms, covenants, and conditions thereof as to the Assets and any other assets conveyed hereunder, as well as all of the terms, covenants, and conditions hereof.

IN WITNESS WHEREOF, this instrument is executed as of the date set forth in the acknowledgment below, but **EFFECTIVE for all purposes as of January 1st, 2007.**

ASSIGNOR:

Miles Boldrick, Individually and as D/B/A Statewide Minerals Co.

Miles Boldrick

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 9th day of January, 2007 by Miles Boldrick individually and as D/B/A Statewide Minerals Co.

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 1-23-2010

Stacy L Mathews
Notary Public in and for the State of Texas
My Commission Expires 1-23-2010

WINDOM ROYALTIES LLC

TO

PASCOE FAMILY INVESTMENTS LLC ET AL

CONVEYANCE

DATED:	11/01/2006
FILED:	09/17/2007
BOOK/PAGE:	773/655
FILE NUMBER:	389-773-655
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: MAY BE OVER 150 VENDEES TO THIS INSTRUMENT

FILE# 3857

Document Prepared By, Recording Requested by and When Recorded Return To:	Documentary/Transfer Tax Information:	Future Tax Statements May Be Sent To:
Greg G. Brown Noble Royalties, Inc. 15601 Dallas Parkway Suite 900 Addison, TX 75001 (972) 720-1888 **Signature of Preparer:** Greg G Brown		Windom Royalties LLC 15601 Dallas Parkway Suite 900 Addison, TX 75001

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

CONVEYANCE

(Windom Properties)

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

This Conveyance is dated to be effective as of September 1, 2006, at 12:01 A.M., local time (the "Effective Time") and is by and between **Windom Royalties LLC, a Texas Limited Liability Company, a subsidiary of Noble Royalties, Inc., a Texas Corporation** (hereinafter referred to as "Grantor"), whose address is 15601 Dallas Parkway, Suite 900, Addison, TX 75001, and Grantees, as hereinafter defined.

RECITALS

(A) The term "Interests" shall be defined as all of the mineral interests, royalty interests, and/or overriding royalty interests in and to all of the leases, lands, depths and wells which are described in and conveyed by the "Assignments", as hereinafter defined.

(B) The term "Assignments", as used herein, shall be defined as all of the instruments of conveyance and/or assignments listed on **Exhibit A** attached hereto and incorporated herein for all purposes, which Assignments cover certain mineral interests, royalty interests and/or overriding royalty interests in and to the leases, lands, depths and wells more particularly described and/or referred to therein.

(C) The term "Grantees", as used herein, shall be defined as all those individuals and entities listed in the column entitled "GRANTEE NAME" on **Exhibit B** attached hereto and incorporated herein for all purposes.

(D) To the extent required for recording in any particular county in which any land affected by any of the Assignments is located, a legal description of land comprising all or any portion of the Interests subject to such requirement is set forth on **Exhibit C** attached hereto and incorporated herein for all purposes.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby GRANT, BARGAIN, SELL, TRANSFER, ASSIGN and CONVEY unto each of the Grantees, their respective heirs, successors and/or assigns, the undivided interest in and to the Interests as is specified for each Grantee in the column entitled "UNDIVIDED INTEREST IN AND TO THE INERESTS" on **Exhibit B** hereto, without statutory, express or implied warranty. The terms and provisions of this Conveyance shall extend to, be binding upon, and shall inure to the benefit of the parties hereto their respective heirs, successors and/or assigns.

THIS CONVEYANCE IS SUBJECT TO, and the undivided interests in the Interests herein assigned and conveyed shall bear, their respective proportionate share of all of the terms, provisions, reservations and obligations contained in the Assignments, and are further subject to their respective proportionate share of all interests and matters burdening the Interests, whether or not appearing of record, now in existence. All statutory, express and/or implied warranties that might arise by statute or by common law, including, without limitation, all the warranties in the following state statutes (or their successors):

Section 5.023 of the Texas Property Code
Nevada Rev. Statutes Ann., Title 10: Property Rights and Transactions
Nebraska Rev. Statutes of 1943, Chapter 76: Real Property
Mississippi Code Ann., Title 89: Real and Personal Property
Montana Code Ann., Title 70: Property
Kentucky Rev. Statutes Ann., Title XXXII: Ownership and Conveyance of Property
Colorado Rev. Statutes Ann., Title 38: Property – Real and Personal
Utah Code Ann., Title 57: Real Estate
California Civil Code Division 2: Property
North Dakota Century Code, Title 47: Real Property
Kansas Statutes Ann., Chapter 58: Personal and Real Property
Arkansas Code Ann., Title 18, Subtitle 2: Real Property
Illinois Compiled Statutes Ann., Chapter 765: Property
Indiana Statutes, Title 32: Property
South Dakota Codified Law, Title 43: Property
Oklahoma Statutes Ann., Title 16: Conveyances
MCLA, Chapter 565: Conveyances of Real Property
Wyoming Statutes Ann., Title 34: Property, Conveyances and Security Transactions
New Mexico Statutes, Chapter 47: Property Code
Louisiana Rev. Statutes, Title 9

are hereby excluded and negated for all purposes whatsoever hereunder.

This Conveyance is being executed pursuant to, and is subject to the terms and provisions of, the following agreements:

(1) Those certain Participation Agreements dated as of the Effective Time, by and between Grantor and Grantees, reference to whicb is here made for all purposes, and

(2) Those certain Management Agreements with Power of Attorney (collectively, the "Management Agreements") dated as of the Effective Time, by and between Compass Royalty Management LLC and Grantees, reference to which is here made for all purposes.

Notwithstanding anything contained herein to the contrary, the parties hereto do hereby UNDERSTAND, ACKNOWLEDGE and AGREE as follows:

1. GRANTOR HAS NOT MADE, AND GRANTOR HEREBY EXPRESSLY DISCLAIMS AND NEGATES, AND GRANTEES HEERBY EXPRESSLY WAIVE ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE RELATING TO (A) THE ACCURACY, COMPLETENESS OR MATERIALITY OF ANY INFORMATION, DATA OR OTHER MATERIALS (WRITTEN OR ORAL) NOW, HERETOFORE OR HEREAFTER FURNISHED TO GRANTEES BY OR ON BEHALF OF GRANTOR, (B) THE ACCURACY OF ANY DATA OR RECORDS CONCERNING THE QUALITY OR QUANTITY OF OIL, GAS OR OTHER HYDROCARBON RESERVES, IF ANY, ATTRIBUTABLE TO THE INTERESTS, (C) THE ENVIRONMENTAL

CONDITION OF THE INTERESTS, (D) ANY STATUTORY, EXPRESS OR IMPLIED WARRANTY OF MERCHANTIBILITY, (E) ANY STATUTORY, EXPRESS OR IMPLIED WARRANTY OF FITNESS FOR A PARTICLUAR PURPOSE, (F) ANY STATUTORY, EXPRESS OR IMPLIED WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, AND (G) ANY AND ALL STATUTORY, EXPRESS OR IMPLIED WARRANTIES EXISTING UNDER APPLICABLE LAW. IT IS THE EXPRESS INTENTION OF BOTH GRANTOR AND GRANTEES THAT THE UNDIVIDED INTEREST IN AND TO THE INTERESTS BEING CONVEYED HEREUNDER IS HEREBY CONVEYED TO GRANTEES IN ITS PRESENT CONDITION AND STATE OF REPAIR "AS IS" AND "WHERE IS" AND "WITH ALL FAULTS", THAT WITH RESPECT TO SUCH MATTERS GRANTEES ARE RELYING SOLELY UPON THEIR OWN INVESTIGATION AND THAT AS OF THE ACCEPTANCE OF DELIVERY OF THIS CONVEYANCE GRANTEES WILL HAVE MADE OR CAUSED TO BE MADE SUCH INSPECTIONS AS GRANTEES DEEM NECESSARY, ADVISABLE OR APPROPRIATE. GRANTOR AND GRANTEES AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED HEREIN ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER.

2. Notwithstanding anything contained herein to the contrary, unless or until Grantees or a Grantee shall cause a notice, certificate, affidavit or other instrument to be filed for record in the county or counties in which the Interests are located, Grantor shall have the right and each of the Grantees does hereby direct and authorize Grantor to collect and receive direct from any entity purchasing the oil, gas or other hydrocarbons produced, saved, sold and/or marketed from and/or attributable to the Interests (or any other purchaser of such production) all of Grantees' interests in the proceeds from the sales of same. Grantor shall receive such proceeds as the Agent for Grantees and, after deducting therefrom all sums due and owing by Grantees to Grantor, if any, remit the balance of said proceeds, if any, to Grantees, such remittance to be by Grantor's check forwarded or mailed to Grantees; provided, however, that no third party purchaser of production shall be required to see the application by Grantor of any proceeds paid to Grantor hereunder and such third party purchaser shall have no liability to Grantees or anyone claiming by, through or under Grantees by reason of the payment of such proceeds to Grantor, as the Agent for Grantees, as herein provided unless and until such third party purchaser shall have received a recorded copy of the above referenced notice, certificate, affidavit or other instrument. Nothing contained herein shall be deemed a transfer of title to Grantees' share of the proceeds herein described and, to the extent the proceeds received by Grantor for Grantees' account exceed the amounts then due by Grantees to Grantor as described above, if any, such proceeds shall remain the property of Grantees until paid over by Grantor to Grantees. Grantor shall have the right to commingle proceeds received by it with other similar proceeds received by Grantor. Notwithstanding anything contained in this provision to the contrary, the terms and provisions of this provision shall not create a fiduciary relationship, whether legal or quasi-legal, whereby Grantor can be held liable for breach of such relationship. Grantor hereby reserves any and all surface rights, possessory rights, net profit interests and so-called "working interests", which rights and interests are not intended to be transferred to the Grantees.

Michigan Properties Only, if any: The Grantor grants to Grantees the right to make zero divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operation. Generally acceptable agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act.

IN WITNESS WHEREOF, this Quit Claim Deed is executed this 1st day of November, 2006, but shall be effective as of the Effective Time.

GRANTOR:

WINDOM ROYALTIES LLC, a subsidiary of Noble Royalties, Inc.

By: A. Scott Noble

A. Scott Noble, President of
Noble Royalties, Inc., Sole Member

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was sworn to and acknowledged this 1st day of November, 2006, before the undersigned, a Notary Public, duly commissioned, qualified and acting, within and for said State, and there appeared in person the within named A. Scott Noble to execute such instrument, stating his respective capacities in that behalf, to me personally well known, who stated that he was President of Noble Royalties, Inc., a Texas Corporation, the sole member of Windom Royalties LLC, a Texas Limited Liability Company, on behalf of said company, and was duly authorized in his respective capacities to execute the foregoing instrument for and in the name and behalf of Windom Royalties LLC, a subsidiary of Noble Royalties, Inc., whose address is 15601 Dallas Parkway, Suite 900, Addison, TX 75001, and further stated and acknowledged that he has so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

Angela R. Korthauer

ANGELA R. KORTHAUER
Notary Public, State of Texas
My Commission Expires 03-29-08

Printed Name: Angela R. Korthauer
Notary Public in and for said County and State
My Commission Expires: March 29, 2008
Acting in Dallas County

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EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas
County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
005410		747	307
005408		747	288

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
PASCOE FAMILY INVESTMENTS, LLC	9400 ETCHART ROAD	BAKERSFIELD	CA	93314	0.00765844
GNI OIL AND GAS, LLC	841 BISHOP STREET, SUITE 1000	HONOLULU	HI	96813	0.04611533
FREDRICK AND SUSAN ASHBAUGH REVOCABLE LIVING TRUST UTD 8-22-96	104 SUSSEX COURT	BELTON	MO	64012	0.00271751
FET TATUM REALTY, LLC	157 TIMBERTON DRIVE	HATTIESBURG	MS	39401	0.00658790
CHARLES H PHILLIPS AND LINDA PHILLIPS TRUSTEES OF THE PHILLIPS LIVING TRUST DATED 4/29/89	17922 MEDLEY DRIVE	ENCINO	CA	91316	0.00494093
MDC PARTNERS, LP	107 ROYAL GARDEN TERRACE	MADISON	MS	39110	0.00164698
JOHN DAVID GRISEBAUM	6803 PASCAL COURT	AUSTIN	TX	78746	0.00329395
RICHARD P KONDO	958 MASS AVENUE	LEXINGTON	MA	02420	0.00271751
THE ERNA MARTIN BUETEL TRUST DTD AUGUST 21, 1986	1754 HUMPHREY DRIVE	CONCORD	CA	94519	0.00402083
BENJAMIN WHITE	4685 FRANKLIN POND ROAD	ATLANTA	GA	30342	0.00164698
MITCHELL 5, INC.	3045 PINEY WOODS COURT SE	CEDAR RAPIDS	IA	52403	0.00823488
EDGAR W GEE AND ALICE C L GEE	3411 ARDEN CREEK ROAD	SACRAMENTO	CA	95825	0.00164698
LOREN E SNYDER	P O BOX 1989	FRASER	CO	80442	0.00164698
LENEXA PLAZA INVESTORS, INC.	505 HILLCREST E.	LAKE QUIVIRA	KS	66217	0.00658790
PREMIER TRUST, INC. AGENT FOR DAVIDSON FAMILY TRUST	2700 W SAHARA AVENUE, SUITE 300	LAS VEGAS	NV	89102	0.00164698
OLAF E GJOVIK	2780 E Route 34	SANDWICH	IL	60548	0.00164698
MIN JEN SHAO AND TESSA SHAO	10769 JUNIPER COURT	CUPERTINO	CA	95014	0.00164698
BAYSTATE CONDOMINIUMS, LLC	956 MASS AVENUE	LEXINGTON	MA	02420	0.00164698
VICTORIAN INN OF PARIS, INC.	541 PARK PLACE DRIVE	HEWITT	TX	76643	0.00658790
MICHAEL KC & FANNY DEA LAI	25877 UNDERWOOD AVENUE	HAYWARD	CA	94544	0.00164698
BERNARD A STOECKMAN AND BONITA M STOECKMAN	13880 CO ROAD 30	MAYER	MN	55360	0.00164698
L MARIE DUBUQUE	12808 TOPPING WOODS ESTATES	ST LOUIS	MO	63131	0.00305291
S R BLESS INVESTMENTS, LLC	55499 LAKEPOINT DRIVE	BASS LAKE	CA	93604	0.00164698
MCCLURE OHANA PROPERTIES, LLC	4674 CRAWFORD COURT	SAN DIEGO	CA	92120	0.00419979
DOT DEVELOPMENT CORP	39262 DE LUZ ROAD	FALLBROOK	CA	92028	0.00672897
LARRY R BROOKHART AND ELLEN R BROOKHART	P O BOX 367	HARWICH	MS	02645	0.00193308
ELIZABETH FRANCISKA BRACKMANN	644 SCENIC ROAD	COLGATE	WI	53017	0.00988186
BYRON PARSONS TTEE FIRST RESPONDER EMERGENCY MEDICAL PSP DTD 4/01/92	4171 RIO BRAVO	CHICO	CA	95973	0.00164698
GAIL JOHNSON MILLER TRUSTEE OF THE MILLER FAMILY TRUST DTD 7/13/84	5 WILDWOOD COURT	OROVILLE	CA	94966	0.00164698
STEVEN K STERZER, MD, INC, PENSION PLAN	621 LANGEL COURT	CHICO	CA	95973	0.00164698
SHIELDS RENTALS, LP	641 CHERRY GLEN CIRCLE	NASHVILLE	TN	37215	0.00468538
A MUZE, LLC	5771 CYRSTAL CREEK LANE	WASHINGTON TOWNSHIP	MI	48094	0.00247046
THE BOBMAR TRUST, DATED JUNE 24, 1994	10118 LURLINE AVENUE	CHATSWORTH	CA	91311	0.00164698
D&R FAMILY LP, A NEVADA LP, PTL FUNDING INC, GP, ROBERT DE KLOTZ, PRESIDENT	P O BOX 7	LA HABRA	CA	90633	0.00176147
HUCUL OIL, LLC	48674 HARBOR DRIVE	NEW BALTIMORE	MI	48047	0.00164698
MICHAEL P KANAN	44265 BOULDER DRIVE	CLINTON TWO	MI	48038	0.00329395
INGRID M BANGERS	P O BOX 80274	LINCOLN	NE	68501	0.00164698
KENNETH D MACKNET, M.D. AND ELAINE MACKNET	11306 MOUNTAINVIEW, #C	LOMA LINDA	CA	92354	0.01509829
ROBERT C AND KATHLEEN M SANGSTER CHARITABLE REMAINDER TRUST	403 VIA LIDO SOUD	NEWPORT BEACH	CA	92663	0.00164698
KAREN N CRANE-MCNAB	5500 E S BEAR CREEK DRIVE	MERCED	CA	95340	0.00584590

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
ARA KASPARIAN DBA AK CO	11700 MARIPOSA BAY I-N	NORTHRIDGE	CA	91326	0.00164698
THOMAS PAINE 2006 TRUST DTD OCTOBER 13, 2006, ERIC M SCHWARTZ, TTEE	P O BOX 1465	PHILOMATH	OR	97370	0.00247046
DANIEL CAMEJO AND JACQUELINE CAMEJO	3100 NORTH OCEAN BLVD, # 2709	FORT LAUDERDALE	FL	33308	0.00494093
BRUCE HUNTRESS KENDALL, JR AND ANDREA YEE	5340 KINCHELDE DRIVE	LOS ANGELES	CA	90041	0.00164698
WAYNE E ARNOLD, FAMILY TRUST DATED FEBRUARY 16, 1994	1655 WEST 154TH PLACE	GARDENA	CA	90247	0.00329395
JACK BODGER AND CYNTHIA BODGER	745 SANDY DALE DRIVE	NIPOMO	CA	93444	0.00164698
MICHAEL WYMAN	248 VIA LA CUMBRE	GREENBRAE	CA	94904	0.00164698
ALLEN BURNHAM	15905 STILLWOOD, #2083	DALLAS	TX	75248	0.00164698
RONALD S PETERSEN TRUST	312 WINDFAIR COURT	LAS VEGAS	NV	89145	0.00164698
NANCY E MONTESI	99 DAWN DRIVE	WESTTOWN	NY	10998	0.00164698
MARIE E NEVINS	468 HULSETOWN ROAD	CAMPBELL HALL	NY	10916	0.00164698
PERSHING LLC FBO PAUL I DILCHER IRA ACCT# 6NM-092502	ONE PERSHING PLACE	JERSEY CITY	NJ	07399	0.00494093
ROBERT EARLE ALLEN	685 SPRING STREET, #108	FRIDAY HARBOR	WA	98250	0.01976371
RAM DEVELOPMENT GROUP	685 SPRING STREET, #108	FRIDAY HARBOR	WA	98250	0.01152883
CONSTANCE T LUCY GST TRUST	7495 WEST LAYTON PLACE	LAKEWOOD	CO	80123	0.00461153
JOHN W MANSKE REVOCABLE TRUST	4075 ONEIDA STREET	DENVER	CO	80237	0.00702288
EDWARD E MILLER	5093 OAK GROVE LANE	HIGHLAND	UT	84003	0.00164698
OWL VENTURES, LLC	1000 SOUTH 1000 EAST	MAPLETON	UT	84664	0.00411744
E & B LARSEN FAMILY INVESTMENTS, LLC, ERIK LARSEN AND BRENDA LARSEN MANAGERS	252 NORTH 950 EAST	OREM	UT	84097	0.00271751
THE EILEEN POND BRUNT FAMILY TRUST	234 N PAINTED HILLS DRIVE	IVINS	UT	84738	0.00164698
THE REED TRUST DATED JUNE 1, 2005, DAVID S REED TRUSTEE AND ELEANOR REED TRUSTEE	220 NORTHSHORE DRIVE	GREENBACK	TN	37742	0.00164698
BERNETTA F BURSTYN REVOCABLE LIVING TRUST DATED FEBRUARY 17, 2003	580 UTAH	ROCHESTER HILLS	MI	48307	0.00329395
BEST INVESTMENT SERVICES, INC	145 KNOBBY VIEW	HIGHLAND	MI	48356	0.00247046
TIMOTHY ALLWARDT AND MARY DOLORES ALLWARDT	2715 N. MILDRED AVE.	CHICAGO	IL	60614	0.00419979
GORDON B KNIGHT REVOCABLE LIVING TRUST	1221 VOLLMERS	COMMERCE TOWNSHIP	MI	48390	0.00164698
THE CHRISTOPHER B KNIGHT TRUST	50285 FELLOWS HILL	PLYMOUTH HILL	MI	48170	0.00164698
JAMES DAVID CAHILL	13747 HAMMOCK CAY DRIVE	JACKSONVILLE	FL	32225	0.00255694
DIANA P MACE	4021 SW 4TH AVENUE	OCALA	FL	34474	0.00164698
JEFFREY D KLATT	5668 COMSTOCK COURT	SAN DIEGO	CA	92111	0.00346995
PENDLETON FAMILY TRUST DTD July 9, 1990	1312 NEPTUNE AVENUE	ENCINITAS	CA	92024	0.00164698
SEACON CONSTRUCTION EMPLOYEE RETIREMENT PLAN	175 POINDEXTER AVE.	MOORPARK	CA	93021	0.00164698
JOAN D NIMTZ FAMILY TRUST DTD 7/1/99	1466 BATHURST PLACE	EL CAJON	CA	92020	0.00164698
THE STOLL FAMILY TRUST DATED 7/21/88	10545 PINE FALLS COURT	SAN DIEGO	CA	92131	0.00164698
THE MCCAMON FAMILY TRUST DATED 10-1-02	1333 INDEPENDENCE WAY	VISTA	CA	92084	0.00164698
DANIEL JEROME STOLL AND JOANN STOLL TRUST DATED 9/11/1987	1737 BERYL STREET	SAN DIEGO	CA	92109	0.00988186
PMA REALTY SERIES, LLC	1578 HUNTING HOUND LANE	BARTLETT	IL	60103	0.01153367
THE GORDON E NIMTZ FAMILY TRUST, DATED MARCH 11, 1999	12324 SANTIAGO ROAD EAST	SAN DIEGO	CA	92128	0.00166470
BARRY LIMITED PARTNERSHIP	5716 TULANE STREET	SAN DIEGO	CA	92122	0.00247046

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
HYLEN TRUST DATED MARCH 27, 1991, AS AMENDED	5146 CHELTERHAM TERRACE	SAN DIEGO	CA	92130	0.00616381
DYNAMIC PLUMBING SYSTEMS, INC.	5920 WINTERHAVEN AVENUE	RIVERSIDE	CA	92504	0.00164698
PGMGI TTEE FBO STANDARD GROUP REINSURANCE CO., LTD., STEVE BURKE, TTEE	600 EAST LAS COLINAS BLVD, SUITE 900	IRVING	TX	75039	0.00164698
PERSHING LLC FBO THE ROBERT AND KAREN MANKIN TRUST, DTD 11/19/02, ROBERT G MANKIN, TTEE AND KAREN S MANKIN, TTEE ACCOUNT #5HQ 016154	17273 OWL TREE ROAD	RIVERSIDE	CA	92504	0.00205872
JOAN F WELCH REVOCABLE LIVING TRUST	108 RAINTREE COURT	NICHOLASVILLE	KY	40356	0.00164698
LILY HING PING SIU	1000 CRESTVIEW DRIVE	MILLBRAE	CA	94030	0.00329395
COT GIANG AND NGO BEO GIANG REVOCABLE TRUST	2821 MORAGA STREET	SAN FRANCISCO	CA	94122	0.00197637
PERSHING LLC FBO NANETTE BUCCOLA, TRUSTEE, NANETTE BUCCOLA SEPARATE PROPERTY TRUST DTD 10/25/06 ACCNT HQ0020966	ONE PERSHING PLACE	JERSEY CITY	NJ	7399	0.00164698
ROBERT L SIMON AND D'MARIE SIMON AS TRUSTEES OF THE 1986 SIMON FAMILY TRUST	325 BELLAIRE STREET	DEL MAR	CA	92014	0.00164698
DANIEL AND DONNA DARLING REVOCABLE TRUST DTD FEBRUARY 5, 1992, DANIEL DARLING AND DONNA DARLING, TTEES	6680 ALHAMBRA AVENUE, #423	MARTINEZ	CA	94553	0.00164698
BASTILLE LIVING TRUST	403 S MAGNOLIA AVENUE	TAMPA	FL	33606	0.00671555
DITCHED DAD REALTY TRUST	52 RUSSELL STREET	MALDEN	MA	02148	0.00164698
KENNETH W MORRIS AND HARVEY L MORRIS	2121 HAAS ROAD	APOPKA	FL	32712	0.00378341
MICHAEL AND NORMA HANSEN FAMILY TRUST	814 CARTER ACRES	MARTINEZ	CA	94553	0.00329395
LOIS J ADDUCI AND TRACY A LAIRD JTWROS	4424 TERRA GRANADA #3A ENTRY 14	WALNUT CREEK	CA	94595	0.00164698
ROBERT R AND PENELOPE A GUSTAFSON LIVING TRUST DATED JUNE 27, 2002	1591 LAVERNE WAY	CONCORD	CA	94521	0.00164698
BONNIE R WEISE	24328 MIDDLE FORK	SAN ANTONIO	AZ	78258	0.00164698
ANDREW HANS REGER AND GINA MARIE REGER	53 CRAVEN STREET	OCEAN ISLES BEACH	NC	28469	0.00164698
DOMINICK REALTY, LLC	5659 HIGH DRIVE	EVERGREEN	CO	80439	0.01979884
MARILYN BRODERSEN	36 SAND DOLLAR COURT	NEWPORT BEACH	CA	92663	0.00329395
CHARLES R DENNEY AND JOAN A DENNEY	3235 E PALMYRA	ORANGE	CA	92869	0.00576501
JOHN H HILL AND FRANCES B HILL 1988 TRUST DATED OCTOBER 14, 1988	2661 CHIOS ROAD	COSTA MESA	CA	92626	0.00164698
MARGARET ANN LEE REVOCABLE LIVING TRUST DATED 23 OCTOBER 2002	98-1066 ALANIA STREET	AIEA	HI	96701	0.00164698
WRENWICK KWOCK KOONG LEE RLT DTD OCTOBER 23, 2002	98-1066 ALANIA STREET	AIEA	HI	96701	0.00164698
FRAZIER FAMILY PARTNERSHIP, LP	537 WEST BROW ROAD	LOOKOUT MOUNTAIN	TN	37350	0.00659822
SMD INVESTMENTS LP	3205 BALLANTRAE LANE	PEBBLE BEACH	CA	93953	0.00823488
H J & K FAMILY LIMITED PARTNERSHIP	7095 HOLLYWOOD BLVD, SUITE 862	HOLLYWOOD	CA	90028	0.00329395
DENNIS AND PATRICIA MOREAU FAMILY TRUST	8865 MOCKINGBIRD CIRCLE	FOUNTAIN VALLEY	CA	92708	0.00197637
YAMATO TRUST DATED 9-30-88, ROBERT K YAMATO AND JUDITH S YAMATO, TTEES	8482 ASPENWOOD AVENUE	WESTMINSTER	CA	92683	0.00164698
ULYSSES E BAUER AND SHIRLEY A BAUER	P O BOX 81	FOREST FALLS	CA	92339	0.00164698
MARCIA READ SWEENEY LIVING TRUST	2354 PINE TREE LANE	EVERGREEN	CO	80439	0.00164698
SHARON S BELL	P O BOX 101	LITTLEFIELD	AZ	86432	0.00171286
OWEN A ELLIS AND SANDRA R ELLIS	7624 MALAMUTE DRIVE	EVERGREEN	CO	80439	0.00164698
ROBERT DUNCAN AND HEIDI DUNCAN JTWROS	2324 SHOREWOOD DRIVE	CARMICHAEL	CA	95608	0.00164698

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Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
LA CRUZ LP	27174 ORTEGA HWY	SAN JUAN CAPISTRANO	CA	92675	0.00164698
COOGAN FAMILY TRUST DATED 3-16-87	3814 CHANNEL PLACE	NEWPORT BEACH	CA	92663	0.00164698
IN YOUNG KIM AND YOOMI KIM, TRUSTEES OF THE KIM AND KIM TRUST DATED JANUARY 14, 2003	693 VIA CARRO	NEWBURY PARK	CA	91320	0.00164698
NIGHTHAWK ROYALTIES, LLC	18 E BURGUNDY LANE	HIGHLANDS RANCH	CA	80126	0.00823488
DAVID L BARRY TRUST	P O BOX 429	POWAY	CA	92074	0.00685643
THE SANDRA FARWELL EIKE REVOCABLE TRUST	50 BLACK ELK TRAIL	LARAMIE	WY	82070	0.00510563
JOHN B CUNNING AND CAROL A CUNNING, JTWROS	28 EAST LINDA VISTA AVENUE	ALHAMBRA	CA	91801	0.00322807
RICHARD L GREEN AND BETTYE J GREEN JTWROS	2146 PONTICELLO DRIVE	HENDERSON	NV	89052	0.00164698
QINGLING JENNY LU	27 CARSON	IRVINE	CA	92620	0.00329396
THE PAMELA GEORGES LIVING TRUST DTD 2-23-06	42755 BARACOA DRIVE	BERMUDA DUNES	CA	92203	0.00164698
THE THOMAS T GEORGES JR REVOCABLE TRUST FOR BENEFIT OF MICHELLE SCHAFFER	42755 BARACOA DRIVE	BERMUDA DUNES	CA	92203	0.00164698
OPPORTUNITY ENERGY INCOME FUND	1551 N TUSTIN AVENUE, SUITE 980	SANTA ANA	CA	92705	0.00658790
LESTER FAMILY, LLC	33105-116 SANTIAGO ROAD	ACTON	CA	93510	0.01741283
AUDREY W. ADAMS	8441 RAYLIN DR.	HOUSTON	TX	77055	0.00545531
CARL F BURGER AND GAIL S BURGER	P O BOX 725	WAUCONDA	IL	60084	0.00164698
THE SEIJI PAUL HORIO LIVING TRUST	P O BOX 28434	SANTA ANA	CA	92799	0.00164698
URIBE FAMILY TRUST "A" DTD 2-28-88	P O BOX 3948	JUSTIN	CA	92781	0.00241247
STEVEN CRAIG POTTER	312 ESCALONA DRIVE	CAPITOLA	CA	95010	0.00322758
TU NGUYEN AND HAI DAM TI	16 DECENTE STREET	IRVINE	CA	92614	0.00164698
JAMES SUN YU LAM REVOCABLE LIVING TRUST	94-1070 PULELO STREET	WAIPAHU	HI	96797	0.00296456
ALBERT C AND MARILYNN K SYKES FAMILY TRUST	6305 SEASIDE WALK	LONG BEACH	CA	90803	0.00205872
DENNIS W VOOS REVOCABLE FAMILY TRUST DTD 12/28/79, DENNIS W VOOS AND NAOMI J VOOS, TTEES	P O BOX 2042	GRANITE BAY	CA	95746	0.00164698
JOHN C ELLIS	2252 BEACH DRIVE UNIT 1102	GULFPORT	MS	39507	0.00164698
MICHAEL SOKOBIN AND HELENE SOKOBIN	6020 LINKS WAY	PORT ST LUCIE	FL	34986	0.00329395
THE MYRTLE I BOYKIN TRUST	P O BOX 27234	SAN FRANCISCO	CA	94127	0.00864662
IRA #13V086957 FBO HAROLD F DOENCH, PERSHING LLC AS CUSTODIAN	2230 S PATTERSON AVENUE #98	KETTERING	OH	45409	0.00247046
PERSHING LLC AS CUSTODIAN FBO RON L DELELLIS, IRA 6NX442763	ONE PERSHING PLACE	JERSEY CITY	NJ	07399	0.00164698
GORDON G PETRIE AND MELANIE S PETRIE	2200 MANITOU DRIVE	LINCOLN	NE	68521	0.00164698
ROGER L PETRIE AND CAROLINE S PETRIE	10500 N 56TH STREET	LINCOLN	NE	68514	0.00411744
JAMES H SPILKER	3930 N 44TH STREET	LINCOLN	NE	68504	0.00164698
CLEO F HOEGEMEYER AND DONALD W HOEGEMEYER	334C STREAMSIDE LANE - P O BOX 270	FRISCO	CO	80443	0.00259755
FRED BARRIE AND MARGARET BARRIE TTEES OF THE BARRIE LIVING TRUST DTD 9-20-1996	309 MORELS COURT	ROSEVILLE	CA	95747	0.00270598
CARL AND VIRGINIA LISCHESKE LIVING TRUST DTD 12/5/06	7428 GOOSEMEADOWS WAY	ROSEVILLE	CA	95747	0.00329395
PERSHING LLC FBO ROGER D NOLTE IRA #5NX476290	ONE PERSHING PLACE	JERSEY CITY	NJ	07399	0.00164698
ROBERT LANE AND SARA A LANE REVOCABLE FAMILY TRUST DTD 4-6-99	38 VALLEY CIRCLE	MILL VALLEY	CA	94941	0.00329395
1988 MUKAI LIVING TRUST, JIRO MUKAI AND MICHIKO MUKAI, TTEES	1161 MARLIN AVENUE	FOSTER CITY	CA	94404	0.00312200
1993 DONALD J CAMPBELL AND VIOLET M CAMPBELL REVOCABLE TRUST DTD 4/16/1993	31 OLCESE COURT	DALY CITY	CA	94015	0.00493094

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
FIRST FINANCIAL GROUP, LC	1987 SPRUCE HILLS DRIVE	BETTENDORF	IA	52722	0.00844899
MARCIA K CAMPBELL AND ERNIE L CAMPBELL	P O BOX 4298	LINCOLN	NE	68504	0.00329395
CAROL J LARKINS AND MICHAEL C LARKINS	3611 SOUTH 40TH	LINCOLN	NE	68506	0.00164698
TERRY G HAUGEN AND BARBARA J HAUGEN	1320 48TH AVENUE NE	ST PETERSBURG	FL	33703	0.00214107
GERALDEAN ANN NEWGAARD AND DAVID GORDON NEWGAARD, CO-TRUSTEES OF THE GERALDEAN ANN NEWGAARD REVOCABLE LIVING TRUST DTD MARCH 2, 2007	1505 SOUTH BAVARIAN PASS	FRIDLEY	MN	55432	0.00214107
SIERRA LEE, LLC	1987 SPRUCE HILLS DRIVE	BETTENDORF	IA	52722	0.00195990
PAULINE LESLEY TEASDALE ASSET PROTECTION TRUST	11231 CEDAR VIEW CIRCLE	SANDY	UT	84094	0.00164698
RICHARD B WETHERELL	1011 SOUTH CANYON CREST DRIVE	BOUNTIFUL	UT	84010	0.00164698
E W EVANS JR, NOBLE WINDOM ROYALTIES, LLC	7815 N CEDAR WAY	PARK CITY	UT	84098	0.00164698
JOHN B CUNNING AND CAROL A CUNNING, JTWROS	918 ALEX WAY	FORT COLLINS	CO	80526	0.00482647
JACQUELINE KANYA-MATZEN	1448 JEFFERSON STREET	SAN FRANCISCO	CA	94123	0.00284618
ER RESIDENTIAL INVESTMENTS, LLC	2154 VISTA LA NISA	CARLSBAD	CA	92009	0.00247046
DONALD DALE GERALDS	900 OGDEN AVENUE, #149	DOWNERS GROVE	IL	60515	0.00164698
DF LLC	1765 WEST HACIENDA AVENUE	CAMPBELL	CA	95008	0.00164698
DAVID R LOWTHER AND PAMELA C LOWTHER	22518 HARRIS ROAD	PHILOMATH	OR	97370	0.03293952
MAX M AND MARILYN H MATTHEWS LIVING TRUST	800 ASH, SUITE G	MCALLEN	TX	78501	0.00164698
SUSAN IVISON REVOCABLE TRUST	12494 ELM MEADOWS ROAD	RIVERTON	UT	84065	0.00164698
OBI ENTITIES, LLC, A FLORIDA LIMITED LIABILITY COMPANY	5020 CLARK ROAD, #316	SARASOTA	FL	34233	0.00823488
THE JENNINGS FAMILY REVOCABLE TRUST, WARD L JENNINGS AND JO M JENNINGS, TTEES	6137 BLACK GYPSUM COURT	SPARKS	NV	89436	0.00387108
TAE CHEOL AND JUNG TAICK MIN	115 YANKEE COURT	BEAVER	PA	15009	0.00775163
PATTI HULVERSHORN LIVING TRUST	116 ALOHA STREET	SEATTLE	WA	98109	0.00411744
MAN SUN WONG AND MICHELLE M WONG	4408 121ST PLACE SE	EVERETT	WA	98208	0.00164698
WOODLEY PROPERTIES, LLC	P O BOX 816	WASHOUGAL	WA	98671	0.00164698
NEAL SKOK AND JANET SKOK	13796 NE 78 PL	REDMOND	WA	98052	0.00329395
THE JOHNSTON FAMILY TRUST, WILLIAM H JOHNSTON AND JOAN JOHNSTON, TTEES	3822 SKYVIEW LANE	FAIRFAX	VA	22031	0.00164698
CHING FAMILY TRUST DTD 5/02/01, GEORGE NIEW KEE CHING, JR. AND YOKO ISA CHING, TTEES	116 NORTH PLAZA STREET	BRAWLEY	CA	92227	0.00329395
KEITH RAYMOND LAWS AND HAZEL JEAN LAWS, HUSBAND AND WIFE	3226 FAIRFIELD ROAD SE	OLYMPIA	WA	98501	0.00999999
STERLING TRUST COMPANY FBO JOHN MICHAEL WELTZIEN, IRA #096456	7901 FISH POND ROAD	WACO	TX	76710	0.00164698
STERLING TRUST CO FBO JOAN WELTZIEN, Solo 401 (k) #Q08981	7901 FISH POND ROAD	WACO	TX	76710	0.00164698
RICHARD B SANFORD AND MARGARET M SANFORD - COMMUNITY PROPERTY	9903 ALDWELL COURT	HOUSTON	TX	77064	0.00164698
JOHN D MILLER REVOCABLE LIVING TRUST DATED 7/11/06	P O BOX 93	CRYSTAL BAY	MN	55323	0.01646976
KASTMAN OIL COMPANY	P O BOX 5930	LUBBOCK	TX	79408	0.00500000
LATIGO RANCH, LLC	P O BOX 2391	ROSWELL	NM	88202	0.00411744
FCC LLC FBO RICHARD A BILLS, IRA	5429 LBJ FREEWAY, #400	DALLAS	TX	75240	0.00164698
LAWRENCE J ALTER MD AND RANDI K ALTER TIC	1715 DOWLING DRIVE	IRVING	TX	75038	0.00164698
KEENAN AND WHITE DEFINED BENEFIT PLAN	9932 QUEENS QUARTER DRIVE	FRISCO	TX	75034	0.00164698
THE CHANNAVE FAMILY TRUST #3 DATED OCTOBER 21, 1982	1759 ALTA LA JOLLA DRIVE	LA JOLLA	CA	92037	0.00164698
CHURCHILL RETIREMENT INCOME, LLC	21 LYNNFIELD	IRVINE	CA	92620	0.00164698

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Grantee Name	Address	City	State	Zip	Decimal Interest
FERNWOOD MANAGEMENT, LLC	3099 EAST 1850 NORTH	LAYTON	UT	84040	0.00329395
JAYDELL BUXTON AND JUDY BUXTON	1050 W RED HILLS PARKWAY, #97	WASHINGTON	UT	84780	0.00329395
SILVERLEAF HOLDINGS, LLC	4317 LYNN LANE	SALT LAKE CITY	UT	84124	0.00164698
DELANIE A WEBB	2384 WEST 800 NORTH	PROVO	UT	84601	0.00230443
GORDON FAMILY REVOCABLE TRUST, RICHARD F GORDON TTEE	160 S 300 WEST, SUITE 120	SALT LAKE CITY	UT	84302	0.00173843
RICHARD F GORDON	160 SOUTH 300 WEST #120	SALT LAKE CITY	UT	84101	0.01159674
HAROLD L SHETLER AND JOYCE I SHETLER	2552 E 3708 N	TWIN FALLS	ID	83301	0.00236225
RANDALL K BENNETT AND SHELLEY D BENNETT	369 AERIE CIRCLE	NORTH SALT LAKE	UT	84054	0.02455940
JAMES REES JENSEN AND VIRGINIA U JENSEN JTWROS	3834 BROCKBANK DRIVE	SALT LAKE CITY	UT	84124	0.00164698
THE BAUKE FAMILY TRUST	5762 OKEECHOBEE BOULEVARD	WEST PALM BEACH	FL	33417	0.00331242
LAURA LEILA FANNING AND CHARLENE FANNING JOINT TENANTS	333 SOUTH 61ST AVENUE, UNIT #1	PENSACOLA	FL	32506	0.00164698
SALLY SHINKLE AND VERNON SHINKLE LIVING TRUST	P O BOX 223	TETONIA	ID	83452	0.00329395
FLANAGAN REVOCABLE TRUST DATED 12/14/2000, FINTAN M FLANAGAN AND/OR CAROL DEAN FLANAGAN TRUSTEES	11428 QUAIL VILLAGE WAY	NAPLES	FL	34119	0.01490843
FLANAGAN ENTERPRISES, INC.	11428 QUAIL VILLAGE WAY	NAPLES	FL	34119	0.02343976
RICHARD D MILLER AND JANE F MILLER	1885 BOARDWALK	ST JOSEPH	MI	49085	0.00411744
DAVID E PRUE REVOCABLE TRUST U/A/D 05-25-1995, DAVID E PRUE TTEE	31893 S RIVER ROAD-F	HARRISON TWP	MI	48045	0.00164698
KYLE RAY GRAHAM	9727 WEST 10TH STREET NORTH	WICHITA	KS	67212	0.00164698
LINDA HANSON	1717 SOUTH BLVD	EDMOND	OK	73013	0.00164698
MARSHALL A JOHNSON LIVING TRUST	5550 OAKMAN BLVD	DETROIT	MI	48204	0.00164698
THE DOUGLAS M ALLAN AND BARBARA J ALLAN REVOCABLE LIVING TRUST AGREEMENT	P O BOX 2218	KIRKLAND	WA	98083	0.00164698
STEVEN H PODOLSKY REVOCABLE TRUST U/A/D 5/27/80, STEVEN H PODLOSKY, TTEE	2141 MALLARD DRIVE	NORTHBROOK	IL	60062	0.00370570
MILTON PODOLSKY REVOCABLE TRUST U/A/D 5/26/78	180 E PEARSON, #3606	CHICAGO	IL	60611	0.00247504
LYNN E SCHACHINGER REVOCABLE LIVING TRUST DTD 5/27/04 AS AMENDED AND DONNA L SCHACHINGER AND HER SUCCESSORS OF THE DONNA L SCHACHINGER REVOCABLE LIVING TRUST DTD 5/27/04	6763 COLONY DRIVE	WEST BLOOMFIELD	MI	48323	0.00181187
IRIS D PODOLSKY REVOCABLE TRUST U/A/D 5/27/80	2141 MALLARD DRIVE	NORTHBROOK	IL	60062	0.00046595
THE IRIS D PODOLSKY LLC	2141 MALLARD DRIVE	NORTHBROOK	IL	60062	0.00046792
PODOLSKY ANNUAL GIFT TRUST FOR TERRI PODOLSKY, U/A/D 12/20/83	3100 DUNDEE ROAD, SUITE 502	NORTHBROOK	IL	60062	0.00094537
PODOLSKY ANNUAL GIFT TRUST FOR ALANA PODOLSKY, U/A/D 12/20/83	3100 DUNDEE ROAD, SUITE 502	NORTHBROOK	IL	60062	0.00094537
ROBERT STOMMEL	10730 N HAMPSHIRE	FRESNO	CA	93720	0.00164698
J NORMAN WILKINS AND MARYLOU WILKINS REVOCABLE LIVING TRUST	12432 MESA DRIVE	MADERA	CA	93637	0.00164698
MAX G RUF AND HILDEGARD RUF LIVING TRUST	929 W LEADORA	GLENDORA	CA	91741	0.00164698
ERIC C THORMODSGARD	5956 CAMINITO ELEGANTE	SAN DIEGO	CA	92108	0.00164698
FCC LLC FBO THOMAS L THOMPSON, IRA#83740427	10700 WHEAT FIRST DRIVE	GLEN ALLEN	VA	23060	0.00164698

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Grantee Name	Address	City	State	Zip	Decimal Interest
MICHAEL L THURLOW & LINDA J THURLOW LIVING TRUST UAD 2/5/04, MICHAEL L THURLOW AND LINDA J THURLOW, TTEES	610 INVERNESS COURT SE	SALEM	OR	97306	0.00164698
ARNOLD C GREENBERG	61 SOUTH MAIN STREET, SUITE 211	WEST HARTFORD	CT	06107	0.00164698
MARGARET HUSSEY LIVING TRUST, MARGARET M HUSSEY , TTEE	14811 LENZE DRIVE	TAVARES	FL	32778	0.00164698
DEFOREST PROPERTIES, LLC	2836 FAIRMONT ROAD	WINSTON-SALEM	NC	27106	0.00164698
PERSHING LLC FBO RICHARD W MCMANUS IRA 5VF-001595	ONE PERSHING PLACE	JERSEY CITY	NJ	07399	0.00164698
JJB ROYALTY, LLC	38 WEDGEMERE CIRCLE	THE WOODLANDS	TX	77381	0.00329395
KESTER FAMILY TRUST DATED 5-17-95	P O BOX 332	SANTAQUIN	UT	84655	0.00411744
DARYL MORRISON TRUST, DARYL MORRISON TTEE	707 N GEORGE WASHINGTON	YUBA CITY	CA	95993	0.00164698
DAVID GEORGE FOPPIANO AND ELLA FOPPIANO REVOCABLE TRUST MARCH 9, 1999	1424 BERWICK DRIVE	CAMBRIA	CA	93428	0.00494093
ANTONIA M. PETRAKOS	345 MCLOUD DR	FORT LEE	NJ	07024	0.00741768
NANCY P LEVIN, TRUSTEE OF THE ADAMSON STREET REAL ESTATE TRUST	18 PEACOCK FARM ROAD	LEXINGTON	MA	02421	0.01152863
MICHAEL JOHN FISCH	22211 CLIFF AVENUE SOUTH, UNIT #204	DES MOINES	WA	98198	0.00769307
JNP ENERGY LLC	P O BOX 9807	DENVER	CO	80209	0.01000000
RM PROPERTIES, LLC, RAYMOND J BASTA, MARK A PIERCE AND ERIC H PIERCE, ALL MEMBERS	3765 SALES ROAD	BELGRANDE	MT	59714	0.00306338
GORDON C. GEORGE TRUST	P.O. BOX 787	DANVILLE	CA	94526	0.00247046
CYRUS R GRIFFIN AND SUSAN G GRIFFIN	593 GRANDVIEW ROAD	SEBASTOPOL	CA	95472	0.00823488
RICHARD J SHAW AND MAY J SHAW	3385 S CHERRY STREET	DENVER	CO	80222	0.00205872
KARL OHS	133 ALFALFA ROAD	HELENA	MT	59602	0.00164698
BRIAN DONALD RICHARDS	1125 AZUSA STREET	SACRAMENTO	CA	95833	0.01317581
DAB GAS AND OIL LLC	15721 BERNARDO HEIGHTS PARKWAY, SUITE B-409	SAN DIEGO	CA	92128	0.01646976
SAS GAS AND OIL LLC	15721 BERNARDO HEIGHTS PARKWAY, SUITE B-409	SAN DIEGO	CA	92128	0.01646976
THE RUTH C MCGARY CHARITABLE REMAINDER UNITRUST	111 WINTERGREEN COURT, #70	HAMPDEN	ME	04444	0.00247046
REX J REINHART AND JEAN REINHART JTWROS	P O BOX 562	JESUP	IA	50648	0.00164698
THOMAS L JASPER REVOCABLE TRUST	3256-170TH STREET	MASONVILLE	IA	50654	0.00164698
JEFFREY J WIELAND	2180 DOUBLE L DRIVE	INDEPEDENCE	IA	50644	0.00164698
AIDA E SILVA, LLC	533 SANTA RITA DRIVE	MILPITAS	CA	95035	0.00164698
GVENTURES, LLC	6444 LAVENDALE AVENUE	DALLAS	TX	75230	0.00205872
RICHARD W MUNN	63 N. GREENVINE CIRCLE	THE WOODLANDS	TX	77382	0.00330000
WILEY FAMILY HOLDINGS LLC	15601 N DALLAS PKWY, SUITE 900	ADDISON	TX	75001	0.00222342
N NOBLE FLP, LLP	15601 DALLAS PKWY, SUITE 900	ADDISON	TX	75001	0.00171542

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Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA A/K/A					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
	H.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	692/419
	POE, GRADY R. JR. A/K/A GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 96					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 8	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 166	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 8 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1998	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1998	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 60- 8 SEC 15	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 60- 8 SEC 15	REEVES	TX	10/1/1998	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1998	570/647 & 636/610

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EXHIBIT C

Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 8 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610

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EXHIBIT C

Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL.	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

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# 3857

FILED FOR RECORD ON THE 17TH DAY OF SEPTEMBER A.D. 2007 2:44 P. M.

DULY RECORDED ON THE 25TH DAY OF SEPTEMBER A.D. 2007 1:00 P. M.

BY: [signature] DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

N NOBLE FLP LLP

TO

NOBLE ROYALTY ACCESS FUND I LP

QUITCLAIM DEED

DATED:	11/01/2007
FILED:	01/11/2008
BOOK/PAGE:	781/486
FILE NUMBER:	389-781-486
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL RIGHTS

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FILE#157

QUIT CLAIM DEED
(All of Grantor's Interest)

State: **Texas**

County: **Reeves**

Grantor: **N Noble FLP LLP**
15601 Dallas Parkway, Suite 900
Addison, TX 75001

Grantee: **Noble Royalty Access Fund I LP**
a Delaware Limited Partnership
15601 Dallas Parkway, Suite 900
Addison, TX 75001

Effective Date: November 1, 2007

For adequate consideration, Grantor, named above, conveys, assigns, and quit claims to Grantee, named above, and Grantee's heirs and assigns, all of Grantor's rights, title, and interests to all mineral, royalty and overriding royalty interests, if any, acquired in the document(s) referenced on Exhibit "A" attached hereto and incorporated herein for all purposes to the extent necessary for recording purposes.

Grantor deems itself to have conveyed, assigned, and quit claimed to Grantee all of Grantor's mineral, royalty and overriding royalty interests acquired in the document(s) referenced on **Exhibit "A"** attached hereto, and owned by Grantor on the Effective Date stated above, Grantor shall not have, claim, or demand any rights, title, or interests in the Lands or any part of the Lands.

This Quit Claim Deed is signed by Grantor as of the date of acknowledgment of Grantor's signature below, but is effective for all purposes as of the Effective Date stated above.

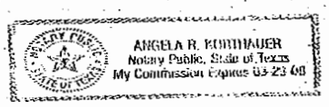
Grantor:

A. Scott Noble

A. Scott Noble, General Partner

STATE OF TEXAS)
COUNTY OF DALLAS)

On this 1st day of November, 2007, before me, Angela R. Korthauer, a Notary Public, duly commissioned within and for said County and State, appeared in person the within named A. Scott Noble, General Partner of N Noble FLP LLP to execute such instrument, and further stated and acknowledged that he had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.



Angela R. Korthauer
Printed Name: Angela R. Korthauer
Notary Public in and for said County and State
My Commission Expires: 3-29-08
Acting in Dallas County

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EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas

County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
003857	OPR	773	665

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EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA AIKIA					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
	N.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	682/416
	POE, GRADY R. JR. AIKIA GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 96					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34 bbl jon	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

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EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

VOL. 781 PAGE 491

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 30	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 30	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC. 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL.	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

SAID PURCHASER ASSUMES ALL RISK AS TO THE VALIDITY OF GRANTOR'S TITLE OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OF TITLE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW

FILE# 157

FILED FOR RECORD ON THE 11TH DAY OF JANUARY A.D. 2008 4:57 P.M.

DULY RECORDED ON THE 14TH DAY OF JANUARY A.D. 2008 2:00 P.M.

BY: Jane Stone, DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

MARTHA CHAPMAN FOWLER

TO

RYAN L FOWLER ET AL

GIFT WARRANTY DEED

DATED:	03/03/2008
FILED:	03/07/2008
BOOK/PAGE:	785/721
FILE NUMBER:	389-785-721
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ORRI IN SHALLOW DEPTHS

BOOK 785 PAGE 721

FILE#871

GIFT DEED

For valuable consideration, including love and affection, the receipt of which is hereby acknowledged, Martha Chapman Fowler ("**Grantor**") does hereby grant and convey all of the overriding royalty interests of the Grantor in the property located in Reeves County, Texas, described on Exhibit A hereto, to the persons named below ("**Grantees**") in the proportions stated:

Ryan L. Fowler 47-499 Ahuimanu Rd. Kaneohe, HI 96744	½
Erin F. Cisneros 3277 Mapu Place Kihei, HI 96753	½

This conveyance is made subject to applicable unit agreements, operating agreements, and pooling agreements, if any, and to rights now existing in favor of any lessee or assigns under any valid and existing oil and gas lease or leases heretofore executed and now of legal record, and Grantees shall receive and enjoy the undivided interests herein granted in the royalties and other benefits which may accrue under any such lease or leases from and after the date hereof just as if Grantees had been at the date of making each such lease the owner of the undivided interest described above in the lands covered by said leases and none other and the lessor therein.

Further, this conveyance is intended to convey and does hereby convey Grantor's interest in and to the leasehold acreage, together with Grantor's property and rights incident thereto, and including all rights in, to and under all unit agreements, lease agreements, leases, permits, easements, licenses and orders in any way relating thereto, and including pooled or unitized areas, and other interests and lands to which they pertain.

Dated March 3, 2008.

Martha Chapman Fowler

STATE OF HAWAII §
§
COUNTY OF MAUI §

The foregoing instrument was acknowledged before me on 3-3, 2008, by Martha Chapman Fowler

Notary Public, State of Hawaii
Printed Name: Karen Siangco
Commission Expires: 7/5/09

H:\DOCSWL\CVFOWLER\MARTHA\gifted-reeves.wpd

BOOK 78 PAGE 72

EXHIBIT A

Reeves County, Texas

1. E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4,695 feet, SAVE AND EXCEPT the proration unit for the G.A. Wynne B #3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2,950 feet.

2. W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 3,194 feet.

H:\DOCS\WLC\FOWLER\MARTHA\gifted-reeves.wpd

FILE# 871

ON USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW

FILED FOR RECORD ON THE 7TH DAY OF MARCH A.D. 2008 2:16 P. M.

DULY RECORDED ON THE 14TH DAY OF MARCH A.D. 2008 11:00 A. M.

BY: Florez, DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

OBI ENTITIES LLC

TO

WINDOM ROYALTIES LLC ET AL

CONVEYANCE

DATED:	09/15/2009
FILED:	12/10/2009
BOOK/PAGE:	833/418
FILE NUMBER:	389-833-418
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: NONE

BOOK 833 PAGE 418

FILE # 3799

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

CONVEYANCE

(Windom Properties)

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

This Conveyance is effective for revenue received by the Manager Compass Royalty Management LLC after the cutoff date for the November 30, 2008 distribution, (the "**Effective Time**") and is by and between **OBI Entities, LLC, A Florida Limited Liability Company** (hereinafter individually and collectively referred to as "**Grantor**"), and **the entity or entities identified on Exhibit D-1 and Exhibit D-2 attached hereto** (hereinafter individually and collectively referred to as "**Grantee**"), with an address of 15601 N. Dallas Parkway, Suite 900, Addison, TX 75001.

RECITALS

(A) The term "**Interests**" sball be defined as all of the mineral interests, royalty interests, and/or overriding royalty interests in and to all of the leases, lands, depths and wells which are described in and conveyed by the Assignments as hereinafter defined, including any new or additional leases, lands, depths and wells

(B) The term "**Assignments**" shall be defined as all of the deeds, instruments of conveyance and/or assignments listed on **Exhibit A** attached hereto and incorporated herein for all purposes, which deeds, instruments of conveyance and/or assignments cover certain mineral interests, royalty interests and/or overriding royalty interests in and to the leases, lands, depths and wells more particularly described and/or referred to therein, including any new or additional leases, lands, depths and wells.

(C) To the extent required for recording in any particular county, parish or jurisdiction in which any land affected by any of the Assignments is located, a legal description of such land is attached hereto as **Exhibit C.**

(D) The term **"Executive Rights"** as used herein includes without limitation, all executive rights as defined under applicable law, the right to grant, amend, ratify, correct or otherwise modify any oil, gas and mineral lease covering any of the Interests, the right to execute pooling agreements or ratifications thereof, the right to execute division orders, amended division orders, transfer orders or stipulations of interest covering any of the Interests and to bind Grantees thereto, and the right to execute all manner of instruments intended to cure existing or after-discovered title defects affecting the Interest. The term **"Executive Rights" specifically includes** the right to receive the revenue from the proceeds from the sale of oil, gas and other minerals directly in the name of the Grantee shown on **Exhibit D-1**.

(E) Grantor desires to convey all of that part of its interest in the Interests to Grantee in the portions set forth in **Exhibit D-1 and Exhibit D-2.**

AGREEMENT

In consideration of the sum of One ($1.00) Dollar and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **Grantor hereby conveys unto the Grantee shown on Exhibit D-1, all of that part of Grantor's undivided interest in and to any Executive Rights in the Interests, any surface rights, possessory rights, net profit interests, and so-called "working interests" in the Interests.**

For the same consideration, **Grantor hereby conveys unto the Grantee shown on Exhibit D-2, all the remainder of that part of Grantor's undivided interest in and to the Interests.**

This conveyance is subject to those terms, conditions and disclaimers set forth on **Exhibit B,** which is attached hereto and incorporated herein for all purposes.

Grantor represents and warrants that: (1) Grantor has complete right, power and authority to make this Conveyance and that the signature or consent of no other person or entity is required; and (2) Grantor's Interest is free and clear of all voluntary and involuntary liens and other claims or rights of other persons or entities claiming by, through or under the Grantor.

The terms and provisions of this Conveyance including Grantors representations and warranties, shall extend to, be binding upon, and shall inure to the benefit of the parties hereto their respective heirs, successors and/or assigns.

This Conveyance may be executed in one or more counterparts each of which shall be deemed an original all of which shall constitute one document.

IN WITNESS WHEREOF, this Conveyance is executed this 15 day of September, 2009, but shall be effective as of the Effective Time.

GRANTOR:
OBI Entities, LLC

By: Craig Aberle, President and Sole Member

STATE OF FLORIDA

COUNTY OF Sarasota

On this 16 day of September, 2009, before me, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, personally appeared the within named **Craig Aberle** who stated and acknowledged that he had signed, executed and delivered said foregoing instrument in his official capacity for and on behalf of the Grantor for the consideration, uses and purposes therein mentioned and set forth

Notary Public
Printed Name: Ken Hoey, Jr.
Notary Public in and for said County and State
My Commission Expires: 7/23/10

KEN HOEY, JR.
Notary Public - State of Florida
Commission # DD 576724
My Commission Expires July 23,2010
Bonded Thru Pichard Insurance

EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas

County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
005408		747	288
005410		747	307
003857		773	665

773/655

EXHIBIT B
Terms, Conditions and Disclaimers

This conveyance and the conveyance of the interest hereof are expressly made subject to, and the Interests herein assigned and conveyed shall bear, their proportionate share of all of the terms, provisions, reservations and obligations contained in the Assignments, and further subject to all interests and matters burdening the Interests, whether or not appearing of record, whether now in existence or hereafter arising.

Section 5.023 of the Texas Property Code
Nevada Rev. Statutes Ann., Title 10: Property Rights and Transactions
Nebraska Rev. Statutes of 1943, Chapter 76: Real Property
Mississippi Code Ann., Title 89: Real and Personal Property
Montana Code Ann., Title 70: Property
Kentucky Rev. Statutes Ann., Title XXXII: Ownership and Conveyance of Property
Colorado Rev. Statutes Ann., Title 38: Property -- Real and Personal
Utah Code Ann., Title 57: Real Estate
California Civil Code Division 2: Property
North Dakota Century Code, Title 47: Real Property
Kansas Statutes Ann., Chapter 58: Personal and Real Property
Arkansas Code Ann., Title 18, Subtitle 2: Real Property
Illinois Compiled Statutes Ann., Chapter 765: Property
Indiana Statutes, Title 32: Property
South Dakota Codified Law, Title 43: Property
Oklahoma Statutes Ann., Title 16: Conveyances
MCLA, Chapter 565: Conveyances of Real Property
Wyoming Statutes Ann., Title 34: Property, Conveyances and Security Transactions
New Mexico Statutes, Chapter 47: Property Code
Louisiana Rev. Statutes, Title 9

Michigan Properties only, if any: The Grantor grants to Grantees the right to make zero divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operation. Generally acceptable agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act.

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA A/K/A					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/663
	N.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	692/416
	POE, GRADY R. JR. A/K/A GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 96					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 30	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56-3 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56-3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 8	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL.	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES	SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

Exhibit D-1

Grantee of the Executive Rights in the Interests

Windom Royalties, LLC
15601 North Dallas Parkway, Suite 900
Addison, Texas 75001

Exhibit D-2

Grantee of all other interest in the Interests

Noble Royalty Access Fund II LP 15601 North Dallas Parkway, Suite 900 Addison, Texas 75001	All of Grantor's other interest in the Interests

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# 3799

FILED FOR RECORD ON THE 10TH DAY OF DECEMBER A.D. 2009 3:17 P. M.

DULY RECORDED ON THE 16TH DAY OF DECEMBER A.D. 2009 9:00 A. M.

BY: Debra Roberts, DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

THE ESTATE OF KARL OHS

TO

WINDOM ROYALTIES LLC ET AL

CONVEYANCE

DATED:	04/13/2010
FILED:	07/06/2010
BOOK/PAGE:	847/4
FILE NUMBER:	389-847-4
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: UNDIVIDED INTEREST IN AND TO ANY EXECUTIVE RIGHTS IN INTEREST, ANY SURFACE RIGHTS, POSSESSORY RIGHTS, NET PROFIT INTERESTS, AND SO-CALLED WORKING INTEREST IN THE INTEREST

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.E # 2209

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

CONVEYANCE

(Windom Properties)

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

This Conveyance is effective for revenue received by the Manager Compass Royalty Management LLC after the cutoff date for the September 30, 2009 distribution, (the "**Effective Time**") and is by and between **The Estate of Karl Ohs, deceased** (hereinafter individually and collectively referred to as "**Grantor**"), and **the entity or entities identified on Exhibit D-1 and Exhibit D-2 attached hereto** (hereinafter individually and collectively referred to as "**Grantee**"), with an address as shown on Exhibit D-1 and D-2.

RECITALS

(A) The term "**Interests**" shall be defined as all of the mineral interests, royalty interests, and/or overriding royalty interests in and to all of the leases, lands, depths and wells which are described in and conveyed by the Assignments as hereinafter defined, including any new or additional leases, lands, depths and wells

(B) The term "**Assignments**" shall be defined as all of the deeds, instruments of conveyance and/or assignments listed on **Exhibit A** attached hereto and incorporated herein for all purposes, which deeds, instruments of conveyance and/or assignments cover certain mineral interests, royalty interests and/or overriding royalty interests in and to the leases, lands, depths and wells more particularly described and/or referred to therein, including any new or additional leases, lands, depths and wells.

(C) To the extent required for recording in any particular county, parish or jurisdiction in which any land affected by any of the Assignments is located, a legal description of such land is attached hereto as **Exhibit C.**

(D) The term **"Executive Rights"** as used herein includes without limitation, all executive rights as defined under applicable law, the right to grant, amend, ratify, correct or otherwise modify any oil, gas and mineral lease covering any of the Interests, the right to execute pooling agreements or ratifications thereof, the right to execute division orders, amended division orders, transfer orders or stipulations of interest covering any of the Interests and to bind Grantees thereto, and the right to execute all manner of instruments intended to cure existing or after-discovered title defects affecting the Interest. The term **"Executive Rights" specifically includes** the right to receive the revenue from the proceeds from the sale of oil, gas and other minerals directly in the name of the Grantee shown on **Exhibit D-1**.

(E) Grantor desires to convey all of that part of its interest in the Interests to Grantee in the portions set forth in **Exhibit D-1** and **Exhibit D-2.**

AGREEMENT

In consideration of the sum of One ($1.00) Dollar and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **Grantor hereby conveys unto the Grantee shown on Exhibit D-1, all of that part of Grantor's undivided interest in and to any Executive Rights in the Interests, any surface rights, possessory rights, net profit interests, and so-called "working interests" in the Interests.**

For the same consideration, **Grantor hereby conveys unto the Grantee shown on Exhibit D-2, all the remainder of that part of Grantor's undivided interest in and to the Interests.**

This conveyance is subject to those terms, conditions and disclaimers set forth on **Exhibit B,** which is attached hereto and incorporated herein for all purposes.

Grantor represents and warrants that: (1) Grantor has complete right, power and authority to make this Conveyance and that the signature or consent of no other person or entity is required; and (2) Grantor's Interest is free and clear of all voluntary and involuntary liens and other claims or rights of other persons or entities claiming by, through or under the Grantor.

The terms and provisions of this Conveyance including Grantors representations and warranties, shall extend to, be binding upon, and shall inure to the benefit of the parties hereto their respective heirs, successors and/or assigns.

This Conveyance may be executed in one or more counterparts each of which shall be deemed an original all of which shall constitute one document.

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IN WITNESS WHEREOF, this Conveyance is executed this 13th day of ~~September~~ April, 2009, but shall be effective as of the Effective Time.

GRANTOR:
The Estate of Karl Ohs, deceased

Sherri Ohs
By: Sherri Ohs, Personal Representative

STATE OF MONTANA

COUNTY OF Lewis & Clark

On this 13th day of ~~September~~ April, 2009, before me, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, personally appeared the within named **Sherri Ohs**, who stated and acknowledged that he had signed, executed and delivered said foregoing instrument in his official capacity for and on behalf of the Grantor for the consideration, uses and purposes therein mentioned and set forth

JESSICA M. BRUBAKER NOTARIAL SEAL STATE OF MONTANA

Jessica M Brubaker
Notary Public
Printed Name: Jessica M. Brubaker
Notary Public in and for said County and State
My Commission Expires: 8/15/2011

EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas

County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
005408		747	288
005410		747	307
003857		773	665

773/665

EXHIBIT B

Terms, Conditions and Disclaimers

This conveyance and the conveyance of the interest hereof are expressly made subject to, and the Interests herein assigned and conveyed shall bear, their proportionate share of all of the terms, provisions, reservations and obligations contained in the Assignments, and further subject to all interests and matters burdening the Interests, whether or not appearing of record, whether now in existence or hereafter arising.

Section 5.023 of the Texas Property Code
Nevada Rev. Statutes Ann., Title 10: Property Rights and Transactions
Nebraska Rev. Statutes of 1943, Chapter 76: Real Property
Mississippi Code Ann., Title 89: Real and Personal Property
Montana Code Ann., Title 70: Property
Kentucky Rev. Statutes Ann., Title XXXII: Ownership and Conveyance of Property
Colorado Rev. Statutes Ann., Title 38: Property – Real and Personal
Utah Code Ann., Title 57: Real Estate
California Civil Code Division 2: Property
North Dakota Century Code, Title 47: Real Property
Kansas Statutes Ann., Chapter 58: Personal and Real Property
Arkansas Code Ann., Title 18, Subtitle 2: Real Property
Illinois Compiled Statutes Ann., Chapter 765: Property
Indiana Statutes, Title 32: Property
South Dakota Codified Law, Title 43: Property
Oklahoma Statutes Ann., Title 16: Conveyances
MCLA, Chapter 565: Conveyances of Real Property
Wyoming Statutes Ann., Title 34: Property, Conveyances and Security Transactions
New Mexico Statutes, Chapter 47: Property Code
Louisiana Rev. Statutes, Title 9

Michigan Properties only, if any: The Grantor grants to Grantees the right to make zero divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operation. Generally acceptable agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act.

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 6, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 6, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA AKA					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
	N.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	692/416
	POE, GRADY R. JR. A/K/A GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 98					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TG BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610

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Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 8	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 8	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610

BOOK 847 PAGE 16

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., S.	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1998	613/244

Exhibit D-1

Grantee of the Executive Rights in the Interests

Windom Royalties LLC, a Texas limited liability company
15601 N. Dallas Parkway, Suite 900
Addison, TX 75001

Exhibit D-2

Grantee of all other interest in the Interests

JJBK, LLC, a Montana limited liability company 133 Alfalfa Road Helena, Montana 59602	All of Grantor's other interest in the Interests

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 # 2209

FILED FOR RECORD ON THE 6TH DAY OF JULY A.D. 2010 10:46 AM.

DULY RECORDED ON THE 7TH DAY OF JULY A.D. 2010 9:00 AM.

BY: [signature], DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

CHRISTINA J BOLDRICK INDIVIDUALLY AND JAMES MILES BOLDRICK AND STARR B

BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P BOLDRICK

DECEASED

TO

LAGNIAPPE HYDROCARBONS LLC JAMES MILES BOLDRICK MANAGER

CONVEYANCE

DATED:	05/19/2011
FILED:	04/01/2011
BOOK/PAGE:	888/413
FILE NUMBER:	389-888-413
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: AFFECTS SEC. 38, BLK. 57, T-2, T & P RAILWAY COMPANY SURVEY

Certificate of Record

24.00 Recording Fee

Certified Copy Fee

24.00 Total Paid Enc.

Return to:
Bostrick Family Properties
P.O. Box 10648
Midland TX. 79702

004535

COMPARED

FILED FOR RECORD
2011 JUL 12 AM 9:50
DIANNE O. FLOREZ
COUNTY CLERK, REEVES COUNTY, TX.

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.

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

I, hereby certify that this instrument with its certificates of authenticity was FILED on the date and at the time stamped hereon and was duly RECORDED in the OFFICIAL PUBLIC RECORDS of Real Property of Reeves County, Texas, as indicated.

OPR VOL. 888 PAGE 413 DATE RECORDED 07/25/11

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
By: Callie Hallinde Deputy

BEAR GRAPHICS, INC.

CONVEYANCE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

THE STATE OF TEXAS
COUNTY OF REEVES

GRANTOR: CHRISTINA J. BOLDRICK, INDIVIDUALLY AND JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED
23 RIDGEWOOD LANE
HILTON HEAD ISLAND, SC 29928

GRANTEE: LAGNIAPPE HYDROCARBONS L.L.C., JAMES MILES BOLDRICK, MANAGER 100%
P.O. BOX 10668
MIDLAND, TEXAS 79702

EFFECTIVE DATE: April 1st, 2011

For value received, Grantor does hereby grant and convey to Grantee, the following:
(a) all interest of Grantor in oil, gas leases and other minerals in and under and that may be produced from the following described land, situated in the above described County:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE PART OF THIS CONVEYANCE

together with appropriate rights of ingress and egress but such interest being subject to existing leases insofar as they cover the Properties; and
(b) the interest, if any, of Grantor in leases covering the mineral estate in the above land and in working interest, royalties and overriding royalties and delay rentals and all other benefits payable with respect to such leases.

Grantor appoints and constitutes Grantee as the agent and attorney-in-fact of Grantor for the limited purpose of obtaining information regarding the income from the purchasers of oil, gas and/or other minerals and for executing on behalf of Grantor, division orders and transfer orders and other instruments as may be appropriate to effectuate the transfer of this property and interest being conveyed to Grantee herein as described on Exhibit "A". Grantee is also given, through this provision, the authority to correct the description of the property being conveyed, if necessary, to show the actual description of the property as reflected by the County Records in which the property is located. Such correction may be accomplished by the attachment of a new Exhibit "A" which shows the correct description of the property being conveyed. This Power of Attorney is not affected by subsequent disability or incapacity of the principal. Grantee is to receive all accrued sums allocable to the grant herein made which have not been disbursed to Grantor, here along with all causes of action which Grantor may have against any party accruing to the interests, lands, leases and properties conveyed herein.

It is the express intent of Grantor that this conveyance transfer to Grantee, all of Grantor's interest in and to the property described on Exhibit "A", including any interest or property which is not fully or accurately described. In furtherance of this purpose, Grantor agrees to execute and deliver to Grantee such other and further instruments of conveyance, assignment and transfer, and to do or cause to be done all such acts and things as may be necessary to more fully convey, assign and transfer the property to Grantee, as to the extent contemplated hereby, in a timely fashion.

This conveyance is made with warranty of title by, through and under Grantor, and is made with full subrogation of Grantee to all rights of Grantor with respect to warranties of title heretofore given by persons other than Grantor concerning the property interests herein conveyed, and is free of all liens and encumbrances of any kind or character.

THIS DOCUMENT AFFECTS YOUR LEGAL RIGHTS, PLEASE READ CAREFULLY OR SEEK LEGAL COUNSEL PRIOR TO SIGNING. GRANTOR REPRESENTS AND WARRANTS THAT HE/SHE/IT HAS READ THE ENTIRE CONTRACT, OR HAS HAD IT READ TO HIM/HER/IT AND UNDERSTANDS AND AGREES TO THE TERMS OF THIS CONTRACT. NOTICE PURSUANT TO SB 436, CHAPTER 5, SUBCHAPTER F, OF THE TEXAS PROPERTY CODE: BY EXECUTING AND DELIVERING THIS INSTRUMENT YOU ARE SELLING ALL OR PORTION OF YOUR MINERAL OR ROYALTY INTEREST IN THE ABOVE REFERENCED PROPERTY LOCATED IN REEVES COUNTY, TEXAS. BY EXECUTING AND DELIVERING THIS INSTRUMENT (WHETHER RECORDED IN THE COUNTY/PARISH OR UNRECORDED) GRANTOR HEREBY AUTHORIZES ANY AND ALL OPERATORS, LESSEES, GATHERING COMPANIES OR PURCHASERS OF PRODUCTION, TO RELEASE THE FOLLOWING INFORMATION TO GRANTEE, GRANTEE'S AGENTS, HEIRS OR ASSIGNS: GRANTOR'S OWNERSHIP INTERESTS, INCLUDING GRANTOR'S DECIMAL INTEREST, NET/GROSS ACRES, PAYMENT HISTORY, LEGAL DESCRIPTIONS, UNIT OWNERSHIP AND BOUNDARIES, TRACT PARTICIPATION FACTORS, SUSPENSE ACCOUNTS AND OTHER INFORMATION REGARDING GRANTOR'S OWNERSHIP INTERESTS, WITHOUT LIMITATION, AND AS REQUESTED BY GRANTEE.

Grantor: CHRISTINA J. BOLDRICK

BY: CHRISTINA J. BOLDRICK

Grantor: JAMES MILES BOLDRICK, PERSONAL REPRESENTATIVE

BY: JAMES MILES BOLDRICK

Grantor: STARR B. BAUER, PERSONAL REPRESENTATIVE

BY: STARR B. BAUER

ACKNOWLEDGMENT

State of South Carolina
County of Beaufort

This instrument was acknowledged before me on this 20th day of June 2011, BY, CHRISTINA J. BOLDRICK, INDIVIDUALLY

Karen S Dixon
Notary Public, State of South Carolina
My Commission Expires on 4-25-21

ACKNOWLEDGMENT

State of Texas
County of Midland

This instrument was acknowledged before me on this 22nd day of June 2011, BY, JAMES MILES BOLDRICK, PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK

Stacy L Mathews
Notary Public, State of Texas
My Commission Expires on 2.5.14

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 02-05-2014

ACKNOWLEDGMENT

State of Texas
County of Dallas

This instrument was acknowledged before me on this 19th day of May 2011, BY, STARR B. BAUER, PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK

Antonia Guerrero
Notary Public, State of Texas
My Commission Expires on 03/08/13

ANTONIA GUERRERO
My Commission Expires
March 8, 2013

EXHIBIT "A"

ATTACHED TO CONVEYANCE FOR REEVES COUNTY, TEXAS

GRANTOR: CHRISTINA J. BOLDRICK, INDIVIDUALLY AND JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED

GRANTEE: LAGNIAPPE HYDROCARBONS L.L.C., MILES BOLDRICK, MANAGER

THE FOLLOWING LANDS IN REEVES COUNTY, TEXAS:

SEC 10, BLK C-20, PSL SURVEY
SEC 100 AND 101, BLK 13, H & GN RR CO SURVEY
SEC 120, BLK 13, H&GN RR CO SURVEY

THE PURPOSE OF THIS CONVEYANCE IS TO CONVEY ALL OF GRANTOR'S WORKING INTEREST, MINERAL AND ROYALTY INTEREST IN, THROUGH AND UNDER THE ABOVE DESCRIBED LANDS AND COUNTY INCLUDING BUT NOT LIMITED TO THE FOLLOWING LEASES:

DIXIELAND 10 #1
DIXIELAND 10 #2

RICHARD W MUNN

TO

WINDOM ROYALTIES LLC ET AL

CONVEYANCE

DATED:	10/20/2010
FILED:	08/15/2011
BOOK/PAGE:	895/74
FILE NUMBER:	389-895-74
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: UNDIVIDED INTEREST IN AND TO ANY EXECUTIVE RIGHTS IN INTEREST, ANY SURFACE RIGHTS, POSSESSORY RIGHTS, NET PROFIT INTERESTS, AND SO-CALLED WORKING INTEREST IN THE INTEREST

BOOK 895 PAGE 74

FILE# 5586

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

CONVEYANCE

(Windom Properties)

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

This Conveyance is effective for revenue received by the Manager Compass Royalty Management LLC after the cutoff date for the June 30, 2010, distribution, (the "**Effective Time**") and is by and between **Richard W. Munn,** (hereinafter individually and collectively referred to as "**Grantor**"), and the entity or entities identified on Exhibit D-1 and Exhibit D-2 attached hereto (hereinafter individually and collectively referred to as "**Grantee**"), with an address as shown on Exhibit D-1 and D-2.

RECITALS

(A) The term "**Interests**" shall be defined as all of the mineral interests, royalty interests, and/or overriding royalty interests in and to all of the leases, lands, depths and wells which are described in and conveyed by the Assignments as hereinafter defined, including any new or additional leases, lands, depths and wells

(B) The term "**Assignments**" shall be defined as all of the deeds, instruments of conveyance and/or assignments listed on **Exhibit A** attached hereto and incorporated herein for all purposes, which deeds, instruments of conveyance and/or assignments cover certain mineral interests, royalty interests and/or overriding royalty interests in and to the leases, lands, depths and wells more particularly described and/or referred to therein, including any new or additional leases, lands, depths and wells.

(C) To the extent required for recording in any particular county, parish or jurisdiction in which any land affected by any of the Assignments is located, a legal description of such land is attached hereto as **Exhibit C.**

(D) The term "Executive Rights" as used herein includes without limitation, all executive rights as defined under applicable law, the right to grant, amend, ratify, correct or otherwise modify any oil, gas and mineral lease covering any of the Interests, the right to execute pooling agreements or ratifications thereof, the right to execute division orders, amended division orders, transfer orders or stipulations of interest covering any of the Interests and to bind Grantees thereto, and the right to execute all manner of instruments intended to cure existing or after-discovered title defects affecting the Interest. The term **"Executive Rights" specifically includes the right to receive, on behalf of the Grantee, any and all oil, gas and/or mineral related revenue including revenue from the sale of production, lease bonuses, lease rentals, delay rental and shut-in payments, made payable to the Grantee shown on Exhibit D-1.**

(E) Grantor desires to convey all of that part of its interest in the Interests to Grantee in the portions set forth in **Exhibit D-1** and **Exhibit D-2.**

AGREEMENT

In consideration of the sum of One ($1.00) Dollar and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **Grantor hereby conveys unto the Grantee shown on Exhibit D-1, all of that part of Grantor's undivided interest in and to any Executive Rights in the Interests, any surface rights, possessory rights, net profit interests, and so-called "working interests" in the Interests.**

For the same consideration, **Grantor hereby conveys unto the Grantee shown on Exhibit D-2, all the remainder of that part of Grantor's undivided interest in and to the Interests.**

This conveyance is subject to those terms, conditions and disclaimers set forth on **Exhibit B,** which is attached hereto and incorporated herein for all purposes.

Grantor represents and warrants that: (1) Grantor has complete right, power and authority to make this Conveyance and that the signature or consent of no other person or entity is required; and (2) Grantor's Interest is free and clear of all voluntary and involuntary liens and other claims or rights of other persons or entities claiming by, through or under the Grantor.

The terms and provisions of this Conveyance including Grantors representations and warranties, shall extend to, be binding upon, and shall inure to the benefit of the parties hereto their respective heirs, successors and/or assigns.

This Conveyance may be executed in one or more counterparts each of which shall be deemed an original all of which shall constitute one document.

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IN WITNESS WHEREOF, this Conveyance is executed this 20th day of October, 2010, but shall be effective as of the Effective Time.

GRANTOR:
Richard W. Munn

Richard W. Munn

By: Richard W. Munn

STATE OF TEXAS

COUNTY OF Dallas

On this 20th day of October, 2010, before me, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, personally appeared the within named Richard W. Munn, who stated and acknowledged that he had signed, executed and delivered said foregoing instrument in his official capacity for and on behalf of the Grantor for the consideration, uses and purposes therein mentioned and set forth

Notary Public
Printed Name: Angela R. Kothmann
Notary Public in and for said County and State
My Commission Expires:

EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas

County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
005408		747	288
005410		747	307
003857		773	665

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EXHIBIT B

Terms, Conditions and Disclaimers

This conveyance and the conveyance of the interest hereof are expressly made subject to, and the Interests herein assigned and conveyed shall bear, their proportionate share of all of the terms, provisions, reservations and obligations contained in the Assignments, and further subject to all interests and matters burdening the Interests, whether or not appearing of record, whether now in existence or hereafter arising.

Michigan Properties only, if any: The Grantor grants to Grantees the right to make zero divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operation. Generally acceptable agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act

EXHIBIT C

Legal Description

Reeves County, Texas

Page 1 of 8

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BRAID, MARGARET A.					
		SEC 44, BLK 30, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	736/963
		SEC 44, BLK 30, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	736/963
	CROP, ESTELLE F., EXECUTRIX OF					
		SEC 18, BLK 60, THS &, T&P RR CO SVY, AB 717	REEVES	TX	9/13/1988	611/118
		SEC 18, BLK 60, THS &, T&P RR CO SVY, AB 717	REEVES	TX	9/13/1988	611/118
	CULLUM, E. VIRGINIA ANN					
		SEC 44, BLK 30, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	736/963
		SEC 44, BLK 30, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	736/963
	H.P. BAR, INC.					
		W/2 SECTION 42, BLK 9, H&GN RR CO SURVEY	REEVES	TX	3/1/2003	682/418
	ROE, GRADY S. JR. AKA GRADY					
		SEC22, BLK 64, TWP 7, T&P RR CO SVY, SEC 20, BLK 64, TWP 7, T&P RR CO SVY	REEVES	TX	10/6/1988	613/246
		SEC 20, BLK 64, TWP 7, T&P RR CO SVY, SEC 20, BLK 64, TWP 7, T&P RR CO SVY	REEVES	TX	10/6/1988	613/246
	STATEWIDE MINERALS INC., ET					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 29	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 1 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610

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EXHIBIT C

Legal Description

Reeves County, Texas

Page 2 of 8

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 57- 1 SEC 25	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 836/810
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 34 SEC 185	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 34 SEC 185	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 34 SEC 185	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 836/810

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C- 4 SEC 8	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/610
		SEC 3, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 34 SEC 156 & 154	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/610
		T&P BLK 65- 3 SEC 6	REEVES	TX	10/1/1996	870/847 & 836/610
		MASH BLK 8 SEC 9	REEVES	TX	10/1/1996	870/847 & 836/610
		PSL BLK C-10 SEC 8	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	870/847 & 836/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	870/847 & 836/810
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	870/847 & 836/810
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	870/847 & 836/810
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	870/847 & 836/810
		K&ON BLK 4 SEC 15	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 57-1 SEC 20	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 56- 3 SEC 18	REEVES	TX	10/1/1996	870/847 & 836/810
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	870/847 & 836/810
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	870/847 & 836/810
		W&NW BLK 1 SEC 19 & SEC 25	REEVES	TX	10/1/1996	870/847 & 836/810
		W&NW BLK 1 SEC 13 & SEC 25	REEVES	TX	10/1/1996	870/847 & 836/810
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 57-1 SEC 20	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	870/847 & 836/810

EXHIBIT C

Legal Description

Reeves County, Texas

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 3, BLK D-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 56-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 3 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 6 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610

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Reeves County, Texas

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 638/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 638/610
		H&GN BLK B SEC 49	REEVES	TX	10/1/1996	570/647 & 638/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 638/610
		PSL BLK C- 8 SEC 9	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 638/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 638/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 638/610
		PSL BLK C- 8 SEC 9	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 638/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 638/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 49	REEVES	TX	10/1/1996	570/647 & 638/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 638/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 638/610
		PSL BLK C- 3 SEC 70	REEVES	TX	10/1/1996	570/647 & 638/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 638/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 638/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 638/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 638/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/510
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/510
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/510
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/510
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/510
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/510
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/510
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	570/647 & 636/510
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/510
		TSTL BLK 146 SEC 8, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/510
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/510
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/510
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/510
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/510
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/511
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/510
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/510
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/510
		PSL BLK C-17 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/510
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/510
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/511

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1998	ST/0847 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1998	ST/0847 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1998	ST/0847 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1998	ST/0847 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1998	ST/0847 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1998	ST/0847 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 37- 2 SEC 48	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1998	ST/0847 & 836/610
		H&GN BLK 4 SEC 33	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1998	ST/0847 & 836/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1998	ST/0847 & 836/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1998	ST/0847 & 836/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1998	ST/0847 & 836/610
		PSL BLK C- 8 SEC 18	REEVES	TX	10/1/1998	ST/0847 & 836/610
		MEM SWM SEC 4, T7S, R&E, WHITE CO., S.	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1998	ST/0847 & 836/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1998	ST/0847 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1998	ST/0847 & 836/610
		WSNW BLK 1 SEC 7	REEVES	TX	10/1/1998	ST/0847 & 836/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1998	ST/0847 & 836/610
	STEPHENSON, SCOTT CHARLES	SEC 34, BLK 57, T-3, T&P RR CO SVY	REEVES	TX	10/1/1998	611/244

Exhibit D-1

Grantee of the Executive Rights in the Interests

Windom Royalties, LLC
15601 North Dallas Parkway, Suite 900
Addison, Texas 75001

Exhibit D-2

Grantee of all other interest in the Interests

Lauren M. Munn and Richard W. Munn Co-Trustees of the MMV and JLM Family Trust 15 Camelot Oak Court The Woodlands, TX 77382	All of Grantor's interest in the Interests

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# 5586
FILED FOR RECORD ON THE 15TH DAY OF AUGUST A.D. 2011 8:09 A.M.
DULY RECORDED ON THE 7TH DAY OF SEPTEMBER A.D. 2011 9:00 A.M.
BY: Dianne O. Florez DEPUTY
DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

CLINT HURT

TO

THE PUBLIC

AFFIDAVIT OF DEATH, HEIRSHIP AND MARITAL HISTORY

DATED:	01/18/2012
FILED:	03/21/2012
BOOK/PAGE:	NONE/NONE
FILE NUMBER:	389-12-02086
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: MARITAL HISTORY AND HEIRSHIP OF JAMES P. BOLDRICK WHO WAS MARRIED FIRST TO SUE STARR BOLDRICK WHO HAD THREE CHILDREN NAMELY, STARR BOLDRICK BAUER, JAMES MILES BOLDRICK AND KELLY BOLDRICK BARBOUR. hE WAS MARRIED SECONDLY TO ROSEMARY BOLDRICK FROM WHOM HE DIVORCED WITH NO CHILDREN OF SAID MARRIAGE AND HE WAS MARRIED THIRDLY TO CHRISTINA ZINC BOLDRICK WITH NO CHILDREN BORN OF THIS MARRIAGE AND THE MARRIAGE ENDED WITH THE DEATH OF JAMES P. BOLDRICK.

12-02086
FILED FOR RECORD
REEVES COUNTY, TEXAS
Mar 21, 2012 at 03:03:00 PM

STATE OF TEXAS

COUNTY OF REEVES

AFFIDAVIT OF DEATH, HEIRSHIP AND MARITAL HISTORY

Before me, the undersigned Notary Public, on this day personally appeared CLINT HURT, the "Affiant," who is seventy-six (76) years of age and whose mailing address is P.O. Box 1973, Midland, Texas 79702, who upon oath deposed and stated:

That he is well and personally familiar with the Marital History and Heirship of **James P. Boldrick**, the "Decedent," and that he was well and personally acquainted with the Decedent. The said Decedent died testate on September 23, 2010 in Hilton Head Island, South Carolina, and was domiciled in Beaufort County, South Carolina at the time of his death.

The said Decedent was married but once and then to Sue Starr Boldrick on September 30, 1961. Of this marriage three (3) children were born, namely:

1. **Starr Boldrick Bauer**, born October 12, 1962, married to Boyd William Bauer and whose current mailing address is P.O. Box 1436, Beeville, Texas 78104.

2. **James Miles Boldrick**, born November 6, 1965, married to Laurie Ann Boldrick and whose current mailing address is 5 Santa Anita Lane, Midland, Texas 79705.

3. **Kelly Boldrick Barbour**, born March 24, 1977, married to John Benjamin Barbour and whose current mailing address is 513 W. Lautrec Ct., Thousand Oaks, California 91360.

This marriage ended in divorce on March 10, 1997 in Midland County, Texas.

The said Decedent was married but a second time to Rosemary Boldrick on August 25, 2001. Of this marriage no children were born. This marriage ended in divorce on August 8, 2004 in Orange County, California.

The said Decedent was married but a third time to Christina Zinc Boldrick on February 12, 2006. Of this marriage no children were born. This marriage ended by the death of James P. Boldrick on the aforementioned date.

The said Decedent never adopted any children, never had any illegitimate children, nor was he ever adopted.

Thus the above information is true and correct and based upon my own personal knowledge.

THUS DONE AND SIGNED on this 18th day of January, 2012.

CLINT HURT, Affiant

12-02086
DIANNE O. FLOREZ
COUNTY CLERK
2012 Mar 21 at 03:03 PM
REEVES COUNTY, TEXAS
By: EF Ellie Flores, DEPUTY

Subscribed and sworn to me this 18th day of January 2012.

My Commission expires 10/9/2013.

RANDY H McPHERSON
NOTARY PUBLIC
STATE OF TEXAS
MY COMMISSION EXPIRES 10-09-2013

Notary Public

JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF

THE ESTATE OF JAMES P. BOLDRICK, DECEASED

TO

LAGNIAPPE HYDROCARBONS L.L.C., JAMES MILES BOLDRICK, MANAGER

CONVEYANCE

DATED:	01/16/2012
FILED:	03/21/2012
BOOK/PAGE:	NONE/NONE
FILE NUMBER:	389-12-02087
COUNTY:	Reeves
STATE:	TX

ABSTRACTOR'S NOTE: ALL OF GRANTOR'S WORKING INTEREST, MINERAL AND ROYALTY INTEREST IN THE ABOVE DECRIBED LANDS

CONVEYANCE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

THE STATE OF TEXAS
COUNTY OF REEVES

12-02087
FILED FOR RECORD
REEVES COUNTY, TEXAS
Mar 21, 2012 at 03:03:00 PM

GRANTOR: JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED
1011 W. WALL
MIDLAND, TEXAS 79701

GRANTEE: LAGNIAPPE HYDROCARBONS L.L.C., JAMES MILES BOLDRICK, MANAGER 100%
P.O. BOX 10668
MIDLAND, TEXAS 79702

EFFECTIVE DATE: April 1st, 2011

For value received, Grantor does hereby grant and convey to Grantee, the following:
(a) all interest of Grantor in oil, gas leases and other minerals in and under and that may be produced from the following described land, situated in the above described County:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE PART OF THIS CONVEYANCE

together with appropriate rights of ingress and egress but such interest being subject to existing leases insofar as they cover the Properties; and
(b) the interest, if any, of Grantor in leases covering the mineral estate in the above land and in working interest, royalties and overriding royalties and delay rentals and all other benefits payable with respect to such leases.

Grantor appoints and constitutes Grantee as the agent and attorney-in-fact of Grantor for the limited purpose of obtaining information regarding the income from the purchasers of oil, gas and/or other minerals and for executing on behalf of Grantor, division orders and transfer orders and other instruments as may be appropriate to effectuate the transfer of this property and interest being conveyed to Grantee herein as described on Exhibit "A". Grantee is also given, through this provision, the authority to correct the description of the property being conveyed, if necessary, to show the actual description of the property as reflected by the County Records in which the property is located. Such correction may be accomplished by the attachment of a new Exhibit "A" which shows the correct description of the property being conveyed. This Power of Attorney is not affected by subsequent disability or incapacity of the principal. Grantee is to receive all accrued sums allocable to the grant herein made which have not been disbursed to Grantor, here along with all causes of action which Grantor may have against any party accruing to the interests, lands, leases and properties conveyed herein.

It is the express intent of Grantor that this conveyance transfer to Grantee, all of Grantor's interest in and to the property described on Exhibit "A", including any interest or property which is not fully or accurately described. In furtherance of this purpose, Grantor agrees to execute and deliver to Grantee such other and further instruments of conveyance, assignment and transfer, and to do or cause to be done all such acts and things as may be necessary to more fully convey, assign and transfer the property to Grantee, as to the extent contemplated hereby, in a timely fashion.

This conveyance is made with warranty of title by, through and under Grantor, and is made with full subrogation of Grantee to all rights of Grantor with respect to warranties of title heretofore given by persons other than Grantor concerning the property interests herein conveyed, and is free of all liens and encumbrances of any kind or character.

THIS DOCUMENT AFFECTS YOUR LEGAL RIGHTS, PLEASE READ CAREFULLY OR SEEK LEGAL COUNSEL PRIOR TO SIGNING. GRANTOR REPRESENTS AND WARRANTS THAT HE/SHE/IT HAS READ THE ENTIRE CONTRACT, OR HAS HAD IT READ TO HIM/HER/IT AND UNDERSTANDS AND AGREES TO THE TERMS OF THIS CONTRACT. NOTICE PURSUANT TO SB 436, CHAPTER 5, SUBCHAPTER F, OF THE TEXAS PROPERTY CODE: BY EXECUTING AND DELIVERING THIS INSTRUMENT YOU ARE SELLING ALL OR PORTION OF YOUR MINERAL OR ROYALTY INTEREST IN THE ABOVE REFERENCED PROPERTY LOCATED IN ANDREWS COUNTY, TEXAS. BY EXECUTING AND DELIVERING THIS INSTRUMENT (WHETHER RECORDED IN THE COUNTY/PARISH OR UNRECORDED) GRANTOR HEREBY AUTHORIZES ANY AND ALL OPERATORS, LESSEES, GATHERING COMPANIES OR PURCHASERS OF PRODUCTION, TO RELEASE THE FOLLOWING INFORMATION TO GRANTEE, GRANTEE'S AGENTS, HEIRS OR ASSIGNS: GRANTOR'S OWNERSHIP INTERESTS, INCLUDING GRANTOR'S DECIMAL INTEREST, NET/GROSS ACRES, PAYMENT HISTORY, LEGAL DESCRIPTIONS, UNIT OWNERSHIP AND BOUNDARIES, TRACT PARTICIPATION FACTORS, SUSPENSE ACCOUNTS AND OTHER INFORMATION REGARDING GRANTOR'S OWNERSHIP INTERESTS, WITHOUT LIMITATION, AND AS REQUESTED BY GRANTEE.

Grantor: JAMES MILES BOLDRICK, PERSONAL REPRESENTATIVE

BY: JAMES MILES BOLDRICK

Grantor: STARR B. BAUER, PERSONAL REPRESENTATIVE

BY: STARR B. BAUER

ACKNOWLEDGMENT

State of Texas
County of Midland

This instrument was acknowledged before me on this 16th day of January 2012, BY, JAMES MILES BOLDRICK, PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK

Stacy L. Mathews
Notary Public, State of Texas
My Commission Expires on 02.05.2014

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 02-05-2014

ACKNOWLEDGMENT

State of Texas
County of Dallas

This instrument was acknowledged before me on this 18th day of January 2012, BY, STARR B. BAUER, PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK

Antonia Guerrero
Notary Public, State of Texas
My Commission Expires on 03-08-2013

ANTONIA GUERRERO
My Commission Expires
March 8, 2013

ANTONIA GUERRERO
My Commission Expires
March 8, 2013

EXHIBIT "A"

ATTACHED TO CONVEYANCE FOR REEVES COUNTY, TEXAS

GRANTOR: **JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED**

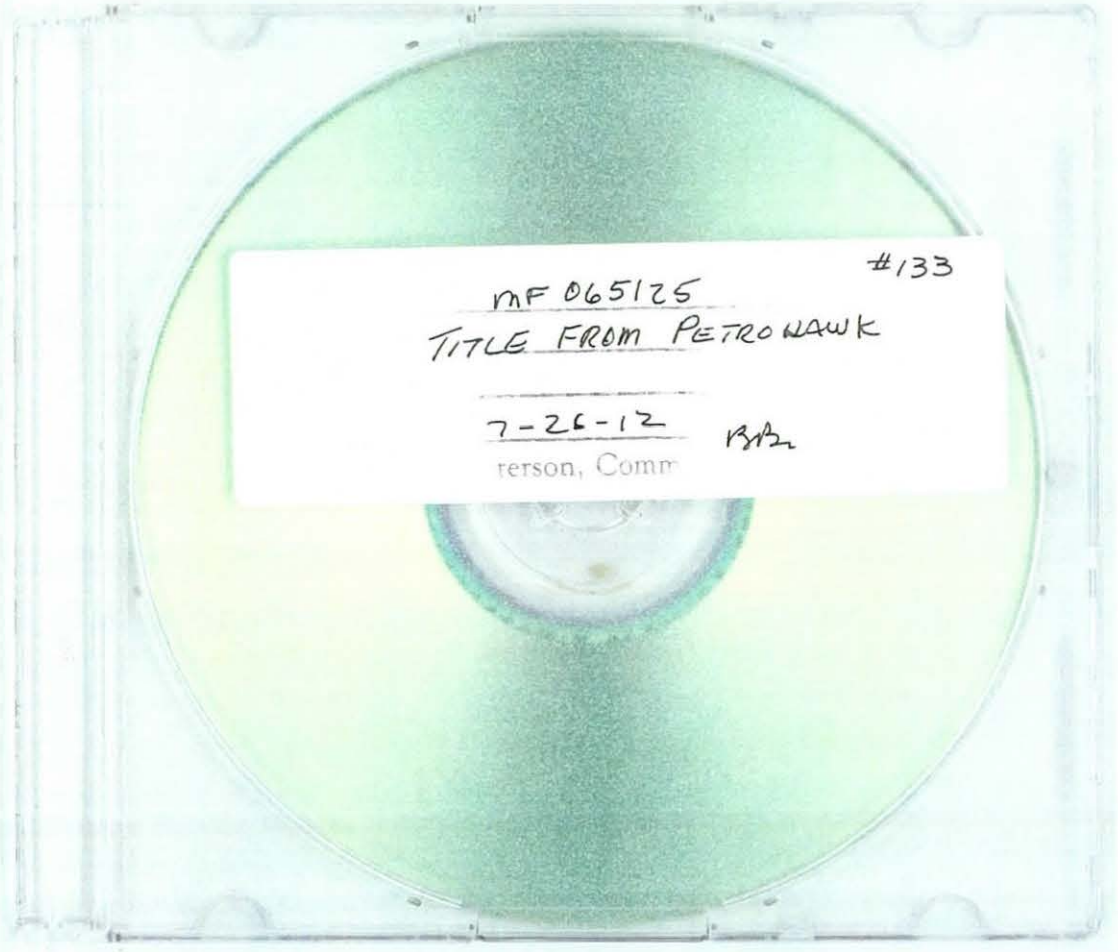
GRANTEE: **LAGNIAPPE HYDROCARBONS L.L.C., MILES BOLDRICK, MANAGER**

THE FOLLOWING LANDS IN REEVES COUNTY, TEXAS:

Section 38, Block 57, A-2027, T&P RR Co. Survey

THE PURPOSE OF THIS CONVEYANCE IS TO CONVEY ALL OF GRANTOR'S WORKING INTEREST, MINERAL AND ROYALTY INTEREST IN, THROUGH AND UNDER THE ABOVE DESCRIBED LANDS AND COUNTY.

12-02087
DIANNE O. FLOREZ
COUNTY CLERK
2012 Mar 21 at 03:03 PM
REEVES COUNTY, TEXAS
By: EF Elsi Florez DEPUTY


#133
MF 065125
TITLE FROM PETRONAWK
7-26-12
BJB
rerson, Comm

Title to Deep Rights acquired by Petrohawk
Document included in letter from Beverly
Title to Shallow Depths
ORRI Title
Surface Title
ROW
Title Prior to what Beverly sent in

Recorded Date	Effective Date	Instrument Date	Instrument Name	Book	Page	Recordation Type	State	County/Parish	From	To	Tract Description	Abstractor's Note
6/5/1950		5/31/1950	PATENT	6	154	PATENT RECORDS	TX	Reeves	STATE OF TEXAS	L T COX	640.00 ACRES KNOWN AS SURVEY 38 CERTIFICATE 5087 BLOCK 57 TOWNSHIP 2 T & P RAILWAY COMPANY SURVEY	
8/25/1953		8/18/1953	WARRANTY DEED	148	627	DEED RECORDS	TX	Reeves	FORD CHAPMAN	GERALDINE LAYTON CHAPMAN	S/2 OF NW/4, N/2 OF SE/4 AND S/2 OF SW/4 OF SECTION 38 S/2 OF NW/4, N/2 OF SE/4, N/2 OF NE/4 AND S/2 OF SW/4 OF SECTION 46 S/2 OF SW/4AND N/2 OF SE/4 OF SECTION 47 N/2 OF SE/4, NE/4, S/2 OF SE/4 AND S/2 OF SW/4 OF SECTION 39 ALL BEING IN BLOCK 57 TOWNSHIP 2 T & P RAILWAY COMPANY SURVEY	IT BEING THE INTENTION TO CONVEY ALL OF GRANTOR'S INTEREST IN THE DELAWARE BASIN OIL COMPANY, LTD.
6/29/1962		5/29/1962	CERTIFIED COPY OF PROBATE PROCEEDINGS	222	384	DEED RECORDS	TX	Reeves	ESTATE OF MAE SAMUELLA MAGRUDER WYNNE MCFARLAND DECEASED	THE PUBLIC	NO PROPERTY DESCRIPTION GIVEN	
6/20/1966		6/20/1966	MINERAL DEED	258	383	DEED RECORDS	TX	Reeves	SALLIE WYNNE REYNAUD RUTH WYNNE THOMASON AND SAMUELLA WYNNE SHAVER	I B MCFARLAND	BEING SAME LAND CONVEYED BY GRANTEE TO GRANTORS BY A DEED DATED JANUARY 2, 1963	THIS DEED IS ONLY GOOD UNTIL THE DEATH OF I B MCFARLAND AND AT HIS DEATH IT WILL REVERT BACK TO GRANTORS AS FOLLOWS: UNDIVIDED 1/2 INTEREST TO SALLIE WYNNE REYNAUD UNDIVIDED 1/4 INTEREST TO RUTH WYNNE THOMASON AND UNDIVIDED 1/4 INTEREST TO SAMUELLA WYNNE SHAVER
3/4/1968		3/1/1968	RELEASE OF OIL AND GAS LEASES	28	11	RELEASE RECORDS	TX	Reeves	HUMBLE OIL & REFINING COMPANY	APOLONIO Q CARRASCO ET AL	RE: VOL. 180, P. 507 DATED 1/29/58	

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3/19/1970		3/4/1970	OIL, GAS AND MINERAL LEASE	292	534	OFFICIAL PUBLIC RECORDS	TX	Reeves	LELA MAE WYNNE SAMUELLA WYNNE PALMER AND RUTH WYNNE HOLLINSHEAD	FORD CHAPMAN	ALL OF SEC 38 BLK 57 T 2 T&P RY CO SURVEY	
3/19/1970		9/21/1970	OIL AND GAS LEASE	297	485	OFFICIAL PUBLIC RECORDS	TX	Reeves	MRS SALLIE WYNNE REYNAUD	FORD CHAPMAN	ALL OF SEC 38 BLK 57 T 2 T&PRY COMPANY SURVEY 640 ACRES MORE OR LESS	
3/26/1970		3/4/1970	OIL, GAS AND MINERAL LEASE	292	536	OFFICIAL PUBLIC RECORDS	TX	Reeves	MRS SALLIE WYNNE REYNAUD	FORD CHAPMAN	ALL OF SEC 38 BLK 57 T 2 T&P RY CO SURVEY	
9/14/1970		9/9/1970	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	296	833	DEED RECORDS	TX	Reeves	FORD CHAPMAN	GERALDINE LAYTON CHAPMAN WIFE OF FORD CHAPMAN	RE: VOL. 292, P. 534 AND 536 COVERING ALL OF SECTION 38 BLOCK 57 TOWNSHIP 2 T & P RAILWAY COMPANY SURVEY	CONVEYS 5% OF 8/8THS
9/16/1970		9/15/1970	ASSIGNMENT OF OIL AND GAS LEASES	296	891	DEED RECORDS	TX	Reeves	FORD CHAPMAN	RUDY JANOSEK JUDSON F WILLIAMS JOHN MACGUIRE	RE: VOL. 292, P. 534 AND 536 COVERING ALL OF SECTION 38 BLOCK 57 TOWNSHIP 2 T & P RAILWAY COMPANY SURVEY	RUDY JANOSEK - UND. 10% JUDSON F WILLIAMS - UND. 10% JOHN MACGUIRE - UND. 45% SUBJECT TO A 5% OF 8/8 ORR INTEREST TO GERALDINE LAYTON CHAPMAN
11/9/1970		9/21/1970	RELEASE OF OIL AND GAS LEASES	30	562	RELEASE RECORDS	TX	Reeves	FORD CHAPMAN RUDY JANOSEK JUDSON F WILLIAMS JOHN MACGUIRE	SALLIE WYNNE REYNAUD LELA MAE WYNNE SAMUELLA WYNNE PALMER RUTH WYNNE HOLLINSHEAD	RE: VOL. 292, P. 534 AND 536 COVERING ALL OF SECTION 38 BLOCK 57 TOWNSHIP 2 T & P RAILWAY COMPANY SURVEY	FULL RELEASE

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11/12/1970		9/21/1970	OIL AND GAS LEASE	297	489	OFFICIAL PUBLIC RECORDS	TX	Reeves	LELA MAE WYNNE SAMUELLA WYNNE PALMER AND RUTH WYNNE HOLLINSHEAD	FORD CHAPMAN	ALL OF SECTION 38 BLK 57 ABSTRACT 2027 T 2 T&P RY CO SURVEY CONTAINING 640 ACRES MORE OR LESS	
12/3/1970		11/27/1970	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	297	690	DEED RECORDS	TX	Reeves	FORD CHAPMAN	GERALDINE LAYTON CHAPMAN WIFE OF FORD CHAPMAN	RE: VOL. 297, P. 485 AND 489 COVERING ALL OF SECTION 38 BLOCK 57 TOWNSHIP 2 T & P RAILWAY COMPANY SURVEY	CONVEYS 5% OF 8/8THS ORR INTEREST EFFECTIVE AS OF THE FIRST DAY OF PRODUCTION
12/4/1970		11/30/1970	ASSIGNMENT OF OIL AND GAS LEASES	297	820	DEED RECORDS	TX	Reeves	FORD CHAPMAN	RUDY JANOSEK ET AL	LEASES IN SECTION 38 BLOCK 57 T-2	ASSIGNS OUT 65%
12/15/1971		1/2/1963	CERTIFIED COPY OF DEED	307	153	DEED RECORDS	TX	Reeves	IKE B MCFARLAND	SALLIE WYNNE REYNAUD RUTH WYNNE THOMASON SAMUELLA WYNNE SHAVER	SECTION 18 BLOCK 56 TOWNSHIP 2 AND SECTION 38 BLOCK 57 TOWNSHIP 2 T & P RAILWAY COMPANY SURVEY AND OTHER PROPERTY FROM VARIOUS OTHER COUNTIES	ALL OF GRANTOR'S RIGHT TITLE AND INTEREST IN AND TO THE ESTATE OF G A WYNNE
4/11/1972		4/5/1972	WARRANTY DEED	308	301	DEED RECORDS	TX	Reeves	RUDY JANOSEK	JOHN MACGUIRE ET AL	SECTION 38 BLOCK 57 T-2	SELLS ALL INTEREST INCLUDING LEASES
12/14/1972	12/12/1972	12/12/1972	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	315	791	DEED RECORDS	TX	Reeves	GERALDINE LAYTON CHAPMAN	PAUL L DAVIS W B COLLINS J H HERD SABINE ROYALTY CORPORATION GERALDINE LAYTON CHAPMAN	RE: VOL. 297, P. 485 AND 489 COVERING ALL OF SECTION 38 BLOCK 57 TOWNSHIP 2 T & P RAILWAY COMPANY SURVEY	PAUL L DAVIS - 20/256 OF 5% ORR W B COLLINS - 20/256 OF 5% ORR J H HERD - 20/256 OF 5% ORR SABINE ROYALTY CORPORATION - 46/256 OF 5% ORR GERALDINE LAYTON CHAPMAN - 150/256 OF 5% ORR

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6/21/1973		3/22/1973	AGREEMENT	323	887	DEED RECORDS	TX	Reeves	FORD CHAPMAN ET AL	COASTAL STATES GAS PRODUCING COMPANY	SECTION 38 BLOCK 57 T-2	COASTAL TO RECEIVE 50% INTEREST IN LEASES UNTIL PAYOUT AT DEPTHS BELOW 3,500'
5/9/1975		2/23/1973	ASSIGNMENT	336	286	OIL & GAS RECORDS	TX	Reeves	JUDSON WILLIAMS	JOHN MACGUIRE	SECTION 38 BLOCK 57 T-2	SELLS A PERCENTAGE OF HIS WORKING INTEREST
5/21/1975	3/22/1973	4/15/1975	ASSIGNMENT	336	610	OIL & GAS RECORDS	TX	Reeves	FORD CHAPMAN ET AL	COASTAL STATES GAS PRODUCING COMPANY	LEASES IN SECTION 38 BLOCK 57 T-2	1/2 INTEREST BELOW 3,500'
3/12/1976		11/3/1975	ASSIGNMENT	342	757	OIL & GAS RECORDS	TX	Reeves	COASTAL STATES GAS PRODUCING COMPANY	FORD CHAPMAN ET AL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL INTEREST
3/22/1979		2/25/1979	FULL RELEASE OF LIEN(S)	39	189	RELEASE RECORDS	TX	Reeves	FIRST CITY NATIONAL BANK OF HOUSTON	GEORGE F THAGARD JR	RELEASES 94/315 AND OTHERS	
6/16/1983		1/31/1983	CONVEYANCE	432	841	DEED RECORDS	TX	Reeves	SABINE CORPORATION	INTERFIRST BANK DALLAS NA	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	ORRI

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9/14/1983		9/7/1983	ASSIGNMENT OF OIL AND GAS LEASES	435	430	DEED RECORDS	TX	Reeves	FORD CHAPMAN ET AL	ORLA PETCO INC	E/2 OF SW/4 OF SECTION 38 BLOCK 57 T-2	LIMITED FROM SURFACE TO 4,695'
9/14/1983		9/12/1983	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	435	432	DEED RECORDS	TX	Reeves	ORLA PETCO INC	ED R KENNEDY	E/2SW/4 SECTION 38 BLOCK 57 T-2	2% OF 8/8
9/14/1983		9/13/1983	ASSIGNMENT OF OIL AND GAS LEASES	435	435	DEED RECORDS	TX	Reeves	ORLA PETCO INC	TRICENTROL UNITED STATES INC	OIL LEASES COVERING E/2SW/4 OF SECTION 38 BLOCK 57 T-2	LIMITED FROM SURFACE TO 4,695'
2/17/1984		1/16/1984	CORRECTION ASSIGNMENT OF OIL AND GAS LEASES	441	117	DEED RECORDS	TX	Reeves	FORD CHAPMAN ET AL	ORLA PETCO INC	SECTION 38 BLOCK 57 T-2	IN LIEU OF 435/430
2/17/1984		2/13/1984	CORRECTION	441	120	DEED RECORDS	TX	Reeves	ORLA PETCO INC	ED R KENNEDY	E/2SW/4 SECTION 38 BLOCK 57 T-2	CORRECTS 435/432
2/17/1984		2/14/1984	CORRECTION	441	123	DEED RECORDS	TX	Reeves	ORLA PETCO INC	TRICENTROL UNITED STATES INC ET AL	E/2SW/4 SECTION 38 BLOCK 57 T-2	CORRECTS 435/435

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2/17/1984		1/17/1984	ASSIGNMENT OF OIL AND GAS LEASES	441	126	DEED RECORDS	TX	Reeves	FORD CHAPMAN ET AL	ORLA PETCO INC	W/2SE/4 OF SECTION 38 BLOCK 57 T-2	LIMITED FROM SURFACE TO 3,194'
2/17/1984		2/13/1984	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	441	129	DEED RECORDS	TX	Reeves	ORLA PETCO INC	ED R KENNEDY	W/SE/4 OF SECTION 38 BLOCK 57 T-2	2% OF 8/8
2/17/1984		2/14/1984	ASSIGNMENT OF OIL AND GAS LEASES	441	132	DEED RECORDS	TX	Reeves	ORLA PETCO INC	TRICENTROL UNITED STATES INC ET AL	OIL LEASES IN SECTION 38 BLOCK 57 T-2	W/2SE/4 FROM SURFACE TO 3,194'
9/11/1984	4/1/1984	6/20/1984	ASSIGNMENT	448	7	DEED RECORDS	TX	Reeves	TRICENTROL UNITED STATES INC	WINTERSHALL OIL AND GAS CORPORATION	LEASES COVERING W/2SE/4 AND E/2SW/4 OF SECTION 38 BLOCK 57 T-2	DEPTH LIMITATIONS
9/25/1984		9/20/1984	ASSIGNMENT OF OIL AND GAS LEASES	448	384	DEED RECORDS	TX	Reeves	ORLA PETCO INC	JAMES M C RITCHIE JR ET AL	LEASES IN SECTION 38 BLOCK 57 T-2	4% WITH DEPTH LIMITATIONS
12/6/1985		10/21/1985	ASSIGNMENT OF OIL AND GAS LEASES	461	620	DEED RECORDS	TX	Reeves	FORD CHAPMAN ET AL	ORLA PETCO INC	W/2NE/4 OF SECTION 38 BLOCK 57 T-2	LIMITED FROM SURFACE TO 3,260'

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12/6/1985		12/2/1985	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	461	622	DEED RECORDS	TX	Reeves	ORLA PETCO INC	ED R KENNEDY JR	LEASES COVERING W/2NE/4 OF SECTION 38 BLOCK 57 T-2	2% OF 8/8 LIMITED FROM SURFACE TO 3,260'
12/6/1985		12/2/1985	ASSIGNMENT OF OIL AND GAS LEASES	461	625	DEED RECORDS	TX	Reeves	ORLA PETCO INC	WINTERSHALL OIL & GAS CORP ET AL	LEASES COVERING W/2NE/4 OF SECTION 38 BLOCK 57 T-2	LIMITED FROM SURFACE TO 3,260'
7/15/1986		4/28/1986	EXECUTOR'S DEED	468	616	DEED RECORDS	TX	Reeves	THE ESTATE OF LELA MAE WYNNE	WILLIAM BRYAN SHAVER JR	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	1/9 INTEREST
3/27/1987	3/25/1987	3/24/1987	ASSIGNMENT, BILL OF SALE AND CONVEYANCE	475	8	DEED RECORDS	TX	Reeves	VALERO TRANSMISSION COMPANY	VALERO MANAGEMENT PARTNERSHIP, L.P.	VARIOUS INCLUDING SEC. 22, BLK 57, T-2, T&P RR CO. SURVEY, REEVES COUNTY, TEXAS	RW
7/21/1987	6/1/1987	7/15/1987	ASSIGNMENT OF OIL AND GAS LEASES	478	1	DEED RECORDS	TX	Reeves	AVG PETROLEUM INC	ORLA PETCO INC	LEASES IN SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	ALL RIGHTS
12/9/1987		11/18/1987	GENERAL WARRANTY DEED	481	227	DEED RECORDS	TX	Reeves	RUTH W HOLLINSHEAD	SAMUELLA W PALMER ET AL TRUSTEES	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	7/36 INTEREST

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12/9/1987		11/18/1987	GENERAL WARRANTY DEED	481	229	DEED RECORDS	TX	Reeves	SAMUELLA W PALMER	SAMUELLA W PALMER ET AL TRUSTEES	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	7/36 INTEREST
1/5/1988	6/1/1987	12/29/1987	CORRECTION ASSIGNMENT OF INTEREST IN OIL AND GAS LEASE	481	783	DEED RECORDS	TX	Reeves	AVG PETROLEUM INC	ORLA PETCO INC	LEASES IN SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	REF: VOL 128 PAGE 48 DEED RECORDS OF REEVES COUNTY TEXAS SECTION 45 BLOCK 57 T-1 COVERING THE S/2 LIMITED IN DEPTH FROM THE SURFACE DOWN TO 4460 FEET, OF REEVES COUNTY TEXAS
5/9/1988	6/1/1987	4/12/1988	ASSIGNMENT	485	406	DEED RECORDS	TX	Reeves	AVG PETROLEUM INC	ORLA PETCO INC	LEASES IN SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	2ND CORRECTION
8/8/1988	2/27/1988	7/27/1988	DEED	487	356	DEED RECORDS	TX	Reeves	MARY F DAVIS ET AL	DAVIS PARTNERS LTD	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	20/256 OF 5% OF 8/8 ORRI
1/3/1989		11/18/1987	GENERAL WARRANTY DEED	491	9	DEED RECORDS	TX	Reeves	WILLIAM BRYAN SHAVER JR	WILLIAM B SHAVER JR ET AL TRUSTEES	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	1/9 INTEREST
3/15/1989	3/1/1989	2/28/1989	ASSIGNMENT OF OIL AND GAS LEASES AND BILL OF SALE	492	446	DEED RECORDS	TX	Reeves	WINTERSHALL CORPORATION	CLINT YOUNG INC	LEASES IN SECTION 38 BLOCK 57 T-2	ALL INTEREST

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8/9/1989	3/1/1989	6/1/1989	ASSIGNMENT OF OIL AND GAS LEASES AND BILL OF SALE	495	707	DEED RECORDS	TX	Reeves	CLINT YOUNG INC	NORTH CENTRAL CASING PULLERS INC	SECTION 38 BLOCK 57 T-2	ALL INTEREST
11/19/1992		10/2/1992	CONVEYANCE, ASSIGNMENT, AND BILL OF SALE	521	669	OFFICIAL PUBLIC RECORDS	TX	Reeves	PACIFIC ENTERPRISES OIL COMPANY	PACIFIC ENTERPRISES ABC CORP		
12/31/1992	12/31/1992	12/30/1992	DEED	523	304	OFFICIAL PUBLIC RECORDS	TX	Reeves	DAVIS PARTNERS LTD	PAUL L DAVIS JR	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	1/2 OF 20/256 OF 5% OF 8/8 ORRI
9/23/1994		9/16/1994	ASSIGNMENT OF OIL & GAS INTERESTS	541	456	OFFICIAL PUBLIC RECORDS	TX	Reeves	LLOYD HILL	WESTERN NATIONAL BANK	LEASES IN SECTION 38 BLOCK 57 T-2	PROCEEDS OF THE SALE OF OIL AND GAS
9/23/1994	8/1/1994	9/6/1994	ASSIGNMENT AND BILL OF SALE	541	459	OFFICIAL PUBLIC RECORDS	TX	Reeves	NORTH CENTRAL CASING PULLERS INC	LLOYD HILL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS
9/23/1994	8/1/1994	8/31/1994	ASSIGNMENT AND BILL OF SALE	541	463	OFFICIAL PUBLIC RECORDS	TX	Reeves	LISAT VENTURE	LLOYD HILL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS

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9/23/1994	8/1/1994	9/7/1994	ASSIGNMENT AND BILL OF SALE	541	467	OFFICIAL PUBLIC RECORDS	TX	Reeves	J M C RITCHIE	LLOYD HILL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS
9/23/1994	8/1/1994	9/1/1994	ASSIGNMENT AND BILL OF SALE	541	471	OFFICIAL PUBLIC RECORDS	TX	Reeves	J M C RITCHIE JR	LLOYD HILL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS
9/23/1994	8/1/1994	9/19/1994	ASSIGNMENT AND BILL OF SALE	541	475	OFFICIAL PUBLIC RECORDS	TX	Reeves	BETTY JANE RANDELL	LLOYD HILL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS
9/23/1994	8/1/1994	9/1/1994	ASSIGN AND BILL OF SALE	541	479	OFFICIAL PUBLIC RECORDS	TX	Reeves	MIGNON R PEARSON	LLOYD HILL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS
9/23/1994	8/1/1994	9/7/1994	ASSIGNMENT AND BILL OF SALE	541	483	OFFICIAL PUBLIC RECORDS	TX	Reeves	ORLA DRILLING FUND NO. 6	LLOYD HILL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS
9/23/1994	8/1/1994	8/30/1994	ASSIGNMENT AND BILL OF SALE	541	487	OFFICIAL PUBLIC RECORDS	TX	Reeves	ORLA PETCO INC	LLOYD HILL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS

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11/14/1994		10/24/1994	DEED	543	633	OFFICIAL PUBLIC RECORDS	TX	Reeves	JUDSON F WILLIAMS ET UX	STATEWIDE MINERALS LC	ALL INTEREST IN SECTION 38 BLOCK 57 T-2	SEE PARAGRAPH (B)
11/28/1994	10/31/1993	11/9/1994	CONVEYANCE	544	315	OFFICIAL PUBLIC RECORDS	TX	Reeves	THE ESTATE OF MARGARET C COLLINS ET AL	COLLINS PARTNERS LTD	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	20/256 ORRI
12/12/1994		12/5/1994	ASSIGNMENT AND CONVEYANCE	544	696	DEED RECORDS	TX	Reeves	OASIS PIPE LINE CO	WESTERN GAS RESOURCES TEXAS		
12/18/1995	9/30/1995	9/30/1995	DISTRIBUTION DEED	557	226	DEED RECORDS	TX	Reeves	MARTHA SCOTT CHAPMAN FOWLER AND JERRY HUDGENS CO INDEPENDENT EXECUTORS OF THE ESTATE OF NETTLES FORD CHAPMAM JR AND GERALDINE LAYTON CHAPMAN CO TRUSTEES OF THE CHAPMAN FAMILY TAX FREE TRUST THE GERALDINE LAYTON CHAPMAN COMMUNITY PROPERTY TRUST AND THE CHAPMAN RESIDUARY TRUSTCREATED UNDER THE WILL OF NETTLES FORD CHAPMAN JR AND CO TRUSTEES OF THE CHAPMAN GST TRUST CREATED UNDER THE WILL OF GERALD LAYTON CHAPMAN	MARTHA SCOTT CHAPMAN FOWLER	ALL OF GRANTORS INTEREST IN ALL OF THE PERSONAL AND REAL PROPERTY BELONGING TO GRANTORS LOCATED IN THE STATE OF TEXAS SAVE AND EXCEPT SECTION 163 BLOCK 34 H&TCAND 93/420 INTEREST IN SECTION 193 BLOCK 34 H&TC	
12/11/1996	10/1/1996	11/14/1996	ASSIGNMENT	569	641	OFFICIAL PUBLIC RECORDS	TX	Reeves	MARTHA CHAPMAN FOWLER	CAPROCK PRODUCING LLC	LEASES IN SECTION 38 BLOCK 57 T-1	3 YEAR TERM ASSIGNMENT

Recorded Date	Effective Date	Instrument Date	Instrument Name	Book	Page	Recordation Type	State	County/Parish	From	To	Tract Description	Abstractor's Note
12/11/1996	10/1/1996	10/25/1996	ASSIGNMENT AND BILL OF SALE	569	646	OFFICIAL PUBLIC RECORDS	TX	Reeves	JUDSON F WILLIAMS ET UX	CAPROCK PRODUCING LLC	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHT TITLE AND INTEREST IN AND TO THE E/2 OF THE NE/4, NW/4, W/2 OF THE SW/4 AND E/2 OF THE SE/4. ALL DEPTHS BELOW 3260' IN THE W/2 OF THE NE/4; ALL DEPTHS BELOW 4695' IN THE E/2 OF THE SW/4; ALL DEPTHS BELOW 3194' IN THE W/2 OF THE SE/4.
12/11/1996	10/1/1996	11/19/1996	ASSIGNMENT AND BILL OF SALE	569	649	OFFICIAL PUBLIC RECORDS	TX	Reeves	JOHN MACGUIRE ET UX	CAPROCK PRODUCING LLC	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHT TITLE AND INTEREST IN AND TO THE E/2 OF THE NE/4, NW/4, W/2 OF THE SW/4 AND E/2 OF THE SE/4. ALL DEPTHS BELOW 3260' IN THE W/2 OF THE NE/4; ALL DEPTHS BELOW 4695' IN THE E/2 OF THE SW/4; ALL DEPTHS BELOW 3194' IN THE W/2 OF THE SE/4.
1/7/1997	12/31/1996	12/31/1996	DEED WITHOUT WARRANTY	570	609	OFFICIAL PUBLIC RECORDS	TX	Reeves	THE ESTATE OF SALLIE WHNNE RENAUD ET AL	SULLIVAN PARTNERS LTD	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	1/2 INTEREST
1/10/1997	10/1/1996	12/26/1996	ASSIGNMENT, BILL OF SALE AND CONVEYANCE	570	647	DEED RECORDS	TX	Reeves	STATEWIDE MINERALS INC	BOLDRICK PARTNERS	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	ALL INTEREST
3/24/1997		2/27/1997	DEED	573	6	OFFICIAL PUBLIC RECORDS	TX	Reeves	THE WILLIAM B SHAVER JR TRUST ET AL	W G PARTNERS LTD ET AL	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	1/9 INTEREST
11/7/1997		10/28/1997	PARTIAL RELEASE OF LIEN	581	216	OFFICIAL PUBLIC RECORDS	TX	Reeves	STATE STREET BANK AND TRUST COMAPNY	MANAGEMENT PARTNERSHIP	VARIOUS	

Recorded Date	Effective Date	Instrument Date	Instrument Name	Book	Page	Recordation Type	State	County/Parish	From	To	Tract Description	Abstractor's Note
6/22/1998		7/22/1997	ASSIGNMENT	590	445	OFFICIAL PUBLIC RECORDS	TX	Reeves	CAPROCK PRODUCING LLC	PENWELL ENERGY INC	ASSIGNMENTS IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS
9/25/1998	3/4/1998	9/18/1998	ASSIGNMENT OF OVERRIDING ROYALTY INTERESTS	594	586	OFFICIAL PUBLIC RECORDS	TX	Reeves	PENWELL ENERGY INC	PAUL R BARWIS ET AL	LEASES IN SECTION 38 BLOCK 57 T-2 AND OTHER LEASES	
9/25/1998	3/5/1998	9/18/1998	ASSIGNMENT OF OIL AND GAS LEASE	594	614	OFFICIAL PUBLIC RECORDS	TX	Reeves	PENWELL ENERGY INC	MCNIC OIL & GAS PROPERTIES INC	LEASES IN SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	72.25% INTEREST
1/28/1999	10/1/1998	1/21/1999	ASSIGNMENT, BILL OF SALE AND CONVEYANCE	601	2	OFFICIAL PUBLIC RECORDS	TX	Reeves	McNIC OIL & GAS PROPERTIES, INC.	PENWELL ENERGY, INC.	VARIOUS TRACTS	VARIOUS LEASES
4/20/1999	2/19/1999	4/9/1999	QUITCLAIM DEED	603	566	OFFICIAL PUBLIC RECORDS	TX	Reeves	TEXAS FIRMS, INC.	PBR PROPERTIES JOINT VENTURE; PECOS BEND ROYALTIES, INC., TOMMY VASCOCU	SECTIONS 22 & 33, BLOCK 57, TOWNSHIP 2, T&P RR CO SURVEY, REEVES COUNTY, TEXAS	AN UNDIVIDED 1/2 GRANTOR'S RIGHT, TITLE, AND INTEREST EACH.
4/20/1999		4/6/1999	SHERIFFS TAX DEED	603	585	OFFICIAL PUBLIC RECORDS	TX	Reeves	ARNULFO GOMEZ, SHERIFF OF REEVES COUNTY	TEXAS FIRMS, INC.	AMONG OTHERS SECTIONS 22 & 33, BLOCK 57, TOWNSHIP 2, T&P RR CO SURVEY, REEVES COUNTY, TEXAS	ALL RIGHT, TITLE, AND INTEREST.

Recorded Date	Effective Date	Instrument Date	Instrument Name	Book	Page	Recordation Type	State	County/Parish	From	To	Tract Description	Abstractor's Note
4/23/1999	2/19/1999	4/12/1999	QUITCLAIM DEED	604	100	OFFICIAL PUBLIC RECORDS	TX	Reeves	TEXAS FIRMS, INC.	MAP RESOURCES, INC.	SECTIONS 22 & 33, BLOCK 57, TOWNSHIP 2, T&P RR CO SURVEY, REEVES COUNTY, TEXAS	ALL GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO THE ROYALTIES, MINERAL INTERESTS AND/OR OVERRIDING ROYALTY INTEREST.
11/13/2000	1/1/2000	10/30/2000	ASSIGNMENT AND BILL OF SALE	626	706	OFFICIAL PUBLIC RECORDS	TX	Reeves	LLOYD HILL	LARRY HILL ET AL	LEASES IN SECTION 38 BLOCK 57 T-2	ALL RIGHTS
12/19/2000	12/1/2000	12/7/2000	ASSIGNMENT	628	40	OFFICIAL PUBLIC RECORDS	TX	Reeves	PENWELL ENERGY INC	SILVER OIL AND GAS CO INC	LEASES COVERING THE SW/4 OF SECTION 38 BLOCK 57 T-2	TERM ASSIGNMENT FOR 2 YEARS
2/15/2001	12/31/2000	12/31/2000	MINERAL AND ROYALTY DEED	631	320	OFFICIAL PUBLIC RECORDS	TX	Reeves	PAUL L DAVIS JR	PAUL DAVIS LTD	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	1/2 OF 20/256 OF 5% OF 8/8 ORRI
4/11/2001	4/1/2001	4/1/2001	ASSIGNMENT AND CONVEYANCE	634	189	OFFICIAL PUBLIC RECORDS	TX	Reeves	BOLDRICK PARTNERS DBA STATEWIDE MINERALS CO	MILES BOLDRICK JAMES P BOLDRICK	ALL ASSETS OWNED IN REEVES COUNTY AND THE STATE OF TEXAS INCLUDING BUT NOT LIMITED TO OIL AND GAS LEASES WORKING INTERESTS PARTICIPATING AND NON-PARTICIPATING ROYALTY INTERESTS OVERRIDING ROYALTY INTERESTS MINERAL INTERESTS AND OTHER SIMILAR INTERESTS	MILES BOLDRICK - 60% JAMES P BOLDRICK - 40%
7/24/2001		4/16/2001	CERT OF NAME CHANGE	638	670	OFFICIAL PUBLIC RECORDS	TX	Reeves	PACIFIC ENTERPRISES ABC CORPORATION	SEMPRA ENERGY PRODUCTION COMPANY		

Recorded Date	Effective Date	Instrument Date	Instrument Name	Book	Page	Recordation Type	State	County/Parish	From	To	Tract Description	Abstractor's Note
10/16/2006	9/1/2006	9/29/2006	ASSIGNMENT, DEED AND BILL OF SALE	747	288	OFFICIAL PUBLIC RECORDS	TX	Reeves	JAMES P BOLDRICK	WINDOM ROYALTIES LLC	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	ALL RIGHTS
10/16/2006	9/1/2006	9/29/2006	ASSIGNMENT, DEED AND BILL OF SALE	747	307	OFFICIAL PUBLIC RECORDS	TX	Reeves	MILES BOLDRICK DBA STATEWIDE MINERALS COMPANY	WINDOM ROYALTIES LLC	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	50% INTEREST
1/12/2007	1/1/2007	1/9/2007	ASSIGNMENT AND CONVEYANCE	753	405	OFFICIAL PUBLIC RECORDS	TX	Reeves	MILES BOLDRICK INDIVIDUALLY AND AS DBA STATEWIDE MINERALS CO	BOLDRICK FAMILY PROPERTIES L P	ANY AND ALL PROPERTIES IN THE COUNTY OF REEVES AND THE STATE OF TEXAS	AFFECTS SEC. 38, BLK. 57, T-2, T & P RAILWAY COMPANY SURVEY
9/17/2007	9/1/2006	11/1/2006	CONVEYANCE	773	655	OFFICIAL PUBLIC RECORDS	TX	Reeves	WINDOM ROYALTIES LLC	PASCOE FAMILY INVESTMENTS LLC ET AL	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	MAY BE OVER 150 VENDEES TO THIS INSTRUMENT
1/11/2008	11/1/2007	11/1/2007	QUITCLAIM DEED	781	486	OFFICIAL PUBLIC RECORDS	TX	Reeves	N NOBLE FLP LLP	NOBLE ROYALTY ACCESS FUND I LP	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	ALL RIGHTS
3/7/2008		3/3/2008	GIFT WARRANTY DEED	785	721	OFFICIAL PUBLIC RECORDS	TX	Reeves	MARTHA CHAPMAN FOWLER	RYAN L FOWLER ET AL	E/2SW/4 AND W/2SE4 OF SECTION 38 BLOCK 57 T-2	ORRI IN SHALLOW DEPTHS

Recorded Date	Effective Date	Instrument Date	Instrument Name	Book	Page	Recordation Type	State	County/Parish	From	To	Tract Description	Abstractor's Note
12/10/2009	11/30/2008	9/15/2009	CONVEYANCE	833	418	OFFICIAL PUBLIC RECORDS	TX	Reeves	OBI ENTITIES LLC	WINDOM ROYALTIES LLC ET AL	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	
7/6/2010	9/30/2009	4/13/2010	CONVEYANCE	847	4	OFFICIAL PUBLIC RECORDS	TX	Reeves	THE ESTATE OF KARL OHS	WINDOM ROYALTIES LLC ET AL	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	UNDIVIDED INTEREST IN AND TO ANY EXECUTIVE RIGHTS IN INTEREST, ANY SURFACE RIGHTS, POSSESSORY RIGHTS, NET PROFIT INTERESTS, AND SO-CALLED WORKING INTEREST IN THE INTEREST
		4/25/2011	AGREEMENT			UNRECORDED	TX	Reeves	IN THE MATTER OF ESTATE OF JAMES PRATT BOLDRICK	THE PUBLIC	NO PROPERTY DESCRIPTION	AFFECTS OIL AND GAS INTERESTS IN SEC. 38, BLK. 57, T-2, T & P RAILWAY COMPANY SURVEY AND OTHER PROPERTIES
4/1/2011		5/19/2011	CONVEYANCE	888	413	OFFICIAL PUBLIC RECORDS	TX	Reeves	CHRISTINA J BOLDRICK INDIVIDUALLY AND JAMES MILES BOLDRICK AND STARR B BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P BOLDRICK DECEASED	LAGNIAPPE HYDROCARBONS LLC JAMES MILES BOLDRICK MANAGER	SECTION 10 BLOCK C-20 PSL SURVEY SECTION 100 AND 101 BLOCK 13 H & GN RAILWAY COMPANY SURVEY SECTION 120 BLOCK 13 H & GN RAILWAY COMPANY SURVEY AND ANY AND ALL OTHER PROPERTIES IN REEVES COUNTY	AFFECTS SEC. 38, BLK. 57, T-2, T & P RAILWAY COMPANY SURVEY
8/15/2011	6/30/2010	10/20/2010	CONVEYANCE	895	74	OFFICIAL PUBLIC RECORDS	TX	Reeves	RICHARD W MUNN	WINDOM ROYALTIES LLC ET AL	SECTION 38 BLOCK 57 T-2 AND OTHER TRACTS	UNDIVIDED INTEREST IN AND TO ANY EXECUTIVE RIGHTS IN INTEREST, ANY SURFACE RIGHTS, POSSESSORY RIGHTS, NET PROFIT INTERESTS, AND SO-CALLED WORKING INTEREST IN THE INTEREST

Recorded Date	Effective Date	Instrument Date	Instrument Name	Book	Page	Recordation Type	State	County/Parish	From	To	Tract Description	Abstractor's Note
3/21/2012		1/18/2012	AFFIDAVIT OF DEATH, HEIRSHIP AND MARITAL HISTORY			OFFICIAL PUBLIC RECORDS	TX	Reeves	CLINT HURT	THE PUBLIC	NO PROPERTY DESCRIPTION	MARITAL HISTORY AND HEIRSHIP OF JAMES P. BOLDRICK WHO WAS MARRIED FIRST TO SUE STARR BOLDRICK WHO HAD THREE CHILDREN NAMELY, STARR BOLDRICK BAUER, JAMES MILES BOLDRICK AND KELLY BOLDRICK BARBOUR. hE WAS MARRIED SECONDLY TO ROSEMARY BOLDRICK FROM WHOM HE DIVORCED WITH NO CHILDREN OF SAID MARRIAGE AND HE WAS MARRIED THIRDLY TO CHRISTINA ZINC BOLDRICK WITH NO CHILDREN BORN OF THIS MARRIAGE AND THE MARRIAGE ENDED WITH THE DEATH OF JAMES P. BOLDRICK.
3/21/2012		1/16/2012	CONVEYANCE			OFFICIAL PUBLIC RECORDS	TX	Reeves	JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED	LAGNIAPPE HYDROCARBONS L.L.C., JAMES MILES BOLDRICK, MANAGER	SECTION 38, BLOCK 57, A-2027, T & P RAILWAY COMPANY SURVEY	ALL OF GRANTOR'S WORKING INTEREST, MINERAL AND ROYALTY INTEREST IN THE ABOVE DECRIBED LANDS

#134

File No. MF065125
TITLE Run Sheet from
PetroHawF - As Requested
Date Filed: 7-26-12
Jerry E. Patterson, Commissioner
By B Boyd

Memo to file - MF065125

Requested assignments for chain of title into Petrohawk.
Shallow Rights - Per Petrohawk

6-1-87

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AVG - TAX FORFEITURE 12-5-88

FILE NO. 1242 AVG PETROLEUM, INC. TO ORLA PETCO, INC.

SECOND CORRECTED ASSIGNMENT OF INTEREST
IN OIL AND GAS LEASES

STATE OF TEXAS §
§
COUNTY OF REEVES §

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, AVG PETROLEUM, INC. (the "Assignor") does hereby GRANT, CONVEY and ASSIGN to ORLA PETCO, INC., Post Office Box 1383, Midland, Texas 79702 (herein collectively called the "Assignee"), all of its right, title and interest in the oil and gas leases described in attached Exhibit "A," covering the lands situated in Reeves County, Texas, described in attached Exhibit "A," together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

Assignee's interest is subject to the terms of all instruments under which Assignor acquired title and is also subject to, and shall bear its proportionate part of, all burdens affecting said oil and gas leases, including, but not limited to, all royalties, overriding royalties, and production payments, and conversion and "back-in" options, and the terms, provisions and conditions of any gas purchase contracts, operating agreements or other agreements entered into between Assignor, or its predecessors in title, and other parties affecting said oil and gas leases described on attached Exhibit "A."

This assignment is subject to that certain Deed of Trust dated June 21, 1983, and supplemental Deed of Trust dated April 6, 1984, from Adalbert Von Gontard III to William P. Franklin, Trustee for First City National Bank of Midland, recorded, respectively, in Volume 125, Page 5, and Volume 127, Page 542, Deed of Trust Records, Reeves County, Texas.

This assignment is made without warranty of title, express or implied.

This Second Corrected Assignment of Interest in Oil and Gas Leases is made in place of and to correct an Assignment of

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Interest in Oil and Gas Leases dated July 15, 1987, effective June 1, 1987, from Assignor to Assignee, recorded in Volume 478, Page 1, Deed Records, Reeves County, Texas (the "Original Assignment") and in place of and to correct that certain Corrected Assignment of Interest in Oil and Gas Leases dated December 29, 1987, effective June 1, 1987, from Assignor to Assignee, recorded in Volume 481, Page 783, Deed Records, Reeves, County, Texas (the "Corrected Assignment"). Through clerical error, the Original Assignment inadvertently failed to include all of the lands covered by the "Sand Bend Leases" referred to at item 1 at Exhibit "A" to the Original Assignment. Simularly, the Corrected Assignment also failed to correctly describe the lands intended to be assigned in the Sand Bend Leases referred to at item 1 of Exhibit "A" to the Corrected Assignment. This Second Corrected Assignment of Interest in Oil and Gas Leases is intended to correct the mistakes made in the Original Assignment and in the Corrected Assignment, is effective as of June 1, 1987, and in all other respects, confirms the Original Assignment and the Corrected Assignment.

WITNESS the execution hereof, this 12TH day of APRIL, 1988, but effective as of June 1, 1987.

Assignor:

AVG PETROLEUM, INC.

By: _____
Adalbert von Gontard, III
President

Assignee:

ORLA PETCO, INC.

By: Joseph Roybal
Joseph Roybal
Vice President

223/MJC4/skb

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STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This Instrument was acknowledged before me on the 12TH day of APRIL, 1988, by ADALBERT VON GONTARD, III, President of AVG PETROLEUM, INC., a Texas corporation, on behalf of said corporation.

Betty Randell
Notary Public, State of Texas

BETTY RANDELL, Notary Public
In and for the State of Texas
My Commission Expires 1/29/91

BETTY RANDELL
Typed/Printed Name of Notary

My Commission Expires: 1/29/91

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This Instrument was acknowledged before me on the 12TH day of APRIL, 1988, by JOSEPH ROYBAL, Vice President of ORLA PETCO, INC., a Texas corporation, on behalf of said corporation.

Betty Randell
Notary Public, State of Texas

BETTY RANDELL, Notary Public
In and for the State of Texas
My Commission Expires 1/29/91

BETTY RANDELL
Typed/Printed Name of Notary

My Commission Expires: 1/29/91

223/MJC4/skb

EXHIBIT "A"
TO
SECOND CORRECTED ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES
FROM AVG PETROLEUM, INC., TO ORLA PETCO, INC.

1. Sand Bend a) Oil and Gas Lease dated September 21, 1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records, Reeves County, Texas;

b) Oil and Gas Lease dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records, Reeves County, Texas;

INSOFAR as said Leases cover the following described land, to-wit:

E/2 SW/4, W/2 NE/4 and W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3,260'.

2. Red Bluff Oil and Gas Lease dated November 22, 1982, between Red Bluff Water Power Control District, a political subdivision of the State, as Lessors, and Orla Petco, Inc., as Lessee, recorded in Volume 428, Page 434, Oil and Gas Lease Records, Reeves County, Texas;

INSOFAR as said Lease covers the following described land, to-wit:

W/2 of Section 10, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to and including 5,500', but no deeper.

3. Gulf TXL BM Oil and Gas Lease dated November 22, 1949, between George C. Fraser, George L Burr and John K. Olyphant, Jr., Lessors and Gulf Oil Corporation, Lessee, recorded in Volume 128, Page 48, Deed Records, Reeves County, Texas;

INSOFAR as said Lease covers the following described land, to-wit:

S/2 of Section 45, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4,460'.

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.

FILED FOR RECORD ON THE 9th DAY OF May A.D. 1988 AT 8:46A. M.

DULY RECORDED ON THE 9th DAY OF May A.D. 1988 AT 11:30A.M.

BY Billie Jo Greenen DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

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FILE NO. 41 AVG PETROLEUM, INC. TO ORLA PETCO, INC.

CORRECTED ASSIGNMENT OF INTEREST
IN OIL AND GAS LEASES

STATE OF TEXAS)
COUNTY OF REEVES)

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, AVG PETROLEUM, INC.("Assignor") does hereby GRANT,CONVEY and ASSIGN to ORLA PETCO, INC., P. O. Box 1383, Midland, Texas, 79702, (herein collectively called "assignee"), all of its right, title and interest in the oil and gas leases described in attached Exhibit "A", covering the lands situated in Reeves County, Texas, described in attached Exhibit "A", together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

Assignee's interest is subject to the terms of all instruments under which Assignor acquired title and is also subject to, and shall bear its proportionate part of, all burdens affecting said oil and gas leases, including, but not limited to, all royalties, overriding royalties, and production payments, and conversion and "back-in" options, and the terms, provisions, and conditions of any gas purchase contracts, operating agreements or other agreements entered into between Assignor, or his predecessors in title, and other parties affecting said oil and gas leases described on attached Exhibit "A".

This assignment is subject to that certain Deed of Trust dated June 21, 1983 and supplemental Deed of Trust dated April 6, 1984 from Adalbert Von Gontard III to William P. Franklin Trustee for First City National Bank of Midland, Recorded respectively in Volume 125, Page 5 and Volume 127, Page 542 in Deed of Trust records of Reeves County, Texas.

This assignment is made without warranty of title, express or implied.

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WITNESS the execution hereof, this 29th day of December, 1987, but effective as of June 1, 1987.

AVG PETROLEUM, INC.

By _____
ADALBERT VON GONTARD, III
President

STATE OF TEXAS {

COUNTY OF MIDLAND {

This Instrument was acknowledged before me on the 29th day of Dec., A.D. 1987 by ADALBERT VON GONTGARD III, President of AVG PETROLEUM INC., a Texas corporation, on behalf of said corporation.

HOLLY WINFORD
Notary Public, State of Texas
My Commission Expires
1/29/91

Holly Winford
Notary Public for State of Texas

1/29/91
my commission expires

Holly Winford
printed name of notary

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EXHIBIT "A"
TO
CORRECTED ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES
FROM AVG PETROLEUM, INC., TO ORLA PETCO, INC.

1. Sand Bend a) Oil and Gas Lease dated September 21,1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records, Reeves County, Texas;

b) Oil and Gas Lease dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said Leases cover the following described land, to-wit:

E/2 SW/4 and the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3,260'.

2. Red Bluff Oil and Gas Lease dated November 22, 1982, between Red Bluff Water Power Control District, a political subdivision of the State, as Lessors, and Orla Petco, Inc., as Lessee, recorded in Volume 428, Page 434, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said Lease covers the following described land, to-wit:

W/2 of Section 10, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to and including 5,500' but no deeper.

3. Gulf TXL BM Oil and Gas Lease dated November 22, 1949 between George C. Fraser, George L. Burr and John K. Olyphant, Jr., Lessors and Gulf Oil Corporation, Lessee, recorded in Volume 128, Page 48 of the Deed Records of Reeves County, Texas;

Insofar as said Lease covers the following described land, to-wit:

S/2 of Section 45, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4,460'.

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.

FILED FOR RECORD ON THE 5th DAY OF January A.D. 1988 AT 10:51A. M.

DULY RECORDED ON THE 5th DAY OF January A.D. 1988 AT 12:30P. M.

BY Olga Fuentes DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

Elliott and Waldron Abstract Company of Pecos
DeedPrint

FILE NO. 1789 AVG PETROLEUM, INC, TO ORLA PETCO, INC.

ASSIGNMENT OF INTEREST
IN OIL AND GAS LEASES

STATE OF TEXAS)
COUNTY OF REEVES)

For an adequate consideration in hand paid, the receipt of which is hereby acknowledged, AVG PETROLEUM, INC.("Assignor") does hereby GRANT,CONVEY and ASSIGN to ORLA PETCO, INC., P. O. Box 1383, Midland, Texas, 79702, (herein collectively called "assignee"), all of its right, title and interest in the oil and gas leases described in attached Exhibit "A", covering the lands situated in Reeves County, Texas, described in attached Exhibit "A", together with a like interest in and to all personal property and equipment situated thereon and used or obtained in connection therewith.

Assignee's interest is subject to the terms of all instruments under which Assignor acquired title and is also subject to, and shall bear its proportionate part of, all burdens affecting said oil and gas leases, including, but not limited to, all royalties, overriding royalties, and production payments, and conversion and "back-in" options, and the terms, provisions, and conditions of any gas purchase contracts, operating agreements or other agreements entered into between Assignor, or his predecessors in title, and other parties affecting said oil and gas leases described on attached Exhibit "A".

This assignment is subject to that certain Deed of Trust dated June 21, 1983 and supplemental Deed of Trust dated April 6, 1984 from Adalbert Von Gontard III to William P. Franklin Trustee for First City National Bank of Midland, Recorded respectively in Volume 125, Page 5 and Volume 127, Page 542 in Deed of Trust records of Reeves County, Texas.

This assignment is made without warranty of title, express or implied.

Shaldrew

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WITNESS the execution hereof, this 15th day of July, 1987, but effective as of June 1, 1987.

AVG PETROLEUM, INC.

By _____
ADALBERT VON GONTARD, III
President

STATE OF TEXAS [
COUNTY OF MIDLAND [

This Instrument was acknowledged before me on the 15th day of July, 1987 by ADALBERT VON GONTARD III, President of AVG PETROLEUM INC., a Texas corporation, on behalf of said corporation.

Cynthia Ann Stuart
Notary Public for State of Texas

NOTARY PUBLIC STATE OF TEXAS

my commission expires 10/02/88

CYNTHIA ANN STUART
printed name of notary

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EXHIBIT "A"
TO
ASSIGNMENT OF INTEREST IN OIL AND GAS LEASES
FROM AVG PETROLEUM, INC., TO ORLA PETCO, INC.

1. Sand Bend a) Oil and Gas Lease dated September 21,1970, between Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, as Lessors, and Ford Chapman as Lessee, recorded in Volume 297, Page 489, Oil and Gas Lease Records, Reeves County, Texas;

b) Oil and Gas Lease dated September 21, 1970, between Sallie Wynne Reynaud, as Lessor, and Ford Chapman, as Lessee, recorded in Volume 297, Page 485, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said Leases cover the following described land, to-wit:

W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3,260'.

2. Red Bluff Oil and Gas Lease dated November 22, 1982, between Red Bluff Water Power Control District, a political subdivision of the State, as Lessors, and Orla Petco, Inc., as Lessee, recorded in Volume 428, Page 434, Oil and Gas Lease Records, Reeves County, Texas;

Insofar as said Lease covers the following described land, to-wit:

W/2 of Section 10, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to and including 5,500' but no deeper.

3. Gulf TXL BM Oil and Gas Lease dated November 22, 1949 between George C. Fraser, George L. Burr and John K. Olyphant, Jr., Lessors and Gulf Oil Corporation, Lessee, recorded in Volume 128, Page 48 of the Deed Records of Reeves County, Texas;

Insofar as said Lease covers the following described land, to-wit:

S/2 of Section 45, Block 57, T-1, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 4,460'.

FILED FOR RECORD ON THE 21st DAY OF July ,A.D. 1987 AT 11:47A.M.

DULY RECORDED ON THE 21st DAY OF July ,A.D. 1987 AT 12:30P.M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

VOL 492 PAGE 446

SWD

FILE NO. 620 WINTERSHALL CORPORATION TO CLINT YOUNG, INC.

Delex X Sand Bend

ASSIGNMENT OF OIL AND GAS LEASES
AND BILL OF SALE

STATE OF Texas §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY/PARISH OF Reeves §

WINTERSHALL CORPORATION, a Delaware corporation, with offices at Five Post Oak Park, Suite 2000, Houston, Texas 77027, (hereinafter referred to as "Assignor"), for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, sell assign, transfer and convey unto Clint Young, Inc., with offices at P.O. Box 386 Graham, Texas 76046 (hereinafter referred to as "Assignee"), its heirs, successors and assigns, all of Assignor's undivided interest in and to the Oil, Gas and Mineral Leases (the "Leases") described on Exhibit "A" attached hereto and incorporated herein, such undivided interest along with all other rights and property assigned herein being hereafter referred to as the "Subject Interest".

The interest assigned herein includes its proportionate part of all personal property, easements, permits, rights-of-way and contracts, situated upon, or used or useful, or held for future use in connection with the exploration, development or operation of the Leases described in Exhibit "A" or of any unitized area which includes any of such properties and interests, or with the production, treating, storing or transportation of oil, gas or other hydrocarbons from the Orla Petco - Sand Bend #1, #3, "A" #1, and #2 SWD well(s), including, but not by way of limitation, all wells, casing, tubing, tanks, separators, rods, pumps, flowlines, pipelines, buildings, fixtures, saltwater disposal facilities, power lines, roads, and other appurtenances.

Separate and apart from the assignment contained herein and not subject to any of the covenants or warranties contained herein,

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Assignor hereby assigns unto Assignee all of its rights and obligations in and under agreements covering or relating to the Exhibit "A" interests, including, without limitation, operating agreements, unit agreements, farmout and farmin agreements, and oil and gas sales contracts.

The interest assigned herein is subject to the covenants, conditions, terms and provisions of the Leases described on Exhibit "A" and is subject to the Lessor's royalty set forth therein and all other burdens of record on the date hereof.

By its acceptance hereof, Assignee does hereby assume all of Assignor's obligations with respect to the leasehold estate conveyed herein, including surface restoration and the plugging and abandoning of all wells located on the Subject Interest, and Assignee does hereby hold Assignor harmless with respect to the costs and expenses of same.

Upon delivery hereof, Assignor agrees to execute and deliver all such other notices, releases and other documents, and will do all such other acts and things, as may be necessary more fully to assure to Assignee, its heirs, successors, and assigns, all of the respective rights herein granted or intended to be granted.

Assignor covenants with and warrants to Assignee, its heirs, successors and assigns that Assignor has good right and authority to sell and assign the Subject Interest, together with all of Assignor's rights incident or appurtenant thereto.

This Assignment and Bill of Sale is made without warranty of title to the Subject Interest, either express or implied; provided, however, Assignor grants unto Assignee full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect of the Subject Interest or any part thereof.

ASSIGNOR MAKES NO EXPRESS OF IMPLIED WARRANTIES OR REPRESENTATIONS AS TO THE QUALITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR USE OF ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES OR APPURTENANCES HEREBY ASSIGNED, AND ASSIGNEE ACCEPTS ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES OR APPURTENANCES "AS IS", "WHERE IS", IN PRESENT CONDITION AND STATE OF REPAIR.

VOL 492 PAGE 448

All ad valorem, property, production, severance and similar taxes and assessments against the Subject Interest for the calendar year 1989 shall be prorated as of the effective date hereof and are hereby expressly assumed by Assignee.

All of the terms, provisions, covenants and conditions contained herein shall extend to and be binding upon the parties hereto, their respective heirs, successors and assigns.

EXECUTED this 28 day of February, 1989, to be effective, however, as of 12:00 A.M., March 1, 1989.

WITNESSES:

_____

_____

ASSIGNOR:

WINTERSHALL CORPORATION

By: _____
James F. Wiggins, Attorney-in-Fact

WITNESSES

_____

_____

ASSIGNEE:

CLINT Young, Inc.

By: Clint Young, President
Clint Young
President

STATE OF TEXAS $
$
COUNTY OF HARRIS $

This instrument was acknowledged before me on the 28th day of February, 1989, by James F. Wiggins, Attorney-in-Fact of WINTERSHALL CORPORATION, a Delaware corporation, on behalf of said corporation.

Mary Jane Allen
Notary Public, State of Texas
Mary Jane Allen

MY COMMISSION EXPIRES:

7-8-92

STATE OF Texas $
$
COUNTY OF Young $

This instrument was acknowledged before me on the 28th day of February, 1989, by Clint Young, President of Clint Young, Inc., a Texas corporation, on behalf of said corporation.

Helen Pillans
Notary Public, State of Texas

HELEN PILLANS
Notary Public State of Texas
Commission Expires 02/03/90

MY COMMISSION EXPIRES:

02/03/90

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1/30/89 Wintershall Corporation Exhibit "A" Page 1

Delex X
TX - REEVES

Lease Number	Lessor/Lease Name	Lessee	Lse Date	Recording Data
NA06001 01	LELA MAE WYNNE, SAMUELLA	FORD CHAPMAN	09/21/70	297/489
Tract 001	240.00 ACS, MOL, IN SEC 38, BLK 57, T&P RY CO SVY BEING E/2SW/4 (80.00 ACS) W/IN SAND BEND #1; W/2SE/4 (80.00 ACS) W/IN SAND BEND #1A; & W/2NE/4 (80.00 ACS) W/IN SAND BEND #3			
Tract 002	400 ACS, MOL, BEING THE NW/4; E/2NE/4; W/2SW/4 AND E/2SE/4 (AROUND SWD AS OF 5/84 FORMERLY SAND BEND #2)			
NA06001 02	SALLIE WYNNE REYNAUD	FORD CHAPMAN	09/21/70	297/485
Tract 001	240.00 ACS, MOL, IN SEC 38, BLK 57, T&P RY CO SVY BEING E/2SW/4 (80.00 ACS) W/IN SAND BEND #1; W/2SE/4 (80.00 ACS) W/IN SAND BEND #1A; & W/2NE/4 (80.00 ACS) W/IN SAND BEND #3			
Tract 002	400 ACS, MOL, BEING THE NW/4; E/2NE/4; W/2SW/4 AND E/2SE/4 (AROUND SWD AS OF 5/84 FORMERLY SAND BEND #2)			

MF 066125

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.

FILED FOR RECORD ON THE 15th DAY OF March A.D. 1989 at 11:46A. M.

DULY RECORDED ON THE 15th DAY OF March A.D. 1989 at 4:00P. M.

BY Billie Jo Freeman DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

Elliott and Waldron Abstract Company of Pecos
DeedPrint

Shallow 3-1-89

95 707

MF065125

FILE NO. 1819 CLINT YOUNG, INC. TO NORTH CENTRAL CASING PULLERS, INC.

ASSIGNMENT OF OIL AND GAS LEASES
AND BILL OF SALE

STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF REEVES *

CLINT YOUNG, INC., a Texas corporation, with offices at P.O. Box 386, Graham, Texas 76046, (hereinafter referred to as "Assignor"), for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, sell assign, transfer and convey unto North Central Casing Pullers, Inc. with offices at P.O. Box 540, Graham, Texas 76046

(hereinafter referred to as "Assignee"), its heirs, successors and assigns, all of Assignor's undivided interest in and to the Oil, Gas and Mineral Leases (the "Leases") described on Exhibit "A" attached hereto and incorporated herein, such undivided interest along with all other rights and property assigned herein being hereafter referred to as the "Subject Interest".

The interest assigned herein includes its proportionate part of all personal property, easements, permits, rights-of-way and contracts, situated upon, or used or useful, or held for future use in connection with the exploration, development or operation of the Leases described in Exhibit "A" or of any unitized area which includes any of such properties and interests, or with the production, treating, storing or transportation of oil, gas or other hydrocarbons from the Sand Bend #1,#3,"A", #1, &#2 SWD well(s), including, but not by way of limitation, all wells, casing, tubing, tanks, separators, rods pumps, flowlines, pipelines, buildings, fixtures, saltwater disposal facilities, power lines, roads, and other appurtenances.

Separate and apart from the assignment contained herein and not subject to any of the covenants or warranties contained herein, Assignor hereby assigns unto Assignee all of its rights and obligations in and under agreements covering or relating to the Exhibit "A" interests, including, without limitation, operating agreements, unit agreements, farmout and farmin agreements, and oil and gas sales contracts.

The interest assigned herein is subject to the covenants conditions, terms and provisions of the Lease described on Exhibit "A" and is subject to the Lessor's royalty set forth therein and all other burdens of record on the date hereof.

By its acceptance hereof, Assignee does hereby assume all of Assignor's obligations with respect to the leasehold estate conveyed

Elliott and Waldron Abstract Company of Pecos
DeedPrint

herein, including surface restoration and the plugging and abandoning of all wells located on the Subject Interest, and Assignee does hereby hold Assignor harmless with respect to the costs and expenses of same.

Upon delivery hereof, Assignor agrees to execute and deliver all such other notices, releases and other documents, and will do all such other acts and things, as may be necessary more fully to assure to Assignee, its heirs, successors, and assigns, all of the respective rights herein granted or intended to be granted.

Assignor covenants with and warrants to Assignee, its heirs, successors and assigns that Assignor has good right and authority to sell and assign the Subject Interest, together with all of Assignor's rights incident or appurtenant thereto.

This Assignment and Bill of Sale is made without warranty of title to the Subject Interest, either express or implied; provided, however, Assignor grants unto Assignee full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respct of the Subject Interest or any part thereof.

ASSIGNOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS AS TO THE QUALITY, MERCHANTABILITY, OR FITNESS FOR A PARTICLAR USE OF ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES OR APPURTENANCES HEREBY ASSIGNED, AND ASSIGNEE ACCEPTS ANY PERSONAL PROPERTY, EQUIPMENT, FIXTURES OR APPURTENANCES "AS IS", "WHERE IS", IN PRESENT CONDITION AND STATE OF REPAIR.

All ad valorem, property, production, severance and similar taxes and assessments against the Subject Interest for the calendar year 1989 shall be prorated as of the efective date hereof and are hereby expressly assumed by Assignee.

All of the terms, provisions, covenants and conditions contained herein shall extend to and be binding upon the parties hereto, their respective heirs, successors and assigns.

EXECUTED this 1st day of June, 1989, to be effective, however, as of March 1, 1989.

ASSIGNOR:

WITNESSES:

Kaye Lusser

CLINT YOUNG, INC.

By: Clint Young

STATE OF TEXAS *

COUNTY OF YOUNG *

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared CLINT YOUNG, President of CLINT YOUNG, INC., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 1st day of June, 1989.

NOTARY PUBLIC STATE OF TEXAS

Kaye Turner
Notary Public in and for the State of Texas

My Commission Expires:

12-89

Kaye Turner
Notary's Printed Name

STATE OF _____ *

COUNTY OF _____ *

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, _____ of _____ known to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1989.

_____
Notary Public in and for the State of Texas

My Commission Expires:

_____

_____
Notary's Printed Name

STATE OF _____ *

COUNTY OF _____ *

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, _____ of _____ known to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 1989.

_____
Notary Public in and for the State of Texas

My Commission Expires:

_____

_____
Notary's Printed Name

495 PAGE 710

Delex X
TX - REEVES

Lease Number	Lessor/Lease Name	Lessee	Lse Date	Recording Data
NM06001 01	LELA MAE WYNNE, SAMUELLA	FORD CHAPMAN	09/21/70	297/489
Tract 001	240.00 ACS, MOL, IN SEC 38, BLK 57, T&P RY CO SVY BEING E/2SW/4 (80.00 ACS) W/IN SAND BEND #1; W/2SE/4 (80.00 ACS) W/IN SAND BEND #1A; & W/2NE/4 (80.00 ACS) W/IN SAND BEND #3			
Tract 002	400 ACS, MOL, BEING THE NW/4; E/2NE/4; W/2SW/4 AND E/2SE/4 (AROUND SWD AS OF 5/84 FORMERLY SAND BEND #2)			
NM06001 02	SALLIE WYNNE REYNAUD	FORD CHAPMAN	09/21/70	297/485
Tract 001	240.00 ACS, MOL, IN SEC 38, BLK 57, T&P RY CO SVY BEING E/2SW/4 (80.00 ACS) W/IN SAND BEND #1; W/2SE/4 (80.00 ACS) W/IN SAND BEND #1A; & W/2NE/4 (80.00 ACS) W/IN SAND BEND #3			
Tract 002	400 ACS, MOL, BEING THE NW/4; E/2NE/4; W/2SW/4 AND E/2SE/4 (AROUND SWD AS OF 5/84 FORMERLY SAND BEND #2)			

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

FILED FOR RECORD ON THE 9th DAY OF August A.D. 1989 AT 11:16A. M.

DULY RECORDED ON THE 9th DAY OF August A.D. 1989 AT 12:30P. M.

BY Billie Jo Gramon DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

7·26·12

FILE NO 2466 PACIFIC ENTERPRISES OIL COMPANY (USA) TO PACIFIC ENTERPRISES ABC CORP

STATE OF TEXAS

COUNTY OF REEVES

GENERAL CONVEYANCE, ASSIGNMENT AND BILL OF SALE

This General Conveyance, Assignment and Bill of Sale from PACIFIC ENTERPRISES OIL COMPANY (USA), a California corporation, with offices at 1700 Pacific Avenue, Suite 1200, Dallas, Texas 75201 (herein called "Assignor"), to PACIFIC ENTERPRISES ABC CORPORATION, a California corporation, with offices at 633 West Fifth Street, Suite 5400, Los Angeles, California 90071, (herein called "Assignee"),

WITNESSETH:

Assignor, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER and DELIVER unto the Assignee, the following:

A. All right, title and interest of Assignor in the properties described in Exhibit "A" attached hereto and made a part hereof for all purposes including but not limited to oil, gas and mineral leases, mineral interests, fee lands, royalties, overriding royalties, net profits interests, executive rights, coal leases, mining permits, as the same are specifically described on Exhibit "A" (the "Properties"). Subject, however, to the respective terms and conditions of said oil, gas and mineral leases and any and all valid and subsisting oil, gas and mineral sales contracts, operating agreements, farmout agreements, exploration agreements, electrical service agreements, well servicing agreements, drilling contracts, pooling or unitization declarations, agreements and/or orders, processing contracts, salt water disposal agreements, easements and rights-of-way either of record or apparent from an inspection on the ground, burdens on production and other similar instruments or agreements which relate to any of the Properties described in Exhibit "A", including but not limited to, the specific restrictions, exceptions, reservations, conditions, limitations, and other matters, if any, set forth in Exhibit "A", to the extent and only to the extent that the same are valid and subsisting (the "Encumbrances"); and

B. All right, title and interest of Assignor derived from all presently existing and valid unitization and pooling declarations, agreements and/or orders, and the properties covered and the units created thereby (including all units formed under orders, regulations, rules or other official acts of any federal, state or other governmental agency having jurisdiction), whether or not described or referred to in Exhibits "A", insofar as the same relate to the Properties or to the production, storing, transportation or marketing of oil, gas and other hydrocarbons from or attributable to the Properties; and

C. All right, title and interest of Assignor in and to all presently existing and valid oil, casinghead gas and gas sales, operating and processing contracts and agreements and all other contracts, agreements and instruments whether or not described or referred to in Exhibit "A", insofar as the same relate to the Properties or to the production, storing, transportation or marketing of oil, gas and other hydrocarbons from or attributable to the Properties; and

D. All right, title and interest of Assignor in and to all personal property, equipment, improvements, easements, permits, licenses, servitudes or rights-of-way (including, but not by way of limitation, any wells, tanks, boilers, buildings, fixtures, machinery and other equipment, pipelines, powerlines, telephone and telegraph lines, roads and other appurtenances and easements) in, on or now being used in connection with the exploration, development or operation of the Properties or insofar as the same relate to the production, treating, storing, transportation or marketing of oil, gas and other hydrocarbons produced from or attributable to the Properties;

together with all rights of ingress and egress (if any) and all other appurtenances belonging or appurtenant to the property interests described in subparagraphs A, B, C, and D above (herein collectively referred to as the "Conveyed Interests").

TO HAVE AND TO HOLD the Conveyed Interests unto Assignee and Assignee's legal representatives, successor and assigns forever. Although Assignor makes no warranties, expressed or implied, this Conveyance and Assignment is made with full substitution and subrogation of Assignor, its successors and assigns, in and to all covenants and warranties by others heretofore given or made in respect of the Properties or any part thereof. **ASSIGNOR MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, QUALITY, CONDITION OR FITNESS FOR PARTICULAR USES OF ANY OF THE PROPERTIES, OR CONVEYED INTERESTS, ALL OF THE SAME BEING HEREBY EXPRESSLY EXCLUDED AND DENIED.**

Assignor agrees to execute and deliver to Assignee all such other and additional instruments, notices, division orders, transfer orders and other documents and to do all such other and further acts and things as may be necessary to more fully and effectively grant, convey and assign to Assignee the rights, titles, interests and estates in the Conveyed Interests conveyed hereby or intended so to be.

This General Conveyance, Assignment and Bill of Sale is being executed in multiple originals, all of which are identical, except that, to facilitate recordation, in certain counterparts hereof only that portion, if any, of Exhibit "A" which contains specific descriptions of Conveyed Interests located in the recording jurisdiction where that counterpart is to be recorded are included, and other portions of Exhibit "A" are included by reference only. All of such counterparts together constitute but one and the same instrument. Complete copies of this Conveyance and Agreement containing the entire Exhibit "A" have been retained by Assignor and Assignee and recorded in Los Angeles County, California.

7·26·12

IN WITNESS WHEREOF, this General Conveyance, Assignment and Bill of Sale has been executed by Assignor on the date of its respective acknowledgment hereof in the presence of the undersigned competent witnesses whose signatures appear opposite its respective name, but is delivered and effective as to runs of oil and deliveries of gas and for all other purposes on October 2, 1992 (the "Effective Date") as of 7:00 a.m. local time (at the location of the Conveyed Interests, respectively).

ATTEST:

Paul E. Fulbright
Assistant Secretary

PACIFIC ENTERPRISES OIL COMPANY (USA)

Jere G. Hayes
Vice President

See page four (-4-) for Acknowledgement.

7·26·12

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

On this the 6th day of November, 1992, before me, Elaine G. King, the undersigned officer, personally appeared Jere G. Hayes, who acknowledged himself to be the Vice President of Pacific Enterprises Oil Company (USA), a corporation, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Vice President.

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

Elaine G. King

Elaine G. King - Notary Public

My commission expires: 9/10/94

ELAINE G. KING
Notary Public
STATE OF TEXAS
My Commission Expires 9/10/94

STATE TX
COUNTY REEVES

EXHIBIT "A"

LEASE	DESCRIPTION	TYPE OF INTEREST	PROD. STATUS
004139A1 INVESTORS ROYALTY	E/2 & SW/4 OF SEC. 35, BLK. 51, TWP. 7, T & P RY. SVY.	MI	NP
009718A1	ALL OF SEC. 19, BLK. C-9, PUBLIC SCHOOL LAND SVY.	MI	NP
009719A1	ALL OF SEC. 20, BLK. C-9, PUBLIC SCHOOL LAND SVY.	MI	NP
009720A1 INVESTORS ROYALTY	E/2 SE/4 & W/2 SW/4 SEC. 21, BLK. C-9, PUBLIC SCHOOL LAND SVY	MI	NP
009721A1 INVESTORS ROYALTY	BLOCK C-9, PUBLIC SCHOOL LAND SURVEY SEC 22: SOUTH 253 ACRES	MI	NP
009722A1 INVESTORS ROYALTY	BLOCK 72, PUBLIC SCHOOL LANDS SURVEY SEC 13: ALL	MI	NP
021317A1 JACOB LEVIN, ET UX	BLOCK C-5, PUBLIC SCHOOL LANDS SURVEY SEC 1: ALL SEC 2: ALL SEC 11: ALL SEC 12: ALL	MI	NP
021318B1	BLOCK 54, TOWNSHIP 4, T & P RR CO SURVEY SEC 4 ALL BLOCK 55, TOWNSHIP 4, T & P RR CO SURVEY SEC 12: ALL	SUR	NP
021319A1 NORINE HOSIE ROGERS	BLOCK C-8, PUBLIC SCHOOL LANDS SURVEY SEC. 6 E/2	MI	NP

STATE TX
COUNTY REEVES

EXHIBIT "A"

LEASE	DESCRIPTION	TYPE OF INTEREST	PROD. STATUS
021320A1	SEC. 134: ALL, BLOCK 13, H & GN RY. CO. SURVEY	MI	NP
021321A1 H C KIMBROUGH	TEXAS & PACIFIC RAILROAD COMPANY SURVEY BLOCK 50, TOWNSHIP 8 NORTH SEC 39: ALL SEC 40: ALL SEC 41: ALL SEC 42: ALL	MI	NP
021323A1 PEARL WALLACE,ET VIR	SEC. 6: E/106.67 ACRES OF W/2 BLOCK 57, T-3, T & P RY. CO. SURVEY	MI	NP
021331A1 ALMA REISCHE, ET VIR	BLOCK 71, PUBLIC SCHOOL LANDS SEC. 27: E/2, LESS 7.7 ACRES SEC. 28: 48 ACRES IN NW/CORNER BLOCK 72, PUBLIC SCHOOL LANDS SEC. 16: N/2 NE/4	MI	NP
021334A1 ALICE A. BROWN,ET AL	SEC. 28: NW/4 BLOCK 55, T-4, T & P RY. CO. SURVEY	MI	NP
021334B1	SEC. 28: NW/4 BLOCK 55, T-4 T&P RR CO. SURVEY	SUR	NP
021337A1 J. H. NEWMAN	SEC 17: W/2 OF THE SOUTH 1/3 BLOCK 5, H & GN RY. CO. SURVEY	MI	NP
021341A1	SEC. 8: S/431.8 ACRES; BLOCK 6, H&GN RY. CO. SUR.	MI	NP
021347A1 E L RICHARDSON	BLOCK 55, PUBLIC SCHOOL LANDS SURVEY, ABSTRACT-3011 SEC 15: ALL BLOCK 55, PUBLIC SCHOOL LANDS SURVEY, ABSTRACT-3012 SEC 16: ALL	SUR	NP

EXHIBIT "A"

STATE TX
COUNTY REEVES

LEASE	DESCRIPTION	TYPE OF INTEREST	PROD. STATUS
021347B1	BLOCK 55, PUBLIC SCHOOL LANDS SURVEY, ABSTRACT 3666 SEC 26 ALL	SUR	NP
021347C1	BLOCK 55, PUBLIC SCHOOL LANDS SURVEY, ABSTRACT 3487 SEC 36: N/2	SUR	NP
021348A1 JEWELL ROSS HUSE	BLOCK 6, H & G N RAILROAD COMPANY SURVEY SEC 11: 120 ACRES OUT OF NORTH PART	MI	NP
021494A1 HARPER WILLIE	T&P RY CO SURVEY, BLOCK 51, TWP 7, SEC 44 ALL	MI	NP
022510A1	SEC. 8 ALL, BLOCK C-4, PUBLIC SCHOOL LANDS	MI	NP
022759A1	ALL OF SEC. 12, BLOCK C-4, PUBLIC SCHOOL LANDS	SUR	NP
022768A1	ALL OF SECTION 3, BLOCK 7, H & GN RR CO. SURVEY	MI	NP
022768B1	ALL OF SECTION 3, BLOCK 7, H&GN RR CO. SURVEY	SUR	NP
024551A1 TOM E. JOHNSON	SEC. 267, BLOCK 13, H&GN RY. CO. SURVEY BEING MORE FULLY DESC IN DEED DD 9-26-77, REC VOL 353, PG 764	MI	NP

EXHIBIT 'A'

STATE - 42 TEXAS
COUNTY- 389 REEVES

LEASE

27240-01

DESCRIPTION

PUBLIC SCHOOL LAND SURVEY, BLK 59
SEC 16: E 120 AC OF S/2 N/2

STATE TX
COUNTY REEVES

EXHIBIT "A"
EXECUTIVE RIGHTS

LEASE	DESCRIPTION
021318T1	SEC 12 ALL; BLOCK 55, T-4, T & P RY. CO. SURVEY
021332T1	SEC. 2 SE/4; BLOCK C-6, PUBLIC SCHOOL LANDS
022534T1	SEC. 49 ALL; BLOCK 6, H & GN RY. CO. SURVEY
022538T1 R. T MCKELLAR, ET AL	SEC 16: W/287.6 ACRES BLOCK C-4, PUBLIC SCHOOL LANDS
022549T1 KNICKERBOCKER-GLASS	IN CONV SABINE CORP TO SABINE ROY TR DD 1-31-83, REC VOL 402, PG 841
022611T1	N/2 OF SEC. 6, BLOCK C-6, PUBLIC SCHOOL LANDS
022685T1 FLOYD H. SCOTT	ALL OF SECS. 13 & 14, BLOCK C-3, PUBLIC SCHOOL LANDS
022759T1 SAM HURT, TRUSTEE	BLOCK C-4, PUBLIC SCHOOL LANDS SURVEY SEC 12 ALL
022890T1 APACHE CORPORATION	BLOCK 7, H & G N RR CO SURVEY, A-356 SEC 5 ALL
022902T1 L. H. MEEKER, ET AL	SEC. 45 N/2 & SW/4 BLOCK 6, H & GN RY. CO. SURVEY (NON-PARTICIPATING ROYALTY)
022905T1 R R SMITH	N. PT. OF SEC. 25 (316 ACS.) & S. PT. OF SEC. 16 (316.94 ACS.), BLOCK 4, H & GN RY. CO. SVY.

7-2612

678

EXHIBIT "A"
EXECUTIVE RIGHTS

LEASE	DESCRIPTION
0229427 I SAMS OIL CORPORATION	BLOCK 7, H & G N RAILROAD COMPANY SURVEY SEC 15: ALL
0233197 I G. L. CHAPMAN	SEC. 38: ALL BLOCK 57, TOWNSHIP 2, T & P RY. CO. SVY

MF065125

900006

STATE TX
COUNTY REEVES

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.

FILED FOR RECORD ON THE 19th DAY OF November A.D. 1992 AT 12:40P M.

DULY RECORDED ON THE 23rd DAY OF November A.D. 1992 AT 10:30A M.

BY Virginia Palomino DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS.

Loan to Lloyd Hill

MF065125

BOOK 541 PAGE 456

9-16-94

FILE #1961-LLOYD HILL TO WESTERN NATIONAL BANK

ASSIGNMENT OF OIL AND GAS PROCEEDS

THE STATE OF TEXAS §
§
COUNTY OF REEVES §

That the undersigned, hereinafter called Assignor, executed a note of even date in the principal amount of $75,000.00 payable to the order of Western National Bank, Odessa, P. O. Drawer F, Kermit, Texas 79745, and which amount with interest is repayable as set out therein, with all principal and interest due on or before October 1, 1997, and the undersigned desires to assign the proceeds of the sale of oil and gas from the oil and gas leasehold interests, described in Exhibit "A", attached hereto, to be applied toward payment of both the principal and interest of the note.

NOW, THEREFORE, for Ten and No/100 Dollars ($10.00) and other good and valuable consideration, and the loan of the amount of the note to Assignor, Assignor does hereby assign, transfer and convey into the Western National Bank the proceeds of the sale of the undersigned's interest of the oil and gas set out in Exhibit "A", the proceeds to be paid on the Note when received, and this Assignment is not in lieu of any monthly payments or the final payment of the note, the Deed of Trust Lien or any judicial remedy of the Noteholder to foreclose its collateral. This Assignment of Proceeds shall be effective until the Kermit State Bank has been repaid the amount of the note, plus interest. This Assignment is expressly applicable to any renewal and extension of the Note without the execution and delivery of a subsequent Assignment.

This Assignment of Proceeds is additional collateral to any Deed of Trust and renewal thereof.

In the event Assignor is in default of any of the terms or provisions of the note, including any renewal and extension of the note, then the Bank, at its sole option, shall have the right to foreclose under any Deed of Trust as to the interests described in Exhibit "A", or seek any other remedy available to the Bank.

Upon Assignor paying all principal and interest of the note and renewals and extensions thereof as provided herein, the Bank shall re-assign to Assignor all interest herein assigned to Bank.

BOOK 541 PAGE 457

This agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, executors, administrators, successors and assigns.

DATED this the 16th day of September, 1994.

Lloyd Hill
Lloyd Hill

THE STATE OF TEXAS §
§
COUNTY OF WINKLER §

This instrument was acknowledged before me on the 21 day of September, 1994, by Lloyd Hill.

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Cathy Teague
Notary Public, State of Texas
Notary's Printed Name: Cathy Teague
My Commission Expires: 5-26-97

BOOK 541 PAGE 458

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS

8-1-94

MF065125

BOOK 541 PAGE 459

FILE #1962-NORTH CENTRAL CASING PULLERS, INC TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 6 day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between North Central Casing Pullers, Inc., a Texas corporation (hereinafter referred to as "Assignor"), P. O. Box 540, Graham, Texas 76046, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The Interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the Interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 461

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 6 day of ~~August~~ Sept, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

NORTH CENTRAL CASING PULLERS, INC.

By: Gary Egelhoff
Gary Egelhoff, President

ASSIGNEE:

Lloyd Hill

By: Lloyd E. Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF YOUNG §

This instrument was acknowledged before me on this 6th day of Sept., 1994, by GARY EGELHOFF, President of NORTH CENTRAL CASING PULLERS, INC. a Texas corporation, on behalf of said corporation.

Beverly S. Pixler, Notary Public In and for the State of Texas Commission Expires 07-10-95

Beverly S. Pixler
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September 1994, by Lloyd Hill ~~of _____, a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE Notary Public STATE OF TEXAS My Comm. Exp. 03/20/97

Cathy Teague
Notary Public, State of Texas

BOOK 541 PAGE 462

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3184'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS

8-1-94

MF065125

BOOK 541 PAGE 463

FILE #1963-LISAT VENTURE TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 31 day of August, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Lisat Venture, a Texas joint venture (hereinafter referred to as "Assignor"), P. O. Box 28532, Austin, Texas 78755-8532, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 465

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 31 day of August, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

LISAT VENTURE

By: Arden R. Grover
Arden R. Grover, Venture Manager

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this 31 day of August, 1994, ARDEN R. GROVER, Venture Manager of LISAT VENTURE, a Texas joint venture, on behalf of said joint venture.

JOANN L. OTTERBACK NOTARY PUBLIC STATE OF TEXAS COMM. EXPIRES SEPT. 26, 1998

Joann L. Otterback
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill ~~of [illegible], a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE Notary Public STATE OF TEXAS My Comm. Exp. 05/20/97

Cathy Teague
Notary Public, State of Texas

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

8-1-94

BOOK 541 PAGE 467

SHALLOW

MF063125

FILE #1964-J.M.C. RITCHIE TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 7th day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between J. M. C. Ritchie (hereinafter referred to as "Assignor"), P. O. Box 1383, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 469

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 7th day of ~~August~~ September, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

By: _____
J. M. C. Ritchie

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 7th day of September, 1994, by J. M. C. RITCHIE.

HOLLY WINFORD
Notary Public, State of Texas
My Commission Expires
1/29/95

Holly Winford
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill ~~, President of Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Cathy Teague
Notary Public, State of Texas

BOOK 541 PAGE 470

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberley Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

8-1-94

MF065125

BOOK 541 PAGE 471

FILE #1965-J.M.C. RITCHIE JR TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 1 day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between J. M. C. Ritchie, Jr. (hereinafter referred to as "Assignor"), 1701 Bedford Drive, Midland, Texas 79701, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The Interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the Interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 473

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 1st day of August, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

By: J. M. C. Ritchie, Jr.

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 1st day of September 1994, by J. M. C. RITCHIE, JR.

NARVIE H. McDONALD
MY COMMISSION EXPIRES
August 1, 1997

Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill of a Texas corporation, on behalf of said corporation.

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/20/97

Notary Public, State of Texas

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

BY: Kimberly Gonzales DEPUTY

8-1-94

MF065125

BOOK 541 PAGE 475

FILE #1966–BETTY JANE RANDELL TO LLOYD HILL

Snowden

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 19th day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Betty Jane Randell (hereinafter referred to as "Assignor"), P. O. Box 1363, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 624 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The Interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 477

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 19TH day of September August, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

By: Betty Jane Randell
Betty Jane Randell

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 19TH day of SEPTEMBER 1994, by BETTY JANE RANDELL.

HOLLY WINFORD
Notary Public, State of Texas
My Commission Expires
June 20, 1995

Holly Winford
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill ~~of ..... a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/20/97

Cathy Teague
Notary Public, State of Texas

BOOK 541 PAGE 478

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberley Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK, REEVES COUNTY, TEXAS

8-1-94

MF065125

BOOK 541 PAGE 479

FILE #1967-MIGNON R PEARSON TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 1st day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Mignon R. Pearson (hereinafter referred to as "Assignor"), P. O. Box 1461, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the Interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The Interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 481

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 1st day of SEPTEMBER August, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

By: Mignon R. Pearson
Mignon R. Pearson

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 1st day of SEPTEMBER 1994, by MIGNON R. PEARSON.

BETTY RANDELL, Notary Public
In and for the State of Texas
My Commission Expires 1-29-95

Betty Randell
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill, ~~of ..., a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Cathy Teague
Notary Public, State of Texas

BOOK 541 PAGE 482

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
Lessee: Ford Chapman
Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
Lessor: Sallie Wynne Reynaud
Lessee: Ford Chapman
Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

8-1-94

MF065125

BOOK 541 PAGE 483

FILE #1968-ORLA DRILLING FUND NO. 6 TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 7th day of September, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Orla Drilling Fund No. 6, a limited partnership (hereinafter referred to as "Assignor"), P. O. Box 1383, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The Interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the Interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 485

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 7th day of ~~August~~ September, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

ORLA DRILLING FUND NO. 6

By: _____
J. M. C. RITCHIE, General Partner

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 7th day of September, 1994, by J. M. C. RITCHIE, General Partner of ORLA DRILLING FUND NO. 6, a limited partnership, on behalf of said patnership.

HOLLY WINFORD
Notary Public, State of Texas
My Commission Expires
1/27/95

Holly Winford
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September, 1994, by Lloyd Hill, ~~of~~ ~~a Texas corporation, on behalf of said corporation~~.

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Cathy Teague
Notary Public, State of Texas

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 ° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:43P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

8-1-94

MF065125

BOOK 541 PAGE 487

FILE #1969-ORLA PETCO, INC. TO LLOYD HILL

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 30th day of August, 1994, but effective as of 7 a.m. at the location of the Properties on August 1, 1994 (hereinafter referred to as "Effective Time"), is by and between Orla Petco, Inc., a ~~Texas~~ Delaware corporation (hereinafter referred to as "Assignor"), P. O. Box 1383, Midland, Texas 79702, and Lloyd Hill (hereinafter referred to as "Assignee"), with offices at 824 South Avenue "C", Kermit, Texas 79745.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells") and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A" (the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and Leases (the "Equipment"), including, but not limited to, all lease equipment, tanks, and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit or burden the Leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"),which may include, but not be limited to, latter agreements, operating agreements, tax partnerships, disposal agreements, injection agreements, unitization agreements, commission agreements, declarations of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitudes, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (i) all of Assignor's right, title and interest in and to the Properties; and (ii) all of Assignor's right, title and interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, and all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (i) TITLE TO THE PROPERTIES, AND (ii) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSES.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASSIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PURPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made in respect to the Properties or any part thereof.

4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment or attempted assignment of any of the Leases without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach or result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment of any wells drilled and the removal of any structures placed on the Properties before or after the Effective Time. All plugging, replugging, abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action now or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors,

BOOK 541 PAGE 489

employees, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and inure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 30th day of August, 1994, but effective for all purposes as of the Effective Time.

ASSIGNOR:

ORLA PETCO, INC.

By: Joseph Raybal
Name: Joseph Raybal
Title: Vice President

ASSIGNEE:

Lloyd Hill

By: Lloyd Hill
Name:
Title:

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 30th day of AUGUST, 1994, by Joseph Raybal, VICE-PRESIDENT of ORLA PETCO, INC., a ~~Texas~~ DELAWARE corporation, on behalf of said corporation.

BETTY RANDELL, Notary Public
In and for the State of Texas
My Commission Expires 1-24-95

Betty Randell
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF WARD §

This instrument was acknowledged before me on this 21 day of September 1994, by Lloyd Hill, ~~of a Texas corporation, on behalf of said corporation.~~

CATHY TEAGUE
Notary Public
STATE OF TEXAS
My Comm. Exp. 05/26/97

Notary Public, State of Texas

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
Lessee: Ford Chapman
Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
Lessor: Sallie Wynne Reynaud
Lessee: Ford Chapman
Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry. Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88° 10' 17" East 842.4 feet; and South 2° 26' 37" West 2162.4 feet; THENCE North 88° 10' 17" West 295.2 feet to a stake at the Southwest corner of this tract; THENCE North 2° 26' 37" East 295.2 feet to a stake at the Northwest corner of this tract; THENCE South 88° 10' 17" East 295.2 feet to a stake at the Northeast corner of this tract; THENCE South 2° 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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.

FILED FOR RECORD ON THE 23RD DAY OF SEPTEMBER A.D. 1994 AT 1:44P M.

DULY RECORDED ON THE 26TH DAY OF SEPTEMBER A.D. 1994 AT 8:30A M.

BY: Kimberly Gonzales DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

7·26·12

10-24-94

BOOK 543 PAGE 633

FILE NO. 2502 JUDSON F. WILLIAMS TO STATEWIDE MINERALS, L.C.

Real Property Deed

For value received, JUDSON F. WILLIAMS, 4200 OKEEFE DRIVE, EL PASO, TX 79902-1318 hereafter referred to as "Grantor", does hereby grant and convey to Statewide Minerals, L. C., hereafter referred to as "Grantee", whose mailing address is P. O. Box 10369, Midland, Texas 79702, the following:

(a) all interest of Grantor in oil, gas and other minerals in and under and that may be produced from the following described lands in Reeves County, Texas, to wit:

T&P BLK 57-2 SEC 38,

together with appropriate rights of ingress and egress but such interest being subject to existing leases insofar as they cover the above land; and

(b) the interest, if any, of Grantor in leases covering the mineral estate in the above land and in royalties and overriding royalties and delay rentals and other benefits payable with respect to such leases.

Grantor appoints and constitutes Grantee as the agent and attorney-in-fact of Grantor for the limited purpose of executing on behalf of Grantor division and transfer orders and other instruments as may be appropriate to effectuate the transfer to Grantee. This Power of Attorney is not affected by subsequent disability or incapacity of the principal. This conveyance is effective the first day of the month in which Grantor executes this Deed; and Grantee is to receive all accrued sums allocable to the grant herein made which have not heretofore been disbursed to Grantor.

This conveyance is made with warranty of title by, through and under Grantor only but is made with full subrogation of Grantee to all rights of Grantor with respect to warranties of title heretofore given by persons other than Grantor concerning the property interests herein conveyed.

Dated: Oct. 24, 1994

Grantor: JUDSON F. WILLIAMS

Grantor:

Judson F. Williams

Jackie R. Williams

Social Security or Tax ID #: _____

********ACKNOWLEDGEMENT********

State of Texas
County of El Paso

This instrument was acknowledged before me on this 24th day of October 1994, by Wanda Culberson

Wanda Culberson
Notary Public, State of Texas
My commission expires 3-28-97

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

FILED FOR RECORD ON THE 14th DAY OF NOVEMBER A.D. 1994 AT 3:18P M.

DULY RECORDED ON THE 15th DAY OF NOVEMBER A.D. 1994 AT 8:30A M.

BY: Yvonne Avila DEPUTY

CATHERINE ASHLEY, COUNTY CLERK,
REEVES COUNTY, TEXAS

6/1/2000

MF065125

w/SWD

BOOK 626 PAGE 706

Reviewed

RB

LE # 2656

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE, dated this 30th day of October 2000. but effective as of 7a.m. at the location of the properties on January 1, 2000 (hereinafter referred to as "Effective Time"), is by and between Lloyd Hill (hereinafter referred to as "Assignor"), with offices at 824 South Avenue "C", Kermit, Texas 79745 and Larry and Becky Hill, (hereinafter referred to as "Assignee"), whose address is PO Box 206, Wink, Texas 79789.

Assignor owns an interest in the following "Properties:"

(A) The oil and gas well or wells (the "Wells) and the oil and gas lease or leases, together with all instruments and agreements creating or granting the right to explore for and produce oil and gas which are described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), insofar as they cover lands described on Exhibit "A"(the "Lands");

(B) Certain personal property and fixtures located on or about the Lands and Wells on this date and used in connection with the operation of the Wells and leases (the "Equipment"), including, but not limited to all lease equipment, tanks and all other equipment, appurtenances, fixtures and property of every kind and character, movable or immovable, used in connection with operating the Wells and the Leases (the Equipment does not include any tools, vehicles or other equipment temporarily located on the lands);

(C) The rights and obligations existing under certain contracts, conveyances and agreements that benefit the leases, Lands or Wells, insofar as the benefits and burdens pertain to periods after the Effective Time (the "Contracts"), which may include, but not be limited to, letter agreements, operating agreements, tax partnerships, disposal agreements, injection of pooling or unitization, farmout agreements, assignments, surface damage agreements, rights-of-way, easements, servitude's, or gas sale contracts and gas processing contracts;

(D) The oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produce from the Wells and saved after Effective Time, and the payments, accounts and proceeds from the sale of all of the foregoing (the "Production");

For a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, transfer, convey and assign to Assignee the following (herein referred to as the "Interests"): (I) all of Assignor's right, title and interest in and to the Properties; and (II) all of Assignor's right title and Interest in the wells, the Contracts and the Equipment, in any way relating to the wells, together with the right to make any elections or determinations required by any governmental agency or regulatory body after the Effective Time, an all rights and claims arising from these contracts accruing after the Effective Time.

TO HAVE AND TO HOLD unto Assignee, its successors and assigns forever, subject to the following:

1. THIS ASSIGNMENT AND CONVEYANCE OF THE PROPERTIES IS MADE AND ACCEPTED SUBJECT TO ALL ROYALTIES, OVERRIDING ROYALTIES, BURDENS, AND ENCUMBRANCES AFFECTING THE PROPERTIES, AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTIES RELATING TO (I) TITLE TO THE PROPERTIES, AND (II) THE CONDITION OR MERCHANTABILITY OF THE PROPERTIES OR OF THE PROPERITES OR THE FITNESS OF THE PROPERTIES FOR A PARTICULAR PURPOSE OR PURPOSE.

2. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTRAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER. ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AS TO PERSONAL PROPERTY AND FIXTURES (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. ASIGNEE EXPRESSLY AGREES THAT SUCH PERSONAL PROPERTY WILL BE ACCEPTED "AS IS, WHERE IS, AND WITH ALL FAULTS," AND IN ITS PRESENT CONDITION AND STATE OF REPAIR. ASSIGNOR DISCLAIMS AND MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTIES, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES, IF ANY, OF OIL, GAS OR OTHER HYDROCARBONS IN OR UNDER THE LEASES OR THE ENVIRONMENTAL CONDITION OF THE PROPERTIES. ASSIGNEE HAS INSPECTED THE PROPERTIES FOR ALL PRUPOSES AND HAS SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE.

3. Assignor hereby gives and grants to Assignee, its successors and assigns, to the extent so transferable, and to the extent of the Interests herein assigned, full power and right of substitution and subrogation in and to all covenants and warranties by others heretofore given or made I respect to the Properties or any part thereof.

4. The interests are subject to all the terms and provisions of the Leases; to their proportionate share of all overriding royalty interests, lessor's royalties, net profit interests, carried interests, reversionary interests and other interests, encumbrances, and burdens on the production therefrom; to all covenants, conditions, obligations, and conditions in instruments and assignments in the chain of title to the Leases; and to all other encumbrances affecting the interests in existence on the date this Assignment is executed. Assignee hereby assumes and agrees to pay, perform and discharge its proportionate share of all ad valorem taxes and all obligations under the Leases and the agreements relating to the Leases herein assigned. The references herein to obligations and encumbrances shall not be deemed to ratify or create any rights in third parties.

5. THIS INSTRUMENT SHALL BE GOVERNED AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS OTHERWISE APPLICABLE TO SUCH DETERMINATIONS. THE PARTIES WAIVE THE PROVISIONS OF THE TEXAS DECEPTIVE TRADE PRACTICES ACT, OTHER THAN SECTION 17.555 THEREOF WHICH IS NOT WAIVED.

6. It is specifically provided that if the assignment of attempted assignment of any of the Leases, without the consent of the lessor, or any party from whom consent to assign is necessary, would constitute a breach of result in a forfeiture thereof, this Assignment shall become effective with respect thereto only upon receipt of such consent.

7. Assignee shall assume all of Assignor's plugging, replugging, abandonment, removal, disposal and restoration obligations associated with the Properties, including, but not limited to, i) all necessary and proper plugging, replugging, abandonment, removal and disposal of the wells, structures, and equipment located on or comprising a part of the Properties, ii) the necessary and proper capping and burying of all associated flow lines, iii) the proper abandonment and restoration of all oil and gas leasehold, fee, and other property comprising a part of the Properties, both surface and subsurface, as may be required by applicable laws, regulations, or contract, and iv) any necessary disposal of naturally occurring radioactive material (NORM). Assignee shall be responsible for the plugging and abandonment, removal, disposal, remediation, and restoration operations shall be in compliance with applicable laws and regulations, whether Federal, State or local, and be performed in a good and workmanlike manner. Assignee shall indemnify and hold Assignor harmless from and against any and all claims, liability, demands, and causes of action new or hereafter existing for the plugging, replugging, abandonment, removal, disposal, remediation and restoration of the Properties herein assigned.

8. With the exception of those items for which Assignor expressly indemnifies Assignee hereunder or under the Agreement, Assignee agrees to indemnify, defend and hold Assignor harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character with respect to all liabilities and obligations or alleged or threatened liabilities and obligations, including claims for personal injury, illness, disease, wrongful death, damage to property, environmental damage or pollution, and liability based on strict liability or condition of the Properties, including, without limitation, any interest, penalty, reasonable attorney's fees and other costs and expenses incurred in connection therewith or the defense thereof.

9. Assignor shall be responsible for any and all liabilities, claims, causes of action, and damages arising out of the accounting and payment of proceeds of production to royalty owners and working interest owners in the Leases and/or units comprising a part of the Properties, insofar as such liabilities, claims, causes of action, and damages relate to or arise out of actions of Assignor or events prior to the Effective Time and shall defend, indemnify, and hold Assignee harmless from and against all such claims. Assignee shall be responsible for all of said types of claims insofar as they relate to periods of time from and after the Effective Time and shall defend, indemnify, and hold Assignor harmless therefrom.

10. Assignee shall protect, indemnify and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages and liabilities arising under applicable state or federal securities laws in connection with this Assignment and the transfer of the Properties or any portion thereof by Assignor to Assignee or its assignees as provided herein or the subsequent sale or other disposition of the Properties or any portion thereof by Assignee, its affiliates or assignees. Assignee shall protect, indemnify, defend, and hold Assignor harmless from and against any and all claims, costs, damages, punitive damages, and liabilities arising as a result of any dealings Assignee may have with its partners, investors, financial institutions, and any other third parties with respect to this Assignment or the Agreement and the Properties.

11. With respect to any claim for which an indemnifying party may be required to provide partial or full indemnity, each party shall have the right, but not the obligation, to participate fully in the defense of any such claim. Reasonable attorneys' fees, court costs, interest, penalties, and other expenses incurred in connection with the defense of such claims shall be included in Assignee's and Assignor's indemnities herein. All indemnities of Assignee and Assignor herein shall extend to and cover the parent, subsidiary and affiliated companies and the officers, directors, employee, and agents of the indemnified party and its parent, subsidiary and affiliated companies.

12. Assignee shall comply with all current and subsequently amended applicable laws, ordinances, rules, and regulations applicable to the Properties and shall promptly obtain and maintain all permits and bonds required by governmental authorities in connection with the Properties and Assignee's ownership and operation thereof.

13. This Assignment and all of the terms, provisions, covenants, indemnities, obligations, and conditions herein contained shall be binding upon and insure to the benefit of and be enforceable by the Assignor, Assignee and their respective successors, legal representatives, and assigns.

Executed on this 30th day of ~~January~~ October, 2000, but effective for all purposes as of the Effective Time.

ASSIGNOR:

LLOYD HILL

By: Lloyd Hill
Lloyd Hill

ASSIGNEE:

LARRY AND BECKY HILL

By: Larry Hill
Larry Hill

By: Becky Hill
Becky Hill

Name: LARRY AND BECKY HILL

Title: OWNERS

THE STATE OF TEXAS

COUNTY OF WINKLER

This instrument was acknowledged before me on this 30th day of Oct., 2000, by LLOYD HILL.

Billie Johnson
Notary Public, State of Texas

BILLIE JOHNSON
Notary Public, State of Texas
My Commission Expires
March 27, 2004

EXHIBIT "A"

SAND BEND

Leases:

1. Date: September 21, 1970
   Lessor: Lela May Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead
   Lessee: Ford Chapman
   Recorded: Volume 297, page 489, Oil and Gas Lease Records, Reeves County, Texas

2. Date: September 21, 1970
   Lessor: Sallie Wynne Reynaud
   Lessee: Ford Chapman
   Recorded: Volume 297, page 485, Oil and Gas Lease Records, Reeves County, Texas

Sand Bend Well # 3

Insofar as said leases cover the W/2 NE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3260'

Sand Bend A Well # 1

Insofar as said leases cover the W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 3194'

Sand Bend Well # 1

Insofar as said leases cover the E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface down to 2750'

Salt Water Disposal Well

Insofar as said leases cover that certain 2.0 acre tract, in the form of square, out of Section 38, Block 57, T-2, T&P Ry Co. Survey, Reeves County, Texas,

BEGINNING at a stake at the Southeast corner of this tract, from which the Southeast corner of Section 38, Block 57, Township 2, T&P Ry. Co. Survey bears South 88 10' 17" East 842.4 feet; and South 2 26' 37" East 295.2 feet to a stake at the Northwest corner Of this tract; THENCE South 88 10' 17" East 295.2 feet to a stake At the Northeast corner of this tract; THENCE South 2 26' 37" West 295.2 feet to the PLACE OF BEGINNING, containing 2.0 acres of land.

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

FILE NO. 2656

FILED FOR RECORD ON THE 13TH DAY OF NOVEMBER A.D. 2000 AT 2:26PM.

DULY RECORDED ON THE 13TH DAY OF NOVEMBER A.D. 2000 AT 4:30P M.

BY: Dianne O. Florez DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BOOK 638 PAGE 670

4-16-01

FILE # 2063

CERTIFICATE OF CORPORATE NAME CHANGES

SEMPRA ENERGY PRODUCTION COMPANY

I, the undersigned, being the Secretary of Sempra Energy Production Company, a California corporation, hereinafter referred to as the "Corporation", do hereby certify as follows:

1. The Corporation was incorporated in the State of California on September 30, 1992, as PACIFIC ENTERPRISES ABC CORPORATION.

2. By Certificate of Amendment of its Articles of Incorporation, the name of the Corporation was changed from PACIFIC ENTERPRISES ABC CORPORATION to SEMPRA OIL & GAS on March 29, 1999.

3. By Certificate of Amendment of its Articles of Incorporation, the name of the Corporation was changed from SEMPRA OIL & GAS to SEMPRA ENERGY PRODUCTION COMPANY on September 30, 1999.

4. The present name and principal business address of the Corporation is as follows:

Sempra Energy Production Company
8235 Douglas Avenue, Suite 525
Dallas, Texas 75225

IN WITNESS WHEREOF, I execute this certificate and affix the seal of the Corporation hereto this 16th day of April, 2001.

Thomas C. Sanger
Secretary

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

This instrument was acknowledged before me this 16th day of April, 2001, by THOMAS C. SANGER, Secretary of SEMPRA ENERGY PRODUCTION COMPANY.

Notary Public
State of California

LOIDA C. MORRISON
Commission # 1190516
Notary Public - California
San Diego County
My Comm. Expires Jul 19, 2002

AFTER RECORDING RETURN TO:

Sempra Energy Production Company
8235 Douglas Avenue, Suite 525
Dallas, Texas 75225

85988

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. 2063

FILED FOR RECORD ON THE 24TH DAY OF JULY A.D. 2001 AT 1:19 P. M.

DULY RECORDED ON THE 25TH DAY OF JULY A.D. 2001 AT 11:00 A. M.

BY: _____ DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

9-1-06

MF065125

BOOK 747 PAGE 288

FILE# 5408

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

COUNTY OF REEVES

STATE OF TEXAS

ASSIGNMENT, DEED AND BILL OF SALE

THIS ASSIGNMENT, DEED AND BILL OF SALE ("Assignment") is made this 29 day of September, 2006, and is effective at 12:01 a.m. local time, September 1, 2006 (the "Effective Time"), by **James P. Boldrick,** , whose address is, P.O. Box 10605, Midland, TX 79702, (herein called "Assignor"), and **Windom Royalties LLC, a wholly owned subsidiary of Noble Royalties, Inc.**, with a mailing address of15601 North Dallas Parkway, Suite 900, Addison, Texas 75001 (herein called "Assignee").

Assignor in consideration of Ten Dollars ($10.00) cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL, CONVEY, ASSIGN, and DELIVER unto Assignee all of the following:

A. All right, title and interest of Assignor in all oil, gas, and other minerals, royalty interests, fee mineral interests, overriding royalty interests, net profits interests, production payments and other similar interests owned by Seller as of the Effective Time in, to and under all lands located in the counties and states described on Exhibit 'A' attached hereto, including but not limited to all lands described in said Exhibit 'A' or described in any instrument referred to in Exhibit 'A' (attached hereto and made a part hereof for all purposes); Any and all oil, gas and other minerals, royalty interests, fee mineral interests, overriding royalty interests, net profits interests, production payments and other similar interests purchased by Assignor, which have an effective date after said Effective Time, are specifically excluded from this assignment, deed and bill of sale and shall be reserved in their entirety by Assignor. In a like manner, all working interests and participating mineral interests are specifically excluded from the assignment and retained by Assignor;

B. All right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil, gas or mineral unitization, pooling, farmout and communitization agreements, declarations and orders, and in and to the properties covered and the units created thereby, which are appurtenant to the properties in A above;

C. All right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, operating agreements, joint venture agreements, partnership agreements, rights of way easements, permits and surface leases and other contracts, agreements and instruments, insofar as the same are appurtenant to the properties in A above;

All of the foregoing properties (contractual or otherwise) described in paragraphs A through C, above, are herein called the "Properties" as more completely described on Exhibit 'A' hereof.

TO HAVE AND TO HOLD the Properties forever, subject to the following terms and conditions:

1. WARRANTIES: THIS ASSIGNMENT IS WITHOUT WARRANTY OF TITLE, EXPRESS, STATUTORY OR IMPLIED AS TO DESCRIPTION, TITLE, CONDITION, LOCATION, QUALITY,

MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, EXCEPT THAT SELLER SHALL WARRANT AND DEFEND TITLE TO THE PROPERTIES AGAINST EVERY PERSON WHOMSOEVER LAWFULLY CLAIMING THE SAME OR ANY PART THEREOF BY, THOUGH, OR UNDER ASSIGNOR BUT NOT OTHERWISE.

2. ASSUMPTION OF OBLIGATIONS: Assignee hereby assumes and agrees to timely perform and discharge all duties and obligations of the owner of the Properties on and after the Effective Time.

3. LEASES AND OTHER CONTRACTS AND AGREEMENTS: This Assignment is made by Assignor and accepted by Assignee subject to all the terms, covenants and conditions of the oil, gas and mineral leases described in Exhibit "A" or covering the properties described or referred to in Exhibit 'A'and to the terms, covenants and conditions of the instruments, contracts and agreements affecting the Properties or production therefrom recorded in county and state in which the Property is located, and the same shall bind Assignee and Assignee's successors and assigns on and after the Effective Time hereof.

4. OBSERVANCE OF LAWS: This Assignment is subject to all applicable laws, ordinances, rules and regulations affecting the Properties, and Assignee shall comply with the same and shall promptly obtain and maintain all permits required by governmental authorities in connection therewith.

5. HEADINGS: Titles and headings in this Assignment are included solely for ease of reference and are not to be considered in interpretation or construction of this Assignment.

6. PURCHASE AND SALE AGREEMENTS: This Assignment is expressly made subject to the provisions of that certain Purchase and Sale Agreement dated effective September 1, 2006, by and between the parties hereto, and the provisions of said Agreement are incorporated herein by reference as fully as though said provisions were set forth herein verbatim.

7. SUCCESSORS AND ASSIGNS: The terms, covenants, and conditions hereof bind and inure to the benefit of the parties hereto and their respective successors and assigns and are covenants running with the lands, leases, equipment, and facilities and with each transfer or assignment thereof or any portion thereof. All future assignments of any portion of the Properties shall recognize and perpetuate the rights and obligations set out herein.

EXECUTED this 29 day of September 2006, but effective as of the Effective Time.

ASSIGNOR:

James P. Boldrick

ASSIGNEE:

Windom Royalties LLC
a wholly owned subsidiary of
Noble Royalties, Inc.

By: A. Scott Noble
President

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 29 day of September, 2006, by James P. Boldrick, an individual.

My Commission Expires: _____

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 1-23-2010

Stacy L. Mathews
NOTARY PUBLIC

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me this 29 day of September, 2006, on behalf of Windom Royalties LLC, a Texas limited liability company and a wholly owned subsidiary of Noble Royalties, Inc., by A. Scott Noble, as President of Noble Royalties, Inc. a Texas corporation.
My Commission Expires: _____

PAULA BRUNSON
Notary Public, State of Texas
My Commission Expires
March 23, 2008

Paula Brunson
NOTARY PUBLIC

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN JAMES P. BOLDRICK., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	*GRANTOR*	*DESCRIPTION*	*COUNTY*	*STATE*	*EFFCT. DATE*	*BOOK/PAGE*
REEVES						
	CRISP, SHIRLEY F., EXECUTRIX OF THE					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1899	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1899	611/118
	POE, GRADY R. JR. A/K/A GRADY BUTCH					
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 96					
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC. 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R6E, WHITE CO., IL.	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN JAMES P. BOLDRICK., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-18 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 8 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610

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		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 158	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 175	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 158	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610

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		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	*GRANTOR*	*DESCRIPTION*	*COUNTY*	*STATE*	*EFFCT. DATE*	*BOOK/PAGE*
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY ?	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY ?	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

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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. 5408

FILED FOR RECORD ON THE 16TH DAY OF OCTOBER A.D. 2006 10:17 A. M.

DULY RECORDED ON THE 17TH DAY OF OCTOBER A.D. 2006 3:00 P. M.

BY: Dianne O. Florez, DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

3-3-08

ORRI

BOOK 785 PAGE 721

FILE#871

GIFT DEED

For valuable consideration, including love and affection, the receipt of which is hereby acknowledged, Martha Chapman Fowler ("Grantor") does hereby grant and convey all of the overriding royalty interests of the Grantor in the property located in Reeves County, Texas, described on Exhibit A hereto, to the persons named below ("Grantees") in the proportions stated:

Ryan L. Fowler 47-499 Ahuimanu Rd. Kaneohe, HI 96744	½
Erin F. Cisneros 3277 Mapu Place Kihei, HI 96753	½

This conveyance is made subject to applicable unit agreements, operating agreements, and pooling agreements, if any, and to rights now existing in favor of any lessee or assigns under any valid and existing oil and gas lease or leases heretofore executed and now of legal record, and Grantees shall receive and enjoy the undivided interests herein granted in the royalties and other benefits which may accrue under any such lease or leases from and after the date hereof just as if Grantees had been at the date of making each such lease the owner of the undivided interest described above in the lands covered by said leases and none other and the lessor therein.

Further, this conveyance is intended to convey and does hereby convey Grantor's interest in and to the leasehold acreage, together with Grantor's property and rights incident thereto, and including all rights in, to and under all unit agreements, lease agreements, leases, permits, easements, licenses and orders in any way relating thereto, and including pooled or unitized areas, and other interests and lands to which they pertain.

Dated March 3, 2008.

Martha Chapman Fowler
Martha Chapman Fowler

STATE OF HAWAII §
§
COUNTY OF MAUI §

The foregoing instrument was acknowledged before me on 3-3, 2008, by Martha Chapman Fowler

Karen Sianga
Notary Public, State of Hawaii
Printed Name: Karen Sianga
Commission Expires: 7/5/09

H:\DOCS\WLC\FOWLER\MARTHA\gftdad-reeves.wpd

EXHIBIT A

Reeves County, Texas

1. E/2 SW/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 4,695 feet, SAVE AND EXCEPT the proration unit for the G.A. Wynne B #3B well located in the E/2 SW/4 of Section 38, insofar as it covers those depths from the surface down to 2,950 feet.

2. W/2 SE/4 of Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas, limited in depth from the surface to 3,194 feet.

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OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW

FILE# 871

FILED FOR RECORD ON THE 7TH DAY OF MARCH A.D. 2008 2:16 P. M.

DULY RECORDED ON THE 14TH DAY OF MARCH A.D. 2008 11:00 A. M.

BY: Dianne O. Florez, ~~DEPUTY~~

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

#135

51857

File No. MF065125
Requested assignments from Petrohawk - SHALLOW RIGHT
Date Filed: 7-26-12
Jerry E. Patterson, Commissioner
By B Boyd

Memo to file - MF065125

Requested assignments for chain of title into Petrohawk.
Deep Rights - Per Petrohawk

9-30-95

BOOK 557 PAGE 226

7.26.12

FILE # 2489

DRP

DISTRIBUTION DEED AND ASSIGNMENT

For sufficient consideration, Martha Scott Chapman Fowler and Jerry Hudgeons, Co-Independent Executors of the Estates of Nettles Ford Chapman, Jr., and Geraldine Layton Chapman, Co-Trustees of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property Trust, and the Chapman Residuary Trust created under the Will of Nettles Ford Chapman, Jr., and Co-Trustees of the Chapman Family GST Trust created under the Will of Geraldine Layton Chapman ("**Grantors**"), do hereby **grant, convey, and assign** to Martha Scott Chapman Fowler, P. O. Box 1453, Kihei, Maui, Hawaii 96753 ("**Grantee**") all of Grantors' interest in all of the personal and real property belonging to Grantors located in the State of Texas, **save and except** the following described properties:

Section 163, Block 34, H&TC Ry. Co. Survey, Ward County, Texas, containing 640 acres; and

93/420 interest in Section 193, Block 34, H&TC Ry. Co. Survey, Ward County, Texas, containing 640.62 acres (140.93 net acres).

This conveyance is made subject to applicable unit agreements, operating agreements, and pooling agreements, if any, and to rights now existing in favor of any lessee or assigns under any valid and existing oil and gas lease or leases heretofore executed and now of legal record, and Grantee shall receive and enjoy the undivided interests herein granted in the royalties and other benefits which may accrue under any such lease or leases from and after the date hereof just as if Grantee had been at the date of making each such lease the owners of the undivided interests described above in the lands covered by said leases and none other and the lessors therein.

This conveyance and assignment is made without warranty, either expressed or implied.

Dated effective 9/30, 1995.

Martha Scott Chapman Fowler

Martha Scott Chapman Fowler, Successor Co-Executor of the Estate of Nettles Ford Chapman, Jr., Co-Executor of the Estate of Geraldine Layton Chapman, and Co-Trustee of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property Trust, the Chapman Family GST Trust, and the Chapman Family Residuary Trust

Jerry Hudgeons

Jerry Hudgeons, Successor Co-Executor of the Estate of Nettles Ford Chapman, Jr., Co-Executor of the Estate of Geraldine Layton Chapman, and Co-Trustee of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property, Trust, the Chapman Family GST Trust, and the Chapman Family Residuary Trust

Grantors

H:\DOCS\221\7\13\DIST2.DED

7·26·12

BOOK 557 PAGE 227

STATE OF HAWAII §
§
COUNTY OF Hawaii §

This instrument was acknowledged before me on November 7, 1995, by Martha Scott Chapman Fowler, as Successor Co-Independent Executor of the Estate of Nettles Ford Chapman, Jr., Deceased, as Co-Independent Executor of the Estate of Geraldine Layton Chapman, Deceased, as Co-Trustee of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property Trust, and the Chapman Residuary Trust created under the Will of Nettles Ford Chapman, Jr., and as Co-Trustee of the Chapman Family GST Trust created under the Will of Geraldine Layton Chapman.

KELLY K. TOBITA NOTARY PUBLIC STATE OF HAWAII

Notary Public, State of Hawaii
Printed Name Kelly K. Tobita
My Commission Expires 07/14/99

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on November 17 1995, by Jerry Hudgeons, as Successor Co-Independent Executor of the Estate of Nettles Ford Chapman, Jr., Deceased, as Co-Independent Executor of the Estate of Geraldine Layton Chapman, Deceased, as Co-Trustee of the Chapman Family Tax-free Trust, the Geraldine Layton Chapman Community Property Trust, and the Chapman Residuary Trust created under the Will of Nettles Ford Chapman, Jr., and as Co-Trustee of the Chapman Family GST Trust created under the Will of Geraldine Layton Chapman.

FRANK L. RILEY
MY COMMISSION EXPIRES
October 9, 1998

Notary Public, State of Texas

H:\DOCS\2217\13\DIST2.DED

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. 2489

FILED FOR RECORD ON THE 18TH DAY OF DECEMBER A.D. 1995 AT 8:54 A M.

DULY RECORDED ON THE 19TH DAY OF DECEMBER A.D. 1995 AT 2:00 P M.

BY: Jessica Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

Dup

FILE # 2879

TERM ASSIGNMENT AND AGREEMENT

THIS TERM ASSIGNMENT AND AGREEMENT, (hereinafter called "Assignment"), made and effective as of 7:00 a.m. CST, October 1, 1996, by and between Martha Chapman Fowler whose address is P.O. Box 1453, Kihei, Hawaii 96753, hereinafter referred to as "Assignor" and CAPROCK PRODUCING, LLC, a Texas Limited Liability with offices located at 400 North Marienfeld, Suite 100, Midland, Texas, 79701, hereinafter referred to as "Assignee".

ARTICLE I
ASSIGNMENT

Assignor, for Ten Dollars ($10) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, subject to the conditions, exceptions, covenants and agreements hereinafter set forth, does hereby assign and transfer unto Assignee, without representation or warranty of title, either express or implied, all of its right, title and interest in and to the oil and gas leases described in Exhibit "A" insofar as said oil and gas lease covers and pertains to the oil, gas and casinghead gas, and all rights pertaining thereto, in the lands specifically described in Exhibit "A", the rights so assigned being hereinafter sometimes referred to as the "Lease Acreage".

ARTICLE II
TERM

This Assignment shall be for a primary term of three (3) years from the date hereof, and for the life of the oil and gas leases as to each spacing or proration unit producing on the Lease Acreage, or as long thereafter as Assignee conducts additional drilling operations in accordance with the provisions of Article III hereof.

ARTICLE III
CONTINUOUS DRILLING OPTION

This Assignment may be extended past its primary term of three (3) years as specified in Article II hereinabove, by prosecuting the drilling or completion operations of an oil or gas well on the Lease Acreage or acreage pooled therewith over the expiration date of said primary term and shall remain in force and effect so long as such operations are prosecuted with no cessation of more than sixty (60) days. Upon the extension of this Assignment as hereinabove provided, the Assignment may be further extended by prosecuting the drilling and completion of an additional oil and gas well or wells on the Lease Acreage or acreage pooled therewith within one hundred eighty (180) days from reaching total depth in the well drilled over the expiration date of the primary term, and thereafter so long as not more than one hundred eighty (180) days elapses between the time total depth is reached in one additional well and commencement of drilling operations on another additional oil and gas well has occurred. If Assignee has drilled and successfully completed an oil or gas well during the primary term, this Assignment shall not expire unless Assignee fails to prosecute the drilling or completion operations of a subsequent oil or gas well within one hundred eighty (180) days after the expiration date of the primary term.

This Assignment will terminate upon the latter of, a) Expiration of the three (3) year primary term; b) cessation of drilling or completion operations of more than ninety (90) days during the extended term of the Assignment; or c) more than one hundred eighty (180) days elapses between the time total depth is reached in an additional well and the commencement of drilling operations of another additional well during the extended term of the Assignment. Upon termination of this Assignment, Assignee shall reassign, within sixty (60) days to Assignor, all Lease Acreage, or portion thereof, not then included in a spacing or proration unit having thereon a well capable of producing oil or gas in commercial quantities. Each spacing or proration unit shall be no larger than forty (40) acres for an oil well and three hundred twenty (320) acres for a gas well unless otherwise prescribed by law or regulation.

BOOK 569 PAGE 642

ARTICLE IV
OVERRIDE RESERVATION

Assignor reserves, excepts and retains from this Assignment an overriding royalty interest equal to twenty-five percent of eight-eighths (25.00% of 8/8ths) less and except any royalties, overriding royalties or other burdens on production existing as of the date of this Assignment of all oil, gas and casinghead gas produced and saved from such lease acreage upon which a well is located. In the event the leasehold interest of Assignor is less than the full leasehold interest in such lease acreage, the overriding royalty interest retained by Assignor shall be reduced to the proportion thereof which Assignor's leasehold interest bears to the full leasehold interest. In the event the lease acreage upon which such well is located is included in a pooled spacing or proration unit, the overriding royalty interest of Assignor in the production from said unit shall be determined by multiplying said reserved overriding royalty by a fraction, the numerator of which is the net lease acreage in said unit and the denominator of which is the entire acreage of such unit.

Assignee agrees that all overriding royalties accruing to Assignor under this lease shall be without deduction for cost of marketing, producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and other products hereunder ready for sale or use. Said overriding royalty interest shall bear its proportionate part of any gross production, severance and ad valorem taxes.

ARTICLE V
MINIMUM ROYALTIES AND SHUT-IN WELL PAYMENTS

Assignee at its sole cost agrees to timely pay any and all shut-in well payments and minimum royalties which may be permitted by the terms of the oil and gas leases covering the Lease Acreage for any well drilled hereunder, however Assignee shall not be held liable for any inadvertent failure to make said payments.

ARTICLE VI
PERFORMANCE OF LEASE COVENANTS

Assignee agrees to accept this Assignment of certain interests in the Lease Acreage herein provided for, subject to all of the terms, provisions, conditions, and covenants of the oil and gas leases. Assignee further assumes and agrees to comply fully with and to perform timely each and every duty, obligation and covenant (both express and implied), provision, and condition of the oil and gas leases, imposed upon the lessee thereby, insofar as same concerns any interests assigned or which may be assigned pursuant to the terms of this Assignment.

ARTICLE VII
NO WARRANTY

THE ASSIGNMENT FROM ASSIGNOR TO ASSIGNEE AS PROVIDED FOR HEREIN, IS MADE WITH WARRANTY OF TITLE, BY, THROUGH AND UNDER ASSIGNOR, BUT NOT OTHERWISE.

ARTICLE VIII
EXTENSION

Assignee is hereby given the option, to be exercised on or prior to the date on which this assignment or any portion hereof would expire in accordance with its terms and provisions, of extending this Assignment for a period of two (2) years as to all or any portion of the acreage then held hereunder which would expire unless so extended, the only action required by Assignee to exercise this option being the payment to Lessor (or for Lessor's credit to the depository bank named herein) of the additional consideration of the sum of seventy-five dollars ($75.00) per acre for each acre so extended.

ARTICLE IX
DISCLAIMER OF JOINT LIABILITY

It is understood and agreed that this Assignment shall not create the relationship of a partnership or joint venture between the parties hereto, and that no act done by any party, pursuant to the provisions hereof, shall operate to create such relationship, nor shall the provisions of this Assignment be construed as creating such relationship. The liability of the parties shall be several and not joint or collective, and each party shall be responsible only for its own obligations, costs, expenses, and liabilities.

ARTICLE X
APPLICABLE LAWS

This Assignment and the respective rights and obligations of the parties hereto shall be governed by the laws of the state where the Lease Acreage is located and shall be subject to all valid and applicable state, federal, and local laws, rules, regulations, and orders; and, in the event this Assignment or any provision hereof is, or the operations contemplated hereby, are found to be inconsistent with or contrary to any such laws, rules, regulations and orders, the latter shall be deemed to control. This Assignment shall be regarded as modified accordingly and shall, as so modified, continue in full force and effect, provided however, this Assignment shall not become effective until it has been executed by all parties named herein.

ARTICLE XI
SUCCESSORS AND ASSIGNS

The terms, covenants, and conditions hereof shall be deemed to be covenants running with the leasehold estate(s) herein above referred to and as such shall extend to, bind and inure to the benefit of the parties hereto, their successors and assigns.

ARTICLE XII
HEADINGS FOR CONVENIENCE

The paragraph headings used in this Assignment are inserted for convenience only and shall be disregarded in construing this Assignment.

ARTICLE XIII
AMENDMENTS AND WAIVERS

This Assignment shall not be amended or modified except by further written agreement between the Parties hereto. Waiver of any provision of this Assignment shall only be effective if in writing and shall not operate or be construed as a waiver of any subsequent breach or waiver of the same or other provision similar in nature.

ARTICLE XIV
ENTIRE AGREEMENT

This Assignment and its exhibits shall constitute the entire contract of the parties and there are no agreements, undertakings, obligations, promises, assurances or conditions, whether precedent or otherwise, except those specifically set forth herein. In the event of any conflict between the provisions of the attached exhibits and the provisions of this Assignment, the latter shall govern.

BOOK 569 PAGE 644

EXECUTED as of the 14 day of m.F. November, 1996, but effective as of 7:00 a.m. Central Standard Time, October 1, 1996.

ASSIGNOR:

Martha Chapman Fowler

Martha Chapman Fowler

ASSIGNEE:

CAPROCK PRODUCING, LLC

By: _____
Richard J. Ganem
President

PAMELA CRAIG NOTARY PUBLIC STATE OF HAWAII

STATE OF HAWAII §
§
COUNTY OF Maui §

This instrument was acknowledged before me on this 14th day of November, 1996, by Martha Chapman Fowler.

Pamela Craig
Notary Public in and for the State of Hawaii
Printed Name: Pamela Craig
Commission Expires: 2·6·99

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 10th day of December, 1996, by Richard J. Ganem, President of Caprock Producing, LLC, a Texas limited liability company, on behalf of said company.

Robbie M. O'Donnell
Notary Public in and for the State of Texas
Printed Name: Robbie M. O'Donnell
Commission Expires: 3-15-98

ROBBIE M. O'DONNELL
Notary Public, State of Texas
My Commission Expires 03-15-1998

BOOK 569 PAGE 645

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Agreement,
by and between Martha Chapman Fowler, as Assignor
and Caprock Producing, LLC, as Assignee,
dated effective as of 7:00 a.m. CST, October 1, 1996

All of Assignors' right, title and interests in and to the following oil and gas leases (Leases):

1. Sally Wynne Reynaud, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 485, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

2. Lela Mae Wynne, et al, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 489, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

Insofar and only insofar as the above Leases cover the following acreage and depths, all in Section 38, Block 57, TWP 2, T&P RR Co. Sy., Reeves County, Texas (Lease Acreage):

E/2 NE/4, NW/4, W/2 SW/4 and E/2 SE/4, as to all depths below the surface of the earth;
W/2 NE/4, as to depths below 3,260 feet below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth;
W/2 SE/4, as to depths below 3,194 feet below the surface of the earth;

END OF EXHIBIT

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. 2879

FILED FOR RECORD ON THE 11TH. DAY OF DECEMBER A.D. 1996 AT 10:33 A M.

DULY RECORDED ON THE 12TH. DAY OF DECEMBER A.D. 1996 AT 2:00 P M.

BY: Dianne Florez DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BOOK 569 PAGE 646

FILE # 2880

ASSIGNMENT AND BILL OF SALE

COUNTY OF REEVES }{

STATE OF TEXAS }{

Judson F. Williams, joined herein by his wife, Jackie Williams, whose address is 5711 Mira Grande, El Paso, Texas 79912, hereinafter referred to as "Assignors", for and in consideration of the sum of One-Hundred Dollars ($100.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, grant, sell, assign and convey to Caprock Producing, LLC, whose address is 400 North Marienfeld, Suite 100, Midland, Texas 79701-4324, hereinafter referred to as "Assignee", all of Assignors' right, title and interest in and to those Oil and Gas Leases (hereinafter referred to as the "Leases") and in and to those lands (hereinafter referred to as the "Assigned Premises") more fully described on Exhibit "A" attached hereto and made a part hereof insofar and only insofar as limited therein, subject to all of the covenants and conditions hereof. It is the intention of Assignors to assign to Assignee all of its interest in the Leases and Assigned Premises whether or not such interest, Leases or Assigned Premises are accurately described in Exhibit "A".

Assignee agrees to protect, indemnify and hold Assignors harmless from and against any and all liability, loss, damage, injury and claims, demands and causes of action thereform, after the effective date hereof, related to the Assigned Premises, and the contracts and agreements appertaining thereto, based upon any theory, including, but not limited to, negligence, willfull misconduct or liability without fault.

The terms hereof shall inure to and be binding upon the respective heirs, successors and assigns of Assignors and Assignee.

Assignors agrees to execute and deliver or cause to be executed and delivered, upon the reasonable request of Assignee, such other Assignments, Bill of Sale, Certificates of Title and other matter, which are appropriate to transfer the Leases and Assigned Premises to Assignee, warranting such title against the claims of third parties by, through or under Assignors, but not otherwise.

Assignors hereby warrant title to the interest conveyed herein, against the claims of third parties, by, through or under Assignors, but not otherwise.

IN WITNESS WHEREOF, this instrument is executed this 25 day of October, 1996, but effective as of 7:00 a.m. CST, the 1st day of October, 1996.

Judson F. Williams

Jackie Williams

Judson F Williams

Jackie R. Williams

THE STATE OF TEXAS }{

COUNTY OF EL PASO }{

This instrument was acknowledged before me on this 25 day of October, 1996, by Judson F. Williams.

Notary Public, State of Texas
Printed Name:_____
Commission Expires:_____

J. CRAWFORD KERR
NOTARY PUBLIC
State of Texas
Comm. Exp. 10-02-2000

THE STATE OF TEXAS }{

COUNTY OF EL PASO }{

This instrument was acknowledged before me on this 25 day of October, 1996, by Jackie Williams.

Notary Public, State of Texas
Printed Name:_____
Commission Expires:_____

J. CRAWFORD KERR
NOTARY PUBLIC
State of Texas
Comm. Exp. 10-02-2000

BOOK 569 PAGE 648

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Bill of Sale,
by and between Judson F. Williams and Jackie Williams, as Assignors
and Caprock Producing, LLC, as Assignee,
dated effective as of 7:00 a.m. CST, October 1, 1996

All of Assignors' right, title and interests in and to the following oil and gas leases (Leases):

1. Sally Wynne Reynaud, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 485, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

2. Lela Mae Wynne, et al, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 489, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

Insofar and only insofar as the above Leases cover the following acreage and depths, all in Section 38, Block 57, TWP 2, T&P RR Co. Sy., Reeves County, Texas (Assigned Premises):

E/2 NE/4, NW/4, W/2 SW/4 and E/2 SE/4, as to all depths below the surface of the earth;
W/2 NE/4, as to depths below 3,260 feet below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth;
W/2 SE/4, as to depths below 3,194 feet below the surface of the earth;

END OF EXHIBIT

This instrument prepared by:
Caprock Producing, LLC
400 North Marienfeld, Suite 100
Midland, Texas 79701

C:\WPDATA\CRP\WILLIAMS.ASM

FILE NO. 2880

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

FILED FOR RECORD ON THE 11TH. DAY OF DECEMBER A.D. 1996 AT 10:33 A M.

DULY RECORDED ON THE 12TH. DAY OF DECEMBER A.D. 1996 AT 2:00 P M.

BY: Diesha Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

10-1-96

BOOK 569 PAGE 649

FILE # 2881

ASSIGNMENT AND BILL OF SALE

COUNTY OF REEVES)(

STATE OF TEXAS)(

John MacGuire, joined herein by his wife, Betty MacGuire, whose address is 1209 Thunderbird Drive, El Paso, Texas 79912-2027, hereinafter referred to as "Assignors", for and in consideration of the sum of One-Hundred Dollars ($100.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, grant, sell, assign and convey to Caprock Producing, LLC, whose address is 400 North Marienfeld, Suite 100, Midland, Texas 79701-4324, hereinafter referred to as "Assignee", all of Assignors' right, title and interest in and to those Oil and Gas Leases (hereinafter referred to as the "Leases") and in and to those lands (hereinafter referred to as the "Assigned Premises") more fully described on Exhibit "A" attached hereto and made a part hereof insofar and only insofar as limited therein, subject to all of the covenants and conditions hereof. It is the intention of Assignors to assign to Assignee all of its interest in the Leases and Assigned Premises whether or not such interest, Leases or Assigned Premises are accurately described in Exhibit "A".

Assignee agrees to protect, indemnify and hold Assignors harmless from and against any and all liability, loss, damage, injury and claims, demands and causes of action thereform, after the effective date hereof, related to the Assigned Premises, and the contracts and agreements appertaining thereto, based upon any theory, including, but not limited to, negligence, willfull misconduct or liability without fault.

The terms hereof shall inure to and be binding upon the respective heirs, successors and assigns of Assignors and Assignee.

Assignors agrees to execute and deliver or cause to be executed and delivered, upon the reasonable request of Assignee, such other Assignments, Bill of Sale, Certificates of Title and other matter, which are appropriate to transfer the Leases and Assigned Premises to Assignee, warranting such title against the claims of third parties by, through or under Assignors, but not otherwise.

Assignors hereby warrant title to the interest conveyed herein, against the claims of third parties, by, through or under Assignors, but not otherwise.

IN WITNESS WHEREOF, this instrument is executed this 19TH day of ~~October~~ November, 1996, but effective as of 7:00 a.m. CST, the 1st day of October, 1996.

John MacGuire

Betty MacGuire

John MacGuire

Betty MacGuire

BOOK 569 PAGE 650

THE STATE OF TEXAS }{

COUNTY OF EL PASO }{

This instrument was acknowledged before me on this 14th day of ~~October~~ November, 1996, by John MacGuire.

GEORGE ANGELOS
NOTARY PUBLIC
In and for the State of Texas
My commission expires
September 26, 2000

Notary Public, State of Texas
Printed Name:_____
Commission Expires:_____

THE STATE OF TEXAS }{

COUNTY OF EL PASO }{

This instrument was acknowledged before me on this 14th day of ~~October~~ November, 1996, by Betty MacGuire.

GEORGE ANGELOS
NOTARY PUBLIC
In and for the State of Texas
My commission expires
September 26, 2000

Notary Public, State of Texas
Printed Name:_____
Commission Expires:_____

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Bill of Sale,
by and between John MacGuire and Betty MacGuire, as Assignors
and Caprock Producing, LLC, as Assignee,
dated effective as of 7:00 a.m. CST, October 1, 1996

All of Assignors' right, title and interests in and to the following oil and gas leases (Leases):

1. Sally Wynne Reynaud, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 485, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

2. Lela Mae Wynne, et al, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 489, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

Insofar and only insofar as the above Leases cover the following acreage and depths, all in Section 38, Block 57, TWP 2, T&P RR Co. Sy., Reeves County, Texas (Assigned Premises):

E/2 NE/4, NW/4, W/2 SW/4 and E/2 SE/4, as to all depths below the surface of the earth;
W/2 NE/4, as to depths below 3,260 feet below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth;
W/2 SE/4, as to depths below 3,194 feet below the surface of the earth;

END OF EXHIBIT

This instrument prepared by:
Caprock Producing, LLC
400 North Marienfeld, Suite 100
Midland, Texas 79701

C:\WPDATA\CRP\MACGUIRE.ASM

FILE NO. 2881

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

FILED FOR RECORD ON THE 11TH. DAY OF DECEMBER A.D. 1996 AT 10:33 A.M.

DULY RECORDED ON THE 12TH. DAY OF DECEMBER A.D. 1996 AT 2:00 P.M.

BY: Jessica Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

FILE # 73

Reprise

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

KNOW ALL MEN BY THESE PRESENTS that, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, STATEWIDE MINERALS, INC., a Texas corporation, having its principal place of business at 400 West Illinois, Suite 1000, Midland, Midland County, Texas 79701 (hereinafter called "Assignor"), does hereby ASSIGN, TRANSFER and CONVEY, effective as of *October 1, 1996, at 7:00 a.m., at the location of the respective Properties* (the "Effective Time"), unto BOLDRICK PARTNERS D/B/A STATEWIDE MINERALS CO., a Texas general partnership composed of James Pratt Boldrick and James Miles Boldrick, having its principal place of business at 1801 West Wall, Midland, Texas 79701 (hereinafter called "Assignee"), the following described properties, LESS AND EXCEPT THE EXCLUDED PROPERTIES (the "Properties"):

> All of Assignor's assets and properties of every kind and character, and wherever located, including, without limitation, all of Assignor's mineral, royalty and overriding royalty interests in the lands described on Exhibit "A" attached hereto and made a part hereof, or described in the deeds or other instruments described in Exhibit "A" attached hereto, together with all of Assignor's interest in (i) all oil, gas, mineral and other hydrocarbon substances produced from said properties from and after the Effective Time, and (ii) all contracts, agreements, land files, division order files, title files, and other files and data related to said properties.

This Assignment, Bill of Sale and Conveyance is subject to the following terms, covenants and conditions:

1. THIS ASSIGNMENT IS MADE (a) WITHOUT ANY WARRANTY OR REPRESENTATION OF TITLE, EITHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE; (b) WITHOUT ANY EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION AS TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY TO MODELS OR SAMPLES OF MATERIALS OR MERCHANTABILITY OF ANY OF THE PROPERTIES OR THEIR FITNESS FOR ANY PURPOSE; and (c) WITHOUT ANY OTHER EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OR REPRESENTATION WHATSOEVER. ASSIGNEE SHALL BE DEEMED TO HAVE WAIVED ITS RIGHT TO PHYSICALLY INSPECT ASSIGNOR'S PROPERTIES FOR ALL PURPOSES. ASSIGNEE IS RELYING SOLELY UPON ITS OWN INVESTIGATIONS WITH RESPECT TO THE PROPERTIES AND ASSIGNEE SHALL ACCEPT ALL OF THE SAME IN THEIR "AS IS, WHERE IS" CONDITION. IN ADDITION, ASSIGNOR HAS MADE AND MAKES NO WARRANTY OR REPRESENTATION, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, REPORTS, RECORDS, PROJECTIONS, INFORMATION OR MATERIALS NOW, HERETOFORE OR HEREAFTER FURNISHED OR MADE AVAILABLE TO ASSIGNEE IN CONNECTION WITH THIS ASSIGNMENT, INCLUDING, WITHOUT LIMITATION, ANY DESCRIPTION OF THE PROPERTIES, PRICING ASSUMPTIONS, OR QUALITY OR QUANTITY, OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE

BOOK 570 PAGE 648

PROPERTIES OR THE ABILITY OR POTENTIAL OF THE PROPERTIES TO PRODUCE HYDROCARBONS OR THE ENVIRONMENTAL CONDITIONS OF THE PROPERTIES OR ANY OTHER MATTERS CONTAINED IN CONFIDENTIAL INFORMATION AND ANY OTHER MATERIALS FURNISHED OR MADE AVAILABLE TO ASSIGNEE BY ASSIGNOR OR BY ASSIGNOR'S AGENTS OR REPRESENTATIVES. ANY AND ALL SUCH DATA, RECORDS, REPORTS, PROJECTIONS, INFORMATION AND OTHER MATERIALS FURNISHED BY ASSIGNOR OR BY ASSIGNOR'S AGENTS OR REPRESENTATIVES OR OTHERWISE MADE AVAILABLE TO ASSIGNEE ARE AND WERE PROVIDED TO ASSIGNEE AS A CONVENIENCE, AND SHALL NOT CREATE OR GIVE RISE TO ANY LIABILITY OF OR AGAINST ASSIGNOR OR ITS AGENTS OR REPRESENTATIVES. ANY RELIANCE ON OR USE OF THE SAME SHALL BE AT ASSIGNEE'S SOLE RISK.

2. This Assignment, Bill of Sale and Conveyance is made with full rights of substitution and subrogation of Assignee, to the extent of the interest hereby assigned, in and to all covenants and warranties by others heretofore given or made with respect to the Properties.

3. This Assignment, Bill of Sale and Conveyance is made subject to governmental and regulatory agency rules and regulations and subject to all the terms and the express and implied covenants and conditions of the instruments described on Exhibit "A" and of any other matter appearing of record or of which Assignee has either notice or knowledge. Further, the terms, covenants and conditions hereof shall be binding upon and shall inure to the benefit of the Assignor and the Assignee and their respective successors and assigns, and such terms, covenants and conditions shall be covenants running with the land herein assigned and with each transfer or assignment of said land.

4. This Assignment, Bill of Sale and Conveyance is made and shall be subject to the terms and provisions of that certain Purchase and Sale Letter Agreement between Assignor, as Seller, and Assignee, as Buyer, dated December 18, 1996, which shall prevail in the event of any conflict between the terms and provisions hereof and thereof.

5. Notwithstanding anything in this Assignment, Bill of Sale and Conveyance to the contrary, the Properties do not include and Assignee agrees and acknowledges that Assignor has reserved and hereby reserves unto itself any and all of its interest in (a) all Microsoft Office Suite computer software, all Enertech Oil and Gas computer software and all Lasser, Inc. computer software; (b) South Timbalier Block 203, South Timbalier Area, Outer Continental Shelf, being those lands covered by Oil and Gas Lease No. OCS-G-1269 dated June 1, 1962, from the United States of America, as Lessor, to the California Company, as Lessee, and the OCS-G-1269A #2, 3, 4 and 5 wells; and (c) all monies, refunds, proceeds, receipts, credits, receivables, accounts and income attributable to its assets and accruing prior to the Effective Time ((a) through (c), collectively the "Excluded Properties").

6. This Assignment, Bill of Sale and Conveyance may be executed in any number of counterparts and each counterpart shall be deemed to be an original instrument, but all counterparts shall constitute but one Assignment, Bill of Sale and Conveyance. To facilitate recordation, there may be omitted from certain counterparts of this instrument all or part of Exhibit "A".

TO HAVE AND TO HOLD the Properties unto the Assignee, and its successors and assigns, subject to the terms, covenants and conditions hereinabove set forth.

EXECUTED this 26th day of December, 1996, to be effective in all respects as of the Effective Time.

ASSIGNOR: STATEWIDE MINERALS, INC.

By: _____
Clifford N. Hair, Jr.
Vice President -- Land

ASSIGNEE: BOLDRICK PARTNERS D/B/A STATEWIDE MINERALS CO.

By: _____
James Pratt Boldrick, General Partner

By: _____
James Miles Boldrick, General Partner

BOOK 570 PAGE 650

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BE IT REMEMBERED that the undersigned, a Notary Public duly qualified, commissioned, sworn and acting in and for the County and State aforesaid, hereby certifies that, on this 16 day of December, 1996, there personally appeared before me Clifford N. Hair, Jr., Vice President -- Land of Statewide Minerals, Inc., a Texas corporation, and that:

ILLINOIS;
MONTANA;
OHIO;
OKLAHOMA;
NEW MEXICO;
TEXAS;
WYOMING

This instrument was acknowledged before me on this date by the aforementioned person as such officer of said corporation, on behalf of said corporation.

LOUISIANA

Before me appeared the above named persons to me personally known and known by me to be the persons whose genuine signatures are affixed to the foregoing instrument as the above designated officer of the above named corporation, who signed said document before me and in the presence of the two witnesses whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that he signed the above and foregoing document as his own free act and deed and as the free act and deed of said corporation on behalf of said corporation and for the uses and purposes therein set forth and apparent.

MISSISSIPPI

Personally appeared before me, the undersigned authority in and for said county and state on this date, within my jurisdiction, the aforementioned person, who acknowledged that he is the above-named officer of said corporation, and that for and on behalf of said corporation, as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Given under my hand and official seal on the date first above written.

GLEN THOMASON
MY COMMISSION EXPIRES
May 11, 1997

Notary Public, State of Texas

F:\GLADIS\32\9041\ASSIGN.CON (NEW)(TE)

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

BE IT REMEMBERED that the undersigned, a Notary Public duly qualified, commissioned, sworn and acting in and for the County and State aforesaid, hereby certifies that, on this 26 day of December, 1996, there personally appeared before me James Pratt Boldrick and James Miles Boldrick, General Partners of BOLDRICK PARTNERS D/B/A STATEWIDE MINERALS CO., a Texas general partnership, and that:

ILLINOIS;
MONTANA;
OHIO;
OKLAHOMA;
NEW MEXICO;
TEXAS;
WYOMING

This instrument was acknowledged before me on this date by each of the aforementioned persons as general partners of said partnership, on behalf of said partnership.

LOUISIANA

Before me appeared the above named persons to me personally known and known by me to be the persons whose genuine signatures are affixed to the foregoing instrument as the general partners of said partnership, who signed said document before me and in the presence of the two witnesses whose names are thereto subscribed as such, being competent witnesses, and who acknowledged, in my presence and in the presence of said witnesses, that they each signed the above and foregoing document as their own free act and deed and as the free act and deed of said partnership on behalf of said partnership and for the uses and purposes therein set forth and apparent.

MISSISSIPPI

Personally appeared before me, the undersigned authority in and for said county and state, on this date, within my jurisdiction, the aforementioned persons, who each acknowledged that he is a general partner of said partnership and that for and on behalf of said partnership, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said partnership so to do.

Given under my hand and official seal on the date first above written.

GLEN THOMASON
MY COMMISSION EXPIRES
May 11, 1997

Notary Public, State of Texas

F:\GLADISH\321P041\ASSIGN.CON (NEWSITE)

BOOK 570 PAGE 652

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500001- 1
LEASE DATE: 10/18/1994
LEASE NAME: LINDA ANDERSON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 6, SECTION 1, SE/PT
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 186 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500002- 1
LEASE DATE: 10/17/1994
LEASE NAME: JOHN AULD ESTATE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-17 SECTION 22
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 182 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500003- 1
LEASE DATE: 11/08/1994
LEASE NAME: TINA J BODKINS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-4 SECTION 2
REEVES COUNTY, TEXAS
RECORDED: BOOK: 545 PAGE: 75 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500004- 1
LEASE DATE: 10/22/1994
LEASE NAME: MARY K BRADLEY
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 58-1, SECTION 24, N/2 SW/4 SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 629 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500005- 1
LEASE DATE: 10/20/1994
LEASE NAME: BULLIS ESTATE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: HERNANDEZ P, SECTION 5
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 644 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

EXHIBIT "A"

LEASE NUMBER: TX-REV-500006- 1
LEASE DATE: 10/17/1994
LEASE NAME: SAM BUNK, JR.
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 6, SECTION 45, NW/PT
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 187 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500007- 1
LEASE DATE: 11/02/1994
LEASE NAME: CHACE ASSOCIATES
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-17, SECTION 22
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 779 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500008- 1
LEASE DATE: 10/30/1994
LEASE NAME: GEORGE CLARK
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 7, SECTION 5, AB 356
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 636 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500009- 1
LEASE DATE: 11/25/1994
LEASE NAME: CINDY CRISMAN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 4, SECTION 25
PSL BLOCK C-19, SECTION 9
REEVES COUNTY, TEXAS
RECORDED: BOOK: 545 PAGE: 77 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500010- 1
LEASE DATE: 10/14/1994
LEASE NAME: SAMUEL ELLISON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 33
H&TC BLOCK 33, SECTION 35
H&TC BLOCK 33, SECTION 36

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500010- 1 (continued)
LEGAL DESCRIPTION: * * * C O N T I N U E D * * *
H&TC BLOCK 33, SECTION 37
H&TC BLOCK 33, SECTION 38
H&TC BLOCK 33, SECTION 39
H&TC BLOCK 34, SECTION 155 & 156
H&TC BLOCK 34, SECTION 173
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 199 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500011- 1
LEASE DATE: 11/07/1994
LEASE NAME: ALTHA FARNELL
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-2, SECTION 12
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 780 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500012- 1
LEASE DATE: 11/16/1994
LEASE NAME: RICHARD GEHLE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-2, SECTION 12
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 766 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500013- 1
LEASE DATE: 10/17/1994
LEASE NAME: BRUCE HAMPTON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: M&N BLOCK 5, SECTION 1, SW/PT
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 193 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500014- 1
LEASE DATE: 10/20/1994
LEASE NAME: MARIE S HOYER
LESSEE: STATEWIDE MINERALS, L.C.

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-S00014- 1 (continued)
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36
	H&TC BLOCK 33, SECTION 39
	H&TC BLOCK 33, SECTION 40
	H&TC BLOCK 33, SECTION 43
	REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 670 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-S00015- 1
LEASE DATE:	10/20/1994
LEASE NAME:	J CARLTON JONES
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	W&NW BLOCK 1, SECTION 18 & SECTION 25
	REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 295 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-S00016- 1
LEASE DATE:	10/14/1994
LEASE NAME:	R.M. LEISROCK
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 50-7, SECTION 2, AB 2354
	REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 191 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-S00017- 1
LEASE DATE:	10/20/1994
LEASE NAME:	GRADY LINDSEY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 39
	H&TC BLOCK 33, SECTION 40
	REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 661 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-S00018- 1
LEASE DATE:	12/12/1994
LEASE NAME:	ELIZABETH MARTIN
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 57-2, SECTION 46, N/2 NE/4
	T&P BLOCK 57-2, SECTION 46, S/2 SW/4
	T&P BLOCK 57-2, SECTION 46, N/2 SW/4

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500018- 1 (continued)
LEGAL DESCRIPTION: * * * C O N T I N U E D * * *
T&P BLOCK 57-2, SECTION 46, S/PT SE/4
T&P BLOCK 57-2, SECTION 47, S/2 NE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 545 PAGE: 170 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500019- 1
LEASE DATE: 11/10/1994
LEASE NAME: IRA W MCMILLAN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 4, SECTION 15
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 781 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500020- 1
LEASE DATE: 11/07/1994
LEASE NAME: CLAUDE D MOORE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4 EX LT 2 BLOCK 136
T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 778 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500021- 1
LEASE DATE: 10/18/1994
LEASE NAME: RICHARD MOORE
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4 EX LT 2 BLOCK 136
T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 632 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500022- 1
LEASE DATE: 10/26/1994
LEASE NAME: PAULINE NORWOOD
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: W&NW BLOCK 1, SECTION 18 & SECTION 25
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 663 REGISTRY: OPR
COUNTY: REEVES & WARD

EXHIBIT "A"

LEASE NUMBER:	TX-REV-500023- 1
LEASE DATE:	10/26/1994
LEASE NAME:	KARLA SCHMIDT
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 33 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 520 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500024- 1
LEASE DATE:	11/03/1994
LEASE NAME:	DAVID R THOMAS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 41 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 101 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500025- 1
LEASE DATE:	11/03/1994
LEASE NAME:	GERALD D WOOD
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	WANW BLK 1, SEC 20 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 103 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500026- 1
LEASE DATE:	11/03/1994
LEASE NAME:	TERESA TURNER
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	WANW BLOCK 1, SECTION 18 & SECTION 25 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 526 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500027- 1
LEASE DATE:	11/17/1994
LEASE NAME:	KATHELINE HENS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	PSL BLOCK C-17, SECTION 22 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 764 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500028- 1
LEASE DATE: 11/21/1994
LEASE NAME: GEORGE YOUNG
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: HAGN BLOCK 6, SECTION 9, A-16
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 762 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500029- 1
LEASE DATE: 11/10/1994
LEASE NAME: D STUBBLEFIELD
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SECTION 18, LT 9 BLOCK 115 MONTCLAIR TWNSIT
T&P BLOCK 57-1, SECTION 18, LTS 5 & 6 BLK 6 MONTCLAIR TWNSTE
T&P BLOCK 58-1, SECTION 24, N/2 SW/4 SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 769 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500030- 1
LEASE DATE: 10/26/1994
LEASE NAME: SUSAN ROBINSON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-2, SECTION 46, N/2 NE/4
T&P BLOCK 57-2, SECTION 46, S/2 SW/4
T&P BLOCK 57-2, SECTION 46, N/2 SW/4
T&P BLOCK 57-2, SECTION 46, S/PT SE/4
T&P BLOCK 57-2, SECTION 47, S/2 NE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 771 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500031- 1
LEASE DATE: 10/24/1994
LEASE NAME: JAY ROBERTSON
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SECTION 20, S/2 NE/2
T&P BLOCK 57-1, SECTION 20, N/2 NE/4
T&P BLOCK 57-1, SECTION 20, NE/4 NW/4
T&P BLOCK 57-1, SECTION 28, PT NW/4 NW/4 & S/2 N/2 & N/2SE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 544 PAGE: 141 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

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EXHIBIT "A"

LEASE NUMBER:	TX-REV-500032- 1
LEASE DATE:	10/14/1994
LEASE NAME:	BAIRD NEVILLE
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 33 H&TC BLOCK 33, SECTION 35 H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 37 H&TC BLOCK 33, SECTION 38 H&TC BLOCK 33, SECTION 39 H&TC BLOCK 34, SECTION 155 & 156 H&TC BLOCK 34, SECTION 173 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 301 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500033- 1
LEASE DATE:	10/22/1994
LEASE NAME:	JETTIE HUGGINS
LESSEE:	&STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 39 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 654 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500034- 1
LEASE DATE:	10/18/1994
LEASE NAME:	C. WESCH
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 39 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 650 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500035- 1
LEASE DATE:	10/27/1994
LEASE NAME:	M. MONTALBANO
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 58-1, SECTION 24, N/2 NE/4 SE/4 T&P BLOCK 58-1, SECTION 36, E/2 SW/4 NW/4 T&P BLOCK 58-1, SECTION 36, N/2 SW/4 NW/4

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EXHIBIT "A"

LEASE NUMBER: TX-REV-500035- 1 (continued)
LEGAL DESCRIPTION: * * * C O N T I N U E D * * *
REEVES AND CULBERSON COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 637 REGISTRY: OPR
COUNTY: REEVES/CULBERSO
STATE: TX

LEASE NUMBER: TX-REV-500036- 1
LEASE DATE: 10/18/1994
LEASE NAME: BILL HIGHTOWER
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLK C-4, SEC 6
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 194 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500037- 1
LEASE DATE: 10/20/1994
LEASE NAME: M. CHILDERS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLK C-3, SEC 20
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 185 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500038- 1
LEASE DATE: 10/25/1994
LEASE NAME: FRANK HUDGINS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLK C-20, SEC 10
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 635 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500039- 1
LEASE DATE: 10/24/1994
LEASE NAME: ALICE M HELDEN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLK C-6, SEC 9
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 634 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

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STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 10

EXHIBIT "A"

LEASE NUMBER:	TX-REV-500040- 1
LEASE DATE:	10/24/1994
LEASE NAME:	JOE TANKERSLEY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	PSL BLK C-20, SEC 10 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 181 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500041- 1
LEASE DATE:	11/01/1994
LEASE NAME:	EMILY M KING
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 523 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500042- 1
LEASE DATE:	11/01/1994
LEASE NAME:	CHARLES MCCRARY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 524 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500043- 1
LEASE DATE:	11/01/1994
LEASE NAME:	INNES MCCRARY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 522 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500044- 1
LEASE DATE:	11/01/1994
LEASE NAME:	MARGARET GLASS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 525 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

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STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 11

EXHIBIT "A"

LEASE NUMBER:	TX-REV-500045- 1
LEASE DATE:	10/25/1994
LEASE NAME:	BEAM TRUST
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 630 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500046- 1
LEASE DATE:	11/03/1994
LEASE NAME:	CORPENING ENTER.
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44, SW/4 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 518 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500047- 1
LEASE DATE:	11/01/1994
LEASE NAME:	CHAS. CHANDLER
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 16 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 440 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500048- 1
LEASE DATE:	10/17/1994
LEASE NAME:	DONALD KIEL
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 57-2, SECTION 12 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 104 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500049- 1
LEASE DATE:	10/24/1994
LEASE NAME:	JUDSON WILLIAMS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 57-2, SECTION 38 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 633 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 12

EXHIBIT "A"

LEASE NUMBER:	TX-REV-500050- 1
LEASE DATE:	11/03/1994
LEASE NAME:	J.W. KENNEDAY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 50-8, SECTION 15, AB. 717 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 102 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500051- 1
LEASE DATE:	10/17/1994
LEASE NAME:	P.H. CALLAWAY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 50-7, SECTION 2, AB. 2354 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 195 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500052- 1
LEASE DATE:	10/13/1994
LEASE NAME:	W.J. DAWSON
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&GN, BLOCK 4, SECTION 4 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 190 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500053- 1
LEASE DATE:	11/03/1994
LEASE NAME:	CHAS. SCHILLING
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&GN, BLOCK 7, SECTION 6 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 521 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500054- 1
LEASE DATE:	10/20/1994
LEASE NAME:	ARDREY OIL COMPANY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&GN, BLOCK 6, SECTION 9, A-16 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 192 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

BOOK 570 PAGE 664

STATEMIDE MINERALS, L.C. DM068 12/12/1996 PAGE 13

EXHIBIT "A"

LEASE NUMBER: TX-REV-500055- 1
LEASE DATE: 10/25/1994
LEASE NAME: ROBERT L. OWEN
LESSEE: STATEMIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC, BLOCK 33, SECTION 34
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 658 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500056- 1
LEASE DATE: 10/16/1994
LEASE NAME: M C. BERENS
LESSEE: STATEMIDE MINERALS, L.C.
LEGAL DESCRIPTION: W&NW BLOCK 1, SECTION 18 & SECTION 25
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 293 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500057- 1
LEASE DATE: 10/20/1994
LEASE NAME: MELVIN WILDE
LESSEE: STATEMIDE MINERALS, L.C.
LEGAL DESCRIPTION: W&NW BLOCK 1, SECTION 18 & SECTION 25
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 543 PAGE: 294 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500058- 1
LEASE DATE: 10/18/1994
LEASE NAME: EDITH WEEKS
LESSEE: STATEMIDE MINERALS, L.C.
LEGAL DESCRIPTION: T&P BLOCK 57-1, SEC 28, PT NW/4 NW/4 & S/2 N/2 & W/2 SE/4
T&P BLOCK 57-1, SEC 28, 3/4 NE/4 NW/4 & N/2 NE/4
REEVES COUNTY, TEXAS
RECORDED: BOOK: 543 PAGE: 189 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500059- 1
LEASE DATE: 10/13/1994
LEASE NAME: JACK LEE
LESSEE: STATEMIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 6, SECTION 13, S/2 N/320 AC
H&GN BLOCK 6, SECTION 13-14
REEVES COUNTY, TEXAS

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 14

EXHIBIT "A"

LEASE NUMBER:	TX-REV-500059- 1 (continued)
RECORDED:	BOOK: 543 PAGE: 197 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500060- 1
LEASE DATE:	10/20/1994
LEASE NAME:	EUGENE HUSKEY
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44, SW/4 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 543 PAGE: 184 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500061- 1
LEASE DATE:	11/04/1994
LEASE NAME:	ARTHUR B HALL
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 56-3, SECTION 44 REEVES COUNTY, TEXAS
RECORDED:	BOOK: 544 PAGE: 170 REGISTRY: OPR
COUNTY:	REEVES
STATE:	TX

LEASE NUMBER:	TX-REV-500062- 1
LEASE DATE:	10/28/1994
LEASE NAME:	R.M. TRICE ESTATE
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 98 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500063- 1
LEASE DATE:	10/31/1994
LEASE NAME:	C.K. DAVIS
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 41 H&TC BLOCK 33, SECTION 41, SW/2 & SW/2 NE/2 H&TC BLOCK 34, SECTIONS 174 & 183, ADAMS BLK 33, SEC 42 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 543 PAGE: 643 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

BOOK 570 PAGE 666

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 15

EXHIBIT "A"

LEASE NUMBER: TX-REV-500064- 1
LEASE DATE: 10/19/1994
LEASE NAME: GEORGE STRONG
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 36
H&TC BLOCK 33, SECTION 39
H&TC BLOCK 33, SECTION 40
H&TC BLOCK 33, SECTION 43
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 544 PAGE: 81 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500065- 1
LEASE DATE: 10/31/1994
LEASE NAME: VELMA L. DAUER
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 36
H&TC BLOCK 33, SECTION 39
H&TC BLOCK 33, SECTION 40
H&TC BLOCK 33, SECTION 43
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 544 PAGE: 93 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500066- 1
LEASE DATE: 11/21/1994
LEASE NAME: CARL M. BAILEY
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: MANW BLOCK 1, SECTION 7
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 544 PAGE: 763 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500067- 1
LEASE DATE: 10/31/1994
LEASE NAME: JACK MCINTOSH
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-20, SECTION 10
T&P BLOCK 56-3, SECTION 6, N/2 EXCEPT S/2 SE/4 NE/4
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 544 PAGE: 790 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

BOOK 570 PAGE 667

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 16

EXHIBIT "A"

LEASE NUMBER:	TX-RRV-500068- 1
LEASE DATE:	11/15/1994
LEASE NAME:	RICHARD BLACK
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4 EX LT 2 BLOCK 136 T&P BLOCK 57-1, SECTION 18, W/2 NW/4 SE/4 H&TC BLOCK 33, SECTION 39 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 783 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-RRV-500069- 1
LEASE DATE:	11/02/1994
LEASE NAME:	MARY E. SMITH
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36 H&TC BLOCK 33, SECTION 39 H&TC BLOCK 33, SECTION 40 H&TC BLOCK 33, SECTION 43 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 785 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500070- 1
LEASE DATE:	11/18/1994
LEASE NAME:	DELLA LEONARD
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36, N/4 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 775 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

LEASE NUMBER:	TX-REV-500071- 1
LEASE DATE:	11/18/1994
LEASE NAME:	CARABEL COOPER
LESSEE:	STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION:	H&TC BLOCK 33, SECTION 36, N/4 REEVES AND WARD COUNTIES, TEXAS
RECORDED:	BOOK: 544 PAGE: 776 REGISTRY: OPR
COUNTY:	REEVES & WARD
STATE:	TX

BOOK 570 PAGE 668

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 17

EXHIBIT "A"

LEASE NUMBER: TX-REV-500072- 1
LEASE DATE: 11/29/1994
LEASE NAME: EDITH C COLLIN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: W&NW BLOCK 1, SECTION 20
REEVES COUNTY, TEXAS
RECORDED: BOOK: 546 PAGE: 251 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500073- 1
LEASE DATE: 11/23/1994
LEASE NAME: JEAN RINEHART
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&GN BLOCK 6, SECTION 13, E/2 N/320 AC
H&GN BLOCK 6, SECTION 13-14
REEVES COUNTY, TEXAS
RECORDED: BOOK: 546 PAGE: 256 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500074- .1
LEASE DATE: 10/17/1994
LEASE NAME: L.E. SAWYER, JR.
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: COUCH UNIT: 677.42 AC POOLED GAS UNIT; RECORDED VOLUME 292, PAGE 670, AS MAY BE AMENDED COVERING PARTS OF SECTIONS 3 & 4, BLOCK 4, H&GN RY CO SURVEY .0007707 RI
HUMPHREY UNIT: 691.3 AC POOLED GAS UNIT; RECORDED VOL. 292, PAGE 240, AS MAY BE AMENDED COVERING PARTS OF SECTIONS 3, 4 & 5, BLOCK 4, H&GN RY CO SURVEY .0031673 RI
RECORDED: BOOK: 542 PAGE: 716 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500075- 1
LEASE DATE: 11/18/1994
LEASE NAME: ROBERT G VIAL
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: H&TC BLOCK 33, SECTION 36
H&TC BLOCK 33, SECTION 39
H&TC BLOCK 33, SECTION 40
H&TC BLOCK 33, SECTION 43
REEVES AND WARD COUNTIES, TEXAS
RECORDED: BOOK: 629 PAGE: 580 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 16

EXHIBIT "A"

LEASE NUMBER: TX-REV-500076- 1
LEASE DATE: 12/03/1994
LEASE NAME: JOHN M COWAN, JR.
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-6, SECTION 16
REEVES COUNTY, TEXAS
RECORDED: BOOK: 546 PAGE: 666 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500077- 1
LEASE DATE: 11/03/1994
LEASE NAME: MORNINGSTAR
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: PSL BLOCK C-17, SECTION 22
REEVES COUNTY, TEXAS
RECORDED: BOOK: 546 PAGE: 645 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500078- 1
LEASE DATE: 12/07/1994
LEASE NAME: CONRAD SCHMID
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: SECTION 7, BLOCK 1, MANN SURVEY
REEVES COUNTY, TEXAS
RECORDED: BOOK: 547 PAGE: 468 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500079- 1
LEASE DATE: 01/03/1995
LEASE NAME: ALICE S MORAN
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: SECTION 40, BLOCK 50-7, T&P SURVEY
REEVES COUNTY, TEXAS
RECORDED: BOOK: 547 PAGE: 470 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500080- 1
LEASE DATE: 01/14/1995
LEASE NAME: JACK HAWKINS
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: N/4 SECTION 36, BLOCK 33, H&TC SURVEY
REEVES & WARD COUNTIES, TEXAS
RECORDED: BOOK: 549 PAGE: 200 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

BOOK 570 PAGE 670

STATEWIDE MINERALS, L.C. DM068 12/12/1996 PAGE 19

EXHIBIT "A"

LEASE NUMBER: TX-REV-500081- 1
LEASE DATE: 03/22/1995
LEASE NAME: GARRY A WEBER
LESSEE: STATEWIDE MINERALS, L.C.
LEGAL DESCRIPTION: SECTION 5, P. HERNANDEZ SURVEY
REEVES COUNTY, TEXAS
RECORDED: BOOK: 549 PAGE: 796 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500082- 1
LEASE DATE: 04/19/1995
LEASE NAME: WALTER H MEYERS
LESSEE: STATEWIDE MINERALS, INC.
LEGAL DESCRIPTION: SECTION 14, BLOCK C-4, PSL SURVEY
REEVES COUNTY, TEXAS

RECORDED: BOOK: 551 PAGE: 338 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500083- 1
LEASE DATE: 05/08/1995
LEASE NAME: ROY E & WANDA CAMPBELL
LESSEE: STATEWIDE MINERALS, INC.
LEGAL DESCRIPTION: SECTION 2, BLOCK 50-7, T&P RR CO. SURVEY
REEVES COUNTY, TEXAS

RECORDED: BOOK: 551 PAGE: 525 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500084- 1
LEASE DATE: 06/20/1995
LEASE NAME: INGE SLATER
LESSEE: STATEWIDE MINERALS, INC.
LEGAL DESCRIPTION: SECTION 37, BLOCK 33, H&TC RR CO. SURVEY
SECTION 36, BLOCK 33, H&TC RR CO. SURVEY
REEVES AND WARD COUNTIES, TEXAS

RECORDED: BOOK: 635 PAGE: 653 REGISTRY: OPR
COUNTY: REEVES & WARD
STATE: TX

LEASE NUMBER: TX-REV-500085- 1
LEASE DATE: 08/04/1995
LEASE NAME: JAMES PAUL VICE ESTATE
LESSEE: STATEWIDE MINERALS, INC.

STATEWIDE MINERALS, L.C. DN068 12/12/1996 PAGE 20

EXHIBIT "A"

LEASE NUMBER: TX-REV-500085- 1 (continued)
LEGAL DESCRIPTION: SECTION 24, BLOCK 58-1, T&P RR CO. SURVEY
REEVES COUNTY, TEXAS

RECORDED: BOOK: 555 PAGE: 172 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

LEASE NUMBER: TX-REV-500086- 1
LEASE DATE: 02/23/1995
LEASE NAME: DALE & BARBARA RANEY
LESSEE: STATEWIDE MINERALS, INC.
LEGAL DESCRIPTION: SECTION 13 &14, BLOCK 6, H&GN SURVEY
REEVES COUNTY, TEXAS

RECORDED: BOOK: 560 PAGE: 612 REGISTRY: OPR
COUNTY: REEVES
STATE: TX

86 LEASES LISTED

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. 73

FILED FOR RECORD ON THE 10TH. DAY OF JANUARY A.D. 1997 AT 9:18A M.

DULY RECORDED ON THE 13TH. DAY OF JANUARY A.D. 1997 AT 2:00P M.

BY: Jeneka Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BOOK 530 PAGE 445

7-22-97

Dup

FILE # 1782

ASSIGNMENT

STATE:	Texas
COUNTY:	Reeves
Assignor:	Caprock Producing, LLC
Assignor's Address:	400 N. Marienfeld, Suite 100 Midland, TX 79701
Assignee:	Penwell Energy, Inc.
Assignee's Address:	600 N. Marienfeld, Suite 1100 Midland, TX 79701
Date Executed:	July 22, 1997

For adequate consideration, Assignor assigns and conveys to Assignee all of Assignor's right, title and interest in those certain Assignment and Bill of Sale and Term Assignment and Agreement covering

E/2 NE/4, NW/4, W/2 SW/4 and E/2 SE/4 as to all depths below the surface of the earth;
W/2 NE/4, as to depths below 3,260 feet below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth;
W/2 SE/4, as to depths below 3,194 feet below the surface of the earth;
Section 38, Block 57, T-2, T&P RR Co. Survey, Reeves County, Texas

located in the County and State named above, which Assignments are described in Exhibit "A" to this Assignment. That Exhibit is incorporated into this Assignment for all purposes and reference is made to the Assignment and Bill of Sale and Term Assignment and Agreement, as recorded, for a complete description of the lands they cover.

Caprock Producing, LLC

Richard J. Ganem, President

State of Texas)
)
County of Midland)

Before me, the undersigned authority, on this day personally appeared Richard J. Ganem, President of CAPROCK PRODUCING, LLC, a Texas Limited Liability Company, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that said officer executed the same as the act and deed of said Company for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 22nd day of July, 1997.

ROBBIE M. O'DONNELL
Notary Public, State of Texas
My Commission Expires 03-15-1998

Robbie M. O'Donnell

Notary Public in and for the State of Texas

ROBBIE M. O'DONNELL

EXHIBIT "A"

Attached hereto and made a part hereof that certain Assignment and Bill of Sale and Term Assignment and Agreement dated July 22, 1997 by and between Caprock Producing, LLC, as Assignor, and Penwell Energy, Inc.

1. Assignment and Bill of Sale dated October 25, 1996, but effective as October 1, 1996, by Judson F. Williams and wife, Jackie R. Williams, recorded in Volume 569, page 646 of the Official Public Records of Reeves County, Texas.

2. Assignment and Bill of Sale dated November 19, 1996, but effective as October 1, 1996, by John MacGuire and wife, Betty MacGuire, recorded in Volume 569, page 649 of the Official Public Records of Reeves County, Texas.

3. Term Assignment and Agreement dated November 14, 1996, but effective as October 1, 1996, by Martha Chapman Fowler, recorded in Volume 569, page 641 of the Official Public Records of 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.

FILE NO. 1782

FILED FOR RECORD ON THE 22ND. DAY OF JUNE A.D. 1998 AT 1:21 P M

DULY RECORDED ON THE 23RD. DAY OF JUNE A.D. 1998 AT 2:00 P M

BY: Pauline Roots DEPUTY

DIANNE O, FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BOOK 594 PAGE 614

9-18-98

FILE # 2764

ASSIGNMENT OF OIL AND GAS LEASE

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

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, **PENWELL ENERGY, INC.** whose address is 600 North Marienfeld, Suite 1100, Midland, Texas 79701 ("Assignor"), does hereby assign and convey unto MCNIC Oil & Gas Properties, Inc. ("Assignee"), its successors and assigns, the undivided percentage shown opposite Assignee's name of Assignor's right, title and interest in and to the Oil and Gas Leases ("Assigned Leases") described in the attached Exhibit "A", covering the lands described in Exhibit "A" situated in Reeves County, Texas.

MCNIC Oil & Gas Properties, Inc. **72.25%**
1360 Post Oak Blvd., Suite 1500
Houston, Texas 77056

The interests assigned herein are subject to the following:

(a) All royalty, overriding royalty and other lease burdens, if any, of record in Reeves County, Texas, to the extent of the interests assigned herein;

(b) All of the terms and provisions contained in Assigned Leases.

Assignor warrants title to the interests hereinabove assigned against the lawful claims of all persons claiming the same by, through or under Assignor, but not otherwise.

IN WITNESS WHEREOF, this instrument has been executed on this the 18th day of September, 1998, but **shall be effective as of the 5th day of March, 1998.**

PENWELL ENERGY, INC.

By: _____
Steven R. Foy
Vice President

THE STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this the 18th day of September, 1998, by Steven R. Foy, Vice President of Penwell Energy, Inc., a Texas corporation, on behalf of said corporation.

HOLLY BURGESS
Notary Public, State of Texas
My commission expires 7-3-99

_____
Notary Public in and for
The State of Texas

My Commission Expires:
7-3-99

mcnic assign

BOOK 594 PAGE 615

7212

EXHIBIT "A"

LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
David Aston	7/26/96	3 Years	1/5	7/26/99	565/181	Arno East	54	4-S	T&P RR Co	24	E/2
Bob Brill	7/26/96	3 Years	1/5	7/26/99	568/807	Arno East	54	4-S	T&P RR Co	24	E/2
The Brown Foundation, Inc.	7/3/96	3 Years	1/5	7/3/99	565/171	Arno East	54	4-S	T&P RR Co	24	E/2
George R. Brown Partnership	7/3/96	3 Years	1/5	7/3/99	564/304	Arno East	54	4-S	T&P RR Co	24	E/2
Ballard M. Burgher	7/26/96	3 Years	1/5	7/26/99	567/352	Arno East	54	4-S	T&P RR Co	24	E/2
Sam F. Damell, Jr.	7/31/96	3 Years	1/5	7/31/99	568/231	Arno East	54	4-S	T&P RR Co	24	E/2
Ted C. Damell	7/31/96	3 Years	1/5	7/31/99	568/233	Arno East	54	4-S	T&P RR Co	24	E/2
John B. Duffield, Jr. Independent Exec	7/11/96	3 Years	1/5	7/11/99	565/169	Arno East	54	4-S	T&P RR Co	24	E/2
Herbert J. Frensley Estate Trust & Smith, Ind.	3/27/97	3 Years	1/4	3/27/00	575/159	Arno East	54	4-S	T&P RR Co	24	E/2
R. W. Goff	7/26/96	3 Years	1/5	7/26/99	565/183	Arno East	54	4-S	T&P RR Co	24	E/2
Jack E. Kleban	8/1/96	3 Years	1/5	8/1/99	565/177	Arno East	54	4-S	T&P RR Co	24	E/2
Russell J. Landry	7/26/96	3 Years	1/5	7/26/99	565/185	Arno East	54	4-S	T&P RR Co	24	E/2
T. E. LeRoy	7/31/96	3 Years	1/5	7/31/99	565/187	Arno East	54	4-S	T&P RR Co	24	E/2
Dorothy L. Lewis	3/28/97	3 Years	1/5	3/28/00	573/683	Arno East	54	4-S	T&P RR Co	24	E/2
Ray C. Lewis	8/21/96	3 Years	1/5	8/21/99	566/368	Arno East	54	4-S	T&P RR Co	24	E/2
Milton Brooks McGee, Trustee	7/31/96	3 Years	1/5	7/31/99	565/692	Arno East	54	4-S	T&P RR Co	24	E/2
Duane M. Norman	7/31/96	3 Years	1/5	7/31/99	565/462	Arno East	54	4-S	T&P RR Co	24	E/2
Issaac W. Norman	7/26/96	3 Years	1/5	7/26/99	565/179	Arno East	54	4-S	T&P RR Co	24	E/2
T. L. Saunders	3/28/97	3 Years	1/5	3/28/00	576/583	Arno East	54	4-S	T&P RR Co	24	E/2
Sharon St. Clair et al	8/15/96	3 Years	1/5	8/15/99	566/372	Arno East	54	4-S	T&P RR Co	24	E/2
J. E. Teddlie, Sr.	7/26/96	3 Years	1/5	7/26/99	565/165	Arno East	54	4-S	T&P RR Co	24	E/2
Harley C. Watson	7/26/96	3 Years	1/5	7/26/99	565/167	Arno East	54	4-S	T&P RR Co	24	E/2
State of Texas M-97551	10/1/96	3 Years	1/4	10/1/99	569/571	Cajones	57	3	T&P RR Co	28	N/2
State of Texas M-97553	10/1/96	3 Years	1/4	10/1/99	569/562	Cajones	57	3	T&P RR Co	20	All
State of Texas M-97550	10/1/96	3 Years	1/4	10/1/99	569/553	Cajones North	57	3	T&P RR Co	16	All
Mary Ann Brantley	4/16/97	3 Years	1/5	4/16/00	574/619	Baltic	57	3	T&P RR Co	2	SE/4
Dawson George, Trustee R. S. Brennard Test. Trust	6/3/97	3 Years	1/5	6/3/00	576/641	Baltic	57	3	T&P RR Co	2	SW/4 & NE/4
Anna Louise Graves	4/16/97	3 Years	1/5	4/16/00	574/628	Baltic	57	3	T&P RR Co	2	NE/4
Anna Louise Graves	7/18/97	3 Years	1/5	7/18/00	578/301	Baltic	57	3	T&P RR Co	2	SW/4
James S. Patterson	7/18/97	3 Years	1/5	7/18/00	577/219	Baltic	57	3	T&P RR Co	2	SW/4
James S. Patterson	4/16/97	3 Years	1/5	4/16/00	574/601	Baltic	57	3	T&P RR Co	2	NE/4
William E. Patterson	7/18/97	3 Years	1/5	7/18/00	577/228	Baltic	57	3	T&P RR Co	2	SW/4
William E. Patterson	4/16/97	3 Years	1/5	4/16/00	574/20	Baltic	57	3	T&P RR Co	2	NE/4
Arthur S. Schlofman, Jr.	4/16/97	3 Years	1/5	4/16/00	574/610	Baltic	57	3	T&P RR Co	2	SE/4
Sallie Wynne Reynaud, (State)	9/21/70	HBP	1/8	HBP	297/485	Chapman NE	57	2	T&P RR Co	38	All

7-28-12

LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
Lela Mae Wynne, et al (State)	9/21/70	HBP	1/6	HBP	297/489	Chapman NE	57	2	T&P RR Co	38	All
Warren Malcolm Clark, Trustee (State)	5/15/97	3 Years	1/4	5/15/00	575/564	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Rita Reed George (State)	5/15/97	3 Years	1/4	5/15/00	575/495	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Carolyn C. Oatman (State)	5/15/97	3 Years	1/4	5/15/00	575/460	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
W. W. Oatman (State)	5/15/97	3 Years	1/4	5/15/00	575/610	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Rita Reed July 1998 Trust - TCB, Trustee	7/8/97	3 Years	1/4	7/8/00	576/497	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
Alliance Oil & Gas Co.	5/9/97	2 Years	3/16	5/9/99	576/541	Cyclops	54	4-S	T&P RR Co	30	All
Harry L. Bickford	5/9/97	3 Years	1/4	5/9/00	576/585	Cyclops	54	4-S	T&P RR Co	30	All
James H. Butler	9/9/97	3 Years	1/5	9/9/00	580/548	Cyclops	54	4-S	T&P RR Co	30	All
Max Christensen Estate	9/9/97	3 Years	1/5	9/9/00	581/375	Cyclops	54	4-S	T&P RR Co	30	All
Christensen Petroleum, Inc.	9/9/97	3 Years	1/5	9/9/00	581/378	Cyclops	54	4-S	T&P RR Co	30	All
John L. Cox	9/9/97	3 Years	1/5	9/9/00	581/381	Cyclops	54	4-S	T&P RR Co	30	All
Donna L. Durham	5/9/97	3 Years	3/16	5/9/00	576/544	Cyclops	54	4-S	T&P RR Co	30	All
Ada Mae Tims English	5/9/97	3 Years	3/16	5/9/00	576/546	Cyclops	54	4-S	T&P RR Co	30	All
Ann Tims Fish	5/9/97	3 Years	3/16	5/9/00	576/548	Cyclops	54	4-S	T&P RR Co	30	All
Lahoma Joy Getgen, et vir	5/9/97	3 Years	3/16	5/9/00	576/550	Cyclops	54	4-S	T&P RR Co	30	All
Phil Gordon	5/9/97	3 Years	3/16	5/9/00	576/552	Cyclops	54	4-S	T&P RR Co	30	All
Billie Mac Jobe	4/29/97	3 Years	1/5	4/29/00	574/237	Cyclops	55	4-S	T&P RR Co	34	All
Mart & Mary C. Hardin, Trustee	5/9/97	3 Years	3/16	5/9/00	576/554	Cyclops	54	4-S	T&P RR Co	30	All
Walter & Maxine Ingle Trust	5/9/97	3 Years	3/16	5/9/00	576/556	Cyclops	54	4-S	T&P RR Co	30	All
Jeroco, Inc.	5/9/97	3 Years	3/16	5/9/00	575/819	Cyclops	54	4-S	T&P RR Co	30	All
Anna Tims Lewis	5/9/97	3 Years	3/16	5/9/00	574/684	Cyclops	54	4-S	T&P RR Co	30	All
Delores L. Noe	5/9/97	3 Years	3/16	5/9/00	574/686	Cyclops	54	4-S	T&P RR Co	30	All
Ted J. Pasley	5/9/97	3 Years	1/4	5/9/00	576/587	Cyclops	54	4-S	T&P RR Co	30	All
James W. Pitts	5/9/97	3 Years	3/16	5/9/00	576/558	Cyclops	54	4-S	T&P RR Co	30	All
Spindletop Exploration, Inc.	5/9/97	3 Years	1/5	5/9/00	576/560	Cyclops	54	4-S	T&P RR Co	30	All
G. W. Thomas III	5/9/97	3 Years	3/16	5/9/00	583/83	Cyclops	54	4-S	T&P RR Co	30	All
Billie D. Tims	5/9/97	3 Years	3/16	5/9/00	576/563	Cyclops	54	4-S	T&P RR Co	30	All
Larry K. Tims	5/9/97	3 Years	3/16	5/9/00	577/522	Cyclops	54	4-S	T&P RR Co	30	All
R. E. & Mattie Lee Tims	5/9/97	3 Years	3/16	5/9/00	576/567	Cyclops	54	4-S	T&P RR Co	30	All
Timothy B. Tims	5/9/97	3 Years	3/16	5/9/00	576/569	Cyclops	54	4-S	T&P RR Co	30	All
William E. & Carol Tims	5/9/97	3 Years	3/16	5/9/00	576/571	Cyclops	54	4-S	T&P RR Co	30	All
Fern Tims, Independent Executrix	5/9/97	3 Years	3/16	5/9/00	576/565	Cyclops	54	4-S	T&P RR Co	30	All
John B. Wooten	3/3/98	1 Year	3/16	3/3/99	586/865	Cyclops	54	4-S	T&P RR Co	30	All
State of Texas M-97554	10/1/96	3 Years	1/5	10/1/99	569/544	Fred SE	53	4-S	T&P RR Co	6	NE/4, SW/4 and S/2 SE/4
State of Texas M-96703	10/3/95	3 Years	1/5	10/3/98	557/184	Gorgons/Cyclops	54	4-S	T&P RR Co	36	All
Blake O & G Corp.	2/15/97	3 Years	1/4	2/15/00	572/262	Hayot	C-18		PSL	4	SE/4 NE/4

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LESSOR	LEASE DATE	TERM	ROYALTY	EXPIR DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
Blake O & G Corp.	2/15/97	3 Years	1/4	2/15/00	572/256	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
Jack E. Blake, et ux	2/15/97	3 Years	1/4	2/15/00	572/259	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
Jack E. Blake, et ux	2/15/97	3 Years	1/4	2/15/00	572/265	Hayot	C-18		PSL	4	SE/4 NE/4
Jessie W. Bush	12/23/96	3 Years	3/16	12/23/99	573/458	Hayot	C-18		PSL	12	South 430.0 acres
Michael W. Coke	8/22/97	3 Years	1/4	8/22/00	582/563	Hayot	C-18		PSL	12	North 210.0 acres
Tracy Fishburn Trust #2 (3194-00)	8/22/97	3 Years	1/4	8/22/00	583/96	Hayot	C-18		PSL	12	North 210.0 acres
John D. Halamicek	2/24/97	3 Years	3/16	2/24/00	573/748	Hayot	C-18		PSL	4	NW/4
W. A. Halamicek, Jr.	2/24/97	3 Years	3/16	2/24/00	573/746	Hayot	C-18		PSL	4	NW/4
Fred A. Hammond	3/10/97	3 Years	1/4	3/10/00	573/742	Hayot	C-18		PSL	11	All
Suzanne Clark Hughes	8/22/97	3 Years	1/4	8/22/00	583/87	Hayot	C-18		PSL	12	North 210.0 acres
Billie Mac Jobe	2/24/97	3 Years	3/16	2/24/00	573/744	Hayot	C-18		PSL	4	SW/4 & E/2 SE/4
Yvonne Coke Julian Agency #3102-02	8/22/97	3 Years	1/4	8/22/00	583/93	Hayot	C-18		PSL	12	North 210.0 acres
Fred Corwin Klein	2/24/97	3 Years	3/16	2/24/00	574/84	Hayot	C-18		PSL	4	W/2 SE/4
Linda C. Newton	8/22/97	3 Years	1/4	8/22/00	582/557	Hayot	C-18		PSL	12	North 210.0 acres
Marilyn White Phillips	10/17/97	18 Months	1/4	4/17/99	582/560	Hayot	C-18		PSL	12	North 210.0 acres
C. L. Stephens, Individually and as Independent Executor	11/5/96	3 Years	3/16	11/5/99	572/653	Hayot	C-18		PSL	12	South 430.0 acres
C. L. Stephens, Individually and as Independent Executor	3/27/97	3 Years	3/16	3/27/00	574/409	Hayot	C-18		PSL	11	All
Margery Ann Harper (State)	8/9/96	3 Years	1/5	8/9/99	566/264	Mediterranean	56	3	T&P RR Co	4	S/2
Russell M. Reed, et ux	8/9/96	3 Years	1/5	8/9/99	566/255	Mediterranean	56	3	T&P RR Co	4	N/2
Warren Malcolm Clark, Trustee	5/15/97	3 Years	1/4	5/15/00	575/595	Medusa	C-18		PSL	27	All
Rita Reed George	5/15/97	3 Years	1/4	5/15/00	575/521	Medusa	C-18		PSL	27	All
Bobbie Ann McGinn	7/24/97	3 Years	1/5	7/24/00	578/38	Medusa	C-18		PSL	27	All
W. W. Oatman	5/15/97	3 Years	1/4	5/15/00	575/621	Medusa	C-18		PSL	27	All
Carolyn C. Oatman, ssp	5/15/97	3 Years	1/4	5/15/00	575/541	Medusa	C-18		PSL	27	All
Carolyn C. Oatman, Trustee	5/15/97	3 Years	1/4	5/15/00	575/487	Medusa	C-18		PSL	27	All
Naomi Russell	7/26/97	3 Years	1/5	7/26/00	578/42	Medusa	C-18		PSL	27	All

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. 2764

FILED FOR RECORD ON THE 25TH. DAY OF SEPTEMBER A.D. 1998 AT 2:41 P M

DULY RECORDED ON THE 6TH. DAY OF OCTOBER A.D. 1998 AT 2:00 P M

BY: Lynda Flores DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

10-1-98

FILE # 224

Reeves County, Texas

ASSIGNMENT, CONVEYANCE, AND BILL OF SALE

THIS ASSIGNMENT, CONVEYANCE, AND BILL OF SALE made effective as of October 1, 1998 at 7:00 a.m., local time (the "Effective Time"), by and between **MCNIC OIL & GAS PROPERTIES, INC.**, a Michigan corporation which is the successor by merger to CoEnergy Central Exploration, Inc. and whose address is 1360 Post Oak Boulevard, Suite 1500, Houston, Texas 77056 ("Assignor"), and **PENWELL ENERGY, INC.**, a Texas corporation whose address is 600 N. Marienfeld, Suite 1100, Midland, Texas 79701 ("Assignee").

FOR AND IN CONSIDERATION of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby GRANT, BARGAIN, SELL, TRANSFER, CONVEY and ASSIGN unto Assignee and its successors and assigns, effective as of the Effective Time, all of the following property, less and except the Excluded Assets (as so limited, the "Assets"):

A. All of Assignor's undivided interest in and to the oil and gas leases, lands, and other property rights described on **Exhibit A** attached hereto and made a part hereof for all purposes (collectively, the "Leases");

B. All of Assignor's undivided interest in and to all improvements, fixtures, personal property, easements, permits, licenses, servitudes, and rights-of-way to the extent the same are situated upon and used or held for use in connection with the exploration, development, or operation of the Leases, or the production, treating, storage, or transportation of oil, gas, other hydrocarbons, or other minerals or the disposal of water or other wastes therefrom, including, without limitation, all wells (whether producing, plugged and abandoned, shut-in, injection, disposal, or water supply wells), tanks, boilers, buildings, machinery and other equipment, pipelines, power lines, telephone and telegraph lines, roads, and other appurtenances to the extent the same are situated upon and used or held for future use in connection with the exploration, development, or operation of the Assets and/or the production, treating, storing, or transportation of oil, gas, other hydrocarbons, or other minerals or the disposal of water or other wastes therefrom;

C. All of Assignor's right, title, and interest in, to, under, or derived from any presently existing and valid unitization and pooling agreements and the units created thereby (including all units formed by voluntary agreements and those formed under orders, regulations, rules, or other official acts of any federal, state, or other governmental agency having jurisdiction);

D. All of Assignor's right, title, and interest in, to, under, or derived from all of the presently existing and valid oil, casinghead gas and gas sales, purchase, exchange, operating, and processing contracts and agreements, and all other contracts, agreements, and instruments relating to the Leases, including, but not limited to, that certain Exploration Agreement dated as of September 1, 1995, between Assignee and CoEnergy Central Exploration, Inc., and the other agreements listed on **Exhibit B** attached hereto and made a part hereof for all purposes (the "Contracts");

E. To the extent transferable, all of Assignor's right, title, and interest in and to all seismic, geological, and geophysical licenses, data, records, information, and interpretations jointly acquired by Assignor and Assignee with respect to the Leases or any lands or leases pooled or unitized therewith;

F. All of Assignor's right, title, and interest in and to any and all claims and causes of action of Assignor arising from the ownership or operation of the Assets during periods subsequent to the Effective Time;

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G. All of Assignor's right, title, and interest in and to any and all other property rights and interests situated in the State of Texas or in the State of New Mexico, regardless of whether or not described on attached **Exhibit A**, in which Assignee and Assignor have jointly acquired rights or interests, save and except the Excluded Assets; and

H. All of Assignor's right, title, and interest in and to all oil, gas, and other hydrocarbon substances produced from or attributable or allocable to the Leases on and after the Effective Time.

This Assignment, Conveyance, and Bill of Sale is made subject to the following terms, covenants, conditions, and reservations:

1. Notwithstanding anything herein to the contrary, the Assets do not include, and Assignor hereby expressly excludes from this sale and reserves unto itself, its successors and assigns, any and all rights, titles, and interests of Assignor in and to the following (collectively, the AExcluded Assets@): (a) that certain Oil and Gas Lease dated January 11, 1995, from Hutchings Joint Stock Association Number Two et al., as Lessors, to Assignee, as Lessee, recorded in Book 629, Page 463, Deed Records, Ward County, Texas and any and all data, information, and records relating thereto or to the lands covered thereby; (b) Assignor's corporate, financial, and tax records and legal files, except that Assignor will provide Assignee with copies of any tax records that are necessary for Assignee's ownership, administration, or operation of the Assets; (c) all oil, gas, and other hydrocarbon substances produced from or attributable or allocable to Assignor's interest in the Leases for periods prior to the Effective Time; and (d) the non-participating term royalty interest acquired by Assignor under that certain Assignment dated February 21, 1996, recorded in Volume 643, Page 116, Deed Records, Ward County, Texas.

2. This Assignment, Conveyance, and Bill of Sale is made pursuant and expressly subject to the provisions of that certain Purchase and Sale Agreement (the "Agreement") dated as of December 18, 1998, between Assignor, as Seller, and Assignee, as Purchaser, the terms of which shall prevail in the event of any conflict between the provisions thereof and hereof.

3. The undivided interests herein conveyed are transferred and accepted subject to normal wear and tear and, except for the special warranty of title set forth herein, without warranty of any kind, whether expressed or implied, and are sold "AS IS, WITH ALL FAULTS AND DEFECTS" and "WITH NO WARRANTY AS TO MERCHANTABILITY, FITNESS, OR SUITABILITY FOR ANY PARTICULAR PURPOSE."

4. This Assignment, Conveyance, and Bill of Sale is made with full rights of substitution and subrogation of Assignee in and to all covenants and warranties by others heretofore given or made with respect to the Assets.

5. This Assignment, Conveyance, and Bill of Sale is made subject to governmental and regulatory agency rules and regulations and subject to all the terms and the express and implied covenants and conditions of the instruments described on Exhibit A. Further, the terms, covenants, conditions, and reservations hereof shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns, and such terms, covenants, conditions, and reservations shall be covenants running with the land and the leasehold and fee estates herein assigned and with each transfer or assignment of said land and leasehold and fee estates.

6. Assignor agrees to warrant and defend title to the Assets, except the Tubular Goods, unto Assignee, its successors and assigns forever, as against all claims and demands by, through, or under Assignor, but not otherwise.

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7. This Assignment, Conveyance, and Bill of Sale may be executed in any number of counterparts and each counterpart shall be deemed to be an original instrument, but all counterparts shall constitute but one Assignment, Conveyance, and Bill of Sale.

TO HAVE AND TO HOLD the Assets, together with all rights and privileges in anywise appertaining thereto, unto Assignee and its successors and assigns forever.

EXECUTED as of the 21st day of January, 1999, but effective for all purposes as of the Effective Time.

ASSIGNOR:

MCNIC OIL & GAS PROPERTIES, INC.

By: Thomas H Neel
Printed Name: THOMAS H. NEEL
Title: PRESIDENT

ASSIGNEE:

PENWELL ENERGY, INC.

By: M. Joseph Bailey
Printed Name: N. JOSEPH BAILEY
Title: VICE PRESIDENT

OPR

ACKNOWLEDGMENTS

THE STATE OF Texas

COUNTY OF Harris

This instrument was acknowledged before me on the 21 day of January, 1999, by Thomas H. Neel, President of MCNIC OIL & GAS PROPERTIES, INC., a Michigan corporation, on behalf of said corporation.

KAREN A. GONZALES
MY COMMISSION EXPIRES
September 9, 2002

Karen A. Gonzales
Notary Public in and for
the State of Texas

THE STATE OF Texas

COUNTY OF Harris

This instrument was acknowledged before me on the 21 day of January, 1999, by N. Joseph Bailey, Vice President of PENWELL ENERGY, INC., a Texas corporation, on behalf of said corporation.

KAREN A. GONZALES
MY COMMISSION EXPIRES
September 9, 2002

Karen A. Gonzales
Notary Public in and for
the State of Texas

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-040-01A	Hill Investments, Ltd.	3/18/97	573/301	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-01B	H-S Minerals and Realty, Ltd.	3/18/97	573/679	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-01C	James Robert Hill Investments, Ltd.	3/5/97	573/750	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-01D	Hill Trust	3/18/97	575/155	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-01E	Dorothy Jean Keenom	3/18/97	574/405	Erg	54	4-S	T&P RR Co	2	East 1/3 of N/2 and S/2 (426.67 acs., more or less)
TX-040-02	State of Texas M-098013	4/1/97	574/796	Erg	54	4-S	T&P RR Co	8	All
TX-040-03A	J. R. Meeker Trust FLBO	5/7/97	574/793	Erg	54	4-S	T&P RR Co	2	West 2/3 of the N/2
TX-040-03C	J. J. Meeker and Meeker Investments, Inc.	5/13/97	578/532	Erg	54	4-S	T&P RR Co	2	West 2/3 of the N/2
TX-040-04	Texaco Exploration and Production, Inc.	6/8/97	593/82	Erg	54	4-S	T&P RR Co	1, 7, 9	All
TX-043-01A	John L. May	4/23/96	563/492	Chapman	57	2	T&P RR Co	48	All
TX-043-01B	Harold L. Ambler	4/23/96	563/501	Chapman	57	2	T&P RR Co	48	All
TX-043-01C	Phillip B. Johnson	4/23/96	563/511	Chapman	57	2	T&P RR Co	48	All
TX-043-01D	Willard G. Kuehn	4/23/96	563/520	Chapman	57	2	T&P RR Co	48	All
TX-043-01E	Doris Ruth Sanders	4/23/96	563/529	Chapman	57	2	T&P RR Co	48	All
TX-043-01F	Bus T. Schageman et al	4/23/96	563/538	Chapman	57	2	T&P RR Co	48	All
TX-043-01G	Betty B. Crawford	4/23/96	563/795	Chapman	57	2	T&P RR Co	48	All
TX-046-01A	George R. Brown Partnership	7/3/96	564/304	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01B	The Brown Foundation, Inc.	7/3/96	565/171	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01C	R. W. Goff	7/26/96	565/183	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01D	T. E. LeRoy	7/31/96	565/187	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01E	Russell J. Landry	7/26/96	565/185	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01F	David Aston	7/26/96	565/181	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01G	Issaac W. Norman	7/26/96	565/179	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01H	Jack E. Kleban	8/1/96	565/177	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01I	John B. Duffield, Jr. Independent Exec	7/11/96	565/169	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01J	Harley C. Watson	7/26/96	565/167	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01K	J. E. Teddlie, Sr.	7/26/96	565/165	Amo East	54	4-S	T&P RR Co	24	E/2

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-046-01L	Bob Brill	7/26/96	568/807	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01M	Duane M. Norman	7/31/96	565/462	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01N	Ray C. Lewis	8/21/96	566/368	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01O	Sharon St. Clair et al	8/15/96	566/372	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01P	Milton Brooks McGee, Trustee	7/31/96	565/692	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01Q	Ballard M. Burgher	7/26/96	567/352	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01R	Ted C. Darnell	7/31/96	568/233	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01S	Sam F. Darnell, Jr.	7/31/96	568/231	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01T	Dorothy L. Lewis	3/28/97	573/683	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01U	Herbert J. Frensley Estate Trust & Smith, Ind.	3/27/97	575/159	Amo East	54	4-S	T&P RR Co	24	E/2
TX-046-01V	T. L. Saunders	3/28/97	576/583	Amo East	54	4-S	T&P RR Co	24	E/2
TX-054-01A	Greg R. Billington	11/11/96	571/152	Hayot	C-18		PSL	11	All
TX-054-01B	Ronnie Billington	1/13/97	572/489	Hayot	C-18		PSL	11	All
TX-054-01C	C. L. Stephens, Individually and as Independent Executor	3/27/97	574/409	Hayot	C-18		PSL	11	All, containing 640 acres, more or less
TX-054-01D	Fred A. Hammond	3/10/97	573/742	Hayot	C-18		PSL	11	All, containing 640 acres, more or less
TX-054-02A	Jessie W. Bush	12/23/96	573/458	Hayot	C-18		PSL	12	South 430.0 acres
TX-054-02B	C. L. Stephens, Individually and as Independent Executor	11/5/96	572/653	Hayot	C-18		PSL	12	South 430.0 acres
TX-054-03A	Blake O & G Corp.	2/15/97	572/262	Hayot	C-18		PSL	4	SE/4 NE/4
TX-054-03B	Jack E. Blake, et ux	2/15/97	572/265	Hayot	C-18		PSL	4	SE/4 NE/4
TX-054-04A	Blake O & G Corp.	2/15/97	572/256	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
TX-054-04B	Jack E. Blake, et ux	2/15/97	572/259	Hayot	C-18		PSL	4	W/2 NE/4 & NE/4 NE/4
TX-054-05	Billie Mac Jobe	2/24/97	573/744	Hayot	C-18		PSL	4	SW/4 & E/2 SE/4
TX-054-06A	W. A. Halamicek, Jr.	2/24/97	573/746	Hayot	C-18		PSL	4	NW/4
TX-054-06B	John D. Halamicek	2/24/97	573/748	Hayot	C-18		PSL	4	NW/4
TX-054-07	Fred Corwin Klein	2/24/97	574/84	Hayot	C-18		PSL	4	W/2 SE/4
TX-054-08A	Linda C. Newton	8/22/97	582/557	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08B	Marilyn White Phillips	10/17/97	582/560	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less

7-26-12

EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-054-08C	Michael W. Coke	8/22/97	582/563	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08D	Suzanne Clark Hughes	8/22/97	583/87	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08E	Tracy Fishburn Trust #2 (3194-00)	8/22/97	583/96	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08F	Yvonne Coke Julian Agency #3102-02	8/22/97	583/93	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-054-08G	Julia Graham Benkofsky-Webb	8/22/97	583/90	Hayot	C-18		PSL	12	North 210.0 acres, containing 210 acres, more or less
TX-062-01	Texaco E&P, Inc.	9/19/96	567/257	Block 1-Shallow Rights	54	5	T&P Ry Co	13	All
					55	5	T&P Ry Co	37, 39 & 47	All and the N/2 of Sec. 45
TX-062-02	Texaco E&P, Inc.	9/19/96	567/203	Block 1-Shallow Rights	55	5	T&P Ry Co	15, 23, 25, 27 & 35	All
TX-062-03	Texaco E&P, Inc.	9/19/96	567/221	Block 1-Shallow Rights	54	5	T&P Ry Co	5, 7, 9 & 11	All
					55	5	T&P Ry Co	13	All
TX-062-04	Texaco E&P, Inc.	9/19/96	567/209	Block 1-Shallow Rights	55	4	T&P Ry Co	41	All
					55	5	T&P Ry Co	5, 9, 17, 21	All
TX-062-05	Texaco E&P, Inc.	9/19/96	567/215	Block 1-Shallow Rights	55	4	T&P Ry Co	35 & 43	All
					55	5	T&P Ry Co	1, 3 & 11	All
TX-063-01	Texaco E&P, Inc.	9/19/96	567/227	Block 2-Shallow Rights	54	4	T&P Ry Co	29, 31 & 37	All
					54	5	T&P Ry Co	1 & 3	All
TX-063-02	Texaco E&P, Inc.	9/19/96	567/233	Block 2-Shallow Rights	54	4	T&P Ry Co	21, 23, 25, 33 & 35	All

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-063-03	Texaco E&P, Inc.	9/19/96	567/239	Block 2-Shallow Rights	54	4	T&P Ry Co	5, 15, 17 & 27	All
					55	4	T&P Ry Co	33	All
TX-063-04	Texaco E&P, Inc.	9/19/96	567/245	Block 2-Shallow Rights	54	4	T&P Ry Co	1, 3, 7, 9 & 13	All
TX-063-05	Texaco E&P, Inc.	9/19/96	567/251	Block 2-Shallow Rights	53	4	T&P Ry Co	1, 3 & 5	All
					54	4	T&P Ry Co	11	All
TX-064-01	Texaco E&P, Inc.	11/11/96	569/739	Block 3-Shallow Rights	56	3	T&P Ry Co	1	N/2
					56	3	T&P Ry Co	5	NW/4 and S/2
					56	3	T&P Ry Co	7	N/2, save and except the SW/4 of NW/4 from the surface down to 3,430' as measured by the Acoustic-Gamma Ray Log, dated February 10, 1965, for Texaco Inc.'s Reeves AS Fee No. 1 Well
					56	3	T&P Ry Co	11	N/2, save and except the SE/4 of NE/4 from the surface down to 3,430' as measured by the Acoustic-Gamma Ray Log, dated May 14, 1964, for Texaco Inc.'s Reeves AK Fee No. 1 Well
					56	3	T&P Ry Co	13	All
TX-064-02	Texaco E&P, Inc.	11/11/96	569/759	Block 3-Shallow Rights	57	3	T&P Ry Co	5, 17, 19 & 21	All
					57	3	T&P Ry Co	9	All, save and except the W/2 of SW/4 from the surface to a depth of 3,270'
TX-064-03	Texaco E&P, Inc.	11/11/96	569/765	Block 3-Shallow Rights	56	3	T&P Ry Co	3	All
					57	3	T&P Ry Co	1, 11, 13 & 15	All

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-064-04	Texaco E&P, Inc.	11/11/96	569/746	Block 3-Shallow Rights	57	3	T&P Ry Co	29, 31, 33 & 39	All
TX-064-05	Texaco E&P, Inc.	11/11/96	569/752	Block 3-Shallow Rights	57	3	T&P Ry Co	23	All
TX-064-05	Texaco E&P, Inc.	11/11/96	569/752	Block 3-Shallow Rights	57	3	T&P Ry Co	25	All, save and except (a) the SE/4 of Sec. 25 from the surface down to a depth of 3,301', (b) 40 acs in the form of sq. around Texaco-Reeves AM Fee Well No. 1, located 1,980' FSL & 660' FWL of Sec 25, from the surface to a depth of 3,252',(c) 40 acs in the form of a sq around the Texaco-Reeves AM Fee Well No. 2 located 1980' FN&EL of Sec 25 from the surface to a depth of 3,230' and (d) 40 acres in the form of a sq. aound the Texaco-Reeves AM Fee Well No. 3, located 990' FWL & 1,320' FNL of Sec. 25 from the surface to a depth of 3,300'

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-064-05	Texaco E&P, Inc.	11/11/96	569/752	Block 3-Shallow Rights	57	3	T&P Ry Co	27	All, save and except a) 40 acs in the form of a sq around the Texaco-Reeves BD Fee Well No. 1, located 1,980' FNL & 1,320' FEL of Sec 27 from the surface to a depth of 3,178' and b) 40 acs in the form of a sq around the Texaco-Reeves BD Fee Well No. 2, located 1,220' FNL & 1,320' FWL of Sec 35 from the surface to a depth of 3,300'
					57	3	T&P Ry Co	37	All
TX-071-01A	Sallie Wynne Reynaud, (Stale)	9/21/70	297/485	Chapman NE	57	2	T&P RR Co	38	E/2 NE/4, NW/4, W/2 SW/4 & E/2 SE/4 as to all depths below the surface of the earth; W/2 NE/4, as to depths below 3,260' below the surface of the earth; E/2 SW/4, as to depths below 4,695' below the surface of the earth;W/2 SE/4, as to depths below 3,194' below the surface of the earth.

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-071-01B	Lela Mae Wynne, et al (State)	9/21/70	297/489	Chapman NE	57	2	T&P RR Co	38	E/2 NE/4, NW/4, W/2 SW/4 & E/2 SE/4 as to all depths below the surface of the earth; W/2 NE/4, as to depths below 3,260' below the surface of the earth; E/2 SW/4, as to depths below 4,695' below the surface of the earth;W/2 SE/4, as to depths below 3,194' below the surface of the earth.
TX-072-01	State of Texas M-97551	10/1/96	569/571	Cajones	57	3	T&P RR Co	28	N/2
TX-072-02	State of Texas M-97553	10/1/96	569/562	Cajones	57	3	T&P RR Co	20	All
TX-073-01	State of Texas M-97550	10/1/96	569/553	Cajones North	57	3	T&P RR Co	16	All
TX-074-01	State of Texas M-97554	10/1/96	569/544	Fred SE	53	4-S	T&P RR Co	6	NE/4, SW/4 and S/2 SE/4
TX-081-01	John Dorr, as Agent	8/28/96	568/54	Greasewood North	54	4-S	T&P RR Co	32	NW/4 NE/4, NW/4 NW/4 & S/2 NE/4 NW/4
TX-081-02A	Petco, Limited	10/8/96	568/100	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02B	Nancy Dean Invest. (State)	9/12/96	568/109	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02C	R. C. Slack	9/12/96	568/118	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02D	Pursuit Energy, Inc.	12/10/96	576/632	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02E	TCB Josie Faye Peck, Tr. & Patti P. Wood	4/29/97	576/223	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02F	NationsBank, Tr-Nancy A. Wynne, as Agent	12/10/96	573/557	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02G	Sid W. Richardson Foundation	12/10/96	573/566	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02H	Lloyd Powell, Jr., Children's Trust	6/25/97	577/255	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02I	Andrews Royalty (State)	7/7/97	577/246	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02J	William B. Wakefield	6/25/97	578/319	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02K	Annie R. Bass Trust	7/22/97	579/581	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02L	Howell Smith Wynne	6/25/97	579/572	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-02M	Ruth Marie Lewis Estate	6/30/97	580/427	Greasewood North	54	4-S	T&P RR Co	32	SE/4 NW/4
TX-081-03A	Peggy Nell Montgomery Herrin, as Agent	8/29/96	568/91	Greasewood North	54	4-S	T&P RR Co	32	SW/4 NW/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-081-03B	Jerry S. Montgomery Thompson	8/29/96	568/82	Greasewood North	54	4-S	T&P RR Co	32	SW/4 NW/4
TX-081-03C	Bobby Joe Montgomery	8/29/96	568/73	Greasewood North	54	4-S	T&P RR Co	32	SW/4 NW/4
TX-081-03D	Cecil B. Lovell, et al	8/28/96	568/64	Greasewood North	54	4-S	T&P RR Co	32	SW/4 NW/4
TX-081-05	Joseph G. Stafford	5/1/97	576/232	Greasewood North	54	4-S	T&P RR Co	32	N/2 NE/4 NW/4
TX-081-06A	Ann Lowery Bains, ssp	4/23/95	550/670	Greasewood North	54	4-S	T&P RR Co	32	SW/4
TX-081-06B	J. Robert McGehee	4/23/95	550/688	Greasewood North	54	4-S	T&P RR Co	32	SW/4, A-3465
TX-081-06C	Lynn M. Stewart	4/23/95	550/679	Greasewood North	54	4-S	T&P RR Co	32	SW/4, A-3465
TX-081-07	S. E. Richardson, Jr.	4/17/95	550/661	Greasewood North	54	4-S	T&P RR Co	32	SE/4, A-3652
TX-082-01A	Jeroco, Inc.	5/9/97	575/815	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01B	Larry K. Tims	5/9/97	575/817	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01C	Harry L. Bickford	4/18/97	576/187	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01D	Donna L. Durham	4/18/97	576/171	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01E	Gary W. Farabough	4/18/97	576/185	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01F	Ann Tims Fish	4/18/97	576/328	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01G	Lahoma Joy Getgen, et vir	4/18/97	576/175	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01H	Phil Gordon	4/16/97	576/196	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01I	Mart & Mary C. Hardin, Trustee	5/9/97	576/194	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01J	Walter & Maxine Ingle Trust	4/18/97	576/173	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01K	Anna Tims Lewis	4/18/97	576/177	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01L	Delores L. Noe	4/18/97	576/169	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01M	Ted J. Pasley	4/16/97	576/183	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01N	James W. Pitts	5/9/97	577/520	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01O	Spindletop Exploration, Inc.	5/9/97	576/191	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01P	Billy D. Tims	4/18/97	576/189	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01Q	Timothy B. Tims, et ux	5/9/97	576/181	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01R	William E. & Carol Tims, et ux	5/9/97	576/179	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01S	Alliance Oil and Gas Co.	5/9/97	576/530	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01T	Ada Mae Tims English	5/9/97	576/533	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01V	John B. Wooten	9/15/97	580/358	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01W	James H. Butler	9/9/97	580/551	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-01X	G. W. Thomas III	5/9/97	581/589	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-082-02	Billie Mac Jobe	4/10/97	574/682	Gorgons/Eaglet	55	4-S	T&P RR Co	56	All
TX-083-01A	Mary Ann Brantley	4/16/97	574/619	Baltic	57	3	T&P RR Co	2	SE/4
TX-083-01B	Arthur S. Schlofman, Jr.	4/16/97	574/610	Baltic	54	3	T&P RR Co	2	SE/4
TX-083-02A	Anna Louise Graves	4/16/97	574/628	Baltic	57	3	T&P RR Co	2	NE/4
TX-083-02B	James S. Patterson	4/16/97	574/601	Baltic	57	3	T&P RR Co	2	NE/4
TX-083-02C	William E. Patterson	4/16/97	574/20	Baltic	57	3	T&P RR Co	2	NE/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-083-03	Dawson George, Trustee R. S. Brennard Test. Trust	6/3/97	576/641	Baltic	57	3	T&P RR Co	2	SW/4 & NE/4
TX-083-04B	William E. Patterson	7/18/97	577/228	Baltic	57	3	T&P RR Co	2	SW/4
TX-083-04C	James S. Patterson	7/18/97	577/219	Baltic	57	3	T&P RR Co	2	SW/4
TX-083-04D	Anna Louise Graves	7/18/97	578/301	Baltic	57	3	T&P RR Co	2	SW/4
TX-084-01	Russell M. Reed, et ux	8/9/96	566/255	Mediterranean	56	3	T&P RR Co	4	N/2
TX-084-02	Margery Ann Harper (State)	8/9/96	566/264	Mediterranean	56	3	T&P RR Co	4	S/2
TX-085-01A	Jessie Mae Kelton (State)	4/14/97	574/100	Gorgons	54	5-S	T&P RR Co	2	SE/4
TX-085-01B	Jim Tom Kelton, et ux	4/14/97	574/91	Gorgons	54	5-S	T&P RR Co	2	SE/4
TX-085-01C	Melba Kelton Younce (State)	4/15/97	574/29	Gorgons	54	5-S	T&P RR Co	2	SE/4
TX-085-02A	R. C. Slack (State)	4/15/97	574/38	Gorgons	54	5-S	T&P RR Co	2	SW/4
TX-085-02B	Nancy Dean Invest. (State)	4/15/97	574/574	Gorgons	54	5-S	T&P RR Co	2	SW/4
TX-085-02C	Petco Limited (State)	4/15/97	576/665	Gorgons	54	5-S	T&P RR Co	2	SW/4
TX-085-03	Billie Mac Jobe (State)	4/10/97	574/11	Gorgons	54	5-S	T&P RR Co	2	NE/4
TX-085-04A	R. C. Slack (State)	4/15/97	574/47	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04B	Nancy Dean Invest. (State)	4/15/97	574/583	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04C	Petco Limited (State)	4/15/97	576/656	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04D	Andrews Royalty (State)	4/15/97	576/674	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04E	Pursuit Energy Corporation (State)	4/15/97	576/683	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04F	Howell Smith Wynne (State)	4/15/97	576/692	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04G	Nations B.-Nancy Adele Wynne T.T. (State)	4/15/97	576/701	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04H	Loyd W. Powell (State)	5/19/97	577/237	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04I	Royce Lewis, Independent (State)	6/30/97	580/436	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04J	TCB-Josie Peck/Patti Wood (State)	6/25/97	578/310	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04L	Sid Richardson Foundation, Inc. (State)	11/18/97	583/325	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-04M	Edward P. Bass, et al (State)	2/3/98	585/27	Gorgons	54	5-S	T&P RR Co	2	NW/4
TX-085-05A	Lucille Hodge Gill King (State)	5/5/97	576/379	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	West 1/3 of the N/2 SW/4
TX-085-05B	Jan Vaughn (State)	5/5/97	576/388	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	West 1/3 of the N/2 SW/4
TX-085-05C	Jerry Cramer (State)	5/5/97	576/711	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	West 1/3 of the N/2 SW/4
TX-085-06	Billie Mac Jobe (State)	5/7/97	574/592	Gorgons	55	4-S	T&P RR Co	44	S/2
TX-085-07A	Carolyn C. Oatman (State)	5/15/97	575/449	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	E/2, NW/4
TX-085-07B	Rita Reed George (State)	5/15/97	575/506	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	E/2, NW/4
TX-085-07C	Warren Malcolm Clark, Trustee	5/15/97	575/553	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	E/2, NW/4
TX-085-07D	W. W. Oatman (State)	5/15/97	575/599	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	E/2, NW/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-085-08A	Charles J. Heagney (State)	6/10/97	577/430	Gorgons	55	4-S	T&P RR Co	44	NE/4 NE/4, E/2 NW/4 NE/4
TX-085-08B	Mary Elizabeth Sesney (State)	6/10/97	577/439	Gorgons	55	4-S	T&P RR Co	44	NE/4 NE/4, E/2 NW/4 NE/4
TX-085-08C	Michael Storm Casper (State)	6/10/97	577/448	Gorgons	55	4-S	T&P RR Co	44	NE/4 NE/4, E/2 NW/4 NE/4
TX-085-08D	Patricia Levy (State)	6/10/97	577/457	Gorgons	55	4-S	T&P RR Co	44	NE/4 NE/4, E/2 NW/4 NE/4
TX-085-09A	John C. Harris III (State)	4/4/97	574/411	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	S/2 SW/4
TX-085-09B	Angela H. Caughlin	4/4/97	574/414	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	S/2 SW/4
TX-085-09C	Mary C. Grimaldo	4/4/97	574/417	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	S/2 SW/4
TX-085-10	Bobbie G. Pirtle (State)	4/4/97	574/802	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	N/2 SW/4;SAVE AND EXCEPT the W/3 of the N/2 SW/4 & the E/3 of the N/2 SW/4
TX-085-11A	Marvolene Speed Bennett Family Trust (State)	4/2/97	575/20	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	East 1/3 of N/2 SW/4
TX-085-11B	Carleton D. Speed Estate #3430 (State)	4/2/97	575/29	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	East 1/3 of N/2 SW/4
TX-085-11C	Sharman Lynn Speed et al (State)	4/2/97	577/466	Gorgons/Sand Lake NW	54	5-S	T&P RR Co	6	East 1/3 of N/2 SW/4
TX-085-13A	John L. Cox	9/9/97	581/366	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-085-13B	Christensen Petroleum, Inc.	9/9/97	581/369	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-085-13C	Marcella B. Christensen, widow	9/9/97	581/372	Gorgons/Eaglet	54	4-S	T&P RR Co	38	All
TX-085-14	State of Texas M-99108	4/7/98	589/376	Gorgons	55	4-S	T&P RR Co	44	NW/4, S/2 NE/4 and the W/2 NW/4 NE/4
TX-085-15	Billie Mac Jobe (State)	3/13/98	586/270	Gorgons	55	5	T&P RR Co	2	All
TX-085-16	Billie Mac Jobe (State)	3/13/98	586/262	Gorgons	55	4	T&P RR Co	36	All
TX-085-17	Texaco Exploration and Production, Inc.	7/31/97	595/113	Gorgons	54	4-S	T&P RR Co	37	All
					54	5-S	T&P RR Co	1, 3, 5	All
					55	4-S	T&P RR Co	35 & 43	All
					55	5-S	T&P RR Co	1	All
TX-086-01A	Jeroco, Inc.	5/9/97	575/819	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01B	Anna Tims Lewis	5/9/97	574/684	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01C	Delores L. Noe	5/9/97	574/686	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01D	Alliance Oil & Gas Co.	5/9/97	576/541	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01E	Donna L. Durham	5/9/97	576/544	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01F	Ada Mae Tims English	5/9/97	576/546	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01G	Ann Tims Fish	5/9/97	576/548	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01H	Lahoma Joy Geigen, et vir	5/9/97	576/550	Cyclops	54	4-S	T&P RR Co	30	All

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-086-01I	Phil Gordon	5/9/97	576/552	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01J	Mart & Mary C. Hardin, Trustee	5/9/97	576/554	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01K	Walter & Maxine Ingle Trust	5/9/97	576/556	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01L	James W. Pitts	5/9/97	576/558	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01M	Billie D. Tims	5/9/97	576/563	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01N	Spindletop Exploration, Inc.	5/9/97	576/560	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01O	Fern Tims, Independent Executrix	5/9/97	576/565	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01P	R. E. & Mattie Lee Tims	5/9/97	576/567	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01Q	Timothy B. Tims	5/9/97	576/569	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01R	William E. & Carol Tims	5/9/97	576/571	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01S	Lonnie W. Jourdan Mgmt. Trust	5/9/97	576/527	Gorgons/Cyicops	54	4-S	T&P RR Co	30 & 38	All
TX-086-01T	Harry L. Bickford	5/9/97	576/585	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01U	Ted J. Pasley	5/9/97	576/587	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01V	Larry K. Tims	5/9/97	577/522	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01W	G. W. Thomas III	5/9/97	583/83	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01X	James H. Butler	9/9/97	580/548	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01Y	John L. Cox	9/9/97	581/381	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01Z	Christensen Petroleum, Inc.	9/9/97	581/378	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01AA	Max Christensen Estate	9/9/97	581/375	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-01AB	John B. Wooten	3/3/98	586/865	Cyclops	54	4-S	T&P RR Co	30	All
TX-086-02	Billie Mac Jobe	4/29/97	574/237	Cyclops	55	4-S	T&P RR Co	34	All
TX-086-03A	Ann Thompson White	6/16/98	591/570	Cyclops	54	4-S	T&P RR Co	28	All, Cert. 4023
TX-086-03B	John M. Thompson, Jr.	6/16/98	591/578	Cyclops	54	4-S	T&P RR Co	28	All, Cert. 4023
TX-086-03C	James Cash Thompson, et ux	6/16/98	591/586	Cyclops	54	4-S	T&P RR Co	28	All, Cert. 4023
TX-087-01A	Rita Reed July 1998 Trust - TCB, Trustee	7/8/97	576/497	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-087-01B	Carolyn C. Oatman (State)	5/15/97	575/460	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-087-01C	Rita Reed George (State)	5/15/97	575/495	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-087-01D	Warren Malcolm Clark, Trustee (State)	5/15/97	575/564	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-087-01E	W. W. Oatman (State)	5/15/97	575/610	Chimaera/Gorgons	54	5-S	T&P RR Co	8	All
TX-088-01A	Dell Shettle	5/19/97	575/807	Medusa	C-18		PSL	26	All
TX-088-01B	Georgia Faye Bingham	5/8/97	575/809	Medusa	C-18		PSL	26	All
TX-088-01C	Lonnie Winterrowd	4/30/97	576/167	Medusa	C-18		PSL	26	All
TX-088-01D	L. D. McNeil Estate	4/29/97	574/694	Medusa	C-18		PSL	26	All, being 640.0 acres
TX-088-01E	Roddy L. Harrison	4/29/97	574/698	Medusa	C-18		PSL	26	All, being 640.0 acres
TX-088-01F	Don Weinacht	5/1/97	574/700	Medusa	C-18		PSL	26	All, being 640.0 acres
TX-088-01H	Warren Malcolm Clark, Trustee	5/15/97	575/591	Medusa	C-18		PSL	26	All
TX-088-01I	Rita Reed George, ssp	5/15/97	575/525	Medusa	C-18		PSL	26	All

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-01J	Robert Hughes	4/30/97	578/52	Medusa	C-18		PSL	26	All
TX-088-01K	Carolyn C. Oatman, Trustee	5/15/97	575/491	Medusa	C-18		PSL	26	All
TX-088-01L	W. W. Oatman	5/15/97	575/625	Medusa	C-18		PSL	26	All
TX-088-01M	Dennis Winterrowd	4/30/97	578/48	Medusa	C-18		PSL	26	All
TX-088-01N	Earnestine Winterrowd, Tr., Curtis Winterrowd	4/30/97	578/46	Medusa	C-18		PSL	26	All
TX-088-01O	Mike Winterrowd	4/30/97	578/50	Medusa	C-18		PSL	26	All
TX-088-01Q	W. D. Faulkner	5/30/97	576/376	Medusa	C-18		PSL	26	All
TX-088-01R	Bobbie Ann McGinn	6/24/97	578/87	Medusa	C-18		PSL	26	All
TX-088-01S	Naomi Russell	6/26/97	578/54	Medusa	C-18		PSL	26	All
TX-088-01T	Fred P. Armstrong	6/26/97	578/58	Medusa	C-18		PSL	26	All
TX-088-01U	John Dorr	8/28/97	580/308	Medusa	C-18		PSL	26	All
TX-088-01V	Barbara Ann Scott Family Partnership, Ltd.	8/28/97	580/177	Medusa	C-18		PSL	26	All
TX-088-01W	Mary Peyton, Indp Exec	8/28/97	580/174	Medusa	C-18		PSL	26	All
TX-088-01X	Kelly Lynn Poer, et al	6/24/97	591/473	Medusa	C-18		PSL	26	All
TX-088-02A	Georgia Faye Bingham	5/8/97	575/812	Medusa	C-18		PSL	25	NW/4
TX-088-02B	Frances Keith	5/12/97	578/68	Chimaera/Gorgons/Medusa	C-18 & C-19		PSL	4 & 25	Sec. 4: SW/4 (160 acs.); Sec. 25: NW/4 (160 acs.), NW/4NE/4 (40 acs.)
TX-088-03	Alliance Tr. Co., Tr., Pearl & N. Allan Birge Trust	5/23/97	575/292	Medusa	C-18		PSL	24	Lot 1
TX-088-04A	Alliance Tr. Co., Tr., Nat Birge Trust #1	5/23/97	575/295	Medusa	C-18		PSL	24	Lots 2,3,4, E/2 5, 6-10, S/2 11, S/2 S/2 12, 13
TX-088-04B	Alliance Tr. Co., Tr., Nat Birge Trust #2	5/23/97	575/301	Medusa	C-18		PSL	24	Lots 2,3,4, E/2 5, 6-10, S/2 11, S/2 S/2 12, 13
TX-088-04C	Alliance Tr. Co., Tr., Christine Birge Trust	5/23/97	575/298	Medusa	C-18		PSL	24	Lots 2,3,4, E/2 5, 6-10, S/2 11, S/2 S/2 12, 13
TX-088-04D	Alliance Tr. Co., Tr., Patti Birge Tyson Rev. Trust	5/23/97	575/289	Medusa	C-18		PSL	24	Lots 2,3,4, E/2 5, 6-10, S/2 11, S/2 S/2 12, 13
TX-088-05A	Milford S. Howard Estate	4/28/97	574/690	Medusa	C-18		PSL	23 & 25	NE/4NW/4 & NE/4 NE/4
TX-088-05B	Matthews-Link Properties, Ltd.	7/3/97	576/445	Medusa	C-18		PSL	23 & 25	NE/4 NW/4 & NE/4 NE/4
TX-088-05C	D. W. St. Clair	7/10/97	576/516	Medusa	C-18		PSL	23	NE/4 NW/4
TX-088-05D	William W. Bentley	7/10/97	578/34	Medusa	C-18		PSL	23	NE/4NW/4
TX-088-05E	James M. Howard, et al	7/10/97	578/520	Medusa	C-18		PSL	23 & 25	NE/4 NW/4 & NE/4 NE/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-05F	Lowenthal, Hale & Jaffe, Inc.	7/15/97	578/328	Medusa	C-18		PSL	23 & 25	NE/4 NW/4 & NE/4 NE/4
TX-088-05G	Vasilios Thomas	12/1/97	583/101	Medusa	C-18		PSL	23 & 25	NE/4 NW/4 & NE/4 NE/4
TX-088-06B	D. W. St. Clair	5/28/97	578/24	Medusa	C-18		PSL	25	NE/4NE/4
TX-088-06D	William W. Bentley	7/10/97	578/36	Medusa	C-18		PSL	25	NE/4NE/4
TX-088-07A	L. D. McNeil Estate	4/29/97	574/592	Medusa	C-18		PSL	23	NE/4 , S/2 less NW/4 SW/4 SE/4 S/2 NW/4, E/2 NW/4 NW/4, SW/4 NW/4 NW/4
TX-088-07B	Doug Miller	4/29/97	578/525	Medusa	C-18		PSL	23, 25 & 26	Sec. 23: NE/4, S/2 less NW/4SW/4SE/4, S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4; Sec. 25: NW/4, S/2 and S/2NE/4, NW/4NE/4; Sec. 26: All
TX-088-07C	Rita Reed July 1998 Trust	7/9/97	576/506	Medusa	C-18		PSL	23	580 acres, more or less, being the NE/4 & S/2 Save and Except the NW/4 SW/4 SE/4, S/2 NW/4, E/2 NW/4 NW/4, SW/4 NW/4 NW/4
TX-088-07D	Carolyn C. Oatman, Trustee	5/15/97	575/479	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 and S/2NW/4, E/2NW/4 NW/4, SW/4NW/4 NW/4
TX-088-07E	W. W. Oatman	5/15/97	575/633	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 and S/2NW/4, E/2NW/4 NW/4, SW/4NW/4 NW/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-07F	Warren Malcolm Clark, Trustee	5/15/97	575/583	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 & S/2NW/4, E/2NW/4NW/4, SW/4 NW/4NW/4
TX-088-07G	Rita Reed George	5/15/97	575/533	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 & S/2NW/4, E/2NW/4NW/4, SW/4 NW/4NW/4
TX-088-07H	Florence McNeil	7/7/97	578/522	Medusa	C-18		PSL	23	NE/4, S/2 less NW/4SW/4SE/4 & S/2NW/4, E/2NW/4NW/4, SW/4 NW/4NW/4
TX-088-07I	Bobbie Ann McGinn	6/24/97	576/351	Medusa	C-18		PSL	23	S/2 of the NW/4, E/2 of the NW/4 of the NW/4, SW/4 of the NW/4 of the NW/4, NE/4, and the S/2 less and except the NW/4 of the SW/4 of the SE/4
TX-088-07J	Naomi Russell	6/26/97	576/355	Medusa	C-18		PSL	23	Less & except, the NW/4 of the SW/4 of the SE/4, the NW/4 of the NW/4 of the NW/4, and the NE/4 of the NW/4
TX-088-08B	L. D. McNeil Estate	4/29/97	574/696	Medusa	C-18		PSL	25	NW/4 (160 acs.), S/2 & S/2NE/4 (400 acs.), NW/4NE/4 (40 acs.)
TX-088-08C	Julia H. Ward	4/30/97	574/702	Medusa	C-18		PSL	25	NW/4 (160 acs.), S/2&S/2NE/4 (400 acs.), NW/4NE/4 (40 acs.)
TX-088-08D	Warren Malcolm Clark, Trustee	5/15/97	575/587	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-08E	Rita Reed George, ssp	5/15/97	575/529	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4
TX-088-08F	Carolyn C. Oatman, ssp	5/15/97	575/545	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4
TX-088-08G	Carolyn C. Oatman, Trustee	5/15/97	575/483	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4
TX-088-08H	W. W. Oatman	5/15/97	575/629	Medusa	C-18		PSL	25	NW/4, S/2, S/2NE/4 and NW/4NE/4
TX-088-08J	Naomi Russell	6/26/97	578/30	Medusa	C-18		PSL	25	Less & except, the NE/4 of NE/4
TX-088-08K	Bobbie Ann McGinn	6/24/97	578/26	Medusa	C-18		PSL	25	NW/4, S/2, S/2 of the NE/4 and the NW/4 of the NE/4
TX-088-08L	John Dorr	8/28/97	580/311	Medusa	C-18		PSL	25	NW/4 (160 acs.), NW/4NE/4 (40 acs.), S/2 & S/2NE/4 (400 acs.)
TX-088-09A	Blake Oil & Gas Corp.	5/9/97	576/406	Medusa	C-18		PSL	23	NW/4SW/4SE/4, NW/4NW/4NW/4
TX-088-09B	Jack E. Blake et ux	5/9/97	576/403	Medusa	C-18		PSL	23	NW/4SW/4SE/4, NW/4NW/4NW/4
TX-088-10A	Janice Nicolson Holmes	4/28/97	576/397	Medusa	C-18		PSL	23	S/2 NW/4, E/2NW/4NW/4, SW/4NW/4NW/4
TX-088-10B	Olive Nicolson Pemberton	4/28/97	576/399	Medusa	C-18		PSL	23	S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4
TX-088-10C	Jerry C. Keeton et ux	6/15/97	576/359	Medusa	C-18		PSL	23	S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4
TX-088-10D	Larry & Bobbie Jones Roberts	6/15/97	576/363	Medusa	C-18		PSL	23	S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4
TX-088-10E	Binnie Jones Strother	6/15/97	576/361	Medusa	C-18		PSL	23	S/2NW/4, E/2NW/4NW/4, SW/4NW/4NW/4

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-11A	Mobil Producing Texas & New Mexico, Inc.	6/1/97	576/623	Medusa	C-18		PSL	24	Lots 14-21(283.85 gross acs., more or less)
TX-088-11B	Altura Energy, Ltd.	7/7/97	576/720	Medusa	C-18		PSL	24	Lots 14-21(283.85 gross acs., more or less)
TX-088-12A	Georgia Faye Bingham	5/8/97	575/821	Chimaera/Gorgons/Medusa	C-19		PSL	4	N/2NW/4 (90.13 acs.), S/2NW/4 (90.13 acs.), N/2NE/4 (90.13 acs.), S/2SE/4 (90.13 acs.), SW/4 (180.25 acs.)
TX-088-12B	Buna Fullwood	5/12/97	578/64	Chimaera/Gorgons/Medusa	C-19		PSL	4	S/2NW/4, S/2SE/4 (180.26 acs.)
TX-088-12D	Carolyn C. Oatman, ssp	5/15/97	575/549	Chimaera/Gorgons/Medusa	C-19		PSL	4	N/2 SE/4, S/2 SE/4
TX-088-13A	Warren Malcolm Clark, Trustee	5/15/97	575/575	Chimaera/Gorgons/Medusa	C-19		PSL	1	West 80 acres
TX-088-13B	Rita Reed George, ssp	5/15/97	575/517	Chimaera/Gorgons/Medusa	C-19		PSL	1	West 80 acres
TX-088-13C	Carolyn C. Oatman, Trustee	5/15/97	575/471	Chimaera/Gorgons/Medusa	C-19		PSL	1	West 80 acres
TX-088-13D	W. W. Oatman	5/15/97	575/641	Chimaera/Gorgons/Medusa	C-19		PSL	1	West 80 acres
TX-088-13E	TCB, Tr, Rita Reed George 1998 Trust	7/9/97	576/511	Chimaera/ Gorgons/Medusa	C-18 & C-19		PSL	1, 4, 25, 26, 27	Sec. 1: West 80 acres; Sec. 4:NE/4, N/2NW/4, S/2NW/4, N/2SE/4, S/2SE/4 and SW/4; Sec. 25: NW/4, S/2, S/2 NE/4 and NW/4 NE/4 Sec. 26: All; Sec. 27: All
TX-088-14A	Warren Malcolm Clark, Trustee	5/15/97	575/595	Medusa	C-18		PSL	27	All
TX-088-14B	Rita Reed George	5/15/97	575/521	Medusa	C-18		PSL	27	All
TX-088-14C	Carolyn C. Oatman, ssp	5/15/97	575/541	Medusa	C-18		PSL	27	All
TX-088-14D	Carolyn C. Oatman, Trustee	5/15/97	575/487	Medusa	C-18		PSL	27	All
TX-088-14E	W. W. Oatman	5/15/97	575/621	Medusa	C-18		PSL	27	All
TX-088-14F	Bobbie Ann McGinn	7/24/97	578/38	Medusa	C-18		PSL	27	All
TX-088-14G	Naomi Russell	7/26/97	578/42	Medusa	C-18		PSL	27	All
TX-088-15	Ingrid U. Armstrong	6/26/97	578/61	Medusa	C-18		PSL	19	SW/160 acres, A-5202
TX-088-16A	Carolyn C. Oatman, Trustee	5/15/97	575/475	Chimaera/Gorgons/Medusa	C-19		PSL	4	All
TX-088-16B	Rita Reed George, ssp	5/15/97	575/537	Chimaera/Gorgons/Medusa	C-19		PSL	4	All
TX-088-16C	Warren Malcolm Clark, Trustee	5/15/97	575/579	Chimaera/Gorgons/Medusa	C-19		PSL	4	All

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EXHIBIT "A"
REEVES COUNTY, TEXAS

LEASE NO.	LESSOR	LEASE DATE	VOL/PGE	PROSPECT	BLOCK	TWP	SURVEY	SECTION	DESCRIPTION
TX-088-16D	W. W. Oatman	5/15/97	575/637	Chimaera/Gorgons/Medusa	C-19		PSL	4	All
TX-088-17A	Nat. Bank of Texas, Tr. Roberta M. Regan	11/12/97	583/251	Chimaera/Gorgons/Medusa	C-19		PSL	1	E/2 W/4 (80 acs.) and the East 291 acs.

OPR

37,982

EXHIBIT B

The Contracts

1. Exploration Agreement dated September 1, 1995, between Penwell Energy, Inc., a Texas corporation, and CoEnergy Central Exploration, Inc., a Michigan corporation, (and any and all Operating Agreements entered into pursuant thereto).

2. Amended and Restated Joint Venture Agreement of San Juan Joint Venture dated August 13, 1997, between Advanced Technology Oil & Gas Incorporated, a Texas corporation, Discovery Exploration Incorporated, a Colorado corporation, MCNIC Oil & Gas Properties, Inc., a Michigan corporation, Oil & Gas Acquisition Group, Inc., a Texas corporation, Penwell Energy, Inc., a Texas corporation, and SEEL Development Co., L.L.C., a Texas limited liability company.

3. Exploration Agreement (San Juan Exploration Program) dated July 22, 1997, between Penwell Energy, Inc., a Texas corporation, MCNIC Oil & Gas Properties, Inc., a Michigan corporation, Oil & Gas Acquisition Properties, Inc., a Texas corporation, Discovery Exploration Incorporated, a Colorado corporation, Advanced Technology Oil & Gas Incorporated, and Seel Development Co., L.L.C., a Texas limited liability company.

4. Letter Agreement dated August 7, 1995, between Penwell Energy, Inc. and Southwest Gas Supply, Inc., covering the Sable/NW Brahaney Prospect of Yoakum County, Texas.

5. Letter agreement dated July 7, 1997, between Penwell Energy, Inc. and MCNIC Oil & Gas Properties, Inc., covering the Entrada JV Area in McKinley, Sandoval and San Juan Counties, New Mexico.

6. Letter Agreement dated February 6, 1998, between Penwell Energy, Inc. and MCNIC Oil & Gas Properties, Inc., covering the Unforgiven Prospect-East Amacker Tippett Area in Upton 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.

FILE NO. 224

FILED FOR RECORD ON THE 28TH. DAY OF JANUARY A.D. 1999 AT 1:46 P M.

DULY RECORDED ON THE 2ND. DAY OF FEBRUARY A.D. 1999 AT 2:00 P M.

BY: Jessica Acosta DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

OPR

12-1-00

FILE # 2952

ASSIGNMENT

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

THIS ASSIGNMENT (referred to hereinafter as "Assignment"), is effective as of December 1, 2000 (referred to hereinafter as "Effective Date"), from Penwell Energy, Inc. (referred to hereinafter as "Assignor"), whose address is 600 N. Marienfeld, Suite 1100, Midland, Texas 79701, to Silver Oil & Gas Co., Inc., (referred to hereinafter as "Assignee") whose mailing address is P. O. Box 61147, San Angelo, Texas 76906.

WITNESSETH:

FOR Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby GRANTS, CONVEYS and ASSIGNS to Assignee, WITHOUT COVENANT, REPRESENTATION OR WARRANTY OF ANY KIND WHATSOEVER, EXPRESS, STATUTORY, OR IMPLIED, AS TO DESCRIPTION, TITLE, CONDITION, QUALITY, OR OTHERWISE, subject to the reservations herein, the following:

(a) All of Assignor's right, title and interest in and to the oil and gas leases, as described in Exhibit "A" attached hereto and made a part hereof by reference;

(b) All rights, privileges, benefits and powers with respect thereto and use and occupancy of the surface and subsurface depths under the surface covered thereby which are necessary or incidental to possession and enjoyment thereof or any interest therein under the terms of the leases applicable thereto; and

(c) All agreements, contracts and rights of Assignor insofar as the same relate to the lands described on Exhibit "A", including all tenements, hereditaments and appurtenances belonging thereto. (All properties and rights (contractual or otherwise) described in (a), (b) and (c) above, conveyed hereby, and subject to the hereinafter stated reservations, are sometimes referred to hereinafter as the "Properties").

ASSIGNOR HEREBY EXPRESSLY EXCEPTS, RESERVES AND RETAINS unto itself, its successors and assigns, an overriding royalty (referred to hereinafter as "Assignor's Overriding Royalty") on all oil and gas and other minerals produced from, or allocated to, the Properties, as to each of the leases described on Exhibit "A", equal to Twenty-Five Percent (25%) of eighty-eighths (25% of 8/8), less Existing Burdens created by Assignor and/or Assignor's predecessors in title (including, but not limited to, the royalty reserved to the lessor(s) in the Leases, any production payments and/or overriding royalty interests) of:

(a) All oil, distillate, condensate and other liquid or liquefiable hydrocarbons produced and saved, which shall be delivered free of all cost and expense, except taxes on production, at the well or wells or, at Assignor's option, to the credit of Assignor into the pipeline to which said well or wells may be connected;

(b) The amount realized by Assignee on the sale in an Arms-length Contract or Arms-length Transaction of all gas and casinghead gas produced and saved from the Properties, less taxes on production; provided, that for the purposes of this provision Arms-length Contract or Arms-length Transaction means a contract or transaction entered into after bona fide negotiations with a party that is not an Affiliate. Affiliate means and includes any entity that, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the entity specified. If any sale of gas or casinghead gas produced and saved from the Properties is made in a contract which is not an Arms-length Contract or transaction that is not an Arms-length Transaction, then Assignor's Overriding Royalty shall be paid on the basis of the market value at the well of all such gas and casinghead gas produced and saved, which shall be paid to Assignor free of all costs and expenses, except taxes on production;

(c) All other minerals produced and saved, free of all cost and expense, except taxes on production.

128/41

With respect to Assignor's Overriding Royalty, Assignor and Assignee agree as follows:

(a) The oil and gas used in drilling and operations on the Properties and in the handling of production therefrom shall be deducted before Assignor's Overriding Royalty is computed;

(b) That Assignee shall furnish to Assignor itemized monthly reports of all production from the Properties, such reports to be mailed no later than the last day of the month following that for which the report is made, and Assignor shall have the right to audit all records of Assignee relating to the Properties and to Assignor's Overriding Royalty; provided, however, that all payments shall be deemed correct and no adjustments shall be made after the expiration of two (2) years for any payments (except as to payments for which an objection is raised within said 2-year period);

(c) That in the event a lease hereby assigned covers less than all of the oil and gas and mineral rights in the entire oil and gas and mineral estate in the land described therein (whether or not such lease purports to cover a whole or fractional interest), or, in the event the leasehold interest hereby assigned in a lease is less than the whole leasehold interest in such lease, then the overriding royalty herein retained with respect to that lease shall be proportionately reduced in accordance with the extent of the oil and gas and mineral rights covered by such lease, or the portion of the leasehold interest in such lease which is hereby assigned, whichever is applicable;

(d) That if Assignee exercises any pooling rights contained in any of the Leases comprising the Properties, Assignor's Overriding Royalty insofar as it covers such leases and the lands included in such pooled unit(s) shall be unitized and paid on a unitized basis; and

(e) That Assignor's Overriding Royalty shall apply to all of the leases comprising the Properties, and to any extension or renewal of any of said leases or new leases on the Properties taken within six (6) months of expiration of existing leases or any of them.

TO HAVE AND TO HOLD the Properties, subject to the following terms and conditions:

1. Term of Assignment. This assignment shall be for a term of two (2) years from the Effective Date and for so long thereafter as oil and/or gas are produced in paying quantities from the Properties or from lands validly pooled therewith or for so long as this Assignment is otherwise maintained in effect pursuant to the provisions hereof.

2. Extension by Drilling or Reworking.

   (a) If, at the expiration of the 2-year term of this Assignment, oil and/or gas are not being produced from the Properties or lands validly pooled therewith, but Assignee is then engaged in drilling or reworking operations thereon, this Assignment shall remain in force so long as drilling or reworking operations are prosecuted (whether on the same well or different wells) with no cessation of more that sixty (60) consecutive days; and, if such operations result in production on paying quantities, then this Assignment shall remain in effect for so long thereafter as oil and/or gas are produced in paying quantities from the Properties or lands validly pooled therewith, subject to the provisions of Paragraph 3 hereof.

   (b) If, after the expiration of the 2-year term hereof, all oil and/or gas on the Properties or lands validly pooled therewith, shall cease producing in paying quantities from any cause, this Assignment nevertheless shall continue in force and effect as long as additional drilling operations or reworking operations are conducted on the Properties or on lands validly pooled therewith, which additional operations shall be deemed to be had when not more than sixty (60) consecutive days elapse between the abandonment of operations on one well and the actual commencement of drilling on another well; and if production in paying quantities is obtained, this Assignment shall continue as long thereafter as oil and/or gas is produced in paying quantities

from the Properties or lands validly pooled therewith, and as long thereafter as additional operations, either drilling or reworking, are had thereon.

3. Continuous Development.

(a) If, at the expiration of the 2-year term, Assignee is engaged in actual drilling operations, this Assignment shall remain in full force and effect as to all lands covered hereby for so long as such operations continue in accordance with the provisions of Paragraph 2(a) above to completion or abandonment and for so long thereafter as continuous development is conducted, being defined as no more that 180 days elapsing between the completion or abandonment of one well and the commencement of actual drilling operations on another well; or

(b) If, at the expiration of the 2-year term, Assignee is not conducting actual drilling operations, but Assignee has completed a well on the properties prior to the expiration of the 2-year term which is capable of producing oil and/or gas in paying quantities, this Assignment shall remain in full force and effect for so long as actual drilling operations on an additional well are commenced within 180 days following the expiration of the 2-year term, and this Assignment shall continue in force for so long thereafter as continuous development is conducted, being defined as no more than 180 days elapsing between completion or abandonment of one well and the commencement of actual drilling operations on the next succeeding well.

(c) At such time as Assignee (1) fails to commence said continuous development, or (2) once commenced, fails to continue same, this Assignment shall automatically terminate as to (a) all land not included within a proration unit assigned to a well then producing oil or gas in paying quantities and (b) all subsurface depths in said proration unit(s) deeper than 100 feet below the total depth drilled and logged in the producing well(s) thereon. (The term "proration unit" as used herein shall be the number of acres which are allocated to a well under regulation of the Railroad Commission of Texas [or other governmental body having jurisdiction over producing tracts] for production of oil or gas under Special Field Rules applicable to the area involved herein so as to enable the well to full allowable; provided, however, if no Special Field Rules have been adopted by the said commission (or other body), then such proration unit shall be deemed to be 40 acres as to oil wells and 640 acres as to gas wells).

4. INDEMNITIES AND ASSUMPTION OF OBLIGATIONS AND CONDITION OF THE PROPERTIES

(a) Assignee shall release Assignor from and shall fully protect, indemnify and defend Assignor, its officers, agents and/or employees and hold them harmless from any and all claims, losses, damages, demands, suits, causes of action, and liabilities (including attorneys' fees, costs of litigation and/or investigation and other costs associated therewith) (collectively referred to hereafter as "Claims") of every kind, including but not limited to those relating to contractual rights and obligations, injury or death of any person or persons whomsoever, and/or to damage to or loss of property or resource (except as may be specifically set out otherwise in subparagraph 4(c) below), arising out of or connected, directly or indirectly, with the ownership or operation of the Properties, or any part thereof, accruing during the term of this Assignment, regardless of cause or of Assignor's negligence or fault imposed by statute, rule or regulation or strict liability of Assignor, its officers, agents and/or employees.

(b) Assignor shall fully protect, indemnify and defend Assignee, its officers, agents and/or employees and hold them harmless from any and all third party Claims of every kind including, but not limited to those relating to injury or death of any person or persons whomsoever, and/or damage to or loss of property or resource (except as specifically set out in subparagraph 4(c) below), arising out of or connected, directly or indirectly, with Assignor's ownership or operation of the Properties, or any part thereof, accruing before the Effective Date, regardless of cause or of Assignee's negligence or fault imposed by statute, rule or regulation or strict liability of Assignee, its officers, agents, and/or employees.

(c) Assignee shall timely perform and discharge all duties and obligations of the owner of Properties including, but not limited to: restoration of the surface, environmental and pollution clean up, and plugging and abandonment of all wells drilled by Assignee. Assignor shall incur no liability for Assignee's failure to properly perform and discharge such duties and obligations. Assignee shall release Assignor from and fully protect, indemnify, defend, and hold Assignor, its officers, agents and/or employees harmless against any and all Claims for pollution and/or environmental damage of any kind (including without limitation any liability under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601, et seq. and as the same may be amended), any fines or penalties assessed on account of such damage, caused by, arising out of, or any way incidental to ownership or operations conducted on the Properties, if asserted subsequent to the Effective Date, regardless of cause or of Assignor's negligence or fault imposed by statute, rule or regulation or strict liability of Assignor, its officers, agents or employees.

(d) Assignee shall dispose of or discharge all wastes from the Properties (including without limitation, produced water and drilling fluids) in accordance with applicable local, state and federal laws and regulations. Assignee shall keep complete and accurate records of the types, amounts and location of wastes from the Properties which are disposed of onsite and offsite. Assignee shall take all such remedial action on the Properties as is necessary to comply with local, state and federal requirements directed at protecting health and environment.

5. Drilling of Wells. Assignee shall notify Assignor immediately when each well location is staked and when actual drilling is commenced, and shall furnish daily drilling reports and all other information requested by Assignor relative to each well. Each well drilled by Assignee which is capable of producing oil and/or gas in paying quantities shall be equipped for production by Assignee; every oil well shall be equipped through lease storage and every gas well to the pipeline connection unless no market is available in which case it shall be equipped as a shut-in gas well until a market is available, whereupon it shall be completed to the pipeline connection. Exhibit "AA", attached hereto, sets out certain requirements with regard to Assignor's rights to data, access, surveys, samples, tests and other information which go to the essence of this Assignment, and failure of Assignee to strictly comply therewith shall be considered a material breach of this Assignment which shall entitle Assignor to equitable relief (including without limitation, specific performance) as well as such other remedies at law or in equity to which Assignor shall be entitled. Assignee shall plug each well which is not capable of producing in paying quantities in accordance with the rules and regulations of the jurisdiction where the Properties are located, and shall restore the premises as nearly as possible to its original condition and shall settle or otherwise dispose of all Claims for damage to the surface. Assignee shall notify Assignor prior to the plugging and abandonment of each well drilled by Assignee on the Properties, and Assignor shall have forty-eight (48) hours after actual receipt of such notice in which to elect to take over each such well. If Assignor elects to take over such well for the limited purpose of conducting further tests, such tests shall be at Assignor's sole risk and expense, but Assignee shall retain the obligation to bear all normal plugging and abandoning costs and Assignor shall bear all extraordinary plugging and abandonment costs created by Assignor's use of such well. If Assignor elects to take over operations, Assignee (within thirty days notice of such election) shall assign to Assignor the well, all equipment appurtenant thereto and all interest of Assignee in such well, including the right to earn Assignee's interest under any farmouts or other agreements insofar as they concern said well. Assignor shall pay Assignee an amount equal to the salvage value of the salvageable equipment and material in the well less the cost of salvaging and less the cost of plugging and abandoning such well, such plugging and abandonment cost shall not include any extraordinary plugging and abandonment costs created by Assignor's use and/or operation of such well. Assignor shall be responsible for the plugging and abandoning of any such well it takes over.

6. Leases and Contracts. This Assignment is subject to all terms, covenants and conditions and existing burdens and encumbrances of oil, gas and mineral leases

and previous assignments thereof and any other agreements or contracts covering the Properties described in Exhibit "A"; and at and after the Effective Date, Assignee shall perform all covenants and obligations of Assignor under said lease, except as herein expressly provided otherwise. Assignee shall be responsible for making any shut-in royalty payments applicable to any well drilled on the properties after the Effective Date, at Assignee's sole expense, with prompt notice given to Assignor as to all such wells that Assignee shuts in. Assignee shall record this Assignment in the county or counties listed in the caption hereof and shall furnish Assignor with all pertinent recording data. Assignee shall promptly make all required filings, if any, with state and/or federal agencies and pay all fees associated with such filings. Assignee shall post all bonds required by such governmental agencies.

7. Observance of Laws. This Assignment is subject to all applicable laws, ordinances, rules, and regulations affecting the Properties, and Assignee shall comply with the same and shall promptly obtain and maintain all permits required by governmental authorities in connection therewith.

8. Investment Representation. Assignee represents and certifies that it is acquiring the Properties for its own account, for use in its trade or business or for investment, and with no present intention of making a distribution thereof within the meaning of the Securities Act of 1933, as amended. Assignee shall notify Assignor promptly of any federal and/or state securities law(s) or Federal Trade Commission filing requirements and/or any other disclosure requirements to which it believes it may be subject.

9. Reassignment.

(a) Assignee shall not surrender, let expire, abandon or release the Properties or any portion thereof by cessation of operations or otherwise, and Assignee shall perform all that may be necessary regarding the same to maintain the interests of both Assignor and Assignee in the Properties and all or any part thereof, unless Assignee has given Assignor written notice thereof at least sixty (60) days prior to such surrender, expiration, abandonment or release, or to the time payment, operations or other action is necessary to maintain said rights; and thereafter, if requested by Assignor, Assignee shall immediately reassign such rights in the Properties, or such part thereof, to Assignor. If, without cause, Assignee fails or refuses to deliver such reassignment to Assignor, Assignor may execute and record a document relating the facts and describing the title involved, and upon filing such document in the county records where the Properties are located, all rights granted hereunder to Assignee shall terminate absolutely and shall revest in Assignor. If Assignor accepts a reassignment hereunder, Assignor shall pay to Assignee the reasonable salvage value of any materials and equipment that it shall elect to take in any wells affected thereby, but otherwise the transaction shall be without cost to Assignor. All wells not accepted by Assignor shall be plugged by Assignee in a lawful manner at Assignee's sole cost, risk and expense.

(b) Within thirty (30) days after complete termination of this Agreement under the provisions of Paragraphs 1, 2 or 3 hereof, Assignee shall execute and deliver to Assignor a reassignment of all acreage covered hereby. In the event of a partial termination at any time or from time to time in accordance with Subparagraph 3(c) hereof, Assignee shall execute and deliver to Assignor within thirty (30) days of such termination(s) a reassignment of all land not included within a proration unit assigned to a well producing oil or gas in paying quantities and of all subsurface depths in said proration unit(s) deeper than 100 feet below the total depth drilled and logged in the producing well thereon. If Assignee shall fail to execute or deliver to Assignor any reassignment(s) required hereunder within the thirty (30) day period, Assignee agrees that Assignor may unilaterally execute an instrument declaring termination of all or the portions of the Property affected, as applicable, and upon recordation of such instrument in the county records of the county or counties in which the Properties are located, such instrument shall be conclusive notice to all third parties dealing with Assignee or Assignor or with the Properties or production therefrom of the termination of Assignee's interests, as stated therein.

628/45

10. No Partnership Created. This Assignment is not intended to create, nor shall it be construed as creating, a joint venture, partnership, or any type of association; and parties hereto are not authorized to act as agent or principal for each other with respect to any matter related hereto.

11. Notices. All notices and other communications required, permitted, or desired to be given hereunder must be in writing and sent by registered or certified U.S. mail (return receipt requested), properly addressed and with all postage or charges fully prepaid. Date of service by mail is the date on which such notice or other communication is received by the addressee. Each party hereto has the right to change its address for all purposes of this Assignment by notifying the other party hereto in writing.

12. GOVERNING LAW. THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS, AND THE VENUE OF ANY ACTION BROUGHT BY EITHER PARTY IN REGARD HERETO OR ARISING OUT OF THE TERMS OR CONDITIONS HEREOF SHALL BE MIDLAND COUNTY, TEXAS

13. Successors and Assigns. The terms, covenants, and conditions hereof bind and inure to the benefit of the parties hereto and their respective successors and assigns and are covenants running with the lands, leases, equipment, and facilities and with each transfer or assignment thereof or any portion thereof. All future conveyances of any portion of the Properties and/or their associated facilities and equipment shall recognize and perpetuate the rights and obligations set out herein.

14. Waiver. **Assignor and Assignee certify that they are not "Consumers" within the meaning of the Texas Deceptive Trade Practices-Consumer Protection Act, Subchapter E of Chapter 17, Sections 17.41 et seq., of the Texas Business and Commerce Code, as amended (the "DTPA"). The parties covenant, for themselves and for and in behalf of any successors or assignees, that if the DTPA is applicable, (i) the parties are "business consumers" thereunder, (ii) each party hereby waives and releases all of its rights and remedies thereunder (other than Section 17.555, Texas Business Commerce Code) as applicable to the other party and its successors, and (iii) each party shall defend and indemnify the other from and against any and all claims, demands, or causes of action of or by that party or any successor or any of its affiliates based in whole or in part on the DTPA, arising out of or in connection with the transaction set forth in this Assignment.**

15. Entirety and Amendments. This Assignment constitutes the entire agreement between the parties with respect to the matters herein and the Properties, notwithstanding any prior oral or written promise or understanding to the contrary. This Assignment can be amended only by written agreement signed by Assignor and Assignee.

16. Survival. The provisions of this Assignment shall survive indefinitely the termination or reversion of this Assignment.

SIGNED this 7th day of December, 2000, but effective as of the Effective date.

PENWELL ENERGY, INC.

By _____
Steven R. Foy, Vice President

SILVER OIL & GAS CO., INC.

By _____
Mike L. Varnadore, President

THE STATE OF TEXAS δ
δ
COUNTY OF MIDLAND δ

BEFORE ME, the undersigned authority, on this day personally appeared Steven R. Foy, known to be the person who executed the foregoing instrument as Vice President for PENWELL ENERGY, INC., and acknowledged to me that he executed the same for the purposes and consideration, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 7th day of December, 2000.

CATHY M LIVINGSTON
NOTARY PUBLIC
State of Texas
Comm. Exp.01-08-2004

Cathy M Livingston
Notary Public in and for
Midland County, Texas

THE STATE OF TEXAS δ
δ
COUNTY OF TOM GREEN δ

BEFORE ME, the undersigned authority, on this day personally appeared Mike L. Vamadore, known to be the person who executed the foregoing instrument as President for SILVER OIL & GAS CO., Inc., a Texas Corporation, and acknowledged to me that he executed the same for the purposes and consideration, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11th day of December, 2000.

Notary Public in and for
Tom Green County, Texas

KEN LYONS, JR.
Notary Public, State of Texas
My Commission Expires 02-07-02

EXHIBIT "A"

Attached to and made a part of that certain Assignment
effective December 1, 2000, between Penwell Energy, Inc., as Assignor,
and Silver Oil & Gas Co., Inc., as Assignee.

1. Sally Wynne Reynaud, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 485, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

2. Lela Mae Wynne, et al, individually, and as Agent for the State of Texas, under the Texas Relinquishment Act, as Lessors, dated September 21, 1970, recorded Vol. 297, Page 489, of the Deed Records of Reeves County, Texas, to Ford Chapman, as Lessee.

Insofar and only insofar as the above Leases cover the following acreage and depths, all in Section 38, Block 57, TWP 2, T&P RR Co. Sy., Reeves County, Texas (Assigned Premises):

W/2 SW/4, as to all depths below the surface of the earth;
E/2 SW/4, as to depths below 4,695 feet below the surface of the earth.

EXHIBIT "AA" TO ASSIGNMENT EFFECTIVE DECEMBER 1, 2000
GEOLOGIC REQUIREMENTS

A. Penwell shall at all times have free access to all wells on the above land, to all records pertaining thereto and the production records thereof.

B. Unless other arrangements are made prior to reaching total depth, it is the responsibility of Silver, at its own cost, to transport all sample logs, survey and all other information and data to Penwell. All geologic requirements must be met to fulfill contract obligations.

In addition to those items enumerated above in (A) and (B), the following listed items applicable to geological information and material will be furnished:

1. Daily drilling reports and completion reports should be phoned to Bill Pierce (915) 683-2534, or fax (915) 683-1562.

2. Upon availability, immediately send the following by mail to:

Penwell Energy, Inc.
600 N. Marienfeld, Ste 1100
Midland, Texas 79701
Attn: Mike Ford

(a) Permit application forms: One (1) copy.
(b) Drilling Prognosis, casing program and mud program: One (1) copy.
(c) Plugging Reports: One (1) copy.
(d) Completion Reports: One (1) copy.
(e) Compilation of daily drilling reports: One (1) copy.
(f) Copies of all Wireline logs Silver elects to run, if any: One (1) final print.
(g) If mudlogger is used: One (1) final print.
(h) If drillstem test, RFT, or core analysis is run: One (1) copy of final report as prepared by testing company (no photocopies).
(i) If water analyses and/or hydrocarbon analyses are run: One (1) copy.

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. 2952

FILED FOR RECORD ON THE 19TH DAY OF DECEMBER A.D. 2000 AT 2:46P M.

DULY RECORDED ON THE 22ND DAY OF DECEMBER A.D. 2000 AT 8:00A M.

BY: Dianne O. Florez DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

Deep

4-1-01

FILE# 1040

ASSIGNMENT AND CONVEYANCE

STATE: TEXAS

COUNTY: REEVES

ASSIGNOR: Boldrick Partners, D/B/A/ Statewide Minerals Co.
PO Box 10648, Midland, TX 79702

ASSIGNEE: Miles Boldrick (60%)
PO Box 10648, Midland, TX 79702

James P. Boldrick (40%)
PO Box 10605, Midland, TX 79702

WHEREAS, Boldrick Partners D/B/A/ Statewide Minerals Co., A Texas General Partnership ("Partnership") is the owner of certain assets, including but not limited to oil and gas leases, working interests, participating and non-participating royalty interests, overriding royalty interests, mineral interests, and other similar interests in the county and state, recited above ("Assets"); and,

WHEREAS, the Partnership, in anticipation of its dissolution, desires to convey any and all Assets, including any other assets of whatever kind and nature it may own in the county and state recited above.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor, recited above, (hereinafter referred to as "Assignor" whether one or more), by these presents does hereby grant, transfer, assign and convey unto Assignee, recited above, in the percentages set forth next to their respective names, their successors and assigns (hereinafter referred to as "Assignee" whether one or more), without warranty of title either express or implied, all of Assignor's right, title, and interest in and to the (i) Assets, and (ii) any other assets of whatever kind and nature it may own in the county and state recited above.

It is the express intent of Grantor that this conveyance transfer to Grantee, all of Grantor's interest in and to the property in the county and state recited above, including any interest or property which is not fully or accurately described. In furtherance of this purpose, Grantor agrees to execute and deliver to Grantee such other and further instruments of conveyance, assignment and transfer, and to do or cause to be done all such acts and things as may be necessary to more fully convey, assign and transfer the property to Grantee, as to the extent contemplated hereby, in a timely fashion.

TO HAVE AND TO HOLD the same unto the Assignee, its heirs, administrators, executors, devisees, trustees, successors, and assigns, according to the terms, covenants, and conditions of the instruments by which Assignor acquired said Assets and any other assets conveyed hereunder, the Assignee to perform all such terms, covenants, and conditions thereof as to the Assets and any other assets conveyed herunder, as well as all of the terms, covenants, and conditions hereof.

IN WITNESS WHEREOF, this instrument is executed as of the date set forth in the acknowledgment below, but EFFECTIVE for all purposes as of April 1, 2001.

ASSIGNOR:

BOLDRICK PARTNERS D/B/A STATEWIDE MINERALS CO.

Miles Boldrick, Partner

James P. Boldrick, Partner

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 1st day of April, 2001 by Miles Boldrick and James P. Boldrick, as General Partners of Boldrick Partners D/B/A Statewide Minerals Co., a Texas general partnership.

Stacy L. Mathews
Notary Public in and for the State of Texas
My Commission Expires: 1-2-2002

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 01-02-2002

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. 1040

FILED FOR RECORD ON THE 11TH DAY OF APRIL A.D. 2001 AT 4:19 P. M.

DULY RECORDED ON THE 12TH DAY OF APRIL A.D. 2001 AT 2:00 P. M.

BY: Estella Unaya DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

FILE# 3857

Deed

9-1-06

Document Prepared By, Recording Requested by and When Recorded Return To:	Documentary/Transfer Tax Information:	Future Tax Statements May Be Sent To:
Greg G. Brown Noble Royalties, Inc. 15601 Dallas Parkway Suite 900 Addison, TX 75001 (972) 720-1888 **Signature of Preparer:** Greg G Brown		Windom Royalties LLC 15601 Dallas Parkway Suite 900 Addison, TX 75001

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

CONVEYANCE

(Windom Properties)

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

This Conveyance is dated to be effective as of September 1, 2006, at 12:01 A.M., local time (the "Effective Time") and is by and between **Windom Royalties LLC, a Texas Limited Liability Company, a subsidiary of Noble Royalties, Inc., a Texas Corporation** (hereinafter referred to as "Grantor"), whose address is 15601 Dallas Parkway, Suite 900, Addison, TX 75001, and Grantees, as hereinafter defined.

RECITALS

(A) The term "Interests" shall be defined as all of the mineral interests, royalty interests, and/or overriding royalty interests in and to all of the leases, lands, depths and wells which are described in and conveyed by the "Assignments", as hereinafter defined.

(B) The term "Assignments", as used herein, shall be defined as all of the instruments of conveyance and/or assignments listed on **Exhibit A** attached hereto and incorporated herein for all purposes, which Assignments cover certain mineral interests, royalty interests and/or overriding royalty interests in and to the leases, lands, depths and wells more particularly described and/or referred to therein.

(C) The term "Grantees", as used herein, shall be defined as all those individuals and entities listed in the column entitled "GRANTEE NAME" on **Exhibit B** attached hereto and incorporated herein for all purposes.

(D) To the extent required for recording in any particular county in which any land affected by any of the Assignments is located, a legal description of land comprising all or any portion of the Interests subject to such requirement is set forth on **Exhibit C** attached hereto and incorporated herein for all purposes.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby GRANT, BARGAIN, SELL, TRANSFER, ASSIGN and CONVEY unto each of the Grantees, their respective heirs, successors and/or assigns, the undivided interest in and to the Interests as is specified for each Grantee in the column entitled "UNDIVIDED INTEREST IN AND TO THE INERESTS" on **Exhibit B** hereto, without statutory, express or implied warranty. The terms and provisions of this Conveyance shall extend to, be binding upon, and shall inure to the benefit of the parties hereto their respective heirs, successors and/or assigns.

THIS CONVEYANCE IS SUBJECT TO, and the undivided interests in the Interests herein assigned and conveyed shall bear, their respective proportionate share of all of the terms, provisions, reservations and obligations contained in the Assignments, and are further subject to their respective proportionate share of all interests and matters burdening the Interests, whether or not appearing of record, now in existence. All statutory, express and/or implied warranties that might arise by statute or by common law, including, without limitation, all the warranties in the following state statutes (or their successors):

Section 5.023 of the Texas Property Code
Nevada Rev. Statutes Ann., Title 10: Property Rights and Transactions
Nebraska Rev. Statutes of 1943, Chapter 76: Real Property
Mississippi Code Ann., Title 89: Real and Personal Property
Montana Code Ann., Title 70: Property
Kentucky Rev. Statutes Ann., Title XXXII: Ownership and Conveyance of Property
Colorado Rev. Statutes Ann., Title 38: Property – Real and Personal
Utah Code Ann., Title 57: Real Estate
California Civil Code Division 2: Property
North Dakota Century Code, Title 47: Real Property
Kansas Statutes Ann., Chapter 58: Personal and Real Property
Arkansas Code Ann., Title 18, Subtitle 2: Real Property
Illinois Compiled Statutes Ann., Chapter 765: Property
Indiana Statutes, Title 32: Property
South Dakota Codified Law, Title 43: Property
Oklahoma Statutes Ann., Title 16: Conveyances
MCLA, Chapter 565: Conveyances of Real Property
Wyoming Statutes Ann., Title 34: Property, Conveyances and Security Transactions
New Mexico Statutes, Chapter 47: Property Code
Louisiana Rev. Statutes, Title 9

are hereby excluded and negated for all purposes whatsoever hereunder.

This Conveyance is being executed pursuant to, and is subject to the terms and provisions of, the following agreements:

(1) Those certain Participation Agreements dated as of the Effective Time, by and between Grantor and Grantees, reference to which is here made for all purposes, and

(2) Those certain Management Agreements with Power of Attorney (collectively, the "Management Agreements") dated as of the Effective Time, by and between Compass Royalty Management LLC and Grantees, reference to which is here made for all purposes.

Notwithstanding anything contained herein to the contrary, the parties hereto do hereby UNDERSTAND, ACKNOWLEDGE and AGREE as follows:

1. GRANTOR HAS NOT MADE, AND GRANTOR HEREBY EXPRESSLY DISCLAIMS AND NEGATES, AND GRANTEES HEERBY EXPRESSLY WAIVE ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE RELATING TO (A) THE ACCURACY, COMPLETENESS OR MATERIALITY OF ANY INFORMATION, DATA OR OTHER MATERIALS (WRITTEN OR ORAL) NOW, HERETOFORE OR HEREAFTER FURNISHED TO GRANTEES BY OR ON BEHALF OF GRANTOR, (B) THE ACCURACY OF ANY DATA OR RECORDS CONCERNING THE QUALITY OR QUANTITY OF OIL, GAS OR OTHER HYDROCARBON RESERVES, IF ANY, ATTRIBUTABLE TO THE INTERESTS, (C) THE ENVIRONMENTAL

CONDITION OF THE INTERESTS, (D) ANY STATUTORY, EXPRESS OR IMPLIED WARRANTY OF MERCHANTIBILITY, (E) ANY STATUTORY, EXPRESS OR IMPLIED WARRANTY OF FITNESS FOR A PARTICLUAR PURPOSE, (F) ANY STATUTORY, EXPRESS OR IMPLIED WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, AND (G) ANY AND ALL STATUTORY, EXPRESS OR IMPLIED WARRANTIES EXISTING UNDER APPLICABLE LAW. IT IS THE EXPRESS INTENTION OF BOTH GRANTOR AND GRANTEES THAT THE UNDIVIDED INTEREST IN AND TO THE INTERESTS BEING CONVEYED HEREUNDER IS HEREBY CONVEYED TO GRANTEES IN ITS PRESENT CONDITION AND STATE OF REPAIR "AS IS" AND "WHERE IS" AND "WITH ALL FAULTS", THAT WITH RESPECT TO SUCH MATTERS GRANTEES ARE RELYING SOLELY UPON THEIR OWN INVESTIGATION AND THAT AS OF THE ACCEPTANCE OF DELIVERY OF THIS CONVEYANCE GRANTEES WILL HAVE MADE OR CAUSED TO BE MADE SUCH INSPECTIONS AS GRANTEES DEEM NECESSARY, ADVISABLE OR APPROPRIATE. GRANTOR AND GRANTEES AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED HEREIN ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER.

2. Notwithstanding anything contained herein to the contrary, unless or until Grantees or a Grantee shall cause a notice, certificate, affidavit or other instrument to be filed for record in the county or counties in which the Interests are located, Grantor shall have the right and each of the Grantees does hereby direct and authorize Grantor to collect and receive direct from any entity purchasing the oil, gas or other hydrocarbons produced, saved, sold and/or marketed from and/or attributable to the Interests (or any other purchaser of such production) all of Grantees' interests in the proceeds from the sales of same. Grantor shall receive such proceeds as the Agent for Grantees and, after deducting therefrom all sums due and owing by Grantees to Grantor, if any, remit the balance of said proceeds, if any, to Grantees, such remittance to be by Grantor's check forwarded or mailed to Grantees; provided, however, that no third party purchaser of production shall be required to see the application by Grantor of any proceeds paid to Grantor hereunder and such third party purchaser shall have no liability to Grantees or anyone claiming by, through or under Grantees by reason of the payment of such proceeds to Grantor, as the Agent for Grantees, as herein provided unless and until such third party purchaser shall have received a recorded copy of the above referenced notice, certificate, affidavit or other instrument. Nothing contained herein shall be deemed a transfer of title to Grantees' share of the proceeds herein described and, to the extent the proceeds received by Grantor for Grantees' account exceed the amounts then due by Grantees to Grantor as described above, if any, such proceeds shall remain the property of Grantees until paid over by Grantor to Grantees. Grantor shall have the right to commingle proceeds received by it with other similar proceeds received by Grantor. Notwithstanding anything contained in this provision to the contrary, the terms and provisions of this provision shall not create a fiduciary relationship, whether legal or quasi-legal, whereby Grantor can be held liable for breach of such relationship. Grantor hereby reserves any and all surface rights, possessory rights, net profit interests and so-called "working interests", which rights and interests are not intended to be transferred to the Grantees.

Michigan Properties Only, if any: The Grantor grants to Grantees the right to make zero divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operation. Generally acceptable agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act.

IN WITNESS WHEREOF, this Quit Claim Deed is executed this 1st day of November, 2006, but shall be effective as of the Effective Time.

GRANTOR:

WINDOM ROYALTIES LLC, a subsidiary of Noble Royalties, Inc.

By: A. Scott Noble

A. Scott Noble, President of
Noble Royalties, Inc., Sole Member

STATE OF TEXAS)
)
COUNTY OF DALLAS)

This instrument was sworn to and acknowledged this 1st day of November, 2006, before the undersigned, a Notary Public, duly commissioned, qualified and acting, within and for said State, and there appeared in person the within named A. Scott Noble to execute such instrument, stating his respective capacities in that behalf, to me personally well known, who stated that he was President of Noble Royalties, Inc., a Texas Corporation, the sole member of Windom Royalties LLC, a Texas Limited Liability Company, on behalf of said company, and was duly authorized in his respective capacities to execute the foregoing instrument for and in the name and behalf of Windom Royalties LLC, a subsidiary of Noble Royalties, Inc., whose address is 15601 Dallas Parkway, Suite 900, Addison, TX 75001, and further stated and acknowledged that he has so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

Angela R. Korthauer

NOTARY PUBLIC STATE OF TEXAS
ANGELA R. KORTHAUER
Notary Public, State of Texas
My Commission Expires 03-29-08

Printed Name: Angela R. Korthauer
Notary Public in and for said County and State
My Commission Expires: March 29, 2008
Acting in Dallas County

EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas
County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
005410		747	307
005408		747	288

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
PASCOE FAMILY INVESTMENTS, LLC	9400 ETCHART ROAD	BAKERSFIELD	CA	93314	0.00765844
GNI OIL AND GAS, LLC	841 BISHOP STREET, SUITE 1000	HONOLULU	HI	96813	0.04611533
FREDRICK AND SUSAN ASHBAUGH REVOCABLE LIVING TRUST UTD 8-22-96	104 SUSSEX COURT	BELTON	MO	64012	0.00271751
FET TATUM REALTY, LLC	157 TIMBERTON DRIVE	HATTIESBURG	MS	39401	0.00658790
CHARLES H PHILLIPS AND LINDA PHILLIPS-TRUSTEES OF THE PHILLIPS LIVING TRUST DATED 4/29/89	17922 MEDLEY DRIVE	ENCINO	CA	91316	0.00494093
MDC PARTNERS, LP	107 ROYAL GARDEN TERRACE	MADISON	MS	39110	0.00164698
JOHN DAVID GRISEBAUM	6903 PASCAL COURT	AUSTIN	TX	78746	0.00329395
RICHARD P KONDO	956 MASS AVENUE	LEXINGTON	MA	02420	0.00271751
THE ERNA MARTIN BUETEL TRUST DTD AUGUST 21, 1986	1754 HUMPHREY DRIVE	CONCORD	CA	94519	0.00402083
BENJAMIN WHITE	4885 FRANKLIN POND ROAD	ATLANTA	GA	30342	0.00164698
MITCHELL 6, INC.	3045 PINEY WOODS COURT SE	CEDAR RAPIDS	IA	52403	0.00823488
EDGAR W GEE AND ALICE C L GEE	3411 ARDEN CREEK ROAD	SACRAMENTO	CA	95825	0.00164698
LOREN E SNYDER	P O BOX 1989	FRASER	CO	80442	0.00164698
LENEXA PLAZA INVESTORS, INC.	505 HILLCREST E.	LAKE QUIVIRA	KS	66217	0.00658790
PREMIER TRUST, INC. AGENT FOR DAVIDSON FAMILY TRUST	2700 W SAHARA AVENUE, SUITE 300	LAS VEGAS	NV	89102	0.00164698
OLAF E GJOVIK	2780 E Route 34	SANDWICH	IL	60548	0.00164698
MIN JEN SHAO AND TESSA SHAO	10769 JUNIPER COURT	CUPERTINO	CA	95014	0.00164698
BAYSTATE CONDOMINIUMS, LLC	956 MASS AVENUE	LEXINGTON	MA	02420	0.00164698
VICTORIAN INN OF PARIS, INC.	541 PARK PLACE DRIVE	HEWITT	TX	76643	0.00658790
MICHAEL KC & FANNY DEA LAI	25877 UNDERWOOD AVENUE	HAYWARD	CA	94544	0.00164698
BERNARD A STOECKMAN AND BONITA M STOECKMAN	13880 CO ROAD 30	MAYER	MN	55360	0.00164698
L MARIE DUBUQUE	12808 TOPPING WOODS ESTATES	ST LOUIS	MO	63131	0.00305291
S R BLESS INVESTMENTS, LLC	55499 LAKEPOINT DRIVE	BASS LAKE	CA	93604	0.00164698
MCCLURE OHANA PROPERTIES, LLC	4674 CRAWFORD COURT	SAN DIEGO	CA	92120	0.00419979
DOT DEVELOPMENT CORP	39262 DE LUZ ROAD	FALLBROOK	CA	92028	0.00872897
LARRY R BROOKHART AND ELLEN R BROOKHART	P O BOX 367	HARWICH	MS	02645	0.00193308
ELIZABETH FRANCISKA BRACKMANN	644 SCENIC ROAD	COLGATE	WI	53017	0.00988186
BYRON PARSONS TTEE FIRST RESPONDER EMERGENCY MEDICAL PSP DTD 4/01/92	4171 RIO BRAVO	CHICO	CA	95973	0.00164698
GAIL JOHNSON MILLER TRUSTEE OF THE MILLER FAMILY TRUST DTD 7/13/94	5 WILDWOOD COURT	OROVILLE	CA	94966	0.00164698
STEVEN K STERZER, MD, INC. PENSION PLAN	621 LANGEL COURT	CHICO	CA	95973	0.00164698
SHIELDS RENTALS, LP	641 CHERRY GLEN CIRCLE	NASHVILLE	TN	37215	0.00468536
A MUZE, LLC	5771 CYRSTAL CREEK LANE	WASHINGTON TOWNSHIP	MI	48094	0.00247046
THE BOBMAR TRUST, DATED JUNE 24, 1994	10118 LURLINE AVENUE	CHATSWORTH	CA	91311	0.00164698
D&R FAMILY LP, A NEVADA LP, PTL FUNDING INC, GP, ROBERT DE KLOTZ, PRESIDENT	P O BOX 7	LA HABRA	CA	90633	0.00176147
HUCUL OIL, LLC	48874 HARBOR DRIVE	NEW BALTIMORE	MI	48047	0.00164698
MICHAEL P KANAN	44265 BOULDER DRIVE	CLINTON TWO	MI	48038	0.00329395
INGRID M BANGERS	P O BOX 80274	LINCOLN	NE	68501	0.00164698
KENNETH D MACKNET, M.D. AND ELAINE MACKNET	11308 MOUNTAINVIEW, #C	LOMA LINDA	CA	92354	0.01509829
ROBERT C AND KATHLEEN M SANGSTER CHARITABLE REMAINDER TRUST	403 VIA LIDO SOUD	NEWPORT BEACH	CA	92663	0.00164698
KAREN N CRANE-MCNAB	5500 E S BEAR CREEK DRIVE	MERCED	CA	95340	0.00584590

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
ARA KASPARIAN DBA AK CO	11700 MARIPOSA BAY I-N	NORTHRIDGE	CA	91326	0.00164698
THOMAS PAINE 2006 TRUST DTD OCTOBER 13, 2006, ERIC M SCHWARTZ, TTEE	P O BOX 1465	PHILOMATH	OR	97370	0.00247046
DANIEL CAMEJO AND JACQUELINE CAMEJO	3100 NORTH OCEAN BLVD, # 2709	FORT LAUDERDALE	FL	33308	0.00494093
BRUCE HUNTRESS KENDALL, JR AND ANDREA YEE	5340 KINCHELDE DRIVE	LOS ANGELES	CA	90041	0.00164698
WAYNE E ARNOLD, FAMILY TRUST DATED FEBRUARY 16, 1994	1655 WEST 154TH PLACE	GARDENA	CA	90247	0.00329395
JACK BODGER AND CYNTHIA BODGER	745 SANDY DALE DRIVE	NIPOMO	CA	93444	0.00164698
MICHAEL WYMAN	248 VIA LA CUMBRE	GREENBRAE	CA	94904	0.00164698
ALLEN BURNHAM	15905 STILLWOOD, #2083	DALLAS	TX	75248	0.00164698
RONALD S PETERSEN TRUST	312 WINDFAIR COURT	LAS VEGAS	NV	89145	0.00164698
NANCY E MONTESI	99 DAWN DRIVE	WESTTOWN	NY	10998	0.00164698
MARIE E NEVINS	488 HULBETOWN ROAD	CAMPBELL HALL	NY	10916	0.00164698
PERSHING LLC FBO PAUL I DILCHER IRA ACCT# 6NM-092502	ONE PERSHING PLACE	JERSEY CITY	NJ	07399	0.00494093
ROBERT EARLE ALLEN	685 SPRING STREET, #108	FRIDAY HARBOR	WA	98250	0.01978371
RAM DEVELOPMENT GROUP	685 SPRING STREET, #108	FRIDAY HARBOR	WA	98250	0.01152883
CONSTANCE T LUCY GST TRUST	7495 WEST LAYTON PLACE	LAKEWOOD	CO	80123	0.00461153
JOHN W MANSKE REVOCABLE TRUST	4075 ONEIDA STREET	DENVER	CO	80237	0.00702268
EDWARD E MILLER	5093 OAK GROVE LANE	HIGHLAND	UT	84003	0.00164698
OWL VENTURES, LLC	1000 SOUTH 1000 EAST	MAPLETON	UT	84664	0.00411744
E & B LARSEN FAMILY INVESTMENTS, LLC, ERIK LARSEN AND BRENDA LARSEN MANAGERS	252 NORTH 950 EAST	OREM	UT	84097	0.00271751
THE EILEEN POND BRUNT FAMILY TRUST	234 N PAINTED HILLS DRIVE	IVINS	UT	84738	0.00164698
THE REED TRUST DATED JUNE 1, 2005, DAVID S REED TRUSTEE AND ELEANOR REED TRUSTEE	220 NORTHSHORE DRIVE	GREENBACK	TN	37742	0.00164698
BERNETTA F BURSTYN REVOCABLE LIVING TRUST DATED FEBRUARY 17, 2003	580 UTAH	ROCHESTER HILLS	MI	48307	0.00329395
BEST INVESTMENT SERVICES, INC	145 KNOBBY VIEW	HIGHLAND	MI	48356	0.00247046
TIMOTHY ALLWARDT AND MARY DOLORES ALLWARDT	2715 N. MILDRED AVE.	CHICAGO	IL	60614	0.00419979
GORDON B KNIGHT REVOCABLE LIVING TRUST	1221 VOLLMERS	COMMERCE TOWNSHIP	MI	48390	0.00164698
THE CHRISTOPHER B KNIGHT TRUST	50285 FELLOWS HILL	PLYMOUTH HILL	MI	48170	0.00164698
JAMES DAVID CAHILL	13747 HAMMOCK CAY DRIVE	JACKSONVILLE	FL	32225	0.00255694
DIANA P MACE	4021 SW 4TH AVENUE	OCALA	FL	34474	0.00164698
JEFFREY D KLATT	6888 COMSTOCK COURT	SAN DIEGO	CA	92111	0.00346995
PENDLETON FAMILY TRUST DTD July 9, 1990	1312 NEPTUNE AVENUE	ENCINITAS	CA	92024	0.00164698
SEACON CONSTRUCTION EMPLOYEE RETIREMENT PLAN	175 POINDEXTER AVE.	MOORPARK	CA	93021	0.00164698
JOAN D NIMTZ FAMILY TRUST DTD 7/1/99	1466 BATHURST PLACE	EL CAJON	CA	92020	0.00164698
THE STOLL FAMILY TRUST DATED 7/21/88	10545 PINE FALLS COURT	SAN DIEGO	CA	92131	0.00164698
THE MCCAMON FAMILY TRUST DATED 10-1-02	1333 INDEPENDENCE WAY	VISTA	CA	92084	0.00164698
DANIEL JEROME STOLL AND JOANN STOLL TRUST DATED 9/11/1987	1737 BERYL STREET	SAN DIEGO	CA	92109	0.00988186
PMA REALTY SERIES, LLC	1578 HUNTING HOUND LANE	BARTLETT	IL	60103	0.01153367
THE GORDON E NIMTZ FAMILY TRUST, DATED MARCH 11, 1999	12324 SANTIAGO ROAD EAST	SAN DIEGO	CA	92128	0.00166470
BARRY LIMITED PARTNERSHIP	5716 TULANE STREET	SAN DIEGO	CA	92122	0.00247046

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
HYLEN TRUST DATED MARCH 27, 1991, AS AMENDED	5148 CHELTERHAM TERRACE	SAN DIEGO	CA	92130	0.00616381
DYNAMIC PLUMBING SYSTEMS, INC.	5920 WINTERHAVEN AVENUE	RIVERSIDE	CA	92504	0.00164698
PGMGI TTEE FBO STANDARD GROUP REINSURANCE CO., LTD., STEVE BURKE, TTEE	600 EAST LAS COLINAS BLVD, SUITE 900	IRVING	TX	75039	0.00164698
PERSHING LLC FBO THE ROBERT AND KAREN MANKIN TRUST, DTD 11/19/02, ROBERT G MANKIN, TTEE AND KAREN S MANKIN, TTEE ACCOUNT #5HQ 016154	17273 OWL TREE ROAD	RIVERSIDE	CA	92504	0.00205872
JOAN F WELCH REVOCABLE LIVING TRUST	108 RAINTREE COURT	NICHOLASVILLE	KY	40356	0.00164698
LILY HING PING SIU	1000 CRESTVIEW DRIVE	MILLBRAE	CA	94030	0.00329395
COT GIANG AND NGO BEO GIANG REVOCABLE TRUST	2921 MORAGA STREET	SAN FRANCISCO	CA	94122	0.00197637
PERSHING LLC FBO NANETTE BUCCOLA, TRUSTEE, NANETTE BUCCOLA SEPARATE PROPERTY TRUST DTD 10/25/06 ACCNT HQ0020966	ONE PERSHING PLACE	JERSEY CITY	NJ	7399	0.00164698
ROBERT L SIMON AND D'MARIE SIMON AS TRUSTEES OF THE 1986 SIMON FAMILY TRUST	325 BELLAIRE STREET	DEL MAR	CA	92014	0.00164698
DANIEL AND DONNA DARLING REVOCABLE TRUST DTD FEBRUARY 5, 1992, DANIEL DARLING AND DONNA DARLING, TTEES	6880 ALHAMBRA AVENUE, #423	MARTINEZ	CA	94553	0.00164698
BASTILLE LIVING TRUST	403 S MAGNOLIA AVENUE	TAMPA	FL	33606	0.00671555
DITCHED DAD REALTY TRUST	52 RUSSELL STREET	MALDEN	MA	02148	0.00164698
KENNETH W MORRIS AND HARVEY L MORRIS	2121 HAAS ROAD	APOPKA	FL	32712	0.00378341
MICHAEL AND NORMA HANSEN FAMILY TRUST	814 CARTER ACRES	MARTINEZ	CA	94553	0.00329395
LOIS J ADDUCI AND TRACY A LAIRD JTWROS	4424 TERRA GRANADA #3A ENTRY 14	WALNUT CREEK	CA	94595	0.00164698
ROBERT R AND PENELOPE A GUSTAFSON LIVING TRUST DATED JUNE 27, 2002	1591 LAVERNE WAY	CONCORD	CA	94521	0.00164698
BONNIE R WEISE	24326 MIDDLE FORK	SAN ANTONIO	AZ	78258	0.00164698
ANDREW HANS REGER AND GINA MARIE REGER	83 CRAVEN STREET	OCEAN ISLES BEACH	NC	28469	0.00164698
DOMINICK REALTY, LLC	5859 HIGH DRIVE	EVERGREEN	CO	80439	0.01979884
MARILYN BRODERSEN	36 SAND DOLLAR COURT	NEWPORT BEACH	CA	92663	0.00329395
CHARLES R DENNEY AND JOAN A DENNEY	3235 E PALMYRA	ORANGE	CA	92869	0.00576501
JOHN H HILL AND FRANCES B HILL 1986 TRUST DATED OCTOBER 14, 1986	2661 CHIOS ROAD	COSTA MESA	CA	92626	0.00164698
MARGARET ANN LEE REVOCABLE LIVING TRUST DATED 23 OCTOBER 2002	98-1066 ALANIA STREET	AIEA	HI	96701	0.00164698
WRENWICK KWOCK KOONG LEE RLT DTD OCTOBER 23, 2002	98-1066 ALANIA STREET	AIEA	HI	96701	0.00164698
FRAZIER FAMILY PARTNERSHIP, LP	537 WEST BROW ROAD	LOOKOUT MOUNTAIN	TN	37350	0.00619822
SMD INVESTMENTS LP	3205 BALLANTRAE LANE	PEBBLE BEACH	CA	93953	0.00823486
H J & K FAMILY LIMITED PARTNERSHIP	7095 HOLLYWOOD BLVD, SUITE 862	HOLLYWOOD	CA	90028	0.00329395
DENNIS AND PATRICIA MOREAU FAMILY TRUST	8865 MOCKINGBIRD CIRCLE	FOUNTAIN VALLEY	CA	92708	0.00197637
YAMATO TRUST DATED 9-30-88, ROBERT K YAMATO AND JUDITH S YAMATO, TTEES	8492 ASPENWOOD AVENUE	WESTMINSTER	CA	92683	0.00164698
ULYSSES E BAUER AND SHIRLEY A BAUER	P O BOX 81	FOREST FALLS	CA	92339	0.00164698
MARCIA READ SWEENEY LIVING TRUST	2354 PINE TREE LANE	EVERGREEN	CO	80439	0.00164698
SHARON S BELL	P O BOX 101	LITTLEFIELD	AZ	86432	0.00171286
OWEN A ELLIS AND SANDRA R ELLIS	7624 MALAMUTE DRIVE	EVERGREEN	CO	80439	0.00164698
ROBERT DUNCAN AND HEIDI DUNCAN JTWROS	2324 SHOREWOOD DRIVE	CARMICHAEL	CA	95608	0.00164698

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
LA CRUZ LP	27174 ORTEGA HWY	SAN JUAN CAPISTRANO	CA	92675	0.00164698
COOGAN FAMILY TRUST DATED 3-16-87	3814 CHANNEL PLACE	NEWPORT BEACH	CA	92663	0.00164698
IN YOUNG KIM AND YOOMI KIM, TRUSTEES OF THE KIM AND KIM TRUST DATED JANUARY 14, 2003	693 VIA CARRO	NEWBURY PARK	CA	91320	0.00164698
NIGHTHAWK ROYALTIES, LLC	18 E BURGUNDY LANE	HIGHLANDS RANCH	CA	80126	0.00823488
DAVID L BARRY TRUST	P O BOX 429	POWAY	CA	92074	0.00658643
THE SANDRA FARWELL EIKE REVOCABLE TRUST	50 BLACK ELK TRAIL	LARAMIE	WY	82070	0.00510563
JOHN B CUNNING AND CAROL A CUNNING, JTWROS	26 EAST LINDA VISTA AVENUE	ALHAMBRA	CA	91801	0.00322807
RICHARD L GREEN AND BETTYE J GREEN JTWROS	2146 PONTICELLO DRIVE	HENDERSON	NV	89052	0.00164698
QINGLING JENNY LU	27 CARSON	IRVINE	CA	92620	0.00329396
THE PAMELA GEORGES LIVING TRUST DTD 2-23-06	42755 BARACOA DRIVE	BERMUDA DUNES	CA	92203	0.00164698
THE THOMAS T GEORGES JR REVOCABLE TRUST FOR BENEFIT OF MICHELLE SCHAFFER	42755 BARACOA DRIVE	BERMUDA DUNES	CA	92203	0.00164698
OPPORTUNITY ENERGY INCOME FUND	1551 N TUSTIN AVENUE, SUITE 980	SANTA ANA	CA	92705	0.00658790
LESTER FAMILY, LLC	33106-118 SANTIAGO ROAD	ACTON	CA	93510	0.01741283
AUDREY W. ADAMS	8441 RAYLIN DR.	HOUSTON	TX	77055	0.00545531
CARL F BURGER AND GAIL S BURGER	P O BOX 725	WAUCONDA	IL	60084	0.00164698
THE SEIJI PAUL HORIO LIVING TRUST	P O BOX 28434	SANTA ANA	CA	92799	0.00164698
URIBE FAMILY TRUST "A" DTD 2-28-88	P O BOX 3948	JUSTIN	CA	92781	0.00241247
STEVEN CRAIG POTTER	312 ESCALONA DRIVE	CAPITOLA	CA	95010	0.00322758
TU NGUYEN AND HAI DAM TI	18 DECENTE STREET	IRVINE	CA	92614	0.00164698
JAMES SUN YU LAM REVOCABLE LIVING TRUST	94-1070 PULELO STREET	WAIPAHU	HI	96797	0.00296458
ALBERT C AND MARILYNN K SYKES FAMILY TRUST	6305 SEASIDE WALK	LONG BEACH	CA	90803	0.00205872
DENNIS W VOOS REVOCABLE FAMILY TRUST DTD 12/28/79, DENNIS W VOOS AND NAOMI J VOOS, TTEES	P O BOX 2042	GRANITE BAY	CA	95746	0.00164698
JOHN C ELLIS	2252 BEACH DRIVE UNIT 1102	GULFPORT	MS	39507	0.00164698
MICHAEL SOKOBIN AND HELENE SOKOBIN	8020 LINKS WAY	PORT ST LUCIE	FL	34988	0.00329395
THE MYRTLE I BOYKIN TRUST	P O BOX 27234	SAN FRANCISCO	CA	94127	0.00864652
IRA #13V096957 FBO HAROLD F DOENCH, PERSHING LLC AS CUSTODIAN	2230 S PATTERSON AVENUE #98	KETTERING	OH	45409	0.00247046
PERSHING LLC AS CUSTODIAN FBO RON L DELELLIS, IRA 5NX442763	ONE PERSHING PLACE	JERSEY CITY	NJ	07399	0.00164698
GORDON G PETRIE AND MELANIE S PETRIE	2200 MANITOU DRIVE	LINCOLN	NE	68521	0.00164698
ROGER L PETRIE AND CAROLINE S PETRIE	10600 N 56TH STREET	LINCOLN	NE	68514	0.00411744
JAMES H SPILKER	3930 N 44TH STREET	LINCOLN	NE	68504	0.00164698
CLEO F HOEGEMEYER AND DONALD W HOEGEMEYER	334C STREAMSIDE LANE - P O BOX 270	FRISCO	CO	80443	0.00259755
FRED BARRIE AND MARGARET BARRIE TTEES OF THE BARRIE LIVING TRUST DTD 9-20-1996	308 MORELS COURT	ROSEVILLE	CA	95747	0.00270598
CARL AND VIRGINIA LISCHESKE LIVING TRUST DTD 12/5/06	7428 GOOSEMEADOWS WAY	ROSEVILLE	CA	95747	0.00329395
PERSHING LLC FBO ROGER D NOLTE IRA #5NX476290	ONE PERSHING PLACE	JERSEY CITY	NJ	07399	0.00164698
ROBERT LANE AND SARA A LANE REVOCABLE FAMILY TRUST DTD 4-6-99	38 VALLEY CIRCLE	MILL VALLEY	CA	94941	0.00329395
1988 MUKAI LIVING TRUST, JIRO MUKAI AND MICHIKO MUKAI, TTEES	1161 MARLIN AVENUE	FOSTER CITY	CA	94404	0.00312200
1993 DONALD J CAMPBELL AND VIOLET M CAMPBELL REVOCABLE TRUST DTD 4/16/1993	31 OLCESE COURT	DALY CITY	CA	94015	0.00493094

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
FIRST FINANCIAL GROUP, LC	1987 SPRUCE HILLS DRIVE	BETTENDORF	IA	52722	0.00844689
MARCIA K CAMPBELL AND ERNIE L CAMPBELL	P O BOX 4298	LINCOLN	NE	68504	0.00329395
CAROL J LARKINS AND MICHAEL C LARKINS	3611 SOUTH 40TH	LINCOLN	NE	68506	0.00164698
TERRY G HAUGEN AND BARBARA J HAUGEN	1320 48TH AVENUE NE	ST PETERSBURG	FL	33703	0.00214107
GERALDEAN ANN NEWGAARD AND DAVID GORDON NEWGAARD, CO-TRUSTEES OF THE GERALDEAN ANN NEWGAARD REVOCABLE LIVING TRUST DTD MARCH 2, 2007	1505 SOUTH BAVARIAN PASS	FRIDLEY	MN	55432	0.00214107
SIERRA LEE, LLC	1987 SPRUCE HILLS DRIVE	BETTENDORF	IA	52722	0.00195990
PAULINE LESLEY TEASDALE ASSET PROTECTION TRUST	11231 CEDAR VIEW CIRCLE	SANDY	UT	84094	0.00164698
RICHARD B WETHERELL	1011 SOUTH CANYON CREST DRIVE	BOUNTIFUL	UT	84010	0.00164698
E W EVANS JR, NOBLE WINDOM ROYALTIES, LLC	7815 N CEDAR WAY	PARK CITY	UT	84098	0.00164698
JOHN B CUNNING AND CAROL A CUNNING, JTWROS	918 ALEX WAY	FORT COLLINS	CO	80526	0.00482647
JACQUELINE KANYA-MATZEN	1448 JEFFERSON STREET	SAN FRANCISCO	CA	94123	0.00284818
ER RESIDENTIAL INVESTMENTS, LLC	2154 VISTA LA NISA	CARLSBAD	CA	92009	0.00247046
DONALD DALE GERALDS	900 OGDEN AVENUE, #149	DOWNERS GROVE	IL	60515	0.00164698
DF LLC	1765 WEST HACIENDA AVENUE	CAMPBELL	CA	95008	0.00164698
DAVID R LOWTHER AND PAMELA C LOWTHER	22518 HARRIS ROAD	PHILOMATH	OR	97370	0.03293952
MAX M AND MARILYN H MATTHEWS LIVING TRUST	800 ASH, SUITE G	MCALLEN	TX	78501	0.00164698
SUSAN IVISON REVOCABLE TRUST	12494 ELM MEADOWS ROAD	RIVERTON	UT	84065	0.00164698
OBI ENTITIES, LLC, A FLORIDA LIMITED LIABILITY COMPANY	5020 CLARK ROAD, #316	SARASOTA	FL	34233	0.00823488
THE JENNINGS FAMILY REVOCABLE TRUST, WARD L JENNINGS AND JO M JENNINGS, TTEES	6137 BLACK GYPSUM COURT	SPARKS	NV	89436	0.00387108
TAE CHEOL AND JUNG TAICK MIN	115 YANKEE COURT	BEAVER	PA	15009	0.00775163
PATTI HULVERSHORN LIVING TRUST	116 ALOHA STREET	SEATTLE	WA	98109	0.00411744
MAN SUN WONG AND MICHELLE M WONG	4408 121ST PLACE SE	EVERETT	WA	98208	0.00164698
WOODLEY PROPERTIES, LLC	P O BOX 816	WASHOUGAL	WA	98671	0.00164698
NEAL SKOK AND JANET SKOK	13796 NE 76 PL	REDMOND	WA	98052	0.00329395
THE JOHNSTON FAMILY TRUST, WILLIAM H JOHNSTON AND JOAN JOHNSTON, TTEES	3822 SKYVIEW LANE	FAIRFAX	VA	22031	0.00164698
CHING FAMILY TRUST DTD 5/02/01, GEORGE NIEW KEE CHING, JR. AND YOKO ISA CHING, TTEES	116 NORTH PLAZA STREET	BRAWLEY	CA	92227	0.00329395
KEITH RAYMOND LAWS AND HAZEL JEAN LAWS, HUSBAND AND WIFE	3226 FAIRFIELD ROAD SE	OLYMPIA	WA	98501	0.00989999
STERLING TRUST COMPANY FBO JOHN MICHAEL WELTZIEN, IRA #096456	7901 FISH POND ROAD	WACO	TX	76710	0.00164698
STERLING TRUST CO FBO JOAN WELTZIEN, Solo 401 (k) #Q08981	7901 FISH POND ROAD	WACO	TX	76710	0.00164698
RICHARD B SANFORD AND MARGARET M SANFORD - COMMUNITY PROPERTY	9903 ALDWELL COURT	HOUSTON	TX	77064	0.00164698
JOHN D MILLER REVOCABLE LIVING TRUST DATED 7/11/06	P O BOX 93	CRYSTAL BAY	MN	55323	0.01648976
KASTMAN OIL COMPANY	P O BOX 5930	LUBBOCK	TX	79408	0.00500000
LATIGO RANCH, LLC	P O BOX 2391	ROSWELL	NM	88202	0.00411744
FCC LLC FBO RICHARD A BILLS, IRA	5429 LBJ FREEWAY, #400	DALLAS	TX	75240	0.00164698
LAWRENCE J ALTER MD AND RANDI K ALTER TIC	1715 DOWLING DRIVE	IRVING	TX	75038	0.00164698
KEENAN AND WHITE DEFINED BENEFIT PLAN	9932 QUEENS QUARTER DRIVE	FRISCO	TX	75034	0.00164698
THE CHANNAVE FAMILY TRUST #3 DATED OCTOBER 21, 1982	1759 ALTA LA JOLLA DRIVE	LA JOLLA	CA	92037	0.00164698
CHURCHILL RETIREMENT INCOME, LLC	21 LYNNFIELD	IRVINE	CA	92620	0.00164698

Exhibit B

Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
FERNWOOD MANAGEMENT, LLC	3099 EAST 1850 NORTH	LAYTON	UT	84040	0.00329395
JAYDELL BUXTON AND JUDY BUXTON	1050 W RED HILLS PARKWAY, #97	WASHINGTON	UT	84780	0.00329395
SILVERLEAF HOLDINGS, LLC	4317 LYNN LANE	SALT LAKE CITY	UT	84124	0.00164698
DELANIE A WEBB	2384 WEST 800 NORTH	PROVO	UT	84601	0.00230443
GORDON FAMILY REVOCABLE TRUST, RICHARD F GORDON TTEE	180 S 300 WEST, SUITE 120	SALT LAKE CITY	UT	84302	0.00173843
RICHARD F GORDON	180 SOUTH 300 WEST #120	SALT LAKE CITY	UT	84101	0.01159674
HAROLD L SHETLER AND JOYCE I SHETLER	2552 E 3708 N	TWIN FALLS	ID	83301	0.00236225
RANDALL K BENNETT AND SHELLEY D BENNETT	369 AERIE CIRCLE	NORTH SALT LAKE	UT	84054	0.02455940
JAMES REES JENSEN AND VIRGINIA U JENSEN JTWROS	3934 BROCKBANK DRIVE	SALT LAKE CITY	UT	84124	0.00164698
THE BAUKE FAMILY TRUST	5762 OKEECHOBEE BOULEVARD	WEST PALM BEACH	FL	33417	0.00331242
LAURA LEILA FANNING AND CHARLENE FANNING JOINT TENANTS	333 SOUTH 61ST AVENUE, UNIT #1	PENSACOLA	FL	32506	0.00164698
SALLY SHINKLE AND VERNON SHINKLE LIVING TRUST	P O BOX 223	TETONIA	ID	83452	0.00329395
FLANAGAN REVOCABLE TRUST DATED 12/14/2000, FINTAN M FLANAGAN AND/OR CAROL DEAN FLANAGAN TRUSTEES	11428 QUAIL VILLAGE WAY	NAPLES	FL	34119	0.01490843
FLANAGAN ENTERPRISES, INC.	11428 QUAIL VILLAGE WAY	NAPLES	FL	34119	0.02343976
RICHARD D MILLER AND JANE F MILLER	1885 BOARDWALK	ST JOSEPH	MI	49085	0.00411744
DAVID E PRUE REVOCABLE TRUST U/A/D 05-25-1995, DAVID E PRUE TTEE	31693 S RIVER ROAD-F	HARRISON TWP	MI	48045	0.00164698
KYLE RAY GRAHAM	9727 WEST 10TH STREET NORTH	WICHITA	KS	67212	0.00164698
LINDA HANSON	1717 SOUTH BLVD	EDMOND	OK	73013	0.00164698
MARSHALL A JOHNSON LIVING TRUST	5550 OAKMAN BLVD	DETROIT	MI	48204	0.00164698
THE DOUGLAS M ALLAN AND BARBARA J ALLAN REVOCABLE LIVING TRUST AGREEMENT	P O BOX 2218	KIRKLAND	WA	98083	0.00164698
STEVEN H PODOLSKY REVOCABLE TRUST U/A/D 5/27/80, STEVEN H PODLOSKY, TTEE	2141 MALLARD DRIVE	NORTHBROOK	IL	60062	0.00370570
MILTON PODOLSKY REVOCABLE TRUST U/A/D 5/26/78	180 E PEARSON, #3608	CHICAGO	IL	60611	0.00247504
LYNN E SCHACHINGER REVOCABLE LIVING TRUST DTD 5/27/04 AS AMENDED AND DONNA L SCHACHINGER AND HER SUCCESSORS OF THE DONNA L SCHACHINGER REVOCABLE LIVING TRUST DTD 5/27/04	6763 COLONY DRIVE	WEST BLOOMFIELD	MI	48323	0.00181167
IRIS D PODOLSKY REVOCABLE TRUST U/A/D 5/27/80	2141 MALLARD DRIVE	NORTHBROOK	IL	60062	0.00046598
THE IRIS D PODOLSKY LLC	2141 MALLARD DRIVE	NORTHBROOK	IL	60062	0.00048792
PODOLSKY ANNUAL GIFT TRUST FOR TERRI PODOLSKY, U/A/D 12/20/83	3100 DUNDEE ROAD, SUITE 502	NORTHBROOK	IL	60062	0.00094537
PODOLSKY ANNUAL GIFT TRUST FOR ALANA PODOLSKY, U/A/D 12/20/83	3100 DUNDEE ROAD, SUITE 502	NORTHBROOK	IL	60062	0.00094537
ROBERT STOMMEL	10730 N HAMPSHIRE	FRESNO	CA	93720	0.00164698
J NORMAN WILKINS AND MARYLOU WILKINS REVOCABLE LIVING TRUST	12432 MESA DRIVE	MADERA	CA	93637	0.00164698
MAX G RUF AND HILDEGARD RUF LIVING TRUST	929 W LEADORA	GLENDORA	CA	91741	0.00164698
ERIC C THORMODSGARD	5956 CAMINITO ELEGANTE	SAN DIEGO	CA	92108	0.00164698
FCC LLC FBO THOMAS L THOMPSON, IRA#83740427	10700 WHEAT FIRST DRIVE	GLEN ALLEN	VA	23060	0.00164698

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Individuals and Entities Comprising the Grantees and Their Respective Percentage of the Undivided Interest

Grantee Name	Address	City	State	Zip	Decimal Interest
MICHAEL L THURLOW & LINDA J THURLOW LIVING TRUST UAD 2/5/04, MICHAEL L THURLOW AND LINDA J THURLOW, TTEES	610 INVERNESS COURT SE	SALEM	OR	97306	0.00164698
ARNOLD C GREENBERG	61 SOUTH MAIN STREET, SUITE 211	WEST HARTFORD	CT	06107	0.00164698
MARGARET HUSSEY LIVING TRUST, MARGARET M HUSSEY , TTEE	14811 LENZE DRIVE	TAVARES	FL	32778	0.00164698
DEFOREST PROPERTIES, LLC	2836 FAIRMONT ROAD	WINSTON-SALEM	NC	27106	0.00164698
PERSHING LLC FBO RICHARD W MCMANUS IRA 5VF-001595	ONE PERSHING PLACE	JERSEY CITY	NJ	07399	0.00164698
JJB ROYALTY, LLC	38 WEDGEMERE CIRCLE	THE WOODLANDS	TX	77381	0.00329395
KESTER FAMILY TRUST DATED 5-17-95	P O BOX 332	SANTAQUIN	UT	84655	0.00411744
DARYL MORRISON TRUST, DARYL MORRISON TTEE	707 N GEORGE WASHINGTON	YUBA CITY	CA	95993	0.00164698
DAVID GEORGE FOPPIANO AND ELLA FOPPIANO REVOCABLE TRUST MARCH 9, 1999	1424 BERWICK DRIVE	CAMBRIA	CA	93428	0.00494093
ANTONIA M. PETRAKOS	345 MCLOUD DR	FORT LEE	NJ	07024	0.00741788
NANCY P LEVIN, TRUSTEE OF THE ADAMSON STREET REAL ESTATE TRUST	18 PEACOCK FARM ROAD	LEXINGTON	MA	02421	0.01152883
MICHAEL JOHN FISCH	22211 CLIFF AVENUE SOUTH, UNIT #204	DES MOINES	WA	98198	0.00769307
JNP ENERGY LLC	P O BOX 9807	DENVER	CO	80209	0.01000000
RM PROPERTIES, LLC, RAYMOND J BABTA, MARK A PIERCE AND ERIC H PIERCE, ALL MEMBERS	3765 SALES ROAD	BELGRANDE	MT	59714	0.00306338
GORDON C. GEORGE TRUST	P.O. BOX 787	DANVILLE	CA	94526	0.00247046
CYRUS R GRIFFIN AND SUSAN G GRIFFIN	593 GRANDVIEW ROAD	SEBASTOPOL	CA	95472	0.00823488
RICHARD J SHAW AND MAY J SHAW	3385 S CHERRY STREET	DENVER	CO	80222	0.00205872
KARL OHS	133 ALFALFA ROAD	HELENA	MT	59602	0.00164698
BRIAN DONALD RICHARDS	1125 AZUSA STREET	SACRAMENTO	CA	95833	0.01317581
DAB GAS AND OIL LLC	15721 BERNARDO HEIGHTS PARKWAY, SUITE B-409	SAN DIEGO	CA	92128	0.01646976
SAS GAS AND OIL LLC	15721 BERNARDO HEIGHTS PARKWAY, SUITE B-409	SAN DIEGO	CA	92128	0.01646976
THE RUTH C MCGARY CHARITABLE REMAINDER UNITRUST	111 WINTERGREEN COURT, #70	HAMPDEN	ME	04444	0.00247046
REX J REINHART AND JEAN REINHART JTWROS	P O BOX 562	JESUP	IA	50648	0.00164698
THOMAS L JASPER REVOCABLE TRUST	3256-170TH STREET	MASONVILLE	IA	50654	0.00164698
JEFFREY J WIELAND	2160 DOUBLE L DRIVE	INDEPEDENCE	IA	50644	0.00164698
AIDA E SILVA, LLC	533 SANTA RITA DRIVE	MILPITAS	CA	95035	0.00164698
GVENTURES, LLC	6444 LAVENDALE AVENUE	DALLAS	TX	75230	0.00205872
RICHARD W MUNN	63 N. GREENVINE CIRCLE	THE WOODLANDS	TX	77382	0.00330000
WILEY FAMILY HOLDINGS LLC	15601 N DALLAS PKWY, SUITE 900	ADDISON	TX	75001	0.00222342
N NOBLE FLP, LLP	15601 DALLAS PKWY, SUITE 900	ADDISON	TX	75001	0.00171542

EXHIBIT C

Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA A/K/A					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
	N.P. BAR, INC.					
		W/2 SECTION 42, BLK 8, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	692/416
	POE, GRADY N. JR. A/K/A GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY. SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY. SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 96					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 8 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 60- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 60- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56-3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50-7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50-7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50-7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL.	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

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# 3857

FILED FOR RECORD ON THE 17TH DAY OF SEPTEMBER A.D. 2007 2:44 P. M.

DULY RECORDED ON THE 25TH DAY OF SEPTEMBER A.D. 2007 1:00 P. M.

BY: [signature] DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

FILE# 5410

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

COUNTY OF REEVES

STATE OF TEXAS

ASSIGNMENT, DEED AND BILL OF SALE

THIS ASSIGNMENT, DEED AND BILL OF SALE ("Assignment") is made this 29th day of September, 2006, and is effective at 12:01 a.m. local time, September 1, 2006 (the "Effective Time"), by Miles Boldrick, d/b/a Statewide Minerals Company, whose address is, P.O. Box 10648, Midland, TX 79702, (herein called "Assignor"), and Windom Royalties LLC, a wholly owned subsidiary of Noble Royalties, Inc., with a mailing address of 15601 North Dallas Parkway, Suite 900, Addison, Texas 75001 (herein called "Assignee").

Assignor in consideration of Ten Dollars ($10.00) cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL, CONVEY, ASSIGN, and DELIVER unto Assignee all of the following:

A. Fifty per cent (50%) of all right, title and interest of Assignor in all oil, gas and other minerals, royalty interests, fee mineral interests, overriding royalty interests, net profits interests, production payments and other similar interests owned by Seller as of the Effective Time in, to and under all lands located in the counties and states described on Exhibit "A" attached hereto, including but not limited to all lands described in said Exhibit "A" or described in any instrument referred to in Exhibit "A" (attached hereto and made a part hereof for all purposes). Any and all oil, gas and other minerals, royalty interests, fee mineral interests, overriding royalty interests, net profits interests, production payments and other similar interests purchased by Assignor, which have an effective date after said Effective Time, are specifically excluded from this assignment, deed and bill of sale and shall be reserved in their entirety by Assignor. In a like manner, all working interests and participating mineral interests are specifically excluded from the assignment and retained by Assignor;

B. Fifty per cent (50%) of all right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil, gas or mineral unitization, pooling, farmout and communitization agreements, declarations and orders, and in and to the properties covered and the units created thereby, which are appurtenant to the properties in A. above;

C. Fifty per cent (50%) of all right, title and interest of Assignor in, to and under, or derived from, all presently existing and valid oil and gas sales, purchase, exchange and processing contracts, casinghead gas contracts, operating agreements, joint venture agreements, partnership agreements, rights of way easements, permits and surface leases and other contracts, agreements and instruments, insofar as the same are appurtenant to the properties in A. above;

All of the foregoing properties (contractual or otherwise) described in paragraphs A through C, above, are herein called the "Properties" as more completely described on Exhibit 'A' hereof.

TO HAVE AND TO HOLD the Properties forever, subject to the following terms and conditions:

1. WARRANTIES: THIS ASSIGNMENT IS WITHOUT WARRANTY OF TITLE, EXPRESS, STATUTORY OR IMPLIED AS TO DESCRIPTION, TITLE, CONDITION, LOCATION, QUALITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, EXCEPT THAT SELLER SHALL WARRANT AND DEFEND TITLE TO THE PROPERTIES AGAINST EVERY PERSON WHOMSOEVER LAWFULLY CLAIMING THE SAME OR ANY PART THEREOF BY, THOUGH, OR UNDER ASSIGNOR BUT NOT OTHERWISE.

2. ASSUMPTION OF OBLIGATIONS: Assignee hereby assumes and agrees to timely perform and discharge all duties and obligations of the owner of the Properties on and after the Effective Time.

3. LEASES AND OTHER CONTRACTS AND AGREEMENTS: This Assignment is made by Assignor and accepted by Assignee subject to all the terms, covenants and conditions of the oil, gas and mineral leases described in Exhibit "A" or covering the properties described or referred to in Exhibit "A" and to the terms, covenants and conditions of the instruments, contracts and agreements affecting the Properties or production therefrom recorded in county and state in which the Property is located, and the same shall bind Assignee and Assignee's successors and assigns on and after the Effective Time hereof.

4. OBSERVANCE OF LAWS: This Assignment is subject to all applicable laws, ordinances, rules and regulations affecting the Properties, and Assignee shall comply with the same and shall promptly obtain and maintain all permits required by governmental authorities in connection therewith.

5. HEADINGS: Titles and headings in this Assignment are included solely for ease of reference and are not to be considered in interpretation or construction of this Assignment.

6. PURCHASE AND SALE AGREEMENTS: This Assignment is expressly made subject to the provisions of that certain Purchase and Sale Agreement dated effective September 1, 2006, by and between the parties hereto, and the provisions of said Agreement are incorporated herein by reference as fully as though said provisions were set forth herein verbatim.

7. SUCCESSORS AND ASSIGNS: The terms, covenants, and conditions hereof bind and inure to the benefit of the parties hereto and their respective successors and assigns and are covenants running with the lands, leases, equipment, and facilities and with each transfer or assignment thereof or any portion thereof. All future assignments of any portion of the Properties shall recognize and perpetuate the rights and obligations set out herein.

EXECUTED this 29th day of September 2006, but effective as of the Effective Time.

ASSIGNOR:

Miles Boldrick
d/b/a Statewide Minerals Company

By; Miles Boldrick

ASSIGNEE:

Windom Royalties LLC
a wholly owned subsidiary of
Noble Royalties, Inc.

By: A. Scott Noble
President

STATE OF TEXAS §
§
COUNTY OF MIDLAND §

This instrument was acknowledged before me this 29 day of September, 2006, by Miles Boldrick, an individual, d/b/a Statewide Minerals Company.

My Commission Expires:
STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 1-23-2010

Stacy L. Mathews
NOTARY PUBLIC

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged *before me this* 29 day of September, 2006, on *behalf of* Windom Royalties LLC, a Texas limited liability company, a wholly owned subsidiary of Noble Royalties, Inc., by A. Scott Noble, as President of Noble Royalties, *Inc.* a *Texas* corporation.

My Commission Expires:
PAULA BRUNSON
Notary Public, State of Texas
My Commission Expires
March 23, 2008

Paula Brunson
NOTARY PUBLIC

EXHIBIT "A" ATTACHED TO ASSIGNMENT, DEED AND BILL OF SALE BETWEEN MILES BOLDRICK D/B/A STATEWIDE MINERALS CO., ASSIGNOR AND WINDOM ROYALTIES LLC, A WHOLLY OWNED SUBSIDIARY OF NOBLE ROYALTIES, INC., ASSIGNEE, EFFECTIVE SEPTEMBER 1ST, 2006

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA AKA					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/683
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/683
	N.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	692/416
	POE, GRADY R. JR. AKA GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/248
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/248
	STATEWIDE MINERALS INC, 96					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 158	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 *PAGE* 189 *IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY*

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58-3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 60-7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 60-7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 60-7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 60- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

EFFECTIVE 4/1/2001 ALL PROPERTIES OWNED BY BOLDRICK PARTNERS WERE TRANSFERED INTO MILES BOLDRICK D/B/A STATEWIDE MINERALS CO. 60% AND JAMES P. BOLDRICK 40% FOUND IN BOOK 634 PAGE 189 IN THE OFFICIAL PUBLIC RECORDS OF THE ABOVE COUNTY

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. 5410

FILED FOR RECORD ON THE 16TH DAY OF OCTOBER A.D. 2006 10:17 A. M.

DULY RECORDED ON THE 17TH DAY OF OCTOBER A.D. 2006 3:00 P. M.

BY: _____, DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

1-1-07

ASSIGNMENT AND CONVEYANCE

STATE: TEXAS

COUNTY: REEVES

ASSIGNOR: Miles Boldrick, Individually and as D/B/A Statewide Minerals Co.
P.O. Box 10648, Midland, TX 79702

ASSIGNEE: Boldrick Family Properties L.P.
P.O. Box 10648, Midland, TX 79702

WHEREAS, Miles Boldrick, Individually and as D/B/A Statewide Minerals Co. is the owner of certain assets, including but not limited to oil and gas leases, working interests, participating and non-participating royalty interests, overriding royalty interests, mineral interests, and other similar interests in the county and state, recited above ("Assets"); and,

WHEREAS, the Individual desires to convey any and all Assets, including any other assets of whatever kind and nature it may own in the county and state recited above.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor, recited above, (hereinafter referred to as "Assignor" whether one or more), by these presents does hereby grant, transfer, assign and convey unto Assignee, recited above, in the percentages set forth next to their respective names, their successors and assigns (hereinafter referred to as "Assignee" whether one or more), without warranty of title either express or implied, all of Assignor's right, title, and interest in and to the (i) Assets, and (ii) any other assets of whatever kind and nature it may own in the county and state recited above.

It is the express intent of Assignor that this conveyance transfer to Assignee, all of Assignor's interest in and to the property in the county and state recited above, including any interest or property which is not fully or accurately described. In furtherance of this purpose, Assignor agrees to execute and deliver to Assignee such other and further instruments of conveyance, assignment and transfer, and to do or cause to be done all such acts and things as may be necessary to more fully convey, assign and transfer the property to Assignee, as to the extent contemplated hereby, in a timely fashion.

TO HAVE AND TO HOLD the same unto the Assignee, its heirs, administrators, executors, devisees, trustees, successors, and assigns, according to the terms, covenants, and conditions of the instruments by which Assignor acquired said Assets and any other assets conveyed hereunder, the Assignee to perform all such terms, covenants, and conditions thereof as to the Assets and any other assets conveyed hereunder, as well as all of the terms, covenants, and conditions hereof.

IN WITNESS WHEREOF, this instrument is executed as of the date set forth in the acknowledgment below, but **EFFECTIVE for all purposes as of January 1st, 2007.**

ASSIGNOR:

Miles Boldrick, Individually and as D/B/A Statewide Minerals Co.

Miles Boldrick

ACKNOWLEDGMENTS

STATE OF TEXAS §

COUNTY OF MIDLAND §

This instrument was acknowledged before me this 9th day of January, 2007 by Miles Boldrick individually and as D/B/A Statewide Minerals Co.

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 1-23-2010

Stacy L Mathews
Notary Public in and for the State of Texas
My Commission Expires 1-23-2010

Certificate of Record

10.00 Recording Fee
6.00 Refund
~~Certified Copy Fee~~
16.00 Total Paid envelope

000172

FILED FOR RECORD
2007 JAN 12 PM 4:14
DIANNE O. FLOREZ
COUNTY CLERK, REEVES COUNTY, TX.
BY: [signature] DEPUTY

Return to:
Boldrick Family Properties
P.O. Box 10648
Midland, Tx 79702

COMPARED

THE STATE OF TEXAS,
COUNTY OF REEVES.

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.

I, hereby certify that this instrument with its certificates of authenticity was FILED on the date and at the time stamped hereon and was duly RECORDED in the OFFICIAL PUBLIC RECORDS of Real Property of Reeves County, Texas, as indicated.

OPR VOL. 753 PAGE 405 DATE RECORDED 01/16/2007

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
By: [signature] Deputy

OCAR GRAPHICS, INC.

VOL. 781 PAGE 486

11-1-07

Deed

FILE#157

QUIT CLAIM DEED
(All of Grantor's Interest)

State: Texas

County: Reeves

Grantor: N Noble FLP LLP
15601 Dallas Parkway, Suite 900
Addison, TX 75001

Grantee: Noble Royalty Access Fund I LP
a Delaware Limited Partnership
15601 Dallas Parkway, Suite 900
Addison, TX 75001

Effective Date: November 1, 2007

For adequate consideration, Grantor, named above, conveys, assigns, and quit claims to Grantee, named above, and Grantee's heirs and assigns, all of Grantor's rights, title, and interests to all mineral, royalty and overriding royalty interests, if any, acquired in the document(s) referenced on Exhibit "A" attached hereto and incorporated herein for all purposes to the extent necessary for recording purposes.

Grantor deems itself to have conveyed, assigned, and quit claimed to Grantee all of Grantor's mineral, royalty and overriding royalty interests acquired in the document(s) referenced on **Exhibit "A"** attached hereto, and owned by Grantor on the Effective Date stated above, Grantor shall not have, claim, or demand any rights, title, or interests in the Lands or any part of the Lands.

This Quit Claim Deed is signed by Grantor as of the date of acknowledgment of Grantor's signature below, but is effective for all purposes as of the Effective Date stated above.

Grantor:

A. Scott Noble

A. Scott Noble, General Partner

STATE OF TEXAS)
COUNTY OF DALLAS)

On this 1st day of November, 2007, before me, Angela R. Korthauer, a Notary Public, duly commissioned within and for said County and State, appeared in person the within named A. Scott Noble, General Partner of N Noble FLP LLP to execute such instrument, and further stated and acknowledged that he had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

Angela R. Korthauer

ANGELA R. KORTHAUER
Notary Public, State of Texas
My Commission Expires 03-29-08

Printed Name: Angela R. Korthauer
Notary Public in and for said County and State
My Commission Expires: 3-29-08
Acting in Dallas County

EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas

County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
003857	OPR	773	665

655

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA AKA					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
	H.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	692/416
	POE, GRADY R. JR. AKA GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 96					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 5 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 56-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT A

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL.	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	613/244

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# 157

FILED FOR RECORD ON THE 11TH DAY OF JANUARY A.D. 2008 4:57 P.M.

DULY RECORDED ON THE 14TH DAY OF JANUARY A.D. 2008 2:00 P.M.

BY: _____, DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

BOOK 833 PAGE 418

11-30-08

FILE # 3799

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

CONVEYANCE

(Windom Properties)

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

This Conveyance is effective for revenue received by the Manager Compass Royalty Management LLC after the cutoff date for the November 30, 2008 distribution, (the "**Effective Time**") and is by and between **OBI Entities, LLC, A Florida Limited Liability Company** (hereinafter individually and collectively referred to as "**Grantor**"), and **the entity or entities identified on Exhibit D-1 and Exhibit D-2 attached hereto** (hereinafter individually and collectively referred to as "**Grantee**"), with an address of 15601 N. Dallas Parkway, Suite 900, Addison, TX 75001.

RECITALS

(A) The term "***Interests***" shall be defined as all of the mineral interests, royalty interests, and/or overriding royalty interests in and to all of the leases, lands, depths and wells which are described in and conveyed by the Assignments as hereinafter defined, including any new or additional leases, lands, depths and wells

(B) The term "**Assignments**" shall be defined as all of the deeds, instruments of conveyance and/or assignments listed on **Exhibit A** attached hereto and incorporated herein for all purposes, which deeds, instruments of conveyance and/or assignments cover certain mineral interests, royalty interests and/or overriding royalty interests in and to the leases, lands, depths and wells more particularly described and/or referred to therein, including any new or additional leases, lands, depths and wells.

(C) To the extent required for recording in any particular county, parish or jurisdiction in which any land affected by any of the Assignments is located, a legal description of such land is attached hereto as ***Exhibit C.***

(D) The term "**Executive Rights**" as used herein includes without limitation, all executive rights as defined under applicable law, the right to grant, amend, ratify, correct or otherwise modify any oil, gas and mineral lease covering any of the Interests, the right to execute pooling agreements or ratifications thereof, the right to execute division orders, amended division orders, transfer orders or stipulations of interest covering any of the Interests and to bind Grantees thereto, and the right to execute all manner of instruments intended to cure existing or after-discovered title defects affecting the Interest. The term "**Executive Rights**" **specifically includes** the right to receive the revenue from the proceeds from the sale of oil, gas and other minerals directly in the name of the Grantee shown on **Exhibit D-1**.

(E) Grantor desires to convey all of that part of its interest in the Interests to Grantee in the portions set forth in **Exhibit D-1** and **Exhibit D-2.**

AGREEMENT

In consideration of the sum of One ($1.00) Dollar and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **Grantor hereby conveys unto the Grantee shown on Exhibit D-1, all of that part of Grantor's undivided interest in and to any Executive Rights in the Interests, any surface rights, possessory rights, net profit interests, and so-called "working interests" in the Interests.**

For the same consideration, **Grantor hereby conveys unto the Grantee shown on Exhibit D-2, all the remainder of that part of Grantor's undivided interest in and to the Interests.**

This conveyance is subject to those terms, conditions and disclaimers set forth on **Exhibit B,** which is attached hereto and incorporated herein for all purposes.

Grantor represents and warrants that: (1) Grantor has complete right, power and authority to make this Conveyance and that the signature or consent of no other person or entity is required; and (2) Grantor's Interest is free and clear of all voluntary and involuntary liens and other claims or rights of other persons or entities claiming by, through or under the Grantor.

The terms and provisions of this Conveyance including Grantors representations and warranties, shall extend to, be binding upon, and shall inure to the benefit of the parties hereto their respective heirs, successors and/or assigns.

This Conveyance may be executed in one or more counterparts each of which shall be deemed an original all of which shall constitute one document.

IN WITNESS WHEREOF, this Conveyance is executed this 15 day of September, 2009, but shall be effective as of the Effective Time.

GRANTOR:
OBI Entities, LLC

By: Craig Aberle, President and Sole Member

STATE OF FLORIDA

COUNTY OF Sarasota

On this 16 day of September, 2009, before me, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, personally appeared the within named **Craig Aberle** who stated and acknowledged that he had signed, executed and delivered said foregoing instrument in his official capacity for and on behalf of the Grantor for the consideration, uses and purposes therein mentioned and set forth

Notary Public
Printed Name: Ken Hoey, Jr.
Notary Public in and for said County and State
My Commission Expires: 7/23/10

KEN HOEY, JR.
Notary Public - State of Florida
Commission # DD 576724
My Commission Expires July 23,2010
Bonded Thru Pichard Insurance

EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas

County of Reeves

RECORDING DATA

Document/Entty No.	Book	Volume	Page
005408		747	288
005410		747	307
003857		773	665

773/655

EXHIBIT B

Terms, Conditions and Disclaimers

This conveyance and the conveyance of the interest hereof are expressly made subject to, and the Interests herein assigned and conveyed shall bear, their proportionate share of all of the terms, provisions, reservations and obligations contained in the Assignments, and further subject to all interests and matters burdening the Interests, whether or not appearing of record, whether now in existence or hereafter arising.

Section 5.023 of the Texas Property Code
Nevada Rev. Statutes Ann., Title 10: Property Rights and Transactions
Nebraska Rev. Statutes of 1943, Chapter 76: Real Property
Mississippi Code Ann., Title 89: Real and Personal Property
Montana Code Ann., Title 70: Property
Kentucky Rev. Statutes Ann., Title XXXII: Ownership and Conveyance of Property
Colorado Rev. Statutes Ann., Title 38: Property -- Real and Personal
Utah Code Ann., Title 57: Real Estate
California Civil Code Division 2: Property
North Dakota Century Code, Title 47: Real Property
Kansas Statutes Ann., Chapter 58: Personal and Real Property
Arkansas Code Ann., Title 18, Subtitle 2: Real Property
Illinois Compiled Statutes Ann., Chapter 765: Property
Indiana Statutes, Title 32: Property
South Dakota Codified Law, Title 43: Property
Oklahoma Statutes Ann., Title 16: Conveyances
MCLA, Chapter 565: Conveyances of Real Property
Wyoming Statutes Ann., Title 34: Property, Conveyances and Security Transactions
New Mexico Statutes, Chapter 47: Property Code
Louisiana Rev. Statutes, Title 9

Michigan Properties only, if any: The Grantor grants to Grantees the right to make zero divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operation. Generally acceptable agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act.

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM, E. VIRGINIA AKA					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2008	738/663
	N.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	692/416
	POE, GRADY R. JR. AKA GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC 96					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 26	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C- 4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55- 3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ,P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ,P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 3, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56-3 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57-1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56-3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1995	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1995	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1995	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1995	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1995	570/647 & 636/610
		PSL BLK C- 6 SEC 16	REEVES	TX	10/1/1995	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., IL	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1995	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1995	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1999	813/244

Exhibit D-1

Grantee of the Executive Rights in the Interests

Windom Royalties, LLC
15601 North Dallas Parkway, Suite 900
Addison, Texas 75001

Exhibit D-2

Grantee of all other interest in the Interests

Noble Royalty Access Fund II LP 15601 North Dallas Parkway, Suite 900 Addison, Texas 75001	All of Grantor's other interest in the Interests

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# 3799

FILED FOR RECORD ON THE 10TH DAY OF DECEMBER A.D. 2009 3:17 P. M.

DULY RECORDED ON THE 16TH DAY OF DECEMBER A.D. 2009 9:00 A .M.

BY: Dalia Heberdo, DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

9-30-09

BOOK 847 PAGE 04

.E # 2209

Def

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

CONVEYANCE

(Windom Properties)

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

This Conveyance is effective for revenue received by the Manager Compass Royalty Management LLC after the cutoff date for the September 30, 2009 distribution, (the "**Effective Time**") and is by and between **The Estate of Karl Ohs, deceased** (hereinafter individually and collectively referred to as "**Grantor**"), and ***the entity or entities identified* on Exhibit D-1 and Exhibit D-2 attached hereto** (hereinafter individually and collectively referred to as "**Grantee**"), with an address as shown on Exhibit D-1 and D-2.

RECITALS

(A) The term "**Interests**" shall be defined as all of the mineral interests, royalty interests, and/or overriding royalty interests in and to all of the leases, lands, depths and wells which are described in and conveyed by the Assignments as hereinafter defined, including any new or additional leases, lands, depths and wells

(B) The term "**Assignments**" shall be defined as all of the deeds, instruments of conveyance and/or assignments listed on Exhibit A attached hereto and incorporated herein for all purposes, which deeds, instruments of conveyance and/or assignments cover certain mineral interests, royalty interests and/or overriding royalty interests in and to the leases, lands, depths and wells more particularly described and/or referred to therein, including any new or additional leases, lands, depths and wells.

(C) To the extent required for recording in any particular county, parish or jurisdiction in which any land affected by any of the Assignments is located, a legal description of such land is attached hereto as Exhibit C.

(D) The term "**Executive Rights**" as used herein includes without limitation, all executive rights as defined under applicable law, the right to grant, amend, ratify, correct or otherwise modify any oil, gas and mineral lease covering any of the Interests, the right to execute pooling agreements or ratifications thereof, the right to execute division orders, amended division orders, transfer orders or stipulations of interest covering any of the Interests and to bind Grantees thereto, and the right to execute all manner of instruments intended to cure existing or after-discovered title defects affecting the Interest. The term **"Executive Rights" specifically includes** the right to receive the revenue from the proceeds from the sale of oil, gas and other minerals directly in the name of the Grantee shown on **Exhibit D-1**.

(E) Grantor desires to convey all of that part of its interest in the Interests to Grantee in the portions set forth in **Exhibit D-1** and **Exhibit D-2**.

AGREEMENT

In consideration of the sum of One ($1.00) Dollar and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **Grantor hereby conveys unto the Grantee shown on Exhibit D-1, all of that part of Grantor's undivided interest in and to any Executive Rights in the Interests, any surface rights, possessory rights, net profit interests, and so-called "working interests" in the Interests.**

For the same consideration, **Grantor hereby conveys unto the Grantee shown on Exhibit D-2, all the remainder of that part of Grantor's undivided interest in and to the Interests.**

This conveyance is subject to those terms, conditions and disclaimers set forth on **Exhibit B,** which is attached hereto and incorporated herein for all purposes.

Grantor represents and warrants that: (1) Grantor has complete right, power and authority to make this Conveyance and that the signature or consent of no other person or entity is required; and (2) Grantor's Interest is free and clear of all voluntary and involuntary liens and other claims or rights of other persons or entities claiming by, through or under the Grantor.

The terms and provisions of this Conveyance including Grantors representations and warranties, shall extend to, be binding upon, and shall inure to the benefit of the parties hereto their respective heirs, successors and/or assigns.

This Conveyance may be executed in one or more counterparts each of which shall be deemed an original all of which shall constitute one document.

IN WITNESS WHEREOF, this Conveyance is executed this 13th day of ~~September~~ April, 2009, but shall be effective as of the Effective Time.

GRANTOR:
The Estate of Karl Ohs, deceased

Sherri Ohs
By: Sherri Ohs, Personal Representative

STATE OF MONTANA

COUNTY OF Lewis & Clark

On this 13th day of ~~September~~ April, 2009, before me, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, personally appeared the within named **Sherri Ohs**, who stated and acknowledged that he had signed, executed and delivered said foregoing instrument in his official capacity for and on behalf of the Grantor for the consideration, uses and purposes therein mentioned and set forth

JESSICA M. BRUBAKER NOTARIAL SEAL STATE OF MONTANA

Jessica M Brubaker
Notary Public
Printed Name: Jessica M. Brubaker
Notary Public in and for said County and State
My Commission Expires: 8/15/2011

EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas

County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
005408		747	288
005410		747	307
003857		773	665

773/655

EXHIBIT B

Terms, Conditions and Disclaimers

This conveyance and the conveyance of the interest hereof are expressly made subject to, and the Interests herein assigned and conveyed shall bear, their proportionate share of all of the terms, provisions, reservations and obligations contained in the Assignments, and further subject to all interests and matters burdening the Interests, whether or not appearing of record, whether now in existence or hereafter arising.

Section 5.023 of the Texas Property Code
Nevada Rev. Statutes Ann., Title 10: Property Rights and Transactions
Nebraska Rev. Statutes of 1943, Chapter 76: Real Property
Mississippi Code Ann., Title 89: Real and Personal Property
Montana Code Ann., Title 70: Property
Kentucky Rev. Statutes Ann., Title XXXII: Ownership and Conveyance of Property
Colorado Rev. Statutes Ann., Title 38: Property – Real and Personal
Utah Code Ann., Title 57: Real Estate
California Civil Code Division 2: Property
North Dakota Century Code, Title 47: Real Property
Kansas Statutes Ann., Chapter 58: Personal and Real Property
Arkansas Code Ann., Title 18, Subtitle 2: Real Property
Illinois Compiled Statutes Ann., Chapter 765: Property
Indiana Statutes, Title 32: Property
South Dakota Codified Law, Title 43: Property
Oklahoma Statutes Ann., Title 16: Conveyances
MCLA, Chapter 565: Conveyances of Real Property
Wyoming Statutes Ann., Title 34: Property, Conveyances and Security Transactions
New Mexico Statutes, Chapter 47: Property Code
Louisiana Rev. Statutes, Title 9

Michigan Properties only, if any: The Grantor grants to Grantees the right to make zero divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operation. Generally acceptable agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act.

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	BINNS, MARGARET A.					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/665
	CRISP, SHIRLEY F., EXECUTRIX OF					
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
		SEC 15, BLK 50, TNS 8, T&P RR CO SVY, AB 717	REEVES	TX	9/12/1999	611/118
	CULLUM E. VIRGINIA A/K/A					
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
		SEC 44, BLK 50, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	738/663
	N.P. BAR, INC.					
		W/2 SECTION 42, BLK 6, H&GN RR CO SURVEY	REEVES	TX	2/1/2006	692/416
	POE, GRADY R, JR. A/K/A GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
		SEC 20, BLK 54, TWP 7, T&P RR CO SVY, SEC 20, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1999	613/246
	STATEWIDE MINERALS INC. 98					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1998	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1998	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1998	570/647 & 636/610
		T&P BLK 57- 1 SEC 16	REEVES	TX	10/1/1998	570/647 & 636/610

EXHIBIT C

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Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 635/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 635/610
		T&P BLK 58- 1 SEC 38	REEVES	TX	10/1/1996	570/647 & 635/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 635/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 635/610
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	570/647 & 635/610
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 635/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 635/610
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	570/647 & 635/610

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C-4 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 155 & 156	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 55-3 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 8 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-19 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-20 SEC 10	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 16	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 31	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 6 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 5, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 25	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 38	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 5 SEC 15	REEVES	TX	10/1/1996	570/647 & 636/610
		NE/4 SW/4 SEC 4, T7S, R8E, WHITE CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 46	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 6 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
	STEPHENSON, SCOTT CHARLES					
		SEC 34, BLK 57, T-2, T&P RR CO SVY	REEVES	TX	10/15/1998	613/244

Exhibit D-1

Grantee of the Executive Rights in the Interests

Windom Royalties LLC, a Texas limited liability company
15601 N. Dallas Parkway, Suite 900
Addison, TX 75001

Exhibit D-2

Grantee of all other interest in the Interests

JJBK, LLC, a Montana limited liability company 133 Alfalfa Road Helena, Montana 59602	All of Grantor's other interest in the Interests

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 # 2209

FILED FOR RECORD ON THE 6TH DAY OF JULY A.D. 2010 10:46 AM.

DULY RECORDED ON THE 7TH DAY OF JULY A.D. 2010 9:00 AM.

BY: Dianne O. Florez, DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

6-30-10

Dark

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FILE# 5586

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS LICENSE NUMBER

CONVEYANCE

(Windom Properties)

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

+0 Windom Royalties

This Conveyance is effective for revenue received by the Manager Compass Royalty Management LLC after the cutoff date for the June 30, 2010, distribution, (the "**Effective Time**") and is by and between **Richard W. Munn,** (hereinafter individually and collectively referred to as "**Grantor**"), and **the entity or entities identified on Exhibit D-1 and Exhibit D-2 attached hereto** (hereinafter individually and collectively referred to as "**Grantee**"), with an address as shown on Exhibit D-1 and D-2.

RECITALS

(A) The term "**Interests**" shall be defined as all of the mineral interests, royalty interests, and/or overriding royalty interests in and to all of the leases, lands, depths and wells which are described in and conveyed by the Assignments as hereinafter defined, including any new or additional leases, lands, depths and wells

(B) The term "**Assignments**" shall be defined as all of the deeds, instruments of conveyance and/or assignments listed on Exhibit A attached hereto and incorporated herein for all purposes, which deeds, instruments of conveyance and/or assignments cover certain mineral interests, royalty interests and/or overriding royalty interests in and to the leases, lands, depths and wells more particularly described and/or referred to therein, including any new or additional leases, lands, depths and wells.

(C) To the extent required for recording in any particular county, parish or jurisdiction in which any land affected by any of the Assignments is located, a legal description of such land is attached hereto as Exhibit C.

(D) The term "**Executive Rights**" as used herein includes without limitation, all executive rights as defined under applicable law, the right to grant, amend, ratify, correct or otherwise modify any oil, gas and mineral lease covering any of the Interests, the right to execute pooling agreements or ratifications thereof, the right to execute division orders, amended division orders, transfer orders or stipulations of interest covering any of the Interests and to bind Grantees thereto, and the right to execute all manner of instruments intended to cure existing or after-discovered title defects affecting the Interest. The term "**Executive Rights**" **specifically includes the right to receive, on behalf of the Grantee, any and all oil, gas and/or mineral related revenue including revenue from the sale of production, lease bonuses, lease rentals, delay rental and shut-in payments, made payable to the Grantee shown on Exhibit D-1.**

(E) Grantor desires to convey all of that part of its interest in the Interests to Grantee in the portions set forth in **Exhibit D-1** and **Exhibit D-2.**

AGREEMENT

In consideration of the sum of One ($1.00) Dollar and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **Grantor hereby conveys unto the Grantee shown on Exhibit D-1, all of that part of Grantor's undivided interest in and to any Executive Rights in the Interests, any surface rights, possessory rights, net profit interests, and so-called "working interests" in the Interests.**

For the same consideration, **Grantor hereby conveys unto the Grantee shown on Exhibit D-2, all the remainder of that part of Grantor's undivided interest in and to the Interests.**

This conveyance is subject to those terms, conditions and disclaimers set forth on Exhibit B, which is attached hereto and incorporated herein for all purposes.

Grantor represents and warrants that: (1) Grantor has complete right, power and authority to make this Conveyance and that the signature or consent of no other person or entity is required; and (2) Grantor's Interest is free and clear of all voluntary and involuntary liens and other claims or rights of other persons or entities claiming by, through or under the Grantor.

The terms and provisions of this Conveyance including Grantors representations and warranties, shall extend to, be binding upon, and shall inure to the benefit of the parties hereto their respective heirs, successors and/or assigns.

This Conveyance may be executed in one or more counterparts each of which shall be deemed an original all of which shall constitute one document.

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IN WITNESS WHEREOF, this Conveyance is executed this 20th day of October, 2010, but shall be effective as of the Effective Time.

GRANTOR:
Richard W. Munn

By: Richard W. Munn

STATE OF TEXAS

COUNTY OF Dallas

On this 20th day of October, 2010, before me, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, personally appeared the within named **Richard W. Munn**, who stated and acknowledged that he had signed, executed and delivered said foregoing instrument in his official capacity for and on behalf of the Grantor for the consideration, uses and purposes therein mentioned and set forth

Notary Public
Printed Name: Angela R Rothman
Notary Public in and for said County and State
My Commission Expires:

EXHIBIT A

LIST OF ASSIGNMENTS AND CONVEYANCES

State of Texas

County of Reeves

RECORDING DATA

Document/Entry No.	Book	Volume	Page
005408		747	288
005410		747	307
003857		773	665

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EXHIBIT B

Terms, Conditions and Disclaimers

This conveyance and the conveyance of the interest hereof are expressly made subject to, and the Interests herein assigned and conveyed shall bear, their proportionate share of all of the terms, provisions, reservations and obligations contained in the Assignments, and further subject to all interests and matters burdening the Interests, whether or not appearing of record, whether now in existence or hereafter arising.

Michigan Properties only, if any: The Grantor grants to Grantees the right to make zero divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or a farm operation. Generally acceptable agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act

EXHIBIT C

Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
REEVES						
	RHOE, MARGARET L.					
		SEC 44, BLK 30, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	736/663
		SEC 44, BLK 30, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	736/663
	CROP, SHIRLEY E., EXECUTRIX OF					
		SEC 18, BLK 56, THS &, T&P RR CO SVY, AB 717	REEVES	TX	5/13/1998	611/718
		SEC 18, BLK 56, THS &, T&P RR CO SVY, AB 717	REEVES	TX	5/13/1998	611/718
	CLELLAN, E. VIRGINIA ANN					
		SEC 44, BLK 30, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	736/663
		SEC 44, BLK 30, TWP 7, T&P RR CO SURVEY	REEVES	TEXAS	5/1/2006	736/663
	H.P. BAR, INC.					
		W/2 SECTION 42, BLK B, H&GN RR CO SURVEY	REEVES	TX	2/1/2005	662/418
	POE, GRADY R. JR. AKA GRADY					
		SEC22, BLK 54, TWP 7, T&P RR CO SVY, SEC 30, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1998	613/248
		SEC 30, BLK 54, TWP 7, T&P RR CO SVY, SEC 30, BLK 54, TWP 7, T&P RR CO SVY	REEVES	TX	10/8/1998	613/248
	STATEWIDE MINERALS INC. ET					
		T&P BLK 57- 1 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 1 SEC 26	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 1 SEC 34	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 1 SEC 24	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 1 SEC 18	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 57- 1 SEC 16	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 58- 1 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 58- 2 SEC 11	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 57- 1 SEC 25	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 58- 1 SEC 24	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 34 SEC 185	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 34 SEC 173	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 34 SEC 185	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 37	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 34 SEC 185	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 57- 2 SEC 24	REEVES	TX	10/1/1996	870/847 & 836/810

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Legal Description

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C-4 SEC 6	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 34 SEC 155	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/810
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 34 SEC 156 & 154	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 34 SEC 153 & 156	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 35	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		T&P BLK 53- 3 SEC 6	REEVES	TX	10/1/1996	870/847 & 836/810
		H&GN BLK 6 SEC 9	REEVES	TX	10/1/1996	870/847 & 836/810
		PSL BLK C-18 SEC 8	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 34	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	870/847 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	870/847 & 836/810
		PSL BLK C-30 SEC 10	REEVES	TX	10/1/1996	870/847 & 836/810

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		PSL BLK C-29 SEC 16	REEVES	TX	10/1/1996	570/647 & 836/810
		PSL BLK C-29 SEC 16	REEVES	TX	10/1/1996	570/647 & 836/810
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 836/810
		HERNANDEZ P SEC 5	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	570/647 & 836/810
		H&GN BLK 4 SEC 15	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 57-1 SEC 29	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 56- 3 SEC 18	REEVES	TX	10/1/1996	570/647 & 836/810
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 836/810
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 836/810
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 836/810
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 836/810
		W&NW BLK 1 SEC 18 & SEC 25	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 57-1 SEC 30	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 836/810
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 38	REEVES	TX	10/1/1996	570/647 & 836/810
		H&TC BLK 33 SEC 39	REEVES	TX	10/1/1996	570/647 & 836/810

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	870647 & 836R10
		SEC 3, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	870647 & 836R10
		SEC 24 BLK 58-1 SUR T&P	REEVES	TX	10/1/1996	870647 & 836R10
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	870647 & 836R10
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	870647 & 836R10
		T&P BLK 57- 2 SEC 12	REEVES	TX	10/1/1996	870647 & 836R10
		T&P BLK 58- 8 SEC 15	REEVES	TX	10/1/1996	870647 & 836R10
		T&P BLK 50- 8 SEC 15	REEVES	TX	10/1/1996	870647 & 836R10
		WANW BLK 1 SEC 31	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	870647 & 836R10
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	870647 & 836R10

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Legal Description

Reeves County, Texas

COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 4, BLK 4, H&GN RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 8 SEC 45	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 7 SEC 5	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 8 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 34 SEC 174 & 183 &	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 3, 4 & 5	REEVES	TX	10/1/1996	570/647 & 636/615
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 36	REEVES	TX	10/1/1996	570/647 & 636/610
		W&NW BLK 1 SEC 7	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 28	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 29	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 21	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 20	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 8 SEC 9	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		SEC 34, BLK 57, T&P RR CO SURVEY	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 42	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & [illegible]
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		H&GN BLK 4 SEC 4	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 3 SEC 29	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/615
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		H&TC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		HATC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		HATC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		HATC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		HATC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		HATC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		HATC BLK 33 SEC 40	REEVES	TX	10/1/1996	570/647 & 636/610
		HAGN BLK 7 SEC 6	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 58- 3 SEC 44	REEVES	TX	10/1/1996	570/647 & 636/610
		T&STL BLK 146 SEC 8, PECOS CO., TX	REEVES	TX	10/1/1996	570/647 & 636/610
		HAGN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		HAGN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		HAGN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		HAGN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		HAGN BLK 6 SEC 13	REEVES	TX	10/1/1996	570/647 & 636/610
		HAGN BLK 6 SEC 13-14	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 50- 7 SEC 2	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C- 4 SEC 14	REEVES	TX	10/1/1996	570/647 & 636/610
		PSL BLK C-17 SEC 22	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	570/647 & 636/610
		HATC BLK 33 SEC 43	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610
		T&P BLK 57- 2 SEC 47	REEVES	TX	10/1/1996	570/647 & 636/610

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Legal Description

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COUNTY	GRANTOR	DESCRIPTION	COUNTY	STATE	EFFCT. DATE	BOOK/PAGE
		T&P BLK 57- 2 SEC 44	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 57- 2 SEC 44	REEVES	TX	10/1/1996	870/647 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/647 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/647 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/647 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/647 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/647 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 57- 3 SEC 46	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 56- 7 SEC 40	REEVES	TX	10/1/1996	870/647 & 836/610
		H&GN BLK 4 SEC 35	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 57- 2 SEC 34	REEVES	TX	10/1/1996	870/647 & 836/610
		H&TC BLK 33 SEC 33	REEVES	TX	10/1/1996	870/647 & 836/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	870/647 & 836/610
		H&TC BLK 33 SEC 41	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	870/647 & 836/610
		PSL BLK C- 6 SEC 18	REEVES	TX	10/1/1996	870/647 & 836/610
		NE/4 SW/4 SEC 4, T7S, R3E, WHITE CO., IL.	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 56- 3 SEC 44	REEVES	TX	10/1/1996	870/647 & 836/610
		T&P BLK 57- 2 SEC 48	REEVES	TX	10/1/1996	870/647 & 836/610
		SEC 2, BLK C-4, PSL SURVEY	REEVES	TX	10/1/1996	870/647 & 836/610
		W/2NW BLK 1 SEC 7	REEVES	TX	10/1/1996	870/647 & 836/610
		H&GN BLK 6 SEC 3	REEVES	TX	10/1/1996	870/647 & 836/610
	STEPHENSON, SCOTT CHARLES	SEC 34, BLK 57, T-3, T&P RR CO SVY	REEVES	TX	10/15/1999	913/244

Exhibit D-1

Grantee of the Executive Rights in the Interests

Windom Royalties, LLC
15601 North Dallas Parkway, Suite 900
Addison, Texas 75001

Exhibit D-2

Grantee of all other interest in the Interests

Lauren M. Munn and Richard W. Munn Co-Trustees of the MMV and JLM Family Trust 15 Camelot Oak Court The Woodlands, TX 77382	All of Grantor's interest in the Interests

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# 5586
FILED FOR RECORD ON THE 15TH DAY OF AUGUST A.D. 2011 8:09 A.M.
DULY RECORDED ON THE 7TH DAY OF SEPTEMBER A.D. 2011 9:00 A.M.
BY: DEPUTY
DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

1-18-12

12-02086
FILED FOR RECORD
REEVES COUNTY, TEXAS
Mar 21, 2012 at 03:03:00 PM

STATE OF TEXAS

COUNTY OF REEVES

AFFIDAVIT OF DEATH, HEIRSHIP AND MARITAL HISTORY

Before me, the undersigned Notary Public, on this day personally appeared CLINT HURT, the "Affiant," who is seventy-six (76) years of age and whose mailing address is P.O. Box 1973, Midland, Texas 79702, who upon oath deposed and stated:

That he is well and personally familiar with the Marital History and Heirship of **James P. Boldrick**, the "Decedent," and that he was well and personally acquainted with the Decedent. The said Decedent died testate on September 23, 2010 in Hilton Head Island, South Carolina, and was domiciled in Beaufort County, South Carolina at the time of his death.

The said Decedent was married but once and then to Sue Starr Boldrick on September 30, 1961. Of this marriage three (3) children were born, namely:

1. **Starr Boldrick Bauer**, born October 12, 1962, married to Boyd William Bauer and whose current mailing address is P.O. Box 1436, Beeville, Texas 78104.

2. **James Miles Boldrick**, born November 6, 1965, married to Laurie Ann Boldrick and whose current mailing address is 5 Santa Anita Lane, Midland, Texas 79705.

3. **Kelly Boldrick Barbour**, born March 24, 1977, married to John Benjamin Barbour and whose current mailing address is 513 W. Lautrec Ct., Thousand Oaks, California 91360.

This marriage ended in divorce on March 10, 1997 in Midland County, Texas.

The said Decedent was married but a second time to Rosemary Boldrick on August 25, 2001. Of this marriage no children were born. This marriage ended in divorce on August 8, 2004 in Orange County, California.

The said Decedent was married but a third time to Christina Zinc Boldrick on February 12, 2006. Of this marriage no children were born. This marriage ended by the death of James P. Boldrick on the aforementioned date.

The said Decedent never adopted any children, never had any illegitimate children, nor was he ever adopted.

Thus the above information is true and correct and based upon my own personal knowledge.

THUS DONE AND SIGNED on this 18th day of January, 2012.

CLINT HURT, Affiant

12-02086
DIANNE O. FLOREZ
COUNTY CLERK
2012 Mar 21 at 03:03 PM
REEVES COUNTY, TEXAS
By: EF Elvia Flores DEPUTY

Subscribed and sworn to me this 18th day of January 2012.

My Commission expires 10/9/2013.

RANDY H McPHERSON
NOTARY PUBLIC
STATE OF TEXAS
MY COMMISSION EXPIRES 10-09-2013

Randy H. McPherson
Notary Public

4-16-1(

Dec

STATE OF SOUTH CAROLINA
CERTIFICATION OF VITAL RECORD

DEATH CERTIFICATION

STATE FILE NUMBER : 139-10-029171

DECEDENT'S NAME: *JAMES PRATT BOLDRICK* SEX: MALE
AKA's: NA SOCIAL SECURITY NUMBER: [redacted]
ARMED FORCES: YES
DATE OF BIRTH: NOVEMBER 15, 1938 AGE: 71 YEARS
TYPE OF PLACE OF DEATH: HOSPITAL-EMERGENCY ROOM/OUTPATIENT COUNTY OF DEATH: BEAUFORT
NAME AND ADDRESS OF PLACE OF DEATH: HILTON HEAD REGIONAL MEDICAL CENTER, HILTON HEAD ISLAND, SC 29926
PLACE OF DISPOSITION: THE ISLAND CREMATORY
DISPOSITION LOCATION: HILTON HEAD ISLAND, SOUTH CAROLINA
METHOD OF DISPOSITION: CREMATION
DECEDENT'S RESIDENCE: 23 RIDGEWOOD LANE, HILTON HEAD ISLAND, BEAUFORT COUNTY, SC, 29928
PLACE OF BIRTH: TEXAS MARITAL STATUS: MARRIED
SURVIVING SPOUSE'S NAME: CHRISTINA WASHBURN JORDAN
FATHER'S NAME: JOHN BOLDRICK
MOTHER'S NAME PRIOR TO FIRST MARRIAGE: JANE PRATT
INFORMANT'S NAME: CHRISTINA BOLDRICK RELATIONSHIP: WIFE
MAILING ADDRESS: 23 RIDGEWOOD LANE, HILTON HEAD ISLAND, SC, 29928
FUNERAL HOME: THE ISLAND FUNERAL HOME AND CREMATORY-HILTON HEAD, 4 CARDINAL RD., HILTON HEAD ISLAND, SC, 29926-3721
FUNERAL DIRECTOR: ALLEN L. RICHARDSON LICENSE NUMBER: 1702
EMBALMER'S NAME: NOT EMBALMED LICENSE NUMBER: NA
ACTUAL OR PRESUMED DATE OF DEATH : SEPTEMBER 23, 2010 MANNER OF DEATH : NATURAL
ACTUAL OR PRESUMED TIME OF DEATH: 1358
CAUSE OF DEATH - PART I
HYPERTENSIVE AND ATHEROSCLEROTIC CARDIOVASCULAR DISEASE

OTHER SIGNIFICANT CONDITIONS - PART II:
NA
CORONER CONTACTED? YES AUTOPSY PERFORMED? YES AUTOPSY AVAILABLE? YES
DATE OF INJURY: NA TIME OF INJURY: NA INJURY AT WORK? NA
PLACE OF INJURY: NA
LOCATION OF INJURY: NA
HOW THE INJURY OCCURRED?
NA
CERTIFIER NAME AND TITLE: CORONER J. EDWARD ALLEN LICENSE NUMBER: NA
CERTIFIER'S ADDRESS: POST OFFICE DRAWER 1228, BEAUFORT, SC, 29901
DATE FILED: SEPTEMBER 28, 2010
DATE OF ISSUANCE: OCTOBER 14, 2010
SPECIAL INSTRUCTIONS :
NA

SC 00958477

This is a true certification of the facts on file in the Division of Vital Records, SC Department of Health and Environmental Control.

C. Earl Hunter
Commissioner and State Registrar

Guang Zhao
Assistant State Registrar

This copy is not valid unless prepared on an engraved border displaying the state seal and issuing agency logo.

Revision Date: 05/01/2008

D H E C

ANY ALTERATION OR ERASURE VOIDS THIS CERTIFICATE

STATE OF SOUTH CAROLINA
COUNTY OF BEAUFORT

IN THE MATTER OF ESTATE OF
JAMES PRATT BOLDRICK

IN THE PROBATE COURT
CERTIFICATE OF APPOINTMENT

CASE NUMBER: 2010ES0700742

This is to certify that

STARR B. BAUER

JAMES MILES BOLDRICK

is/are the duly qualified

☒ PERSONAL REPRESENTATIVE
☐ GUARDIAN
☐ CONSERVATOR
☐ TRUSTEE

In the above matter and that this appointment, having been executed on the 15th day of April, 2011 is now in full force and effect, including authorization to receive all monies, income, principal, interest & dividends of and belonging to said estate.

RESTRICTIONS: None.

Executed this 25th day of April, 2011.

Do not accept a copy of this certificate without the raised seal of the Probate Court.

Francis M. Simon

FRANCIS M. SIMON, PROBATE JUDGE

FORM #141PC (1/91)
62-1-305, 62-3-103, 62-5-304, 62-5-421, 62-7-201

RECEIVED BY
BEAUFORT COUNTY
PROBATE COURT

STATE OF SOUTH CAROLINA)
) IN THE PROBATE COURT
COUNTY OF BEAUFORT) 11 MAR 31 [illegible]
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IN THE MATTER OF THE ESTATE OF)
JAMES PRATT BOLDRICK) CASE NUMBER: 2010ES0700742
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ORDER

Based on the Application for Approval of Compromise, and the Settlement Agreement and Waivers of Notice executed by or on behalf of all interested persons, This Court finds the "Mediated Family Settlement Agreement and Release" dated March 11, 2011 to be in good faith and that the effect of the agreement is just and reasonable.

THEREFORE, IT IS HEREBY ORDERED that the "Mediated Family Settlement Agreement and Release" dated March 11, 2011 is approved and that all parties and fiduciaries subject to this jurisdiction are bound to its terms.

Executed this 1st day of April, 2011.

Kenneth E. Fulp, Jr.
Associate Probate Judge

STATE OF SOUTH CAROLINA

MEDIATED FAMILY SETTLEMENT AGREEMENT AND RELEASE

BEAUFORT COUNTY

THIS FAMILY SETTLEMENT AGREEMENT AND RELEASE (hereinafter "Agreement") is made and entered into this 11th day of March, 2011, by, between, and among Christina Jordan Boldrick, as a Beneficiary and the Personal Representative of the Estate of James Pratt Boldrick (the "Estate"); Christina Jordan Boldrick, as a Beneficiary and co-Trustee of the James Pratt Boldrick Revocable Trust u/a/d June 10, 2009 (the "Revocable Trust"); Michael L.M. Jordan, as co-Trustee of the Revocable Trust; Starr Boldrick Bauer, as a Beneficiary of the Estate and the Revocable Trust; James Miles Boldrick, as a Beneficiary of the Estate and the Revocable Trust; Kelly Boldrick Barbour, as a Beneficiary of the Estate and the Revocable Trust; Eric McAdams Zink, as a Beneficiary of the Revocable Trust; Alexander Boles Zink, as a Beneficiary of the Revocable Trust; Lee Jordan Zink, as a Beneficiary of the Revocable Trust; James Miles Boldrick, as parent and natural guardian of each of Hayden Boldrick and Blakeney Boldrick, each a minor and a contingent Beneficiary of the Revocable Trust; Starr Boldrick Bauer, as parent and natural guardian of each of Walker Bauer, Jackson Bauer and Katie Bauer, each a minor and a contingent Beneficiary of the Revocable Trust; and Kelly Boldrick Barbour, as parent and natural guardian of Boldrick Barbour, a minor and a contingent Beneficiary of the Revocable Trust (collectively, the "Parties").

Andrea C. Chomakos and Susan Taylor Wall of the law firm of Parker, Poe, Adams & Bernstein, LLP represent Christina Jordan Boldrick, in her capacity as Beneficiary of the Estate and Revocable Trust. Michael L.M. Jordan of the McNair Law Firm, P.A. represents himself, in his capacity as co-Trustee of the Revocable Trust, and Christina Jordan Boldrick, in her capacity as co-Trustee of the Revocable Trust and as Personal Representative of the Estate. John Alphin and J. Preston Strom, Jr. of the Strom Law Firm represent each of Starr Boldrick Bauer, James Miles Boldrick and Kelly Boldrick Barbour, as Beneficiaries of the Estate and Revocable Trust.

RECITALS

WHEREAS, James Pratt Boldrick ("Jim Boldrick"), a resident of Beaufort County, South Carolina, died on September 23, 2011, leaving a Last Will and Testament dated June 10, 2009 (the "Will"), which has been probated in the Office of the Clerk of Probate Court of Beaufort County under the Estate File 201ES0700742.

WHEREAS, Jim Boldrick is survived by his wife, Christina Jordan Boldrick ("Chris Boldrick"), and children: Starr Boldrick Bauer ("Starr"), James Miles Boldrick ("Miles"), and Kelly Boldrick Barbour ("Kelly").

WHEREAS, Miles has two minor children, Hayden Boldrick and Blakeney Boldrick; Starr has three minor children, Walker Bauer, Jackson Bauer and Katie Bauer;

and, Kelly has one minor child, Boldrick Barbour. Hayden Boldrick, Blakeney Boldrick, Walker Bauer, Jackson Bauer, Katie Bauer, and Boldrick Barbour are all current living grandchildren of Jim Boldrick.

WHEREAS, Chris Boldrick qualified in Beaufort County as the Personal Representative of the Estate. The Estate is ongoing and Chris Boldrick currently is serving as Personal Representative of the Estate.

WHEREAS, on June 10, 2009, Jim Boldrick, as grantor and initial trustee, entered into the James Pratt Boldrick Revocable Trust.

WHEREAS, under the terms of Jim Boldrick's Will, after providing for the payments of debts, taxes and expenses, the Personal Representative is directed to distribute the residue of the Estate to the Revocable Trust.

WHEREAS, under the terms of the Revocable Trust, at Jim Boldrick's death, Chris Boldrick and Michael L.M. Jordan ("Michael Jordan") are named as the successor co-Trustees and they are presently serving as co-Trustees of the Revocable Trust.

WHEREAS, Article VI of the Revocable Trust contains several specific bequests, including the direction to distribute (1) Jim Boldrick's personal jewelry to his children, (2) Jim Boldrick's share of the house located at 23 Ridgewood Lane on Hilton Head Island, South Carolina (the "Hilton Head House") and the personal household furnishings and artwork in the Hilton Head House to the Boldrick Residence Trust, created under the Revocable Trust, (3) $250,000 to Kelly, (4) $25,000 to each of Chris Boldrick' sons, Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink, and (5) the remainder of Jim Boldrick's personal property to Chris Boldrick. Chris Boldrick has delivered Jim Boldrick's jewelry to Starr, Miles and Kelly.

WHEREAS, Article VII of the Revocable Trust directs that the balance of the trust property, after payment of debts, expenses and taxes, and the specific bequests in Article VI, is to be divided into two shares, the marital trust share (the "QTIP Trust") and the Boldrick Family Share. The QTIP Trust is to be funded with an amount equal to the greater of (i) one half of the balance of the trust property, or (ii) four million ($4,000,000) dollars. The remaining trust property, if any, shall constitute the Boldrick Family Share. The Boldrick Family Share is to be divided equally as among Jim Boldrick's children, and distributed to each of them, outright and free of trust.

WHEREAS, Chris Boldrick is the sole beneficiary of both the Boldrick Residence Trust and the QTIP Trust for her lifetime and all income is required to be distributed to her. At Chris Boldrick's death, the property remaining in the Boldrick Residence Trust is to be distributed in equal shares to Jim Boldrick's children and Chris Boldrick's children. With regard to the QTIP Trust, at Chris Boldrick's death, the property remaining in the QTIP Trust is to be distributed (i) $250,000 to Kelly, and (ii) the balance divided into equal shares for Jim Boldrick's children.

WHEREAS, Jim Boldrick owned the following assets at his death, which assets were titled in his name, the disposition of which is not controlled by beneficiary designation and that otherwise constitute assets of his Estate, and from which payment of his debts, expenses of his Estate and satisfaction of his specific bequests are to be made: (i) 28,125 shares of Doreal Energy Corporation (value unknown/unavailable), (ii) 250 shares of PowerSecure International, Inc. (estimated value of $2,275.00), (iii) 2,500 shares of Tall City Bancshares, Inc. (estimated value of $25,000.00), (iv) Bank of America Checking Account (date of death balance of $37,924.30), (v) Wells Fargo Prime Checking Account (date of death balance of $8,460.45), (vi) Promissory Note receivable from Starr Bauer (principal balance of $25,503.07), (vii) Promissory Note receivable from Starr Bauer (principal balance of $150,000.00), (viii) Interest in VSC Investors (a hedge fund) (capital commitment of $500,000.00, capital paid in to date of $197,094.00), (ix) Interest in Money Makers Investment Club (interest liquidated for $2,169.87), (x) 1.60% interest in Wilco Building Partners, Ltd. (value unknown/unavailable), (xi) State income tax refunds (aggregate of $59,019.40), (xii) appraised artwork and furnishings (appraised value of $204,405.00)("Jim's Artwork and Furnishings"), (xiii) 50% interest in the Hilton Head House, (xiv) various interests in oil and gas wells, titled either in Jim Boldrick's name or through a "d/b/a" account (collectively, "Jim's Oil and Gas Interests"), and (xv) various interests in oil and gas wells, titled with Chris Boldrick as a joint tenant (the "Joint Oil and Gas Interests"). Assets listed in this paragraph in items (i) – (xv) constitute the "Probate Estate Assets."

WHEREAS, the Hilton Head House is encumbered by a mortgage, the principal balance of which is approximately $448,000.00 (the "Mortgage").

WHEREAS, all furniture, furnishings and items of tangible personal property located in the Hilton Head House, **other than** Jim Boldrick's jewelry, Jim's Artwork and Furnishings included in Probate Estate Assets and the furnishings and other items of tangible personal property that Chris Boldrick owned prior to her marriage to Jim Boldrick, were jointly owned with Chris Boldrick (the "Joint Personal Property").

WHEREAS, in addition to the Probate Estate Assets, Jim owned an investment account (the "Investment Account"), held with Biondo Asset Management, which is titled "transfer on death" and Chris Boldrick is designated as the sole beneficiary of the Investment Account. The value of the Investment Account as of August 31, 2010 was approximately $3,898,929.00.

WHEREAS, Jim Boldrick also owned an individual retirement account (the "IRA"), also held with Biondo Asset Management, and Chris Boldrick is designated as the primary beneficiary of the IRA. The value of the IRA as of August 31, 2010 was approximately $1,883,041.00.

WHEREAS, Jim Boldrick and Chris Boldrick had maintained 2 joint checking accounts at Bank of America (the "Bank of America Joint Accounts"), which account were titled joint with right of survivorship.

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WHEREAS, John Hancock had issued a policy insuring Jim Boldrick's life with a death benefit of $1,000,000 (the "Life Insurance Policy"). The owner and beneficiary of the Life Insurance Policy is Chris Boldrick, as trustee of the James Boldrick Trust.

WHEREAS, the Parties have not located any trust agreement or document related to ownership of the Life Insurance Policy.

WHEREAS, to date, the Estate has incurred certain expenses in connection with its administration, the payment of Jim Boldrick's final debts and expenses, and maintaining the Probate Estate Assets (the "Estate Expenses").

WHEREAS, to date, there have been no claims made against the Estate, all of Jim Boldrick's final debts have been paid, and there are no current outstanding claims or expenses of the Estate.

WHEREAS, the Parties desire to resolve any and all outstanding differences among them concerning the Revocable Trust, the Estate, the Life Insurance Policy, the Investment Account, the IRA, the Bank of America Joint Accounts, the Probate Estate Assets and any and all dealings by, among, or concerning each other, the Revocable Trust, the Estate, the Life Insurance Policy, the Investment Account, the IRA, the Bank of America Joint Accounts and the Probate Estate Assets.

WHEREAS, the Parties agreed to mediate and selected the Honorable Thomas W. Cooper, Jr., Retired Circuit Court Judge, to conduct mediation.

WHEREAS, during the mediation, the Parties reached an agreement to resolve their differences regarding the Revocable Trust, the Estate, the Life Insurance Policy, the Investment Account, the IRA, the Bank of America Joint Accounts, the Probate Estate Assets and all other matters related to the Estate and the Revocable Trust, and they desire to enter into this Agreement to memorialize the resolution of all disputes between them.

WHEREAS, the Parties are entering into this Agreement pursuant to the provisions of South Carolina General Statute Section 62-3-912.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Recitals Incorporated into Agreement**. All of the Recitals contained in this Agreement that are referenced above, are true and correct to the best of each Party's knowledge, and incorporated herein and made a part of this Agreement.

2. **Property Already Received Shall Remain with Receiving Party**. Miles, Starr and Kelly shall respectively retain all property each of them has in their possession as previously received from the Trust and/or the Estate, specifically Jim Boldrick's jewelry. Chris Boldrick shall retain ownership of all property received by her

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in any manner, including as a matter of, or by, operation of law, from the Revocable Trust and/or the Estate, specifically, the Investment Account, the IRA, the Bank of America Joint Accounts and the Joint Personal Property.

3. **Payment of Estate Expenses and Mortgage**. The Parties agree to and hereby approve the prior payment of the Estate Expenses as expenses of the Estate payable from the Probate Estate Assets. The Parties acknowledge that the Mortgage is a debt of the Estate, also payable from the Probate Estate Assets, but that Chris Boldrick shall assume the Mortgage (the principal balance of which is approximately $448,000.00).

4. **Waiver of Specific Bequests**. Each of Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink waives their right to receive the specific bequest set forth in Article VI of the Revocable Trust.

5. **Disposition of Probate Estate Assets**. Promptly upon the approval of the Agreement by the Court (but in no case, not later than 10 days after the entry of an order approving the Agreement), the Personal Representative and/or the co-Trustees of the Revocable Trust shall distribute the Probate Estate Assets as follows:

a. Hilton Head House. The Estate's 50% interest in the Hilton Head House to Chris Boldrick, outright and free of trust, subject to the Mortgage.

b. Personal Property. The Joint Personal Property to Chris Boldrick, outright and free of trust.

c. Balance. Chris Boldrick shall execute a qualified disclaimer with regard to her interest in the remainder of the Probate Estate Assets and the Revocable Trust. Each of Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink shall execute a qualified disclaimer with regard to each of their interests in the remainder of the Probate Estate Assets and the Revocable Trust. The purpose and intent of such disclaimers shall be that each of Chris Boldrick. Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink relinquish their rights in and to the balance of the Probate Estate Assets.

6. **Disposition of Life Insurance Policy**. Promptly upon the approval of the Agreement by the Court (but in no case, not later than 10 days after the entry of an order approving the Agreement), Chris Boldrick shall cause the payment and distribution of the balance held in an account with John Hancock containing the full amount of the death benefit proceeds of the Life Insurance Policy and interest paid thereon, to Starr, Miles and Kelly in such portions as they shall direct. John Hancock has paid interest on the death benefit proceeds of the Life Insurance Policy, the aggregate amount paid in calendar year 2010 was approximately $4,000 and Chris Boldrick has engaged a certified public accountant to prepare the required Federal and State income tax return related to

this interest income, the cost of which and the income tax liability shall be paid from the Life Insurance Policy prior to distribution to the Boldrick children.

7. **Agreement to Terminate the QTIP Trust and the Boldrick Residence Trust**. Upon Court approval of this Agreement, the Parties agree and acknowledge that neither the QTIP Trust nor the Boldrick Residence Trust will be funded and both are treated as terminated as a result of this Agreement. The Parties further agree and acknowledge that they are relinquishing current and future rights to both trusts and the property that otherwise would be distributable to both trusts.

8. **Oil and Gas Interests**. Miles shall undertake to prepare all deed and title work necessary to transfer Jim's Oil and Gas Interests, the portion of the Joint Oil and Gas Interests included as Probate Estate Assets, and Chris Boldrick's share of the Joint Oil and Gas Interests (as set forth below), to Starr, Miles and Kelly in such shares and portions as they shall determine. Chris Boldrick shall execute such deed and title work that is presented to her for execution in order to transfer ownership of Jim's Oil and Gas Interests and the Joint Oil and Gas Interests, such transfer to be made effective as of April 1, 2011.

9. **Purchase of VSC Investors from the Estate**. Promptly upon the approval of the Agreement by the Court (but in no case, not later than 10 days after the entry of an order approving the Agreement), Chris Boldrick shall purchase from the Estate the interest in VSC Investors for the aggregate sum of $500,000. Chris Boldrick shall solely be responsible for any and all capital calls with regard to the interest in VSC Investors. The Parties agree that this Agreement, as well as the required court approval of this Agreement, satisfy the provisions of South Carolina General Statute Sections 62-3-713 and 62-7-1009 with regard to the purchase by Chris Boldrick of the Estate's interest in VSC Investors.

10. **Chris Boldrick's Share of Joint Oil and Gas Interests**. Chris Boldrick shall transfer to Miles, Starr and Kelly, in such shares as they shall direct and provide, her individual interest in the Joint Oil and Gas Interests. Miles shall undertake to prepare the necessary deed and title work as set forth above, and such transfer to be made effective as of April 1, 2011.

11. **2010 Federal and State Income Tax Return**. Chris Boldrick and Jim Boldrick had filed joint Federal and State income tax returns in prior years and planned to do so for the 2010 year. Chris Boldrick and Jim Boldrick shall file joint Federal and State income tax returns for the 2010 tax year and Chris Boldrick shall be solely responsible for the joint income tax liability for the joint 2010 income tax returns.

12. **Co-Trustees of the Revocable Trust and Personal Representative of the Estate**. Chris Boldrick and Michael Jordan shall resign as co-Trustees of the Revocable Trust, effective immediately upon approval of the Court of this Agreement. Additionally, Chris Boldrick shall resign as Personal Representative of the Estate, upon approval of the Court of this Agreement and upon execution of the necessary

documentation to petition the Court for the appointment of Starr Bauer and Miles Boldrick as joint Personal Representatives of the Estate, which shall occur not later than 10 days after the entry of an order approving the Agreement. Neither Chris Boldrick nor Michael Jordan shall be entitled to compensation for services provided as co-Trustee of the Revocable Trust. Chris Boldrick shall not be entitled to compensation or commissions for services provided as Personal Representative of the Estate.

13. **Estate Tax Return and Basis Step Up Pursuant to IRC Section 1014.** The Parties hereto agree that the assets of the Estate shall be entitled to a basis adjustment pursuant to Internal Revenue Code Section 1014, as assets included in the Estate of Jim Boldrick.

14. **Releases.**

a. Chris Boldrick. In consideration of the promises, terms and conditions set forth in this Agreement, each of Starr, Miles and Kelly, for himself or herself, and his or her respective successors, heirs (including each of their respective minor children), executors, administrators, representatives, agents, attorneys and assigns forever waives, releases, and fully discharges Chris Boldrick, in her individual capacity and as Personal Representative of the Estate and as co-Trustee of the Revocable Trust, and as trustee of the trust owning the Life Insurance Policy from liability for any and all claims, causes of actions, damages, demands, expenses, and liabilities, whether known or unknown, arising directly, or indirectly, in whole, or in part, out of, or in any way relating to the Estate, the Revocable trust, the Probate Estate Assets, the IRA, the Investment Account, Jim's Oil and Gas Interests, the Joint Oil and Gas Interests, the Bank of America Joint Accounts, the Life Insurance Policy and any asset transfers, or other transactions, made by Jim Boldrick during his lifetime, except for the performance of the obligations of this Agreement.

b. Michael Jordan. In consideration of the promises, terms and conditions set forth in this Agreement, each of Starr, Miles and Kelly, for himself or herself, and his or her respective successors, heirs (including each of their respective minor children), executors, administrators, representatives, agents, attorneys and assigns forever waives, releases, and fully discharges Michael Jordan, in his individual capacity and as co-Trustee of the Revocable Trust, from liability for any and all claims, causes of actions, damages, demands, expenses, and liabilities, whether known or unknown, arising directly, or indirectly, in whole, or in part, out of, or in any way relating to the Will, the Revocable Trust, the Estate, the Probate Estate Assets, the IRA, the Investment Account, the Joint Oil and Gas Interests, the Bank of America Joint Accounts, the Life Insurance Policy and any asset transfers, or other transactions, made by Jim Boldrick during his

lifetime, except for the performance of the obligations of this Agreement.

c. Starr Boldrick Bauer, James Miles Boldrick and Kelly Boldrick Barbour. In consideration of the promises, terms and conditions set forth in this Agreement, each of Chris Boldrick, Eric McAdams Zink, Alexander Boles Zink and Lee Jordan Zink, for himself or herself, and his or her respective successors, heirs, executors, administrators, representatives, agents, attorneys and assigns forever waives, releases, and fully discharges each of Starr, Miles and Kelly from liability for any and all claims, causes of actions, damages, demands, expenses, and liabilities, whether known or unknown, arising directly, or indirectly, in whole, or in part, out of, or in any way related to the Will, the Revocable Trust, the Probate Estate Assets, the Life Insurance Policy and any asset transfers, or other transactions, made by Jim Boldrick during his lifetime, except for the performance of the obligations of this Agreement.

15. **Attorney Fees / Mediation Cost.**

a. Attorneys' Fees. Chris Boldrick agrees that she shall bear and be responsible for her legal fees for the services provided by the law firm of Parker, Poe, Adams & Bernstein, LLP. Starr, Miles and Kelly agree that they shall bear and be responsible for their legal fees for the services provided by the Strom Law Firm. The Parties agree that the legal services provided by the McNair Law Firm to the Estate and the Revocable Trust, to the extent invoiced as of the date of this Agreement, the final invoice of which shall be paid from the Estate by March 14, 2011 and the Estate has sufficient cash to fully satisfy this final invoice, shall be paid from the Estate and that neither the McNair Law Firm nor Chris Boldrick shall be liable to any of the Estate, the Revocable Trust or any Beneficiaries of the Estate or Revocable Trust for any legal fees paid to the McNair Law Firm in connection with the administration of the Estate and Revocable Trust.

b. Mediation Cost. The Parties further agree to be responsible for payment of the mediation fee to be invoiced by the Honorable Thomas W. Cooper, Jr. as follows: (i) one-half by Chris Boldrick, and (ii) one-half by Starr, Miles and Kelly, jointly and severally.

16. **Specific Performance.** The Parties hereby acknowledge that the obligations contained herein are personal to the Parties and that failure by any Party to perform their obligations contained herein shall cause irreparable damage to the other and therefore acknowledges that the obligations contained herein are subject to enforcement for specific performance.

17. **Further Assurances**. The Parties hereto shall execute any and all such other documents and take any additional action necessary to effectuate this Agreement, including, but not limited to, filing the proper documents with the appropriate Court for approval of this Agreement as provided herein.

18. **Court Approval Required and Appointment of Guardian ad Litem(s)**.

a. Petition in Beaufort County, South Carolina Probate Court. It is specifically agreed that court approval of this Agreement, and the transactions contemplated herein, is required and that in the event court approval is not granted, then this Agreement shall be null and void and it shall be deemed that the Parties never entered into it. The Parties shall execute such petition and other documents as is necessary and appropriate to seek the approval of the Beaufort County, South Carolina Probate Court (the "Petition").

b. Guardian ad Litem(s). The Parties acknowledge and agree that a Guardian ad Litem may be necessary to be appointed to represent the interests of the minor beneficiaries and the unborn heirs of the beneficiaries who have interests in the Revocable Trust. The Parties shall seek the appointment of such Guardian ad Litems as are necessary to sufficiently represent the interests of the minor and unborn beneficiaries in the Petition to approve this Agreement. Each Party seeking such appointment shall bear their respective costs.

19. **South Carolina Law Applies**. This Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina. Any action concerning this Agreement shall be brought in the South Carolina Probate Court in Beaufort County.

20. **Successor and Assigns Bound**. This Agreement shall be binding upon and inure to the benefit of the Parties of this Agreement and the Parties respective successors, heirs and assigns.

21. **No Waiver**. The waiver of any breach of this Agreement shall not be construed as a waiver of any subsequent breach.

22. **Entire Agreement**. This Agreement constitutes the entire Agreement and understanding of the Parties and supersedes all prior and contemporaneous agreements, understandings and negotiations, whether written or not. This Agreement may not be amended or modified except in writing signed by each of the Parties to this Agreement.

23. **Counterparts**. This Agreement shall be executed in counterparts, which when taken together, shall constitute one Agreement.

24. **Triplicate Originals.** The Parties agree to execute three (3) originals of this Agreement.

IN WITNESS WHEREFORE, after having read this Agreement, and consulted with counsel, the Parties hereto set their hands and seals the day and year first written above and agree to its terms:

Signatures Pages to Follow

JPA

(SEAL)
Christina Jordan Boldrick, individually and as Beneficiary and Personal Representative of the Estate, and as Beneficiary and co-Trustee of the Revocable Trust

Witness

(SEAL)
Michael L.M. Jordan, individually and in his capacity as co-Trustee of the Revocable Trust

Witness

_____(SEAL)
James Miles Boldrick, in his capacity as a Beneficiary of the Estate and Revocable Trust and as Parent and Natural Guardian of Hayden and Blakeny Boldrick, minors

_____
Witness

_____(SEAL)
Starr Boldrick Bauer, in her capacity as a Beneficiary of the Estate and Revocable Trust and as Parent and Natural Guardian of Walker Bauer, Katie Bauer, and Jackson Bauer, minors

_____
Witness

_____(SEAL)
Kelly Boldrick Barbour, in her capacity as a Beneficiary of the Estate and Revocable Trust and as Parent and Natural Guardian of Boldrick Barbour, minor

_____
Witness

(SEAL)
Christina Jordan Boldrick, in her capacity as agent under Power of Attorney for Eric McAdams Zink, Beneficiary of the Revocable Trust

Witness

(SEAL)
Christina Jordan Boldrick, in her capacity as agent under Power of Attorney for Alexander Boles Zink, Beneficiary of the Revocable Trust

Witness

(SEAL)
Christina Jordan Boldrick, in her capacity as agent under Power of Attorney for Lee Jordan Zink, Beneficiary of the Revocable Trust

Witness

4-1-11

CONVEYANCE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

THE STATE OF TEXAS
COUNTY OF REEVES

GRANTOR: CHRISTINA J. BOLDRICK, INDIVIDUALLY AND JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED
23 RIDGEWOOD LANE
HILTON HEAD ISLAND, SC 29928

GRANTEE: LAGNIAPPE HYDROCARBONS L.L.C., JAMES MILES BOLDRICK, MANAGER 100%
P.O. BOX 10668
MIDLAND, TEXAS 79702

EFFECTIVE DATE: April 1st, 2011

For value received, Grantor does hereby grant and convey to Grantee, the following:
(a) all interest of Grantor in oil, gas leases and other minerals in and under and that may be produced from the following described land, situated in the above described County:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE PART OF THIS CONVEYANCE

together with appropriate rights of ingress and egress but such interest being subject to existing leases insofar as they cover the Properties; and
(b) the interest, if any, of Grantor in leases covering the mineral estate in the above land and in working interest, royalties and overriding royalties and delay rentals and all other benefits payable with respect to such leases.

Grantor appoints and constitutes Grantee as the agent and attorney-in-fact of Grantor for the limited purpose of obtaining information regarding the income from the purchasers of oil, gas and/or other minerals and for executing on behalf of Grantor, division orders and transfer orders and other instruments as may be appropriate to effectuate the transfer of this property and interest being conveyed to Grantee herein as described on Exhibit "A". Grantee is also given, through this provision, the authority to correct the description of the property being conveyed, if necessary, to show the actual description of the property as reflected by the County Records in which the property is located. Such correction may be accomplished by the attachment of a new Exhibit "A" which shows the correct description of the property being conveyed. This Power of Attorney is not affected by subsequent disability or incapacity of the principal. Grantee is to receive all accrued sums allocable to the grant herein made which have not been disbursed to Grantor, here along with all causes of action which Grantor may have against any party accruing to the interests, lands, leases and properties conveyed herein.

It is the express intent of Grantor that this conveyance transfer to Grantee, all of Grantor's interest in and to the property described on Exhibit "A", including any interest or property which is not fully or accurately described. In furtherance of this purpose, Grantor agrees to execute and deliver to Grantee such other and further instruments of conveyance, assignment and transfer, and to do or cause to be done all such acts and things as may be necessary to more fully convey, assign and transfer the property to Grantee, as to the extent contemplated hereby, in a timely fashion.

This conveyance is made with warranty of title by, through and under Grantor, and is made with full subrogation of Grantee to all rights of Grantor with respect to warranties of title heretofore given by persons other than Grantor concerning the property interests herein conveyed, and is free of all liens and encumbrances of any kind or character.

THIS DOCUMENT AFFECTS YOUR LEGAL RIGHTS, PLEASE READ CAREFULLY OR SEEK LEGAL COUNSEL PRIOR TO SIGNING. GRANTOR REPRESENTS AND WARRANTS THAT HE/SHE/IT HAS READ THE ENTIRE CONTRACT, OR HAS HAD IT READ TO HIM/HER/IT AND UNDERSTANDS AND AGREES TO THE TERMS OF THIS CONTRACT. NOTICE PURSUANT TO SB 436, CHAPTER 5, SUBCHAPTER F, OF THE TEXAS PROPERTY CODE: BY EXECUTING AND DELIVERING THIS INSTRUMENT YOU ARE SELLING ALL OR PORTION OF YOUR MINERAL OR ROYALTY INTEREST IN THE ABOVE REFERENCED PROPERTY LOCATED IN REEVES COUNTY, TEXAS. BY EXECUTING AND DELIVERING THIS INSTRUMENT (WHETHER RECORDED IN THE COUNTY/PARISH OR UNRECORDED) GRANTOR HEREBY AUTHORIZES ANY AND ALL OPERATORS, LESSEES, GATHERING COMPANIES OR PURCHASERS OF PRODUCTION, TO RELEASE THE FOLLOWING INFORMATION TO GRANTEE, GRANTEE'S AGENTS, HEIRS OR ASSIGNS: GRANTOR'S OWNERSHIP INTERESTS, INCLUDING GRANTOR'S DECIMAL INTEREST, NET/GROSS ACRES, PAYMENT HISTORY, LEGAL DESCRIPTIONS, UNIT OWNERSHIP AND BOUNDARIES, TRACT PARTICIPATION FACTORS, SUSPENSE ACCOUNTS AND OTHER INFORMATION REGARDING GRANTOR'S OWNERSHIP INTERESTS, WITHOUT LIMITATION, AND AS REQUESTED BY GRANTEE.

Grantor: CHRISTINA J. BOLDRICK

BY: CHRISTINA J. BOLDRICK

Grantor: JAMES MILES BOLDRICK, PERSONAL REPRESENTATIVE

BY: JAMES MILES BOLDRICK

Grantor: STARR B. BAUER, PERSONAL REPRESENTATIVE

BY: STARR B. BAUER

ACKNOWLEDGMENT

State of South Carolina
County of Beaufort

This instrument was acknowledged before me on this 9th day of June 2011, BY, CHRISTINA J. BOLDRICK, INDIVIDUALLY

Karen S Quier
Notary Public, State of South Carolina
My Commission Expires on 4.25.21

ACKNOWLEDGMENT

State of Texas
County of Midland

This instrument was acknowledged before me on this 22nd day of June 2011, BY, JAMES MILES BOLDRICK, PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK

Stacy L. Mathews
Notary Public, State of Texas
My Commission Expires on 2.5.14

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 02-05-2014

ACKNOWLEDGMENT

State of Texas
County of Ector

This instrument was acknowledged before me on this 19th day of May 2011, BY, STARR B. BAUER, PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK

Antonia Guerrero
Notary Public, State of Texas
My Commission Expires on 03/08/13

ANTONIA GUERRERO
My Commission Expires
March 8, 2013

EXHIBIT "A"

ATTACHED TO CONVEYANCE FOR REEVES COUNTY, TEXAS

GRANTOR: CHRISTINA J. BOLDRICK, INDIVIDUALLY AND JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED

GRANTEE: LAGNIAPPE HYDROCARBONS L.L.C., MILES BOLDRICK, MANAGER

THE FOLLOWING LANDS IN REEVES COUNTY, TEXAS:

SEC 10, BLK C-20, PSL SURVEY
SEC 100 AND 101, BLK 13, H & GN RR CO SURVEY
SEC 120, BLK 13, H&GN RR CO SURVEY

THE PURPOSE OF THIS CONVEYANCE IS TO CONVEY ALL OF GRANTOR'S WORKING INTEREST, MINERAL AND ROYALTY INTEREST IN, THROUGH AND UNDER THE ABOVE DESCRIBED LANDS AND COUNTY INCLUDING BUT NOT LIMITED TO THE FOLLOWING LEASES:

DIXIELAND 10 #1
DIXIELAND 10 #2

Certificate of Record

24.80 Recording Fee

Certified Copy Fee

24.80 Total Paid Enc.

Return to:
Baldrick Family properties
P.O. Box 10648
Midland TX. 79702

Dup

004535

FILED FOR RECORD
2011 JUL 12 AM 9:50
DIANNE O. FLOREZ
COUNTY CLERK, REEVES COUNTY, TX.

COMPARED

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.

THE STATE OF TEXAS, }
COUNTY OF REEVES. }

I, hereby certify that this instrument with its certificates of authenticity was FILED on the date and at the time stamped hereon and was duly RECORDED in the OFFICIAL PUBLIC RECORDS of Real Property of Reeves County, Texas, as indicated.

OPR VOL. 888 PAGE 413 DATE RECORDED 07/25/11

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS
By: Delia Holguin Deputy

BEAR GRAPHICS, INC.

4-1-11

CONVEYANCE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

THE STATE OF TEXAS
COUNTY OF REEVES

12-02087
FILED FOR RECORD
REEVES COUNTY, TEXAS
Mar 21, 2012 at 03:03:00 PM

GRANTOR: JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED
1011 W. WALL
MIDLAND, TEXAS 79701

GRANTEE: LAGNIAPPE HYDROCARBONS L.L.C., JAMES MILES BOLDRICK, MANAGER 100%
P.O. BOX 10668
MIDLAND, TEXAS 79702

EFFECTIVE DATE: April 1st, 2011

For value received, Grantor does hereby grant and convey to Grantee, the following:
(a) all interest of Grantor in oil, gas leases and other minerals in and under and that may be produced from the following described land, situated in the above described County:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE PART OF THIS CONVEYANCE

together with appropriate rights of ingress and egress but such interest being subject to existing leases insofar as they cover the Properties; and
(b) the interest, if any, of Grantor in leases covering the mineral estate in the above land and in working interest, royalties and overriding royalties and delay rentals and all other benefits payable with respect to such leases.

Grantor appoints and constitutes Grantee as the agent and attorney-in-fact of Grantor for the limited purpose of obtaining information regarding the income from the purchasers of oil, gas and/or other minerals and for executing on behalf of Grantor, division orders and transfer orders and other instruments as may be appropriate to effectuate the transfer of this property and interest being conveyed to Grantee herein as described on Exhibit "A". Grantee is also given, through this provision, the authority to correct the description of the property being conveyed, if necessary, to show the actual description of the property as reflected by the County Records in which the property is located. Such correction may be accomplished by the attachment of a new Exhibit "A" which shows the correct description of the property being conveyed. This Power of Attorney is not affected by subsequent disability or incapacity of the principal. Grantee is to receive all accrued sums allocable to the grant herein made which have not been disbursed to Grantor, here along with all causes of action which Grantor may have against any party accruing to the interests, lands, leases and properties conveyed herein.

It is the express intent of Grantor that this conveyance transfer to Grantee, all of Grantor's interest in and to the property described on Exhibit "A", including any interest or property which is not fully or accurately described. In furtherance of this purpose, Grantor agrees to execute and deliver to Grantee such other and further instruments of conveyance, assignment and transfer, and to do or cause to be done all such acts and things as may be necessary to more fully convey, assign and transfer the property to Grantee, as to the extent contemplated hereby, in a timely fashion.

This conveyance is made with warranty of title by, through and under Grantor, and is made with full subrogation of Grantee to all rights of Grantor with respect to warranties of title heretofore given by persons other than Grantor concerning the property interests herein conveyed, and is free of all liens and encumbrances of any kind or character.

THIS DOCUMENT AFFECTS YOUR LEGAL RIGHTS, PLEASE READ CAREFULLY OR SEEK LEGAL COUNSEL PRIOR TO SIGNING. GRANTOR REPRESENTS AND WARRANTS THAT HE/SHE/IT HAS READ THE ENTIRE CONTRACT, OR HAS HAD IT READ TO HIM/HER/IT AND UNDERSTANDS AND AGREES TO THE TERMS OF THIS CONTRACT. NOTICE PURSUANT TO SB 436, CHAPTER 5, SUBCHAPTER F, OF THE TEXAS PROPERTY CODE: BY EXECUTING AND DELIVERING THIS INSTRUMENT YOU ARE SELLING ALL OR PORTION OF YOUR MINERAL OR ROYALTY INTEREST IN THE ABOVE REFERENCED PROPERTY LOCATED IN ANDREWS COUNTY, TEXAS. BY EXECUTING AND DELIVERING THIS INSTRUMENT (WHETHER RECORDED IN THE COUNTY/PARISH OR UNRECORDED) GRANTOR HEREBY AUTHORIZES ANY AND ALL OPERATORS, LESSEES, GATHERING COMPANIES OR PURCHASERS OF PRODUCTION, TO RELEASE THE FOLLOWING INFORMATION TO GRANTEE, GRANTEES AGENTS, HEIRS OR ASSIGNS: GRANTOR'S OWNERSHIP INTERESTS, INCLUDING GRANTOR'S DECIMAL INTEREST, NET/GROSS ACRES, PAYMENT HISTORY, LEGAL DESCRIPTIONS, UNIT OWNERSHIP AND BOUNDARIES, TRACT PARTICIPATION FACTORS, SUSPENSE ACCOUNTS AND OTHER INFORMATION REGARDING GRANTOR'S OWNERSHIP INTERESTS, WITHOUT LIMITATION, AND AS REQUESTED BY GRANTEE.

Grantor: JAMES MILES BOLDRICK, PERSONAL REPRESENTATIVE

BY: JAMES MILES BOLDRICK

Grantor: STARR B. BAUER, PERSONAL REPRESENTATIVE

BY: STARR B. BAUER

ACKNOWLEDGMENT

State of Texas
County of Midland

This instrument was acknowledged before me on this 16th day of January 2012, BY, JAMES MILES BOLDRICK, PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK

Stacy L. Mathews
Notary Public, State of Texas
My Commission Expires on 02.05.2014

STACY L. MATHEWS
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Exp. 02-05-2014

ACKNOWLEDGMENT

State of Texas
County of Bee

This instrument was acknowledged before me on this 18th day of January 2012, BY, STARR B. BAUER, PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK

Antonia Guerrero
Notary Public, State of Texas
My Commission Expires on 03-08-2013

ANTONIA GUERRERO
My Commission Expires
March 8, 2013

EXHIBIT "A"

ATTACHED TO CONVEYANCE FOR REEVES COUNTY, TEXAS

GRANTOR: JAMES MILES BOLDRICK AND STARR B. BAUER AS PERSONAL REPRESENTATIVES OF THE ESTATE OF JAMES P. BOLDRICK, DECEASED

GRANTEE: LAGNIAPPE HYDROCARBONS L.L.C., MILES BOLDRICK, MANAGER

THE FOLLOWING LANDS IN REEVES COUNTY, TEXAS:

Section 38, Block 57, A-2027, T&P RR Co. Survey

THE PURPOSE OF THIS CONVEYANCE IS TO CONVEY ALL OF GRANTOR'S WORKING INTEREST, MINERAL AND ROYALTY INTEREST IN, THROUGH AND UNDER THE ABOVE DESCRIBED LANDS AND COUNTY.

12-02687
CHANNE O. FLORES
COUNTY CLERK
2012 Mar 21 at 03:03 PM
REEVES COUNTY, TEXAS
By: EF Elsie Flores DEPUTY

#136

STATE

File No. MF065125

Title requested from Petro Tech

DEEP RIGHTS

Date Filed: 7-26-12

Jerry E. Patterson, Commissioner

By R Boyd

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

UPA148348

Unit Number	*7021*		
Operator Name	*Bhp Billiton Petroleum Properties (N.A.), LP*	*Effective Date*	*09/09/2014*
Customer ID	*C000079756*	*Unitized For*	*Oil And Gas*
Unit Name	*State Barlow 57-T2-47X38*	*Unit Term*	
County 1	*Reeves*	*RRC District 1*	*08*
County 2		*RRC District 2*	
County 3		*RRC District 3*	
County 4		*RRC District 4*	
Unit type	*Permanent*		
State Net Revenue Interest	*0.05565492*		
State Part in Unit	*0.66785900*		
Unit Depth	*Specified Depths*	*Well*	
From Depth	*4000 TVD*	*Formation*	*Base of Delaware to Base of Wolfcamp*
To Depth	*11465 TVD*	*Participation Basis*	*Surface Acreage*
		If Excluions Apply: See Remarks	

Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*Lease Royalty*	*Tract Royalty Participation*	*Royalty Rate Reduction Clause*
MF065125	1	321.140000	480.850000	0.66785900	0.08333300	0.05565469	No

API Number permit # 795805

Remarks:

Prepared By:	REW	*Prepared Date:*	9-9-14
GLO Base Updated By:	REW	*GLO Base Date:*	9-9-14
RAM Approval By:	VD	*RAM Approval Date:*	9-17-14
GIS By:	ML	*GIS Date:*	10-7-14
Well Inventory By:	MMB	*WI Date:*	9/9/14

Pooling Committee Report

To:	**School Land Board**	**UPA148348**
Date of Board Meeting:	**09/09/2014**	**Unit Number: 7021**
Effective Date:	**09/09/2014**	
Unit Expiration Date:		
Applicant:	**BHP Billiton Petroleum Properties (N.A.), LP**	
Attorney Rep:		
Operator:	**Bhp Billiton Petroleum Properties (N.a.), Lp**	
Unit Name:	**State Barlow 57-T2-47X38**	
Field Name:	**Phantom (Wolfcamp)**	

County: Reeves

Lease Type	Lease Number	Lease Royalty	Expiration Date	Lease Term	Lease Acres	Lease Acres In Unit	Royalty Participation
RAL	MF065125	0.08333300	10/21/1970	1 months	640.000000	321.140000	0.05565469

Private Acres:	159.710000
State Acres:	321.140000
Total Unit Acres:	480.850000

Participation Basis:	Surface Acreage
Surface Acreage	
State Acreage:	66.79%
State Net Revenue Interest:	5.57%

Unit Type:	Unitized for:
Permanent	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
Yes	704 acres based on a 7500 foot lateral

Working File Number: UPA148348

REMARKS:

- BHP Billiton Petroleum Properties (N.A.), LP is requesting permanent oil and gas pooling from 4,000 feet TVD to 11,465 feet TVD as seen on the Fortune Unit 2R well log (42-389-31270) in order to test the Bone Spring and Wolfcamp Formations. Depths from 4,000 to 4,595 feet will be excluded from the unit in the W/2 of section 38.
- The applicant plans to spud the unit well on October 3, 2014, with a proposed TD of 10,150 feet TVD. A 7,500 foot lateral is expected to be drilled.
- With approval of the unit the State's unit royalty participation will be 5.57%.
- The State will participate on a unitized basis from the date of first production.

POOLING COMMITTEE RECOMMENDATION:

The Pooling Committee recommends Board approval of a permanent oil and gas unit under the above-stated provisions.

Mary Smith by Priscilla Haberek — 8/26/2014

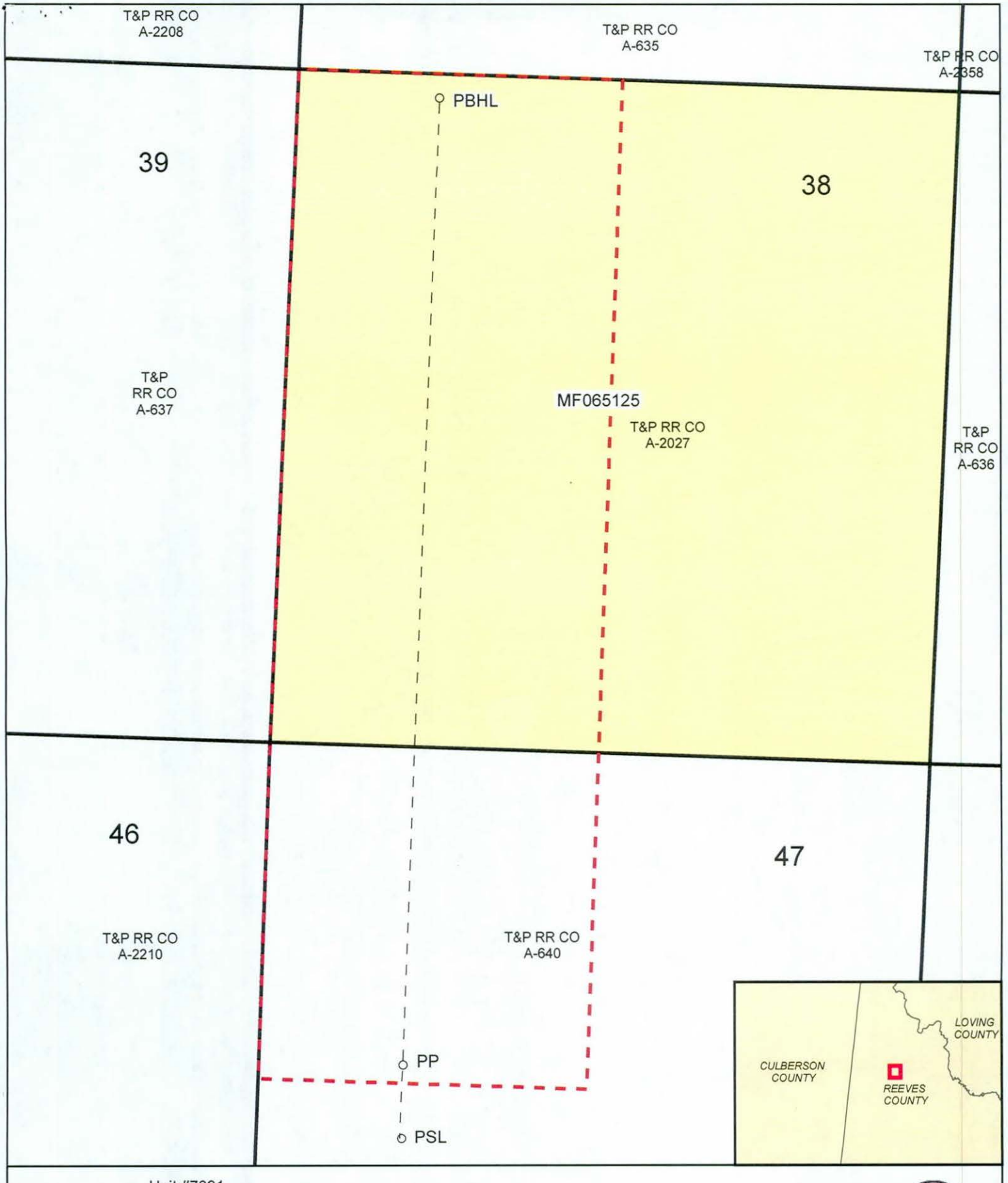
Mary Smith - Office of the Attorney General — Date

RJH — 8/26/14

Robert Hatter - General Land Office — Date

David Zimmerman — 8/26/14

David Zimmerman - Office of the Governor — Date



Unit #7021
BHP Billiton Petroleum
State Barlow 57-T2-47x38
Phantom (Wolfcamp) Field
Reeves County, Texas

1,000 500 0 1,000 Feet

The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.

Map Generated by:
Mark Conway
IS/BAS/GIS
September 2014

POOLING AGREEMENT
BHP BILLITON PETROLEUM PROPERTIES (N.A.), LP
STATE BARLOW 57-T2-47X38 UNIT
GLO UNIT NO. 7021
REEVES COUNTY, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and BHP Billiton Petroleum Properties (N.A.), LP, herein referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

PURPOSES: 1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit formed hereby. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION: 2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED: 3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from 4,000 feet TVD below the surface to the stratigraphic equivalent of 100 feet below the base of the Wolfcamp Formation, which is seen at a depth of 11,465 feet TVD, on the log of the Fortune Unit 2R Well, API No. 42-389-31270, less and except those depths from 4000 feet TVD to 4,595 feet TVD on the W/2 of section 38 being Tract 2 on the attached Exhibit "C" ("unitized interval").

POOLING AND EFFECT: 4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

(a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.

(e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

(f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.

(g) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 480 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

(h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.

(j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

ALLOCATION OF PRODUCTION: 5.

For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND: 6.

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

FULL MARKET VALUE: 7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

(a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;

(b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE: 8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of September 9, 2014.

TERM: 9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION: 11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Reeves County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER: 12.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease; (3) constitute a waiver or release of any claim by the State that such lease is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

COUNTERPARTS: 13.

This Agreement may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement upon the respective dates indicated below.

Date Executed 9/26/14

STATE OF TEXAS

Legal
Content
Geology
Executive

By: _____
Jerry E. Patterson, Commissioner
General Land Office

Date Executed _____

BHP Billiton Petroleum Properties (N.A.), LP,
formerly known as Petrohawk Properties, LP,
By: BHP Billiton Petroleum Properties (GP), LLC,
its General Partner

By: _____
Stephen L. Nahanay, Attorney-in-Fact

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 9th day of September, 2014, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 29th day of September, 2014.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on Sept. 17, 2014, by Stephen L. Mahanay, Attorney-in-Fact of BHP Billiton Petroleum Properties (N.A.), LP formerly known as Petrohawk Properties, LP, by BHP Billiton Petroleum Properties (GP), LLC, its General Partner a Texas limited liability company on behalf of said limited partnership.

Lynn Latiolais
Notary Public in and for the State of Texas

LYNN LATIOLAIS
Notary Public, State of Texas
My Commission Expires
October 10, 2017

Exhibit "A"

Leases In Unit

Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Agents for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 489, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Mrs. Sallie Wynne Reynaud, Agent for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 485, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: George C. Fraser, Et Al
Lessee: Standard Oil Company of Texas
Date: 03/17/1943
Recording Info: Book 98, Page 544, Filed: 07/09/1943 Reeves County, Texas
Royalty: 12.5%

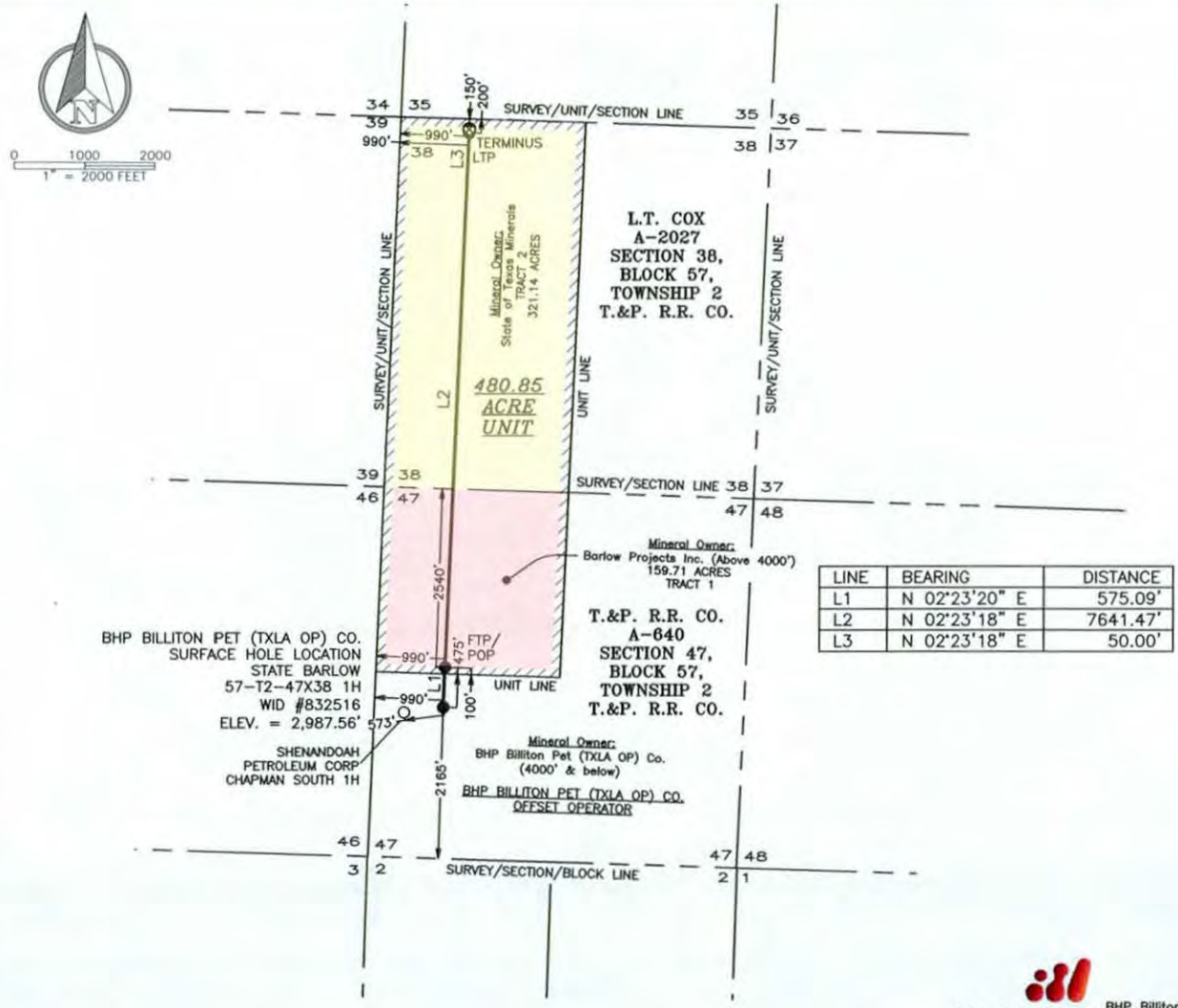
Exhibit "B"

Description of Lands included in the Pooling Agreement

Tract 1:
NW/4 of Section 47, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

Tract 2:
W/2 of Section 38, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

EXHIBIT "C"



LINE	BEARING	DISTANCE
L1	N 02°23'20" E	575.09'
L2	N 02°23'18" E	7641.47'
L3	N 02°23'18" E	50.00'

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999842354
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LOCATION BASED ON INFORMATION PROVIDED BY THE CLIENT.

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

REVISION	DATE	BY	DETAILS
A	07/28/14	RP	MAKE PRELIMINARY PLAT
B	08/06/14	GG	MOVE WELL, REV. UNIT
C	08/07/14	GG	REVISED SECTION NUMBER
D	08/11/14	GG	MOVED LOCATION
E	08/11/14	JK	QCC AND REVISIONS
F	08/15/14	JK	REVISIONS
G	08/20/14	JK	REVISIONS

PLAT OF:

A PROPOSED WELL LOCATION FOR:

BHP BILLITON PET (TXLA OP) CO

STATE BARLOW 57-T2-47X38 1H

WID# 832516

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38 BLOCK 57, TOWNSHIP 2, AND BEING APPROXIMATELY 3.9 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

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bhpbilliton

BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

FRANK
SURVEYING COMPANY INC
550 Bailey Ave., 205 - Fort Worth, TX 76107
Ph: 817.349.9800 - Fax: 979.732.5271
TBPLS Firm No. 10193887
www.franksurveying.com
LAND SURVEYING/ENERGY/GIS SERVICES

DATE:	08/20/2014
DRAWN BY:	RP
CHECKED BY:	RGM
FIELD CREW:	RE/MR
PROJECT NO:	201406588
SCALE:	1" = 2000'
SHEET:	1 OF 2
REVISION:	0

(137)

File No. M-65125
Pooling Agent Packet # 7021
State Barlow 57-12-47x3H
Date Filed: 9/30/14
Jerry E. Patterson, Commissioner
By

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

UPA148349

Unit Number	*7022*		
Operator Name	*Bhp Billiton Petroleum Properties (N.A.), LP*	*Effective Date*	*09/09/2014*
Customer ID	*C000079756*	*Unitized For*	*Oil And Gas*
Unit Name	*State Projects 57-T2-47X38*	*Unit Term*	
County 1	*Reeves*	*RRC District 1*	*08*
County 2		*RRC District 2*	
County 3		*RRC District 3*	
County 4		*RRC District 4*	
Unit type	*Permanent*	*Old Unit Number*	*Inactive Status Date*
State Net Revenue Interest	*0.05567800*		
State Part in Unit	*0.66813598*		
Unit Depth	*Specified Depths*	*Well*	
From Depth	*0 Surface*	*Formation*	*Base of Wolfcamp*
To Depth	*11465 TVD*	*Participation Basis*	*Surface Acreage*
		If Excluions Apply: See Remarks	

Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*Lease Royalty*	*Tract Royalty Participation*	*Royalty Rate Reduction Clause*
MF065125	1	321.340000	480.950000	0.66813598	0.08333300	0.05567778	No

API Number n/a

Remarks:

Prepared By:	REW	*Prepared Date:*	9-9-14
GLO Base Updated By:	REW	*GLO Base Date:*	9-9-14
RAM Approval By:	VD	*RAM Approval Date:*	9-17-14
GIS By:	ML	*GIS Date:*	10-7-14
Well Inventory By:	MB	*WI Date:*	9/9/14

Pooling Committee Report

To:	**School Land Board**	**UPA148349**
Date of Board Meeting:	**09/09/2014**	**Unit Number: 7022**
Effective Date:	**09/09/2014**	
Unit Expiration Date:		
Applicant:	**BHP Billiton Petroleum Properties (N.A.), LP**	
Attorney Rep:		
Operator:	**Bhp Billiton Petroleum Properties (N.a.), Lp**	
Unit Name:	**State Projects 57-T2-47X38**	
Field Name:	**Phantom (Wolfcamp)**	

County: Reeves

Lease Type	Lease Number	Lease Royalty	Expiration Date	Lease Term	Lease Acres	Lease Acres In Unit	Royalty Participation
RAL	MF065125	0.08333300	10/21/1970	1 months	640.000000	321.340000	0.05567778

Private Acres:	159.610000
State Acres:	321.340000
Total Unit Acres:	480.950000

Participation Basis:	Surface Acreage
Surface Acreage	
State Acreage:	66.81%
State Net Revenue Interest:	5.57%

Unit Type:	Unitized for:
Permanent	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
Yes	704 acres based on a 7500 foot lateral

Working File Number: UPA148349

REMARKS:

- BHP Billiton Petroleum Properties (N.A.), LP is requesting permanent oil and gas pooling from the surface to 11,465 feet TVD as seen on the Fortune Unit 2R well log (42-389-31270) in order to test the Bone Spring and Wolfcamp Formations. Depths from the surface to 4,595 feet will be excluded from the unit in the E/2 of section 38.
- The applicant plans to spud the unit well on October 17, 2014, with a proposed TD of 10,150 feet TVD. A 7,500 foot lateral is expected to be drilled.
- With approval of the unit the State's unit royalty participation will be 5.57%.
- The State will participate on a unitized basis from the date of first production.

POOLING COMMITTEE RECOMMENDATION:

The Pooling Committee recommends Board approval of a permanent oil and gas unit under the above-stated provisions.

Mary Smith by Priscilla Hubenak — 8/26/2014

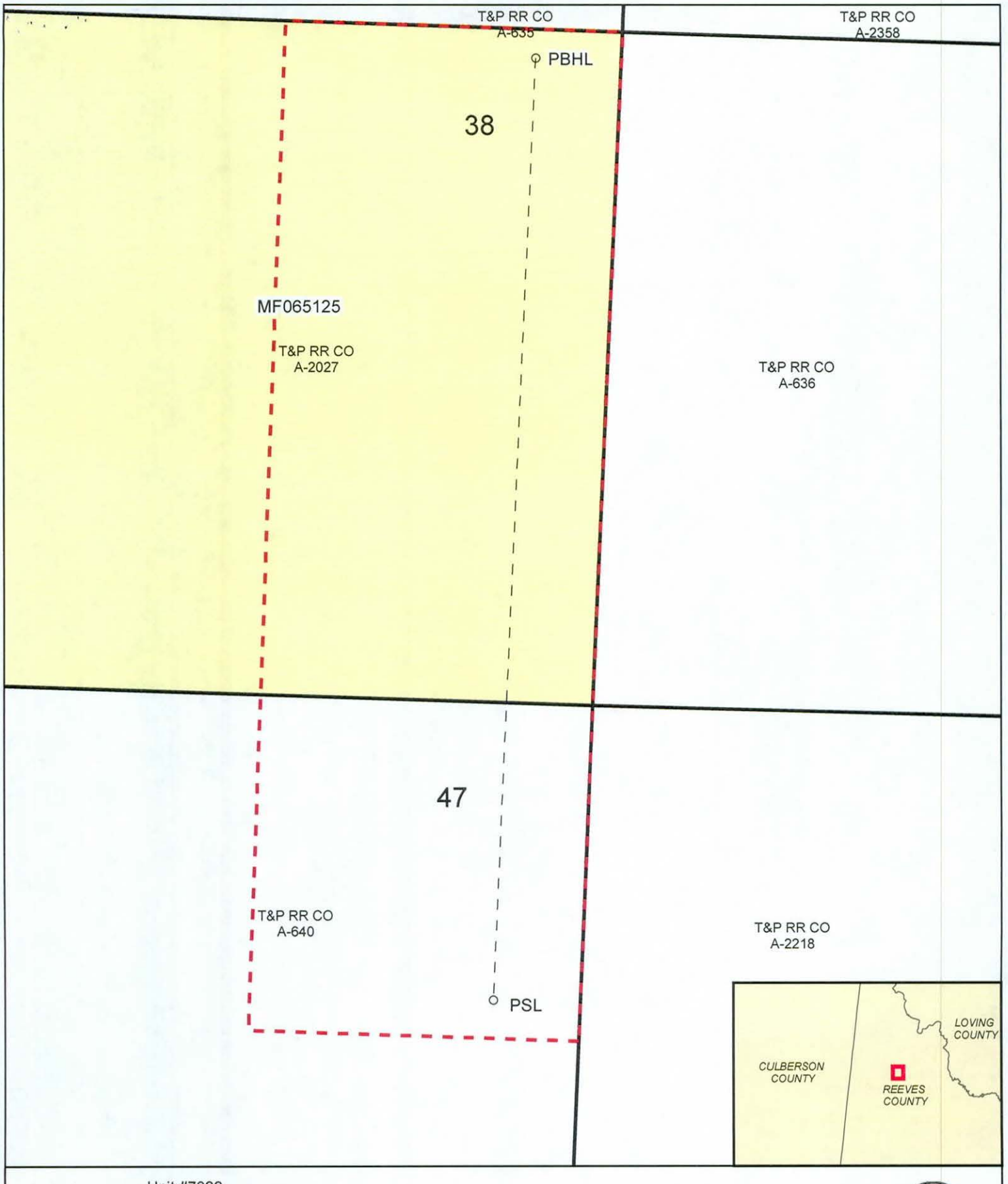
Mary Smith - Office of the Attorney General — Date

RJ Hatter — 8/26/14

Robert Hatter - General Land Office — Date

David Zimmerman — 8/26/14

David Zimmerman - Office of the Governor — Date



Unit #7022
BHP Billiton Petroleum
State Projects 57-T2-47x38
Phantom (Wolfcamp) Field
Reeves County, Texas

1,000 500 0 1,000 Feet

The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.

Map Generated by:
Mark Conway
IS/BAS/GIS
September 2014

POOLING AGREEMENT
BHP BILLITON PETROLEUM PROPERTIES (N.A.), LP
STATE PROJECTS 57-T2-47X38 UNIT
GLO UNIT NO. 7022
REEVES COUNTY, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and BHP Billiton Petroleum Properties (N.A.), LP, herein referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

PURPOSES: 1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit formed hereby. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION: 2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED: 3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from the surface to the stratigraphic equivalent of 100 feet below the base of the Wolfcamp Formation, which is seen at a depth of 11,465 feet TVD, on the log of the Fortune Unit 2R Well, API No. 42-389-31270, less and except those depths from the surface to 4,595 feet TVD on the E/2 of section 38 being Tract 2 on the attached Exhibit "C" ("unitized interval").

POOLING AND EFFECT: 4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

(a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.

(e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

(f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.

(g) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 480 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

(h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.

(j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

ALLOCATION OF PRODUCTION: 5.

For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND: 6.

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

FULL MARKET VALUE: 7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

(a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;

(b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE: 8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of September 9, 2014.

TERM: 9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION: 11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Reeves County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER: 12.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease; (3) constitute a waiver or release of any claim by the State that such lease is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

COUNTERPARTS: 13.

This Agreement may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement upon the respective dates indicated below.

Date Executed 9/26/14

STATE OF TEXAS

Legal
Content
Geology
Executive

By: _____
Jerry E. Patterson, Commissioner
General Land Office

Date Executed _____

BHP Billiton Petroleum Properties (N.A.), LP,
formerly known as Petrohawk Properties, LP,
By: BHP Billiton Petroleum Properties (GP), LLC,
its General Partner

By: _____
Stephen L. Mahanay, Attorney-in-Fact

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 9th day of September, 2014, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 24th day of September, 2014.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on Sept. 17, 2014, by Stephen L. Mahanay, Attorney-in-Fact of BHP Billiton Petroleum Properties (N.A.), LP formerly known as Petrohawk Properties, LP, by BHP Billiton Petroleum Properties (GP), LLC, its General Partner a Texas limited liability company on behalf of said limited partnership.

LYNN LATIOLAIS
Notary Public, State of Texas
My Commission Expires
October 10, 2017

Lynn Latiolais
Notary Public in and for the State of Texas

Exhibit "A"

Leases In Unit

Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Agents for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 489, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Mrs. Sallie Wynne Reynaud, Agent for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 485, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Barlow Projects, Inc.
Lessee: Petrohawk Properties, LP
Date: 05/30/2012
Recording Info: Book 948, Page 63, Filed: 07/02/2012 Reeves County, Texas
Royalty: 25%

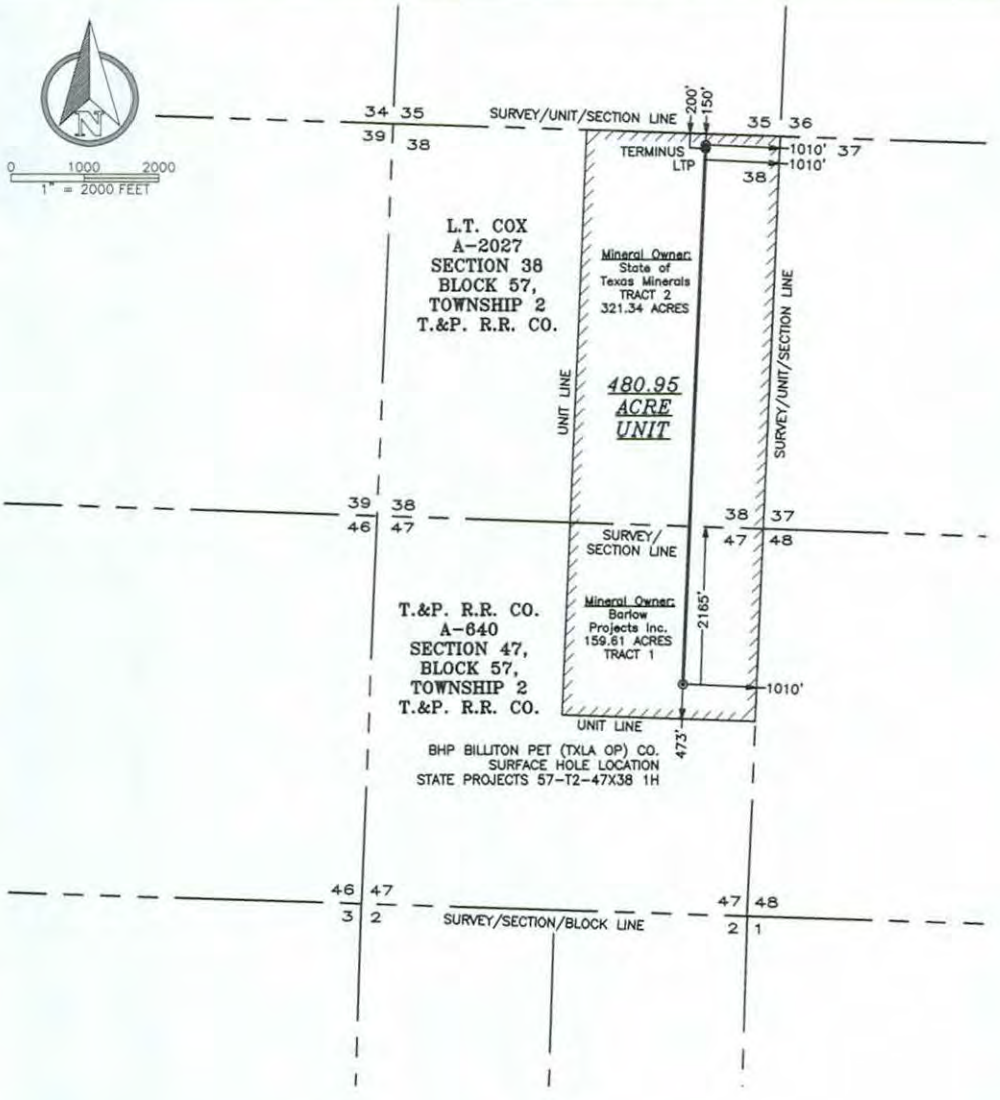
Exhibit "B"

Description of Lands included in the Pooling Agreement

Tract 1:
NE/4 of Section 47, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

Tract 2:
E/2 of Section 38, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

EXHIBIT "C"



REVISION	DATE	BY	DETAILS
A	08/12/14	RGM	MAKE PRELIMINARY PLAT
B	08/15/14	JK	MAKE REVISED PLAT
C	08/19/14	JK	MAKE REV. AND FINAL
D	08/20/14	JK	ADD LATERAL

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999842354
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LATERAL BASED ON INFORMATION PROVIDED BY THE CLIENT.

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

PLAT OF:
A POOLED UNIT FOR:
BHP BILLITON PET (TXLA OP) CO
STATE PROJECTS 57-T2-47X38 1H
SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38 BLOCK 57, TOWNSHIP 2, AND BEING APPROXIMATELY 3.9 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

bhpbilliton
BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

FRANK SURVEYING COMPANY INC
550 Bailey Ave., 205 - Fort Worth, TX 76107
Ph: 817.349.9800 - Fax: 979.732.5271
TBPLS Firm No. 10193887
www.franksurveying.com
LAND SURVEYING/ENERGY/GIS SERVICES
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DATE:	08/20/14	PROJECT NO:	201406588
DRAWN BY:	RGM	SCALE:	1" = 2000'
CHECKED BY:	RGM	SHEET:	1 OF 1
FIELD CREW:	RE/MR	REVISION:	0

(138)

File No. M-65125
Pooling Agmt Packet # 7022
State Projects 57-T2-47x38
Date Filed: 9/30/14
Jerry E. Patterson, Commissioner
By

bhpbilliton
resourcing the future

North America Shale Production Division

November 3, 2014

Via Overnight Mail (FedEx Trkg #7717 1280 1963)
Texas General Land Office
Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701-1495

Attention: J. Daryl Morgan, CPL, Energy Resources Division

Re: Certified Copy of Recorded Pooling Agreements
State Projects 57-T2-47X38 Unit, GLO Unit No. 7022 M-65125
State Projects 57-T2-47X2 Unit, GLO Unit No. 7024
State Barlow 57-T2-47X38 Unit, GLO Unit No. 7021 M-112780
State Barlow 57-T2-47X2 Unit, GLO Unit No. 7023
Reeves County, Texas

Dear Mr. Morgan:

Enclosed you will find certified copies of Pooling Agreements, for the referenced wells located in Reeves County, Texas for your records. Copies of the recorded documents will be furnished to the State when first made available.

Should you need any additional information, please feel free to contact Tiffany Wright-Plagens, Landman at 713. 297.6566, email tiffany.wright@bhpbilliton.com .

Sincerely,

Lynn Latiolais

Lynn Latiolais, CPLTA
Land Technical Analyst

/ll
Enclosures

BHP Billiton • Land Department-Permian • P O Box 22719 • Houston, TX 77027-9998
1360 Post Oak Blvd, Office 2107A • Houston, TX 77056 • Direct 713.297.6557 • Fax 713.966.2914
Email: Lynn.Latiolais@bhpbilliton.com • www.bhpbilliton.com

(137)

File No. M-65125
Ltr. From BHP

Date Filed: 11/4/14

Jerry E. Patterson, Commissioner

By _____

14-09612
FILED FOR RECORD
REEVES COUNTY, TEXAS
Oct 13, 2014 at 10:29:00 AM

POOLING AGREEMENT
BHP BILLITON PETROLEUM PROPERTIES (N.A.), LP
STATE BARLOW 57-T2-47X38 UNIT
GLO UNIT NO. 7021
REEVES COUNTY, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and BHP Billiton Petroleum Properties (N.A.), LP, herein referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

PURPOSES: 1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit formed hereby. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION: 2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED: 3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from 4,000 feet TVD below the surface to the stratigraphic equivalent of 100 feet below the base of the Wolfcamp Formation, which is seen at a depth of 11,465 feet TVD, on the log of the Fortune Unit 2R Well, API No. 42-389-31270, less and except those depths from 4000 feet TVD to 4,595 feet TVD on the W/2 of section 38 being Tract 2 on the attached Exhibit "C" ("unitized interval").

POOLING AND EFFECT: 4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

(a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.

True and Correct
Copy of
Original filed in
Reeves County
District Clerk

(e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

(f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.

(g) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 480 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

(h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.

(j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

ALLOCATION OF PRODUCTION: 5.

For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND: 6.

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

FULL MARKET VALUE: 7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

(a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;

(b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE: 8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of September 9, 2014.

TERM: 9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION: 11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Reeves County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER: 12.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease; (3) constitute a waiver or release of any claim by the State that such lease is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

COUNTERPARTS: 13.

This Agreement may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement upon the respective dates indicated below.

Date Executed 9/26/14

STATE OF TEXAS

Legal
Content
Geology
Executive
REW

By: _____
Jerry E. Patterson, Commissioner
General Land Office

Date Executed _____

BHP Billiton Petroleum Properties (N.A.), LP,
formerly known as Petrohawk Properties, LP,
By: BHP Billiton Petroleum Properties (GP), LLC,
its General Partner

By: _____
Stephen L. Mahanay, Attorney-in-Fact

Texas General Land Office
Jerry Patterson, Commissioner

47.4 .77

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 9th day of September, 2014, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 29th day of September, 2014.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on Sept. 17, 2014, by Stephen L. Mahanay, Attorney-in-Fact of BHP Billiton Petroleum Properties (N.A.), LP formerly known as Petrohawk Properties, LP, by BHP Billiton Petroleum Properties (GP), LLC, its General Partner a Texas limited liability company on behalf of said limited partnership.

LYNN LATIOLAIS
Notary Public, State of Texas
My Commission Expires
October 10, 2017

Lynn Latiolais
Notary Public in and for the State of Texas

Exhibit "A"

Leases In Unit

Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Agents for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 489, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Mrs. Sallie Wynne Reynaud, Agent for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 485, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: George C. Fraser, Et Al
Lessee: Standard Oil Company of Texas
Date: 03/17/1943
Recording Info: Book 98, Page 544, Filed: 07/09/1943 Reeves County, Texas
Royalty: 12.5%

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

Exhibit "B"

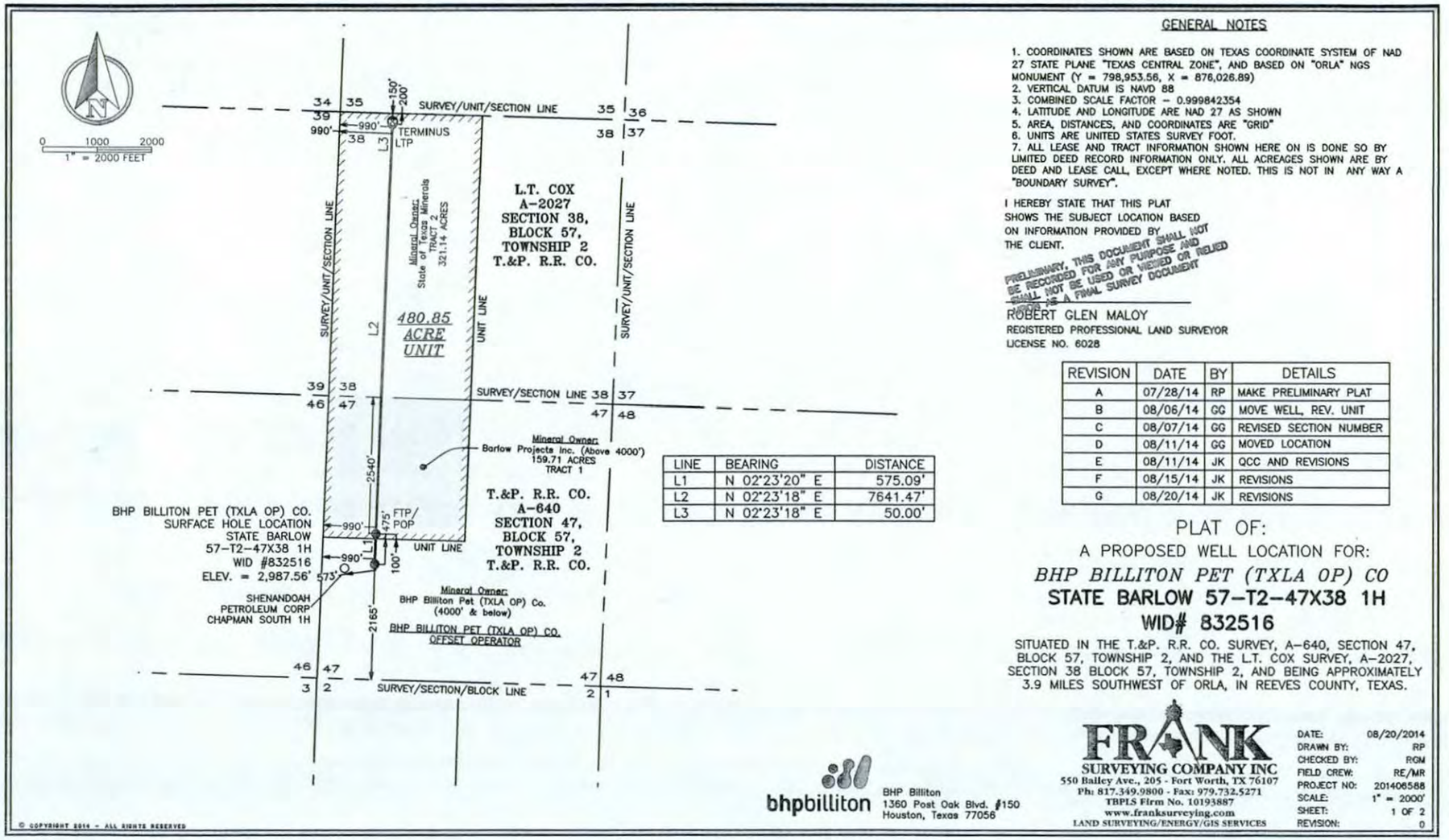
Description of Lands included in the Pooling Agreement

Tract 1:
NW/4 of Section 47, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

Tract 2:
W/2 of Section 38, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

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

EXHIBIT "C"



LINE	BEARING	DISTANCE
L1	N 02°23'20" E	575.09'
L2	N 02°23'18" E	7641.47'
L3	N 02°23'18" E	50.00'

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999842354
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LOCATION BASED ON INFORMATION PROVIDED BY THE CLIENT.

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

REVISION	DATE	BY	DETAILS
A	07/28/14	RP	MAKE PRELIMINARY PLAT
B	08/06/14	GG	MOVE WELL, REV. UNIT
C	08/07/14	GG	REVISED SECTION NUMBER
D	08/11/14	GG	MOVED LOCATION
E	08/11/14	JK	QCC AND REVISIONS
F	08/15/14	JK	REVISIONS
G	08/20/14	JK	REVISIONS

PLAT OF:

A PROPOSED WELL LOCATION FOR:

BHP BILLITON PET (TXLA OP) CO

STATE BARLOW 57-T2-47X38 1H

WID# 832516

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38 BLOCK 57, TOWNSHIP 2, AND BEING APPROXIMATELY 3.9 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

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bhpbilliton
BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

FRANK
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SHEET:	1 OF 2
REVISION:	0

140

File No: M- 65125
Recorded State Board #7024
Date Filed: 11/4/14
Jerry E. Patterson, Commissioner
By

THE STATE OF TEXAS
COUNTY OF REEVES

I, Dianne O. Florez, Clerk of the County Court in and for said County and State do hereby certify that the foregoing is a true and correct copy of Pooling Agreement dated 9-26-14 filed for record in my office this 13th day of October 2014 at 10:29 AM, under Clerk's File No. 142612, to be recorded in the Official Public Records of Reeves County, Texas.

IN TO CERTIFY WHICH, Witness my hand and official seal at Pecos, Texas this 13th day of October, 2014.

By Janeen Garcia, Deputy.

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

Inst No. 14-09612
DIANNE O. FLOREZ
COUNTY CLERK
2014 Oct 13 at 10:29 AM
REEVES COUNTY, TEXAS
By: VG Janeen Garcia DEPUTY

14-09610
FILED FOR RECORD
REEVES COUNTY, TEXAS
Oct 13, 2014 at 10:29:00 AM

POOLING AGREEMENT
BHP BILLITON PETROLEUM PROPERTIES (N.A.), LP
STATE PROJECTS 57-T2-47X38 UNIT
GLO UNIT NO. 7022
REEVES COUNTY, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and BHP Billiton Petroleum Properties (N.A.), LP, herein referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

PURPOSES: 1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit formed hereby. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION: 2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED: 3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from the surface to the stratigraphic equivalent of 100 feet below the base of the Wolfcamp Formation, which is seen at a depth of 11,465 feet TVD, on the log of the Fortune Unit 2R Well, API No. 42-389-31270, less and except those depths from the surface to 4,595 feet TVD on the E/2 of section 38 being Tract 2 on the attached Exhibit "C" ("unitized interval").

POOLING AND EFFECT: 4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

(a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.

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

(e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

(f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.

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(h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.

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For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

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

FULL MARKET VALUE: 7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

(a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;

(b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

EFFECTIVE DATE: 8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of September 9, 2014.

TERM: 9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION: 11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Reeves County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER: 12.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease; (3) constitute a waiver or release of any claim by the State that such lease is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

COUNTERPARTS: 13.

This Agreement may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement upon the respective dates indicated below.

Date Executed 9/26/14

STATE OF TEXAS

Legal
Content
Geology
Executive

By: _____
Jerry E. Patterson, Commissioner
General Land Office

Date Executed _____

BHP Billiton Petroleum Properties (N.A.), LP,
formerly known as Petrohawk Properties, LP,
By: BHP Billiton Petroleum Properties (GP), LLC,
its General Partner

By: _____
Stephen L. Mahanay, Attorney-in-Fact

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 9th day of September, 2014, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 29th day of September, 2014.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on Sept. 17, 2014, by Stephen L. Mahanay, Attorney-in-Fact of BHP Billiton Petroleum Properties (N.A.), LP formerly known as Petrohawk Properties, LP, by BHP Billiton Petroleum Properties (GP), LLC, its General Partner a Texas limited liability company on behalf of said limited partnership.

Lynn Latiolais
Notary Public in and for the State of Texas

LYNN LATIOLAIS
Notary Public, State of Texas
My Commission Expires
October 10, 2017

True and Correct copy of Original filed in Reeves County District Clerk

Exhibit "A"

Leases In Unit

Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Agents for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 489, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Mrs. Sallie Wynne Reynaud, Agent for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 485, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Barlow Projects, Inc.
Lessee: Petrohawk Properties, LP
Date: 05/30/2012
Recording Info: Book 948, Page 63, Filed: 07/02/2012 Reeves County, Texas
Royalty: 25%

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

Exhibit "B"

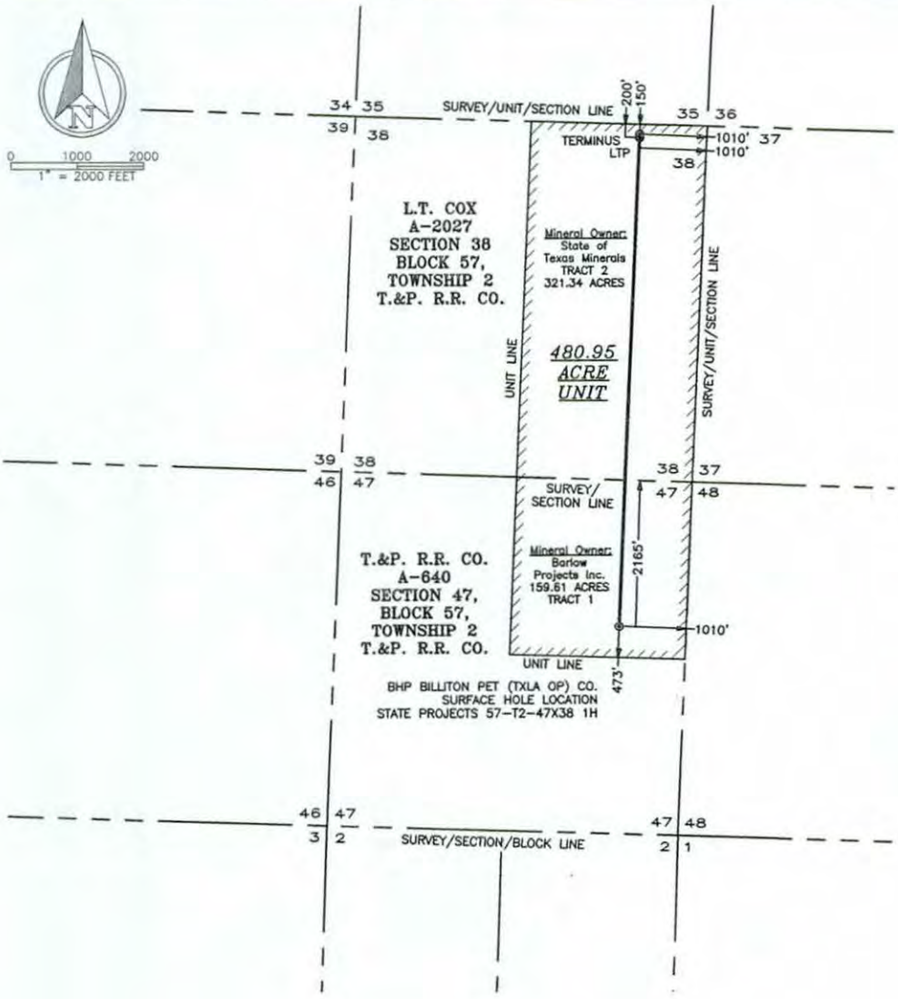
Description of Lands included in the Pooling Agreement

Tract 1:
NE/4 of Section 47, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

Tract 2:
E/2 of Section 38, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

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

EXHIBIT "C"



REVISION	DATE	BY	DETAILS
A	08/12/14	RGM	MAKE PRELIMINARY PLAT
B	08/15/14	JK	MAKE REVISED PLAT
C	08/19/14	JK	MAKE REV. AND FINAL
D	08/20/14	JK	ADD LATERAL

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999842354
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LATERAL BASED ON INFORMATION PROVIDED BY THE CLIENT.

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

PLAT OF:
A POOLED UNIT FOR:
BHP BILLITON PET (TXLA OP) CO
STATE PROJECTS 57-T2-47X38 1H

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38 BLOCK 57, TOWNSHIP 2, AND BEING APPROXIMATELY 3.9 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

bhpbilliton
BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

FRANK SURVEYING COMPANY INC
550 Bailey Ave., 205 - Fort Worth, TX 76107
Ph: 817.349.9800 - Fax: 979.732.5271
TBPLS Firm No. 10193887
www.franksurveying.com
LAND SURVEYING/ENERGY/GIS SERVICES
© COPYRIGHT 2014 - ALL RIGHTS RESERVED

DATE:	08/20/14	PROJECT NO:	201406588
DRAWN BY:	RGM	SCALE:	1" = 2000'
CHECKED BY:	RGM	SHEET:	1 OF 1
FIELD CREW:	RE/MR	REVISION:	0

47.4 .11

141

File No M-65125
Recorded State Projects
#7022

Date Filed: 11/4/14

Jerry E. Patterson, Commissioner

By

THE STATE OF TEXAS
COUNTY OF REEVES

I, Dianne O. Florez, Clerk of the County Court in and for said County and State do hereby certify that the foregoing is a true and correct copy of Pooling Agreement dated 09-26-2014 filed for record in my office this 13th day of October 2014 at 10:29 AM, under Clerk's File No. [illegible], to be recorded in the Official public Records of Reeves County, Texas.

TO CERTIFY WHICH, Witness my hand and official seal at Pecos, Texas this 13th day of October, 2014.

By Ramon Garcia, Deputy.

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS

Inst No. 14-09610
DIANNE O. FLOREZ
COUNTY CLERK
2014 Oct 13 at 10:29 AM
REEVES COUNTY, TEXAS
By: VG DEPUTY

bhpbilliton
resourcing the future

North America Shale Production Division

December 12, 2014

Via Overnight Mail (FedEx Trkg #7721 9687 5020)
Texas General Land Office
Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701-1495

Attention: J. Daryl Morgan, CPL, Energy Resources Division

Re: Copies of Recorded Pooling Agreements
State Projects 57-T2-47X38 Unit, GLO Unit No. 7022 M-65125
State Projects 57-T2-47X2 Unit, GLO Unit No. 7024
State Barlow 57-T2-47X38 Unit, GLO Unit No. 7021
State Barlow 57-T2-47X2 Unit, GLO Unit No. 7023
Reeves County, Texas

Dear Mr. Morgan:

Enclosed you will find copies of the recorded Pooling Agreements, for the referenced wells located in Reeves County, Texas for your records. Copies of the recorded documents will be furnished to the State when first made available.

Should you need any additional information, please feel free to contact Tiffany Wright-Plagens, Landman at 713. 297.6566, email tiffany.wright@bhpbilliton.com .

Sincerely,

Lynn Latiolais

Lynn Latiolais, CPLTA
Land Technical Analyst

/ll
Enclosures

BHP Billiton • Land Department-Permian • P O Box 22719 • Houston, TX 77027-9998
1360 Post Oak Blvd, Office 2107A • Houston, TX 77056 • Direct 713.297.6557 • Fax 713.966.2914
Email: Lynn.Latiolais@bhpbilliton.com • www.bhpbilliton.com

14:51:21

(142)

File No. M-65125
Ltr. From BHP

Date Filed: 12/15/17

Jerry E. Patterson, Commissioner

By

14-09612
FILED FOR RECORD
REEVES COUNTY, TEXAS
Oct 13, 2014 at 10:29:00 AM

POOLING AGREEMENT
BHP BILLITON PETROLEUM PROPERTIES (N.A.), LP
STATE BARLOW 57-T2-47X38 UNIT
GLO UNIT NO. 7021
REEVES COUNTY, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and BHP Billiton Petroleum Properties (N.A.), LP, herein referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

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PURPOSES: 1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit formed hereby. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION: 2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED: 3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from 4,000 feet TVD below the surface to the stratigraphic equivalent of 100 feet below the base of the Wolfcamp Formation, which is seen at a depth of 11,465 feet TVD, on the log of the Fortune Unit 2R Well, API No. 42-389-31270, less and except those depths from 4000 feet TVD to 4,595 feet TVD on the W/2 of section 38 being Tract 2 on the attached Exhibit "C" ("unitized interval").

POOLING AND EFFECT: 4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

(a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.

(e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

(f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.

(g) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 480 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

(h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.

(j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

ALLOCATION OF PRODUCTION: 5.

For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND: 6.

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

FULL MARKET VALUE: 7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

(a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;

(b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

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EFFECTIVE DATE: 8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of September 9, 2014.

TERM: 9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION: 11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Reeves County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER: 12.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease; (3) constitute a waiver or release of any claim by the State that such lease is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

COUNTERPARTS: 13.

This Agreement may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement upon the respective dates indicated below.

Date Executed 9/26/14

STATE OF TEXAS

Legal
Content
Geology
Executive
REW
2

By: _____
Jerry E. Patterson, Commissioner
General Land Office

Date Executed _____

BHP Billiton Petroleum Properties (N.A.), LP,
formerly known as Petrohawk Properties, LP,
By: BHP Billiton Petroleum Properties (GP), LLC,
its General Partner

By: _____
Stephen L. Mahaney, Attorney-in-Fact

41.51.21

VOL 1113 PG 0350

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 9th day of September, 2014, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 29th day of September, 2014.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on Sept. 17, 2014, by Stephen L. Mahanay, Attorney-in-Fact of BHP Billiton Petroleum Properties (N.A.), LP formerly known as Petrohawk Properties, LP, by BHP Billiton Petroleum Properties (GP), LLC, its General Partner a Texas limited liability company on behalf of said limited partnership.

LYNN LATIOLAIS
Notary Public, State of Texas
My Commission Expires
October 10, 2017

Lynn Latiolais
Notary Public in and for the State of Texas

VOL 1113 PG 0351

41.51.21

Exhibit "A"

Leases In Unit

Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Agents for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 489, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Mrs. Sallie Wynne Reynaud, Agent for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 485, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: George C. Fraser, Et Al
Lessee: Standard Oil Company of Texas
Date: 03/17/1943
Recording Info: Book 98, Page 544, Filed: 07/09/1943 Reeves County, Texas
Royalty: 12.5%

VOL 1113 PG 0352

Exhibit "B"

Description of Lands included in the Pooling Agreement

Tract 1:
NW/4 of Section 47, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

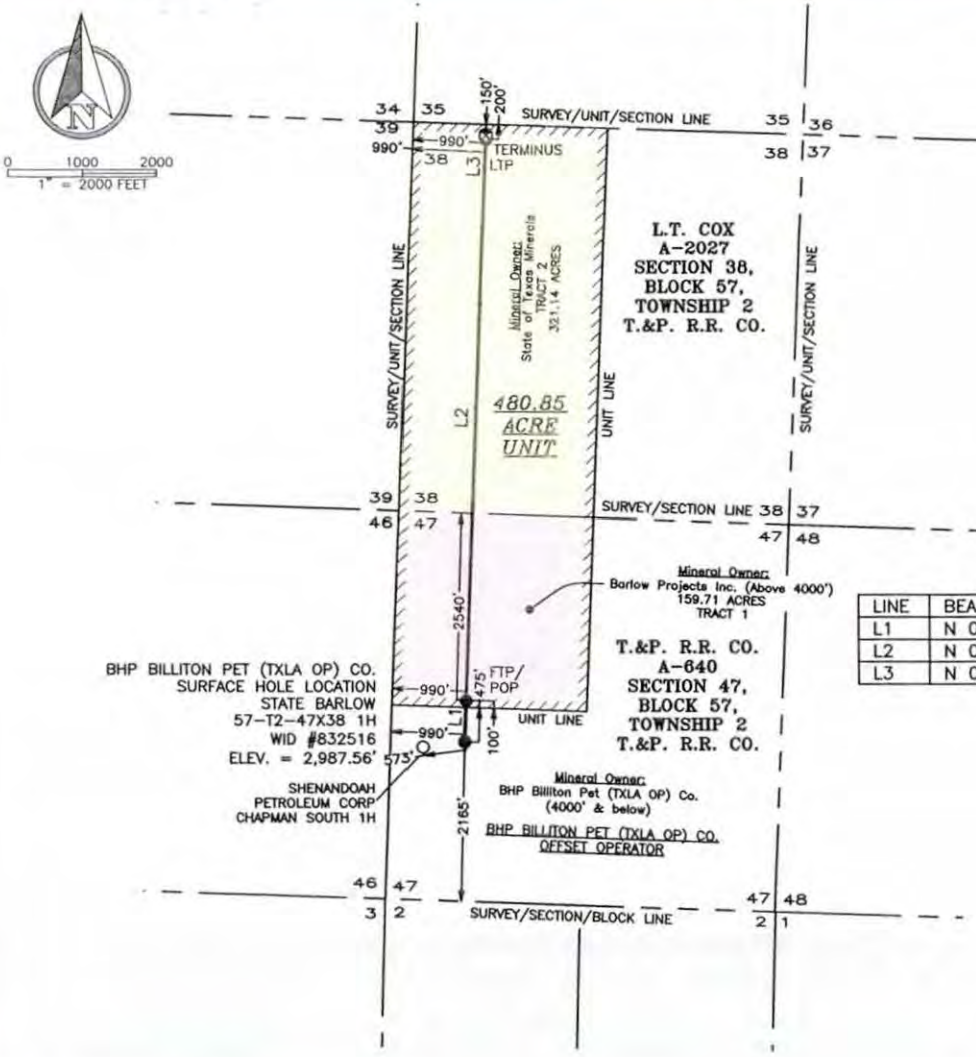
Tract 2:
W/2 of Section 38, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

VOL 1113 PG 0353

21-31-41

VOL 1113 PG 0354

EXHIBIT "C"



LINE	BEARING	DISTANCE
L1	N 02°23'20" E	575.09'
L2	N 02°23'18" E	7641.47'
L3	N 02°23'18" E	50.00'

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999842354
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LOCATION BASED ON INFORMATION PROVIDED BY THE CLIENT.

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

REVISION	DATE	BY	DETAILS
A	07/28/14	RP	MAKE PRELIMINARY PLAT
B	08/06/14	GG	MOVE WELL, REV. UNIT
C	08/07/14	GG	REVISED SECTION NUMBER
D	08/11/14	GG	MOVED LOCATION
E	08/11/14	JK	QCC AND REVISIONS
F	08/15/14	JK	REVISIONS
G	08/20/14	JK	REVISIONS

PLAT OF:

A PROPOSED WELL LOCATION FOR:

BHP BILLITON PET (TXLA OP) CO

STATE BARLOW 57-T2-47X38 1H

WID# 832516

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38 BLOCK 57, TOWNSHIP 2, AND BEING APPROXIMATELY 3.9 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

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bhpbilliton

BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

FRANK SURVEYING COMPANY INC
550 Bailey Ave., 205 - Fort Worth, TX 76107
Ph: 817.349.9800 - Fax: 979.732.5271
TBPLS Firm No. 10193887
www.franksurveying.com
LAND SURVEYING/ENERGY/GIS SERVICES

DATE:	08/20/2014
DRAWN BY:	RP
CHECKED BY:	RGM
FIELD CREW:	RE/MR
PROJECT NO:	201406588
SCALE:	1" = 2000'
SHEET:	1 OF 2
REVISION:	0

(143)

File No. M-65125
Recorded State Below Unit #7021

Date Filed: 12/15/14
Jerry E. Patterson, Commissioner

By _____

VOL 1113 PG 0355

Inst No. 14-09612
BIANNE O. FLOREZ
COUNTY CLERK
2014 Oct 13 at 10:29 AM
REEVES COUNTY, TEXAS
By: VG _____ DEPUTY

14-09610
FILED FOR RECORD
REEVES COUNTY, TEXAS
Oct 13, 2014 at 10:29:00 AM

POOLING AGREEMENT
BHP BILLITON PETROLEUM PROPERTIES (N.A.), LP
STATE PROJECTS 57-T2-47X38 UNIT
GLO UNIT NO. 7022
REEVES COUNTY, TEXAS

THIS AGREEMENT is entered into by and between the Commissioner of the General Land Office, on behalf of the State of Texas, as "Lessor" and BHP Billiton Petroleum Properties (N.A.), LP, herein referred to as "Lessee", and such other interested parties as may join in the execution hereof, the undersigned parties herein collectively referred to as the "parties", in consideration of the mutual agreements hereinafter set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and for the purposes and upon the terms and conditions which follow:

PURPOSES: 1.

This Pooling Agreement ("Agreement") is made for the purposes of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights. To such end, it is the purpose of this Agreement to effect equitable participation within the unit formed hereby. This Agreement is intended to be performed pursuant to and in compliance with all applicable statutes, decisions, regulations, rules, orders and directives of any governmental agency having jurisdiction over the production and conservation of the pooled mineral and in its interpretation and application shall, in all things, be subject thereto.

UNIT DESCRIPTION: 2.

The oil and gas leases, which are included within the pooled unit, are listed on the attached Exhibit "A", to which leases and the records thereof reference is here made for all pertinent purposes. The pooled unit shall consist of all of the lands described in Exhibit "B" attached hereto and made a part hereof. A plat of the pooled unit is attached hereto as Exhibit "C".

MINERAL POOLED: 3.

The mineral pooled and unitized ("pooled mineral") hereby shall be oil and gas including all hydrocarbons that may be produced from an oil well or a gas well as such wells are recognized and designated by the Railroad Commission of Texas or other state regulatory agency having jurisdiction of the drilling and production of oil and gas wells. The pooled mineral shall extend to those depths underlying the surface boundaries of the pooled unit from the surface to the stratigraphic equivalent of 100 feet below the base of the Wolfcamp Formation, which is seen at a depth of 11,465 feet TVD, on the log of the Fortune Unit 2R Well, API No. 42-389-31270, less and except those depths from the surface to 4,595 feet TVD on the E/2 of section 38 being Tract 2 on the attached Exhibit "C" ("unitized interval").

POOLING AND EFFECT: 4.

The parties hereto commit all of their interests which are within the unit to the extent and as above described into said unit and unitize and pool hereunder the separate tracts described on the attached Exhibit "B", for and during the term hereof, so that such pooling or unitization shall have the following effect:

(a) The unit, to the extent as above described, shall be operated as an entirety for the exploration, development and production of the pooled mineral, rather than as separate tracts.

(b) All drilling operations, reworking or other operations with respect to the pooled mineral on land within the unit shall be considered as though the same were on each separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement. In the event the unitized area covered by this Agreement is maintained in force by drilling or reworking operations conducted on a directional well drilled under the unitized area from a surface location on adjacent or adjoining lands not included within the boundaries of the unitized area, such operations shall be considered to have been commenced on the unitized area when drilling is commenced on the adjacent or adjoining land for the purpose of directionally drilling under the unitized area and production of oil or gas from the unitized area through any directional well surfaced on adjacent or adjoining land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations, as the case may be, on the unitized area for all purposes under this Agreement. Nothing in this Agreement is intended or shall be construed as granting to Lessee any leasehold interest, easements, or other rights in or with respect to any such adjacent or adjoining land in addition to any such leasehold interests, easements, or other rights which the lessee, operator or other interest owner in the unitized area may have lawfully acquired from the state or others.

(c) Production of the pooled mineral from the unit allocated to each separate tract, respectively, as hereinafter provided, shall be deemed to have been produced from each such separate tract in the unit, regardless of the actual location of the well or wells thereon, for all purposes under the terms of the respective leases or other contracts thereon and this Agreement.

(d) All rights to the production of the pooled mineral from the unit, including royalties and other payments, shall be determined and governed by the lease or other contract pertaining to each separate tract, respectively, based upon the production so allocated to such tract only, in lieu of the actual production of the pooled mineral therefrom. Provided that, payments that are made on a per acre basis shall be reduced according to the number of acres pooled and included herein, so that payments made on a per acre basis shall be calculated based upon the number of acres actually included within the boundaries of the pooled unit covered by this Agreement.

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41-31-21

(e) A shut-in oil or gas well located upon any land or lease included within said unit shall be considered as a shut-in oil or gas well located upon each land or lease included within said unit; provided, however, that shut-in oil or gas well royalty shall be paid to the State on each State lease wholly or partially within the unit, according to the terms of such lease as though such shut-in oil or gas well were located on said lease, it being agreed that shut-in royalties provided in each State lease shall not be shared with other royalty owners.

(f) Notwithstanding any other provision hereof, it is expressly agreed that each State lease may be maintained in force as to areas lying outside the unitized area described in Exhibit "B" only as provided in each such lease without regard to unit operations or unit production. Neither production of the pooled mineral, nor unit operations with respect thereto, nor the payment of shut-in royalties from a unit well, shall serve to hold any State lease in force as to any area outside the unitized area described in Exhibit "B" regardless of whether the production or operations on the unit are actually located on the State lease or not. "Area" as used in this paragraph shall be based upon surface acres to the end that, except as may otherwise be provided in each State Lease, the area inside the surface boundaries of the pooled unit, if held, will be held as to all depths and horizons.

(g) If the Railroad Commission of Texas (or any other Texas regulatory body having jurisdiction) shall adopt special field rules providing for oil and/or gas proration units of less than 480 acres, then Lessee agrees to either (1) drill to the density permitted by the Railroad Commission, (2) make application to the School Land Board of the State of Texas to reform the unit to comply with Railroad Commission unit rules, or (3) make application to the School Land Board of the State of Texas for such remedy as may be agreeable to the Board.

(h) This Agreement shall not relieve Lessee from the duty of protecting the State leases described in Exhibit "A" and the State lands within the boundaries of the pooled unit described in Exhibit "B" from drainage from any well situated on privately owned land, lying outside the unitized area described in Exhibit "B", but, subject to such obligation, Lessee may produce the allowable for the entire unit as fixed by the Railroad Commission of Texas or other lawful authority, from any one or more wells completed thereon.

(i) There shall be no obligation to drill internal offsets to any other well on separate tracts within the pooled unit, nor to develop the lands within the boundaries thereof separately, as to the pooled mineral.

(j) Should this Agreement terminate for any cause, the leases and other contracts affecting the lands within the unit, if not then otherwise maintained in force and effect, shall remain and may be maintained in force and effect under their respective terms and conditions in the same manner as though there had been production or operations under said lease or contract and the same had ceased on the date of the termination of this Agreement.

ALLOCATION OF PRODUCTION: 5.

For the purpose of computing the share of production of the pooled mineral to which each interest owner shall be entitled from the pooled unit, there shall be allocated to each tract committed to said unit that pro rata portion of the pooled mineral produced from the pooled unit which the number of surface acres covered by each such tract and included in the unit bears to the total number of surface acres included in said unit, and the share of production to which each interest owner is entitled shall be computed on the basis of such owner's interest in the production so allocated to each tract.

TAKING ROYALTY IN KIND: 6.

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

FULL MARKET VALUE: 7.

In the event the State does not elect to take its royalty in kind, the State shall receive full market value for its royalty hereunder, such value to be determined as follows:

(a) As to royalty on oil by (1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity for the field where produced and when run, or (2) the highest market price thereof offered or paid for the field where produced and when run, or (3) gross proceeds of the sale thereof, whichever is the greater;

(b) As to royalty on gas, such value to be based on (1) the highest market price paid or offered for gas of comparable quality for the field where produced and when run, or (2) the gross price paid or offered to the producer, whichever is the greater.

(For the purposes of this Agreement "field" means the general area in which the lands covered hereby are located.)

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EFFECTIVE DATE: 8.

Upon execution by the Commissioner of the General Land Office of the State of Texas this Agreement shall become effective as of September 9, 2014.

TERM: 9.

This Agreement shall remain in effect so long as the pooled mineral is being produced from said unit, or so long as all leases included in the pooled unit are maintained in force by payment of delay rentals or shut-in oil or gas well royalties, by drilling or rework, or by other means, in accordance with the terms of said leases. Nothing herein shall amend or modify Section 52.031 of the Natural Resources Code, or any of the provisions thereof, which are contained in any State lease covered by this Agreement.

STATE LAND: 10.

Insofar as the royalty interest of the State of Texas in and under any State tract committed to the unit is concerned, this Agreement is entered into, made and executed by the undersigned Commissioner of the General Land Office by virtue of the authority and pursuant to the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, authorizing the same, after the prerequisites, findings and approval hereof, as provided in said Code having been duly considered, made and obtained.

DISSOLUTION: 11.

The unit covered by this Agreement may be dissolved by Lessee, his heirs, successors or assigns, by an instrument filed for record in Reeves County, Texas, and a certified copy thereof filed in the General Land Office at any time after the cessation of production on said unit or the completion of a dry hole thereon prior to production or upon such other date as may be approved by the School Land Board and mutually agreed to by the undersigned parties, their successors or assigns.

RATIFICATION/WAIVER: 12.

Nothing in this Agreement, nor the approval of this Agreement by the School Land Board, nor the execution of this Agreement by the Commissioner shall: (1) operate as a ratification or revivor of any State lease that has expired, terminated, or has been released in whole or in part or terminated under the terms of such State lease or the laws applicable thereto; (2) constitute a waiver or release of any claim for money, oil, gas or other hydrocarbons, or other thing due to the State by reason of the existence or failure of such lease; (3) constitute a waiver or release of any claim by the State that such lease is void or voidable for any reason, including, without limitation, violations of the laws of the State with respect to such lease or failure of consideration; (4) constitute a confirmation or recognition of any boundary or acreage of any tract or parcel of land in which the State has or claims an interest; or (5) constitute a ratification of, or a waiver or release of any claim by the State with respect to any violation of a statute, regulation, or any of the common laws of this State, or any breach of any contract, duty, or other obligation owed to the State.

COUNTERPARTS: 13.

This Agreement may be executed in counterparts and if so executed shall be valid, binding and have the same effect as if all the parties hereto actually joined in and executed one and the same document. For recording purposes and in the event counterparts of this Agreement are executed, the executed pages, together with the pages necessary to show acknowledgments, may be combined with the other pages of this Agreement so as to form what shall be deemed and treated as a single original instrument showing execution by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement upon the respective dates indicated below.

Date Executed 9/26/14

STATE OF TEXAS

Legal
Content
Geology
Executive

By: _____
Jerry E. Patterson, Commissioner
General Land Office

Date Executed _____

BHP Billiton Petroleum Properties (N.A.), LP,
formerly known as Petrohawk Properties, LP,
By: BHP Billiton Petroleum Properties (GP), LLC,
its General Partner

By: _____
Stephen L. Mahanay, Attorney-in-Fact

VOL 1113 PG 0333

41.51.27

CERTIFICATE

I, Stephanie Crenshaw, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on the 9th day of September, 2014, the foregoing instrument was presented to and approved by said Board under the provisions of Subchapter E, Chapter 52, of the Natural Resources Code, all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 24th day of September, 2014.

Stephanie Crenshaw
Secretary of the School Land Board

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on Sept. 17, 2014, by Stephen L. Mahanay, Attorney-in-Fact of BHP Billiton Petroleum Properties (N.A.), LP formerly known as Petrohawk Properties, LP, by BHP Billiton Petroleum Properties (GP), LLC, its General Partner a Texas limited liability company on behalf of said limited partnership.

Lynn Latiolais
Notary Public in and for the State of Texas

LYNN LATIOLAIS
Notary Public, State of Texas
My Commission Expires
October 10, 2017

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H1.S1.21

Exhibit "A"

Leases In Unit

Lessor: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Agents for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 489, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Mrs. Sallie Wynne Reynaud, Agent for the State of Texas
Lessee: Ford Chapman
Date: 09/21/1970
Recording Info: Book 297, Page 485, Filed: 11/09/1970 Reeves County, Texas
Royalty: 16.67%

Lessor: Barlow Projects, Inc.
Lessee: Petrohawk Properties, LP
Date: 05/30/2012
Recording Info: Book 948, Page 63, Filed: 07/02/2012 Reeves County, Texas
Royalty: 25%

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Exhibit "B"

Description of Lands included in the Pooling Agreement

Tract 1:
NE/4 of Section 47, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

Tract 2:
E/2 of Section 38, BLK 57, Township 2, T & P RR Co. Survey, Reeves County Texas.

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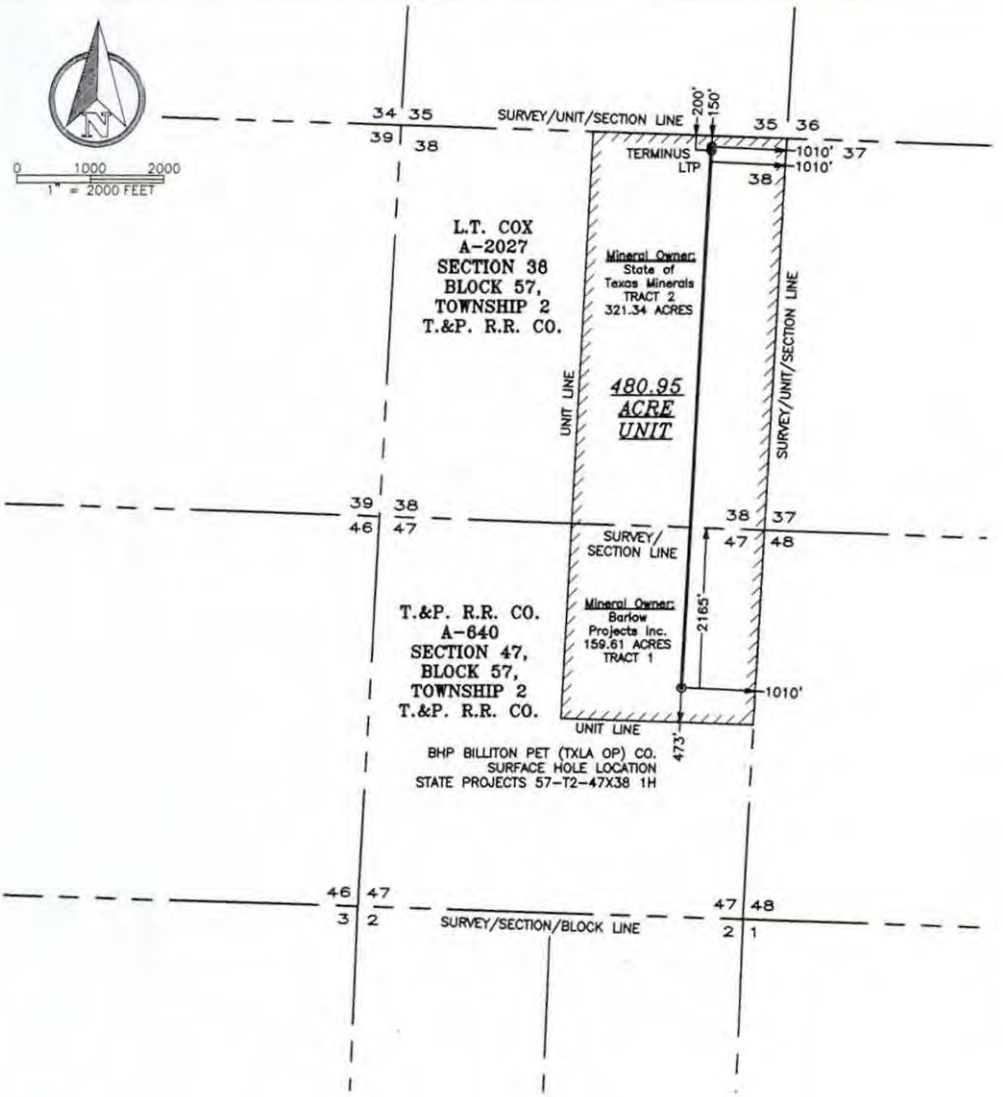
12-15-14

EXHIBIT "C"



REVISION	DATE	BY	DETAILS
A	08/12/14	RGM	MAKE PRELIMINARY PLAT
B	08/15/14	JK	MAKE REVISED PLAT
C	08/19/14	JK	MAKE REV. AND FINAL
D	08/20/14	JK	ADD LATERAL

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999842354
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LATERAL BASED ON INFORMATION PROVIDED BY THE CLIENT.

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

PLAT OF:
A POOLED UNIT FOR:
BHP BILLITON PET (TXLA OP) CO
STATE PROJECTS 57-T2-47X38 1H

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38 BLOCK 57, TOWNSHIP 2, AND BEING APPROXIMATELY 3.9 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

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LAND SURVEYING/ENERGY/GIS SERVICES
© COPYRIGHT 2014 - ALL RIGHTS RESERVED

DATE:	08/20/14	PROJECT NO:	201406588
DRAWN BY:	RGM	SCALE:	1" = 2000'
CHECKED BY:	RGM	SHEET:	1 OF 1
FIELD CREW:	RE/MR	REVISION:	0

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(144)

File No. M-65125
Recorded State Projects
Unit # 7022
Date Filed: 12/15/14
Jerry E. Patterson, Commissioner
By

Inst No. 14-09610
DIANNE O. FLOREZ
COUNTY CLERK
2014 Oct 13 at 10:29 AM
REFUGIO COUNTY, TEXAS
By: VG DEPUTY

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MF. 065125
7021

DIVISION ORDER

bhpbilliton
resourcing the future

To: **BHP Billiton Petroleum**
Land Administration
P O Box 22719
Houston, TX 77227-9927
(877) 311- 1443

Issue Date:	12/24/2014
Property Name:	STATE BARLOW 57-T2-47X38 1H
Property #:	P1M487/00501
Production:	ALL PRODUCTS
Operator:	BHP BILLITON PETROLEUM (TXLA OPERATING)
Legal Description:	T&P RR CO ABST/ID# 2027 Grantee L.J. COX Twsp T2 Blk 57 Sec 38REEVES COUNTY, TEXAS T & P RR CO, A-640REEVES COUNTY, TEXAS Twsp T2 Blk 57 Sec 47 REEVES COUNTY, TEXAS (480.850 ACRES)

CREDIT TO
Owner # 80113945
STATE OF TEXAS GLO
1700 N CONGRESS AVE #640
AUSTIN TX 78701-1495

Decimal	Type	Status	Reason	Start Date
0.05565492	RI	PAY		12/1/2014

PLEASE KEEP THIS COPY FOR YOUR RECORDS

51.5 .1

TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

1/15/2015

BHP Billiton Petroleum
Attn: Ellie McVicar
P.O. Box 22719
Houston, Texas 77027

Re: State Pooled Unit No. 7021 Owner #: 80113945
Property No. P1M487/00501
State Barlow 57-T2-47X38 1H

Dear Ellie,

The Texas General Land Office (GLO) has received your Division Order for the State Barlow 57-T2-47X38 1H Well. This Division Order has been filed in the appropriate mineral file.

The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas lease. If you have questions concerning this matter, please feel free to e-mail me at brandon.nicholson@glo.texas.gov

Thank you,

Brandon Nicholson

General Land Office
Energy,Mineral Leasing
Landman

Enclosure

File No. MF 065125

Division order ~~County~~

Date Filed: 1-5-15

George P. Bush, Commissioner

By _____

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RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER	DATE PERMIT ISSUED OR AMENDED	DISTRICT
795805	Sep 29, 2014	* 08
API NUMBER	FORM W-1 RECEIVED	COUNTY
42-389-34554	Sep 05, 2014	REEVES
TYPE OF OPERATION	WELLBORE PROFILE(S)	ACRES
NEW DRILL	Horizontal	480.85

OPERATOR 068596

BHP BILLITON PET(TXLA OP) CO

1360 POST OAK BLVD STE 150
HOUSTON, TX 77056-0000

NOTICE
This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored.
District Office Telephone No:
(432) 684-5581

LEASE NAME	WELL NUMBER
STATE BARLOW 57-T2-47X38	1H
LOCATION	TOTAL DEPTH
3.9 miles SW direction from ORLA	14000

Section, Block and/or Survey
SECTION 47 BLOCK 57 T2 ABSTRACT 640
SURVEY T&P RR CO

DISTANCE TO SURVEY LINES	DISTANCE TO NEAREST LEASE LINE
2165 ft. S (OFFLEASE) 990 ft. W (OFFLEASE)	100 ft.
DISTANCE TO LEASE LINES	DISTANCE TO NEAREST WELL ON LEASE
2165 ft. S (OFFLEASE) 990 ft. W (OFFLEASE)	See FIELD(s) Below

FIELD(s) and LIMITATIONS:

* SEE FIELD DISTRICT FOR REPORTING PURPOSES *
** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) **
CASE NO. 0292659

FIELD NAME / LEASE NAME	ACRES / NEAREST LEASE	DEPTH	WELL # / NEAREST WE	DIST
** PHANTOM (WOLFCAMP)	480.85	12,500	1H	08
STATE BARLOW 57-T2-47X38	100		0	

WELLBORE PROFILE(s) FOR FIELD: Horizontal

RESTRICTIONS:
Lateral: TH1
Penetration Point Location
Lease Lines: 100.0 F S L
990.0 F W L
Terminus Location
BH County: REEVES
Section: 38 Block: 57 T2 Abstract: 2027
Survey: T&P RR CO/COX, L T
Lease Lines: 150.0 F N L
990.0 F W L
Survey Lines: 150.0 F N L
990.0 F W L

'**' PRECEDING FIELD NAME INDICATES RULE (R37)

THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS

This well shall be completed and produced in compliance with applicable special field or statewide spacing and density rules. If this well is to be used for brine mining, underground storage of liquid hydrocarbons in salt formations, or underground storage of gas in salt formations, a permit for that specific purpose must be obtained from Environmental Services prior to construction, including drilling, of the well in accordance with Statewide Rules 81, 95, and 97.

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER	DATE PERMIT ISSUED OR AMENDED	DISTRICT
795805	Sep 29, 2014	* 08
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NEW DRILL	Horizontal	480.85

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BHP BILLITON PET(TXLA OP) CO

1360 POST OAK BLVD STE 150
HOUSTON, TX 77056-0000

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District Office Telephone No:
(432) 684-5581

LEASE NAME	WELL NUMBER
STATE BARLOW 57-T2-47X38	1H
LOCATION	TOTAL DEPTH
3.9 miles SW direction from ORLA	14000

Section, Block and/or Survey

SECTION 47 BLOCK 57 T2 ABSTRACT 640

SURVEY T&P RR CO

DISTANCE TO SURVEY LINES	DISTANCE TO NEAREST LEASE LINE
2165 ft. S (OFFLEASE) 990 ft. W (OFFLEASE)	100 ft.
DISTANCE TO LEASE LINES	DISTANCE TO NEAREST WELL ON LEASE
2165 ft. S (OFFLEASE) 990 ft. W (OFFLEASE)	See FIELD(s) Below

FIELD(s) and LIMITATIONS:

* SEE FIELD DISTRICT FOR REPORTING PURPOSES *
** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) **
CASE NO. 0292659

FIELD NAME / LEASE NAME	ACRES / NEAREST LEASE	DEPTH	WELL # / NEAREST WE	DIST

This well must comply to the new SWR 3.13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations that have been identified for the county in which you are drilling the well in.

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

SWR #13 Formation Data

REEVES (389) County

Formation	Shallow Top	Deep Top	Remarks	Geological Order	Effective Date
FORD-DELAWARE	2,500	2,500		1	12/17/2013
CASTILLE	2,800	2,800		2	12/17/2013
BELL CANYON	4,800	5,000		3	12/17/2013
DELAWARE	2,500	5,700		4	12/17/2013
DELAWARE CONSOLIDATED GAS	6,500	6,500		5	12/17/2013
CHERRY CANYON	3,800	7,800		6	12/17/2013
BONE SPRINGS	7,500	9,800		7	12/17/2013
PERMIAN	11,300	11,300		8	12/17/2013
WOLFCAMP	10,000	12,300		9	12/17/2013
PENNSYLVANIAN	11,000	14,900		10	12/17/2013
MISSISSIPPIAN	10,000	16,000		11	12/17/2013
DEVONIAN	13,600	17,800		12	12/17/2013
FUSSELMAN	14,000	17,800		13	12/17/2013
ELLENBURGER	15,000	20,800		14	12/17/2013

The above list may not be all inclusive, and may also include formations that do not intersect all wellbores. Formation "TOP" information listed reflects an estimated range based on geologic variances across the county. To clarify, the "Deep Top" is not the bottom of the formation; it is the deepest depth at which the "TOP" of the formation has been or might be encountered. This is a dynamic list subject to updates and revisions. It is the operator's responsibility to make sure that at the time of spudding the well the most current list is being referenced. Refer to the RRC website at the following address for the most recent information.
http://www.rrc.state.tx.us/oil-gas/compliance-enforcement/rule-13-geologic-formation-info

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File No. MF065125

Reeves County

Drilling Permit for API 389-34554 Unit 7021

Date Filed: 9-29-14

George P. Bush, Commissioner

By JM

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER	DATE PERMIT ISSUED OR AMENDED	DISTRICT
795805	(AMENDED) Jul 21, 2015	* 08
API NUMBER 42-389-34554	FORM W-1 RECEIVED Jul 07, 2015	COUNTY REEVES
TYPE OF OPERATION NEW DRILL	WELLBORE PROFILE(S) Horizontal	ACRES 480.85

OPERATOR 068596
BHP BILLITON PET(TXLA OP) CO
1360 POST OAK BLVD STE 150
HOUSTON, TX 77056-0000

NOTICE
This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored.
District Office Telephone No:
(432) 684-5581

LEASE NAME	WELL NUMBER
STATE BARLOW 57-T2-47X38	1H
LOCATION 3.9 miles SW direction from ORLA	TOTAL DEPTH 10006

Section, Block and/or Survey
SECTION 47 BLOCK 57 T2 ABSTRACT 640
SURVEY T&P RR CO

DISTANCE TO SURVEY LINES	DISTANCE TO NEAREST LEASE LINE
2181 ft. S 1004 ft. W	112 ft.
DISTANCE TO LEASE LINES 2181 ft. S (OFFLEASE) 1004 ft. W (OFFLEASE)	DISTANCE TO NEAREST WELL ON LEASE See FIELD(s) Below

FIELD(s) and LIMITATIONS:

* SEE FIELD DISTRICT FOR REPORTING PURPOSES *
** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) **
CASE NO. 0292659

FIELD NAME / LEASE NAME	ACRES / NEAREST LEASE	DEPTH	WELL # / NEAREST WE	DIST
** PHANTOM (WOLFCAMP)	480.85	10,006	1H	08
STATE BARLOW 57-T2-47X38	112		0	

WELLBORE PROFILE(s) FOR FIELD: Horizontal

RESTRICTIONS:
Lateral: TH1
Penetration Point Location
Lease Lines: 2313.0 F S (OFFLEASE) L
971.0 F W (OFFLEASE) L
Terminus Location
BH County: REEVES
Section: 38 Block: 57 T2 Abstract: 2027
Survey: T&P RR CO/COX, L T
Lease Lines: 55.0 F N L
916.0 F W L
Survey Lines: 55.0 F N L
916.0 F W L

'**' PRECEDING FIELD NAME INDICATES RULE (R37)

THE FOLLOWING RESTRICTIONS APPLY TO ALL FIELDS

This well shall be completed and produced in compliance with applicable special field or statewide spacing and density rules. If this well is to be used for brine mining, underground storage of liquid hydrocarbons in salt formations, or underground storage of gas in salt formations, a permit for that specific purpose must be obtained from Environmental Services prior to construction, including drilling, of the well in accordance with Statewide Rules 81, 95, and 97.

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

PERMIT TO DRILL, DEEPEN, PLUG BACK, OR RE-ENTER ON A REGULAR OR ADMINISTRATIVE EXCEPTION LOCATION

PERMIT NUMBER	DATE PERMIT ISSUED OR AMENDED	DISTRICT
795805	(AMENDED) Jul 21, 2015	* 08
API NUMBER	FORM W-1 RECEIVED	COUNTY
42-389-34554	Jul 07, 2015	REEVES
TYPE OF OPERATION	WELLBORE PROFILE(S)	ACRES
NEW DRILL	Horizontal	480.85

OPERATOR 068596

BHP BILLITON PET(TXLA OP) CO

1360 POST OAK BLVD STE 150
HOUSTON, TX 77056-0000

NOTICE
This permit and any allowable assigned may be revoked if payment for fee(s) submitted to the Commission is not honored.
District Office Telephone No:
(432) 684-5581

LEASE NAME	WELL NUMBER
STATE BARLOW 57-T2-47X38	1H
LOCATION	TOTAL DEPTH
3.9 miles SW direction from ORLA	10006

Section, Block and/or Survey

SECTION 47 BLOCK 57 T2 ABSTRACT 640

SURVEY T&P RR CO

DISTANCE TO SURVEY LINES	DISTANCE TO NEAREST LEASE LINE
2181 ft. S 1004 ft. W	112 ft.
DISTANCE TO LEASE LINES	DISTANCE TO NEAREST WELL ON LEASE
2181 ft. S (OFFLEASE) 1004 ft. W (OFFLEASE)	See FIELD(s) Below

FIELD(s) and LIMITATIONS:

* SEE FIELD DISTRICT FOR REPORTING PURPOSES *

** THIS PERMIT IS GRANTED PURSUANT TO STATEWIDE RULE 37(h)(2)(B) **
CASE NO. 0292659

FIELD NAME / LEASE NAME	ACRES / NEAREST LEASE	DEPTH	WELL # / NEAREST WE	DIST

Currently there are no identified formations listed for this county. It is still the operators responsibility to isolate and report any potential flow zones that are encountered in the completion of this well.

7.23.15

API No. 42-389-34554	RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION	FORM W-1 07/2004
Application Status # 795805	APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER	Permit Status: Pending Approval
SWR Exception Case/Docket No.	This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.	The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

1. RRC Operator No.	2. Operator's Name (as shown on form P-5, Organization Report)	3. Operator Address (include street, city, state, zip)
068596	BHP BILLITON PET(TXLA OP) CO	1360 POST OAK BLVD STE 150 HOUSTON, TX 77056-0000

4. Lease Name	5. Well No.
STATE BARLOW 57-T2-47X38	1H

GENERAL INFORMATION

6. Purpose of filing (mark ALL appropriate boxes): [X] New Drill [ ] Recompletion [ ] Reclass [ ] Field Transfer [ ] Re-Enter [X] Amended [ ] Amended as Drilled (BHL) (Also File Form W-1D)

7. Wellbore Profile (mark ALL appropriate boxes): [ ] Vertical [X] Horizontal (Also File Form W-1H) [ ] Directional (Also File Form W-1D) [ ] Sidetrack

8. Total Depth	9. Do you have the right to develop the minerals under any right-of-way ?	10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)?
10006	[X] Yes [ ] No	[ ] Yes [X] No

SURFACE LOCATION AND ACREAGE INFORMATION

11. RRC District No.	12. County	13. Surface Location
08	REEVES	[X] Land [ ] Bay/Estuary [ ] Inland Waterway [ ] Offshore

14. This well is to be located 3.9 miles in a SW direction from Orla which is the nearest town in the county of the well site.

15. Section	16. Block	17. Survey	18. Abstract No.	19. Distance to nearest lease line.	20. Number of contiguous acres in lease, pooled unit, or unitized tract:
47	57 T2	T&P RR CO	A-640	100 ft.	480.85

21. Lease Perpendiculars: 2181 ft from the S (OFFLEASE) line and 1004 ft from the W (OFFLEASE) line.

22. Survey Perpendiculars: 2165 ft from the S (OFFLEASE) line and 990 ft from the W (OFFLEASE) line.

23. Is this a pooled unit?	24. Unitization Docket No.	25. Are you applying for Substandard Acreage Field?
[X] Yes [ ] No		[ ] Yes (attach Form W-1A) [X] No

FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.

26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)	29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	10006	0.00	1

BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)

Remarks
[FILER Jul 7, 2015 3:25 PM]: Amending SL/LTP locations.

Certificate:
I certify that information stated in this application is true and complete, to the best of my knowledge.

Diann Flowers, Sr. Regulatory Specialist — Name of filer
Jul 07, 2015 — Date submitted
(713)9832508 — Phone
diann.flowers@bhpbilliton.com — E-mail Address (OPTIONAL)

RRC Use Only Data Validation Time Stamp: Jul 7, 2015 3:27 PM(Current Version)

7-23-15

Permit Status: Pending Approval

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

Form W-1H 07/2004
Supplemental Horizontal Well Information

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.

Status # 795805

Approved Date:

1. RRC Operator No.	2. Operator's Name (exactly as shown on form P-5, Organization Report)	3. Lease Name	4. Well No.
068596	BHP BILLITON PET(TXLA OP) CO	STATE BARLOW 57-T2-47X38	1H

Lateral Drainhole Location Information

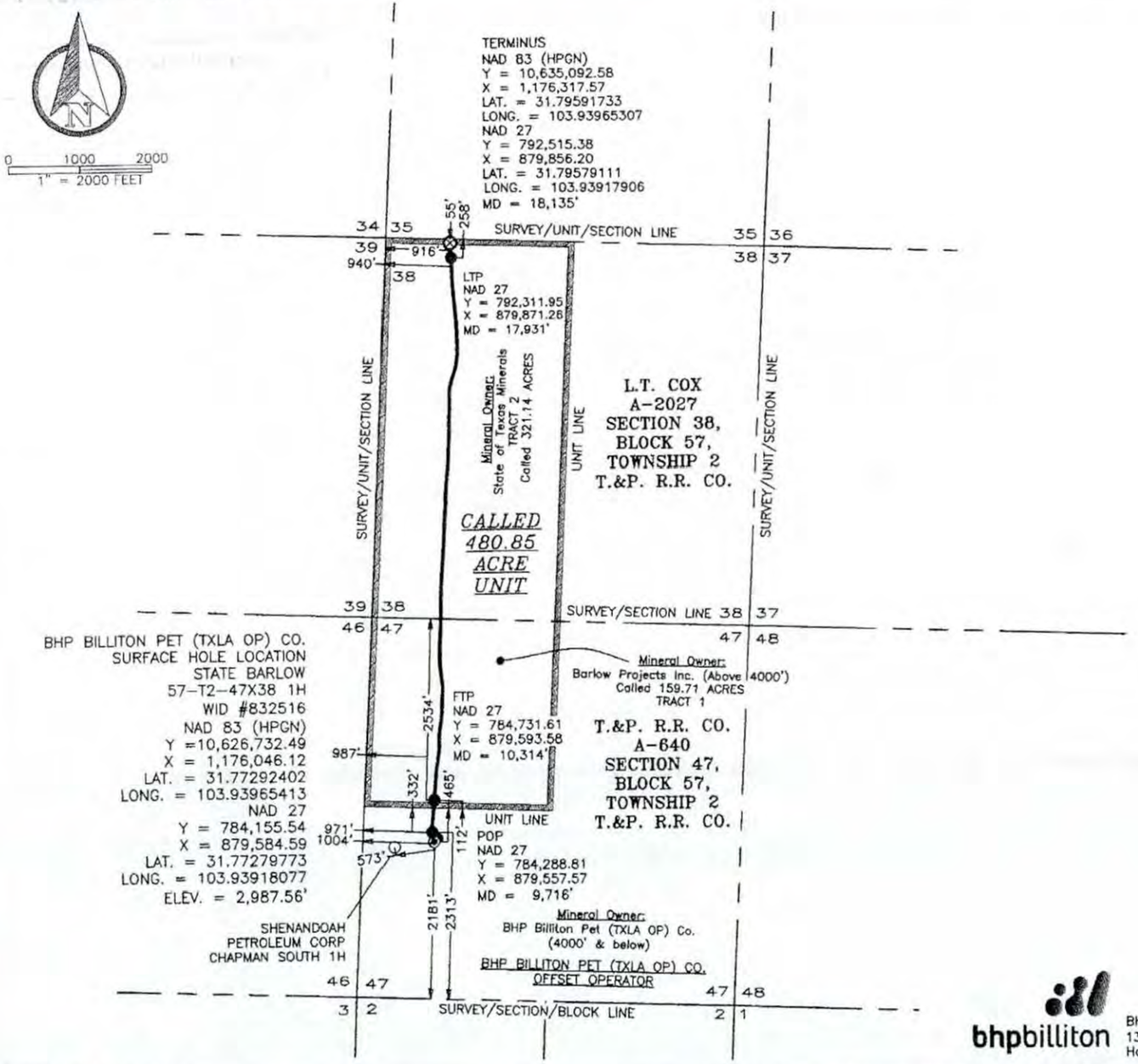
5. Field as shown on Form W-1: PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)

6. Section	7. Block	8. Survey	9. Abstract	10. County of BHL
38	57 T2	T&P RR CO/COX, L T	2027	REEVES

11. Terminus Lease Line Perpendiculars
55 ft. from the N line, and 916 ft. from the W line

12. Terminus Survey Line Perpendiculars
55 ft. from the N line, and 916 ft. from the W line

13. Penetration Point Lease Line Perpendiculars
112 ft. from the S line, and 1004 ft. from the W line



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GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999842354
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LOCATION BASED ON INFORMATION PROVIDED BY THE CLIENT.

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

REVISION	DATE	BY	DETAILS
A	02/03/15	JK	MAKE PRELIMINARY PLAT
B	07/16/15	RP	MOVE POP LOCATION

PLAT OF:

AN AS-DRILLED WELL LOCATION FOR:

BHP BILLITON PET (TXLA OP) CO

STATE BARLOW 57-T2-47X38 1H

WID# 832516

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38 BLOCK 57, TOWNSHIP 2, AND BEING APPROXIMATELY 3.9 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

bhpbilliton

BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

FRANK
SURVEYING COMPANY INC
550 Bailey Ave., 205 - Fort Worth, TX 76107
Ph: 817.349.9800 Fax: 972.732.5271
TBPLS Firm No. 10193887
www.franksurveying.com
LAND SURVEYING/ENERGY/GIS SERVICES

DATE:	07/16/15
DRAWN BY:	JK
CHECKED BY:	RGM
FIELD CREW:	RE/MR
PROJECT NO:	20140658B
SCALE:	1" = 2000'
SHEET:	1 OF 1
REVISION:	0

147

File No. MF065125

Reeves County

Amended Drilling Permit API 389-34554

Date Filed: 7-23-15

George P. Bush, Commissioner

By JM

5-53-12

RAILROAD COMMISSION OF TEXAS

1701 N. Congress
P.O. Box 12967
Austin, Texas 78701-2967

Form W-2

Status: Work in Progress
Date:
Tracking No.: 129998

OIL WELL POTENTIAL TEST, COMPLETION OR RECOMPLETION REPORT, AND LOG

OPERATOR INFORMATION

Operator Name: BHP BILLITON PET(TXLA OP) CO **Operator No.:** 068596
Operator Address: 1360 POST OAK BLVD STE 150 HOUSTON, TX 77056-0000

WELL INFORMATION

API No.: 42-389-34554 **County:** REEVES
Well No.: 1H **RRC District No.:** 08
Lease Name: STATE BARLOW 57-T2-47X38 **Field Name:** PHANTOM (WOLFCAMP)
RRC Lease No.: **Field No.:** 71052900
Location: Section: 47, Block: 57 T2, Survey: T&P RR CO, Abstract: 640

Latitude: 31.77292 **Longitude:** -103.93965
This well is located 3.9 **miles in a** SW **direction from** ORLA, **which is the nearest town in the county.**

FILING INFORMATION

Purpose of filing: Initial Potential
Type of completion: New Well
Well Type: Producing **Completion or Recompletion Date:** 01/24/2015

Type of Permit	Date	Permit No.
Permit to Drill, Plug Back, or Deepen	09/29/2014	795805
Rule 37 Exception		0292659
Fluid Injection Permit		
O&G Waste Disposal Permit		
Other:		

COMPLETION INFORMATION

Spud date: 10/13/2014 **Date of first production after rig released:** 01/24/2015
Date plug back, deepening, recompletion, or drilling operation commenced: 10/13/2014 **Date plug back, deepening, recompletion, or drilling operation ended:** 11/16/2014
Number of producing wells on this lease in this field (reservoir) including this well: 1 **Distance to nearest well in lease & reservoir (ft.):** 0.0
Total number of acres in lease: 480.85 **Elevation (ft.):** 2987 GL
Total depth TVD (ft.): 10006 **Total depth MD (ft.):** 18129
Plug back depth TVD (ft.): 10006 **Plug back depth MD (ft.):** 18034
Was directional survey made other than inclination (Form W-12)? Yes **Rotation time within surface casing (hours):** 228.8 **Is Cementing Affidavit (Form W-15) attached?** Yes
Recompletion or reclass? No **Multiple completion?** No
Type(s) of electric or other log(s) run: Gamma Ray (MWD)
Electric Log Other Description:
Location of well, relative to nearest lease boundaries of lease on which this well is located: 2165.0 **Feet from the** South **Line and** 990.0 **Feet from the** West **Line of the** STATE BARLOW 57-T2-47X38 **Lease.** **Off Lease :** Yes

FORMER FIELD (WITH RESERVOIR) & GAS ID OR OIL LEASE NO.

Field & Reservoir	Gas ID or Oil Lease No.	Well No.	Prior Service Type

PACKET: N/A

W2: N/A

FOR NEW DRILL OR RE-ENTRY, SURFACE CASING DEPTH DETERMINED BY:

GAU Groundwater Protection Determination — Depth (ft.): 1000.0 — Date: 09/16/2014

SWR 13 Exception — Depth (ft.):

INITIAL POTENTIAL TEST DATA FOR NEW COMPLETION OR RECOMPLETION

Date of test: 02/13/2015 — Production method: Flowing

Number of hours tested: 24 — Choke size: 16/64

Was swab used during this test? No — Oil produced prior to test: 12754.50

PRODUCTION DURING TEST PERIOD:

Oil (BBLS): 777.06 — Gas (MCF): 2386

Gas - Oil Ratio: 3070 — Flowing Tubing Pressure: 2400.00

Water (BBLS): 1920

CALCULATED 24-HOUR RATE

Oil (BBLS): 777.1 — Gas (MCF): 2386

Oil Gravity - API - 60.: 51.5 — Casing Pressure: 1320.00

Water (BBLS): 1920

CASING RECORD

Row	Type of Casing	Casing Size (in.)	Hole Size (in.)	Setting Depth (ft.)	Multi - Stage Tool Depth (ft.)	Multi - Stage Shoe Depth (ft.)	Cement Class	Cement Amount (sacks)	Slurry Volume (cu. ft.)	Top of Cement (ft.)	TOC Determined By
1	Surface	11 3/4	14 3/4	1123			C	1245	680.0	SURFACE	Circulated to Surface
2	Intermediate	9 5/8	10 5/8	4312			C	414	932.0	4125	Calculation
3	Intermediate	7 5/8	8 3/4	9799			LITECRETE, C	440	907.0	4200	Calculation
4	Tapered Production	4 1/2	6 3/4	18114			TXI	1864	2463.0	SURFACE	Circulated to Surface

LINER RECORD

Row	Liner Size (in.)	Hole Size (in.)	Liner Top (ft.)	Liner Bottom (ft.)	Cement Class	Cement Amount (sacks)	Slurry Volume (cu. ft.)	Top of Cement (ft.)	TOC Determined By

N/A

TUBING RECORD

Row	Size (in.)	Depth Size (ft.)	Packer Depth (ft.)/Type
1	2 7/8	9522	9500 / BRATON BT1-XW

PRODUCING/INJECTION/DISPOSAL INTERVAL

Row	Open hole?	From (ft.)	To (ft.)
1	No	L2 10314	17931.0

ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC.

Was hydraulic fracturing treatment performed? Yes

Is well equipped with a downhole actuation sleeve? No

If yes, actuation pressure (PSIG):

Production casing test pressure (PSIG) prior to hydraulic fracturing treatment: 11200

Actual maximum pressure (PSIG) during hydraulic fracturing: 11053

Has the hydraulic fracturing fluid disclosure been reported to FracFocus disclosure registry (SWR29)? Yes

Row	Type of Operation	Amount and Kind of Material Used	Depth Interval (ft.)	
1	Fracture	FRAC 24 STAGES: 9,275,965# PROPPANT; 8,600,104 GAL FLUID	10314	17931

FORMATION RECORD

Formations	Encountered	Depth TVD (ft.)	Depth MD (ft.)	Is formation isolated?	Remarks
FORD-DELAWARE	No			No	NOT ENCOUNTERED
CASTILLE	Yes	2685.0	2685.0	Yes	
BELL CANYON	Yes	2991.0	2991.0	Yes	
DELAWARE	Yes	2991.0	2991.0	Yes	
DELAWARE CONSOLIDATED GAS	No			No	NOT ENCOUNTERED
CHERRY CANYON	Yes	3770.0	3770.0	Yes	
BONE SPRINGS	Yes	6660.0	6666.0	Yes	
PERMIAN	No			No	NOT ENCOUNTERED
WOLFCAMP	Yes	9707.0	9716.0	No	PRODUCING ZONE
PENNSYLVANIAN	No			No	NOT ENCOUNTERED
MISSISSIPPIAN	No			No	NOT ENCOUNTERED
DEVONIAN	No			No	NOT ENCOUNTERED
FUSSELMAN	No			No	NOT ENCOUNTERED
ELLENBURGER	No			No	NOT ENCOUNTERED

Do the producing interval of this well produce H2S with a concentration in excess of 100 ppm (SWR 36)? No

Is the completion being downhole commingled (SWR 10)? No

REMARKS

INITIAL COMPLETION. TAPERED PRODUCTION STRING 5 1/2, 4 1/2 WITH CROSSOVER AT 9539'.

RRC REMARKS

PUBLIC COMMENTS:

CASING RECORD :

TUBING RECORD:

PRODUCING/INJECTION/DISPOSAL INTERVAL :

ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC. :

POTENTIAL TEST DATA:

OPERATOR'S CERTIFICATION

Printed Name: Diann Flowers
Title: Sr. Regulatory Specialist
Telephone No.: (713) 983-2508
Date Certified: 03/09/2015

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division
PO Box 12967
Austin TX 78711-2967
www.rrc.state.tx.us

CERTIFICATE OF COMPLIANCE AND TRANSPORTATION AUTHORITY

P-4

This facsimile P-4 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.

Tracking No.: 129998

1. Field name exactly as shown on proration schedule	2. Lease name as shown on proration schedule			
PHANTOM (WOLFCAMP)	STATE BARLOW 57-T2-47X38			
3. Current operator name exactly as shown on P-5 Organization Report	4. Operator P-5 no.	5. Oil Lse/Gas ID no	6. County	7. RRC district
BHP BILLITON PET(TXLA OP) CO	068596		REEVES	08
8. Operator address including city, state, and zip code	9. Well no(s) (see instruction E)			
1360 POST OAK BLVD STE 150 HOUSTON, TX 77056	1H			
	10. Classification ☒ Oil ☐ Gas ☐ Other (see instruction A)			11. Effective Date 01/24/2015

12. Purpose of Filing. (Complete section a or b below.) (See instructions B and G)

a. Change of: ☐ operator ☐ oil or condensate gatherer ☐ gas gatherer ☐ gas purchaser ☐ gas purchaser system code
☐ field name from _____
☐ lease name from _____

OR

b. New RRC Number for: ☒ oil lease ☐ gas well ☐ other well (specify) _____ Due to: ☒ new completion or recompletion ☐ reclass oil to gas ☐ reclass gas to oil ☐ consolidation, unitization, or subdivision (oil lease only)

13. Authorized GAS WELL GAS or CASINGHEAD GAS Gatherer(s) and/or Purchaser(s). (See instruction G).

Gatherer	Purchaser	Name of GAS WELL GAS or CASINGHEAD GAS Gatherer(s) or Purchaser(s) As Indicated in Columns to the Left (Attach an additional sheet in same format if more space is needed)	Purchaser's RRC Assigned System Code	Percent of Take	Full-well stream
X		BHP BILLITON PET (TX GATH), LLC(068595)		100.0	
	X	REGENCY FIELD SERVICES LLC(698769)	0001	100.0	

14. Authorized OIL or CONDENSATE Gatherer(s). (See instruction G).

Name of OIL or CONDENSATE Gatherer(s) - List Highest Volume Gatherer First (Attach an additional sheet in same format if more space is needed)	Percent of Take
TRAFIGURA AG INC.(864322)	90.0
SHELL TRADING (US) COMPANY(774715)	10.0

RRC USE ONLY: Reviewer's initials: _____ Approval date: _____

15. PREVIOUS OPERATOR CERTIFICATION FOR CHANGE OF OPERATOR P-4 FILING. Being the PREVIOUS OPERATOR, I certify that operating responsibility for the well(s) designated in this filing, located on the subject lease has been transferred in its entirety to the above named Current Operator. I understand, as Previous Operator, that designation of the above named operator as Current Operator is not effective until this certificate is approved by the Commission.

Name of Previous Operator

Signature

Name (print)

☐ Authorized Employee of previous operator ☐ Authorized agent of previous operator (see instruction G)

Title

Date

Phone with area code

16. CURRENT OPERATOR CERTIFICATION. By signing this certificate as the Current Operator, I certify that all statements on this form are true and correct and I acknowledge responsibility for the regulatory compliance of the subject lease including plugging of well(s) pursuant to Rule 14. I further acknowledge that I assume responsibility for the physical operation, control, and proper plugging of each well designated in this filing. I also acknowledge that I will remain designated as the Current Operator until a new certificate designating a new Current Operator is approved by the Commission.

Name (print)
Sr. Regulatory Specialist

Signature
Diann Flowers

Title

☒ Authorized Employee of current operator ☐ Authorized agent of current operator (see instruction G)

diann.flowers@bhpbilliton.com
E-mail Address (optional)

03/09/2015
Date

(713) 983-2508
Phone with area code

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

ELECTRIC LOG STATUS REPORT

FORM L-1

Tracking No.: 129998

This facsimile L-1 was generated electronically from data submitted to the RRC.

Instructions

When to File Form L-1:
- with Forms G-1, W-2, and GT-1 for new and deepened gas, oil, and geothermal wells
- with Form W-3 for plugged dry holes
- when sending in a log which was held under a request for confidentiality and the period for confidentiality has not yet expired.

When is Form L-1 NOT required:
- with Forms W-2, G-1, and GT-1 filed for injection wells, disposal wells, water supply wells, service wells, re-test wells, re-classifications, and plugbacks of oil, gas or geothermal wells
- with Form W-3 for plugging of other than a dry hole

Where to File Form L-1:
- with the appropriate Commission district office

Filling out Form L-1:
- Section I and the signature section must be filled out for all wells
- complete only the appropriate part of Section II

Type of log required:
- any wireline survey run for the purpose of obtaining lithology, porosity, or resistivity information
- no more than one such log is required but it must be of the subject well
- if such log is NOT run on the subject well, do NOT substitute any other type of log; just select Section II, Part A below

SECTION I. IDENTIFICATION

Operator Name: BHP BILLITON PET(TXLA OP) CO	District No. 08	Completion Date: 01/24/2015
Field Name PHANTOM (WOLFCAMP)	Drilling Permit No. 795805	
Lease Name STATE BARLOW 57-T2-47X38	Lease/ID No.	Well No. 1H
County REEVES	API No. 42- 389-34554	

SECTION II. LOG STATUS (Complete either A or B)

☐ A. BASIC ELECTRIC LOG NOT RUN

☒ B. BASIC ELECTRIC LOG RUN. (Select one)

☒ 1. Confidentiality is requested and a copy of the header for each log that has been run on the well is attached.

☐ 2. Confidentiality already granted on basic electric log covering this interval (applicable to deepened wells only).

☐ 3. Basic electric log covering this interval already on file with Commission (applicable to deepened wells only).

☐ 4. Log attached to (select one):

☐ (a) Form L-1 (this form). If the company/lease name on log is different from that shown in Section I, please enter name on log here: _____

Check here if attached log is being submitted after being held confidential. ☐

☐ (b) Form P-7, Application for Discovery Allowable and New Field Designation.

☐ (c) Form W-4, Application for Multiple Completion:

Lease or ID No(s). _____

Well No(s). _____

Diann Flowers Signature	Sr. Regulatory Specialist Title
Name (print)	(713) 983-2508 Phone 03/09/2015 Date

-FOR RAILROAD COMMISSION USE ONLY-

LEAM Drilling Systems, LLC

leam Drilling Systems, LLC
2027A Airport Rd
Conroe, TX 77301

State Barlow 57-T2-47X38 1H

Scale 5":100' - TVD

11/10/2014 11:45 PM

Oper. Company: BHP Billiton
Well: State Barlow 57-T2-47X38 1H
Field: .479
Rig: H&P 602
Well ID: 42-389-34554
Job Number: CO-141265
Notes: Max Temp: 182
Mud Weight: 11.35
Mud Visc: 60
Mud Type: OBM

State: Texas
County: Reeves
Country: USA

Start Date: 10/30/2014 07:30:00
End Date: 11/10/2014 23:44:16

Latitude: 31° 46' 22.072 N
Longitude: 103° 56' 21.051 W

Elev KB: 3013
Elev DF: 25
Elev GL: 2988

Notes:

Operator 1: Arturo DeLeon
Notes:

Operator 2: Justin Tyler

Tool Run Data	Run #1	Run #2	Run #3	Run #4	Run #5
Tool S/N	DG29				
Bit Size	6 3/4				
Cal Factor					
Gamma Offset	42.00				
Resisitivity Offset	0.00				
Start Depth	9815.00				
StartDate	10/30/2014				
StartTime	11:00 AM				
EndDepth	0.00				
EndDate					
EndTime					
Mud Type	OBM				
Mud Weight	9.1				
Funnel Viscosity	28				
Plastic Viscosity	1				
Yield Point	3				
Gel Strength	1/1/2				
Solids Content	2.8				
Sand Content					
Mud Alkalinity					
Filtrate Alkalinity					
Chlorides	31000				
Mud RM					
Mud RMF					
Mud RMC					
Mud RM at BHT					

Hole Data			Casing Data		
Size	From	To	Size	From	To
			11.75	0.00	1132.00
			9.625	1132.00	4319.00
			7.625	4319.00	9805.00

All interpretations are opinions based on inferences from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of any interpretation, and we shall not except in the case of gross or willful negligence on our part, be liable or responsible for any loss, cost damages or expenses incurred or sustained by anyone resulting from an interpretation made by any of our officers, agents, or employees.

Cementer: Fill in shaed areas
Operator: Fill in other items

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Divsion

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
BHP Billiton PET (TXLA OP) Co	068596	08	Reeves

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
Phantom (Wolfcamp)	42-389-34554	795805

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
State Barlow 57-T2-47X38	0292659		1H

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date		10/14/2014					
13. ●Drilling hole size		14 3/4					
●Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)		11 3/4					
15. Top of liner (ft.)							
16. Setting depth (ft.)		1123					
17. Number of centralizers used		6					
18. Hrs. waiting on cement before drill-out		34.5					
1st Slurry	19. API cement used: No. of sacks ▸	1245					
	Class ▸	Class C					
	Additives ▸	Remarks					
2nd Slurry	No. of sacks ▸						
	Class ▸						
	Additives ▸						
3rd Slurry	No. of sacks ▸						
	Class ▸						
	Additives ▸						
1st	20. Slurry pumped: Volume (cu. ft.) ▸	680					
	Height (ft.) ▸	3677					
2nd	Volume (cu. ft.) ▸						
	Height (ft.) ▸						
3rd	Volume (cu. ft.) ▸						
	Height (ft.) ▸						
Total	Volume (cu. ft.) ▸	680					
	Height (ft.) ▸	3677					
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?		Yes	142bbl=599sk				

1st 94lb/skD903
2nd

aaa

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

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

David Sanchez, FS	Dowell Schlumberger		14-Oct-14
Name and title of cementer's representative	Cementing Company	Signature	
32 E. Industrial Loop	Midland, Texas 79701	(432) 683-1887	
Address	City, State, Zip Code	Tel. Area Code Number	Date: mo day yr

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

Diann Flowers	Sr. Regulatory Specialist	Diann Flowers	
Typed or printed name of operator's representative	Title	Signature	
1360 Post Oak Blvd, Ste 150 Houston, Tx 77056		(713)983-2508	1-27-2015
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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

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- Form **W-4**, Application for Multiple Completion, if the well is a muliple parallel casing completion, and
- Form **W-3**, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting **dry** holes, operators must complete Form **W-15, in addition to Form W-3, to show any casing cemented in the hole.**

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

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

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

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

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

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

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

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

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Divsion

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
BHP Billiton PET (TXLA OP) CO	068596	08	Reeves
5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.		7. Drilling Permit No.
	42-389-34554		795805
8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
State Barlow 57-T2-47 X38	0292659		#1H

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING #1	PRODUCTION CASING: Single String	PRODUCTION CASING: Multiple Parallel Strings	MULTI-STAGE CEMENTING PROCESS: Tool	MULTI-STAGE CEMENTING PROCESS: Shoe
12. Cementing Date		10/19/2014				
13. ●Drilling hole size		10 5/8				
●Est. % wash or hole enlargement						
14. Size of casing (in. O.D.)		9 5/8				
15. Top of liner (ft.)						
16. Setting depth (ft.)		4312				
17. Number of centralizers used						
18. Hrs. waiting on cement before drill-out		13				
1st Slurry — 19. API cement used: No. of sacks		256				
1st Slurry — Class		C				
1st Slurry — Additives		Remarks				
2nd Slurry — No. of sacks		158				
2nd Slurry — Class		C				
2nd Slurry — Additives		Remarks				
3rd Slurry — No. of sacks						
3rd Slurry — Class						
3rd Slurry — Additives						
1st — 20. Slurry pumped: Volume (cu. ft.)		676				
1st — Height (ft.)		6119				
2nd — Volume (cu. ft.)		256				
2nd — Height (ft.)		2318				
3rd — Volume (cu. ft.)						
3rd — Height (ft.)						
Total — Volume (cu. ft.)		932				
Total — Height (ft.)		8437				
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?		No				

st 2% S001+5%D154+5%D020
nd 1%D020+0.2%D046+0.2%D013

CXOF-00060

OVER ▶

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

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

Josh Blosser, FE	Dowell Schlumberger		
Name and title of cementer's representative	Cementing Company	Signature	
32 E. Industrial Loop	Midland, Texas 79701	(432) 683-1887	19-Oct-14
Address	City, State, Zip Code	Tel: Area Code Number	Date: mo. day yr.

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

Dianna Flowers	Sr. Regulatory Specialist	Dianna Flowers	
Typed or printed name of operator's representative	Title	Signature	
1360 Post Oak Blvd, Ste 150 Houston, Tx 77056		(713) 983-2508	2-1-2015
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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- Form **W-4**, Application for Multiple Completion, if the well is a muliple parallel casing completion; and
- Form **W-3**, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting **dry** holes, operators must complete Form **W-15, in addition to Form W-3, to show any casing cemented in the hole.**

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

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

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

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

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

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

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Divsion

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
BHP Billiton PET (TXLA OP) CO	068596	08	Reeves

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
Phantom (WOLFCAMP)	42-389-34554	795805

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
State Barlow 57-T2-47X38	0292659		1H

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING #2	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date			10/29/2014				
13. ●Drilling hole size			8 3/4				
●Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)			7 5/8				
15. Top of liner (ft.)							
16. Setting depth (ft.)			9799				
17. Number of centralizers used							
18. Hrs. waiting on cement before drill-out			32				
1st Slurry	19. API cement used: No. of sacks		267				
	Class		LiteCRETE*				
	Additives		Remarks				
2nd Slurry	No. of sacks		170				
	Class		C				
	Additives		Remarks				
3rd Slurry	No. of sacks						
	Class						
	Additives						
1st	20. Slurry pumped: Volume (cu. ft.)		643				
	Height (ft.)		6404.2				
2nd	Volume (cu. ft.)		264				
	Height (ft.)		2622.5				
3rd	Volume (cu. ft.)						
	Height (ft.)						
Total	Volume (cu. ft.)		907				
	Height (ft.)		9026.8				
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?			No				

1st LiteCRETE* + .5% B477 + .3% D65 + .2% D46 + .33% D201
2nd Class C + 3% M117 + .2% D46 + .1% D65 + .2% D201 + .5% D112 + .1% D208
3rd 0
4th 0

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

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Marcus Chavis, FE2	Schlumberger		
Name and title of cementer's representative	Cementing Company	Signature	
32 E. Industrial Loop	Midland, Texas 79701	(432) 683-1887	29-Oct-14
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

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Diann Flowers	Sr. Regulatory Specialist	Diann Flowers	
Typed or printed name of operator's representative	Title	Signature	
1360 Post Oak Blvd. Ste 150	Houston, Tx 77056	(713) 983-2508	1-27-2015
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

Instructions to Form W-15, Cementing Report

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

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

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
BHP Billiton Pet (TXLA OP) Co	068596	08	Reeves

5. Field Name (Wildcat or exactly as shown on RRC records)	6. API No.	7. Drilling Permit No.
Phantom (Wolfcamp)	42-389-34554	795805

8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well No.
State Barlow 57-T2-47x38	0292659		1H

CASING CEMENTING DATA:	SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
			Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date			11/15/2014			
13. ●Drilling hole size			6 3/4			
●Est. % wash or hole enlargement						
14. Size of casing (in. O.D.)			4 1/2, 5 1/2			
15. Top of liner (ft.)						
16. Setting depth (ft.)			18114			
17. Number of centralizers used			185			
18. Hrs. waiting on cement before drill-out						
19. API cement used: No. of sacks			280			
Class			TXI			
Additives			Remarks			
1st Stage: No. of sacks			1584			
Class			TXI			
Additives			Remarks			
2nd Stage: No. of sacks						
Class						
Additives						
1st: 20. Slurry pumped: Volume (cu. ft.)			420			
Height (ft.)			5029			
2nd: Volume (cu. ft.)			2043			
Height (ft.)			24466			
3rd: Volume (cu. ft.)						
Height (ft.)						
Total: Volume (cu. ft.)			2463			
Height (ft.)			29495			
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?			YES	70bbls=262sks		

1st 75ppsD49+.4%D202+.4%D046+3%M117+.7%D207+.18%D201
2nd 75ppsD049+.18%D201+.4%D202+.7%D207+.4%D046+3%M117

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DEC 10 2014
REGULATORY

OVER ▶

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

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Jimmy Casbeer, FS	Dowell Schlumberger		
Name and title of cementer's representative	Cementing Company	Signature	
22 E. Industrial Loop	Midland, Texas 79701	(432) 683-1887	15-Nov-14
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

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

Diann Flowers	Sr. Regulatory Specialist	Diann Flowers	
Typed or printed name of operator's representative	Title	Signature	
1360 Post Oak Blvd, Ste 150 Houston, TX 77056		(713) 983-2508	1-29-2015
Address	City, State, Zip Code	Tel.: Area Code Number	Date: mo. day yr.

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

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- Form **W-3**, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting **dry** holes, operators must complete Form **W-15, in addition to Form W-3, to show any casing cemented in the hole.**

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

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

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

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

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

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

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

STATEMENT OF PRODUCTIVITY OF ACREAGE ASSIGNED TO PRORATION UNITS

Form P-15

Tracking No.: 129998

This facsimile P-15 was generated electronically from data submitted to the RRC.

The undersigned states that he is authorized to make this statement; that he has knowledge of the facts concerning the BHP BILLITON PET(TXLA OP) CO (OPERATOR), STATE BARLOW 57-T2-47X38 (LEASE), No. 1H (WELL); that such well is completed in the PHANTOM (WOLFCAMP) Field, REEVES County, Texas and that the acreage claimed, and assigned to such well for proration purposes as authorized by special rule and as shown on the attached certified plat embraces 480.85 acres which can reasonably be considered to be productive of hydrocarbons.

- CERTIFICATE -

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction,

Date 03/09/2015 Signature Diann Flowers

Telephone (713) 983-2508 (AREA CODE) Title Sr. Regulatory Specialist

P-15 STATEMENT OF PRODUCTIVITY OF ACREAGE

OPERATOR: BHP BILLITON PET (TXLA OP) CO (068596)
COUNTY: REEVES – DISTRICT 08
FIELD NAME: PHANTOM (WOLFCAMP)
LEASE NAME: STATE BARLOW 57-T2-47X38

LEASE ID	DRILLING PERMIT #	WELL NO.	DEDICATED ACRES
PENDING	795805	1H	480.85
		TOTAL ALLOCATED:	480.85
		TOTAL AVAILABLE:	0

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division
PO Box 12967
Austin, Texas 78711-2967
www.rrc.state.tx.us

CERTIFICATE OF POOLING AUTHORITY

Revised 05/2001

P-12

1. Field Name(s)	2. Lease/ID Number *(if assigned)*	3. RRC District Number
PHANTOM (WOLFCAMP)		08
4. Operator Name	5. Operator P-5 Number	6. Well Number
BHP BILLITON PET (TXLA OP) CO	068596	1H
7. Pooled Unit Name	8. API Number	9. Purpose of Filing
STATE BARLOW 57-T2-47X38	42-389-34554	☐ Drilling Permit (W-1)
10. County	11. Total acres in pooled unit	☑ Completion Report
REEVES	480.85	

DESCRIPTION OF INDIVIDUAL TRACTS CONTAINED WITHIN THE POOLED UNIT

Tract/Plat Identifier	Tract Name	Acres in Tract *(See inst. #7 below)*	Indicate Undivided Interests Unleased	Non-Pooled
1	BARLOW PROJECTS INC.	159.71	☐	☐
2	STATE OF TEXAS MINERALS	321.14	☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐

CERTIFICATION:

I declare under penalties prescribed pursuant to the Sec. 91.143, Texas Natural Resources Code, that I am authorized to make the foregoing statements and that the information provided by me or under my direction on this Certificate of Pooling Authority is true, correct, and complete to the best of my knowledge.

Diann Flowers

Signature — Print Name

Sr. Regulatory Specialist — Title

diann.flowers@bhpbilliton.com — E-mail *(if available)*

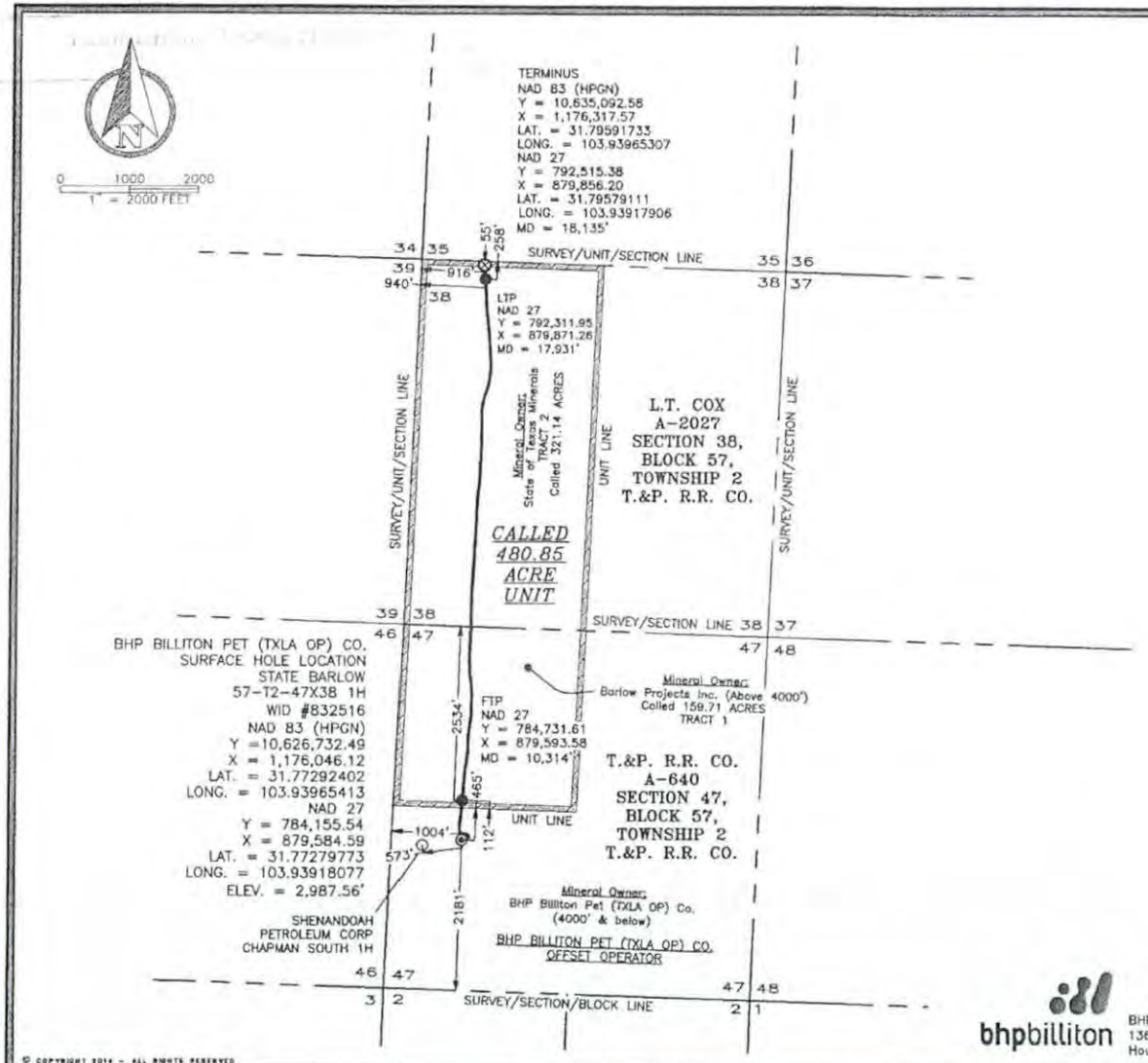
03/09/2015 — Date

(713) 983-2508 — Phone

INSTRUCTIONS — Reference: Statewide Rules 31, 38 and 40

1. When two or more tracts are pooled to form a unit to obtain a drilling permit, file completion paperwork, or reform a pooled unit pursuant to Rule 38(d)(3) the operator must file an original Certificate of Pooling Authority and certified plat.
2. The certified plat shall designate each tract with an outline and a tract identifier. The tract identifier on the plat shall correspond to the tract identifier and associated information listed on the Certificate.
3. If within an individual tract, a non-pooled and/or unleased interest exists, indicate by checking the appropriate box.
4. If the Purpose of Filing is to obtain a drilling permit, in box #1 list all applicable fields separately or enter "All Fields" if the Certificate pertains to all fields requested on Form W-1.
5. If the Purpose of Filing is to file completion paperwork, enter the applicable field name in box #1 for the completion.
6. Identify the drill site tract with an * to the left of the tract identifier.
7. The total number of acres in the pooled unit in #11 should equal the total of all acres in the individual tracts listed.

Clear Form



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GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999842354
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LOCATION BASED ON INFORMATION PROVIDED BY THE CLIENT.

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

REVISION	DATE	BY	DETAILS
A	02/03/15	JK	MAKE PRELIMINARY PLAT

PLAT OF:

AN AS-DRILLED WELL LOCATION FOR:

BHP BILLITON PET (TXLA OP) CO

STATE BARLOW 57-T2-47X38 1H

WID# 832516

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38 BLOCK 57, TOWNSHIP 2, AND BEING APPROXIMATELY 3.9 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

bhpbilliton
BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

FRANK
SURVEYING COMPANY INC
550 Bailey Ave., 205 - Fort Worth, TX 76107
Ph: 817.349.9800 - Fax: 979.732.5271
TBPLS Firm No. 10193887
www.franksurveying.com
LAND SURVEYING/ENERGY/GIS SERVICES

DATE:	02/03/2015
DRAWN BY:	JK
CHECKED BY:	RGM
FIELD CREW:	RE/MR
PROJECT NO:	201406588
SCALE:	1" = 2000'
SHEET:	1 OF 1
REVISION:	0

148

File No. MF065125

Reeves County

Completion Report for API 389-34554 - Unit 7021

Date Filed: 8-3-15

George P. Bush, Commissioner

By JM

API No. 42-389-34752

Drilling Permit # 802705

SWR Exception Case/Docket No.

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.

FORM W-1 07/2004

Permit Status: Approved

1. RRC Operator No.: 068596

2. Operator's Name (as shown on form P-5, Organization Report): BHP BILLITON PET(TXLA OP) CO

3. Operator Address (include street, city, state, zip): 1360 POST OAK BLVD STE 150 HOUSTON, TX 77056-0000

4. Lease Name: STATE PROJECTS 57-T2-47X38

5. Well No.: 1H

GENERAL INFORMATION

6. Purpose of filing (mark ALL appropriate boxes): [X] New Drill [ ] Recompletion [ ] Reclass [ ] Field Transfer [ ] Re-Enter [ ] Amended [ ] Amended as Drilled (BHL) (Also File Form W-1D)

7. Wellbore Profile (mark ALL appropriate boxes): [ ] Vertical [X] Horizontal (Also File Form W-1H) [ ] Directional (Also File Form W-1D) [ ] Sidetrack

8. Total Depth: 14000

9. Do you have the right to develop the minerals under any right-of-way ? [X] Yes [ ] No

10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? [ ] Yes [X] No

SURFACE LOCATION AND ACREAGE INFORMATION

11. RRC District No.: 08

12. County: REEVES

13. Surface Location: [X] Land [ ] Bay/Estuary [ ] Inland Waterway [ ] Offshore

14. This well is to be located 4 miles in a SW direction from Orla which is the nearest town in the county of the well site.

15. Section	16. Block	17. Survey	18. Abstract No.	19. Distance to nearest lease line:	20. Number of contiguous acres in lease, pooled unit, or unitized tract:
47	57 T2	T&P RR CO	A-640	200 ft.	480.95

21. Lease Perpendiculars: 335 ft from the E OFF LEASE line and 2182 ft from the S OFF LEASE line.

22. Survey Perpendiculars: 2182 ft from the SOUTH line and 335 ft from the EAST line.

23. Is this a pooled unit? [X] Yes [ ] No

24. Unitization Docket No:

25. Are you applying for Substandard Acreage Field? [ ] Yes (attach Form W-1A) [X] No

FIELD INFORMATION

List all fields of anticipated completion including Wildcat. List one zone per line.

26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)	29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
08	71052900	PHANTOM (WOLFCAMP)	Oil or Gas Well	12500	0.00	1

BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)

Remarks

Certificate:

I certify that information stated in this application is true and complete, to the best of my knowledge.

Lillian Garcia, Regulatory Technical Assistant — Name of filer

Jan 13, 2015 — Date submitted

(713)5524537 — Phone

lillian.garcia@bhpbilliton.com — E-mail Address (OPTIONAL)

RRC Use Only — Data Validation Time Stamp: Jan 15, 2015 11:31 AM(Current Version)

Permit Status:	Approved

The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.

RAILROAD COMMISSION OF TEXAS
OIL & GAS DIVISION

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

This facsimile W-1 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.

Form W-1H 07/2004
Supplemental Horizontal Well Information

Permit #	802705
Approved Date:	Jan 15, 2015

1. RRC Operator No.	2. Operator's Name (exactly as shown on form P-5, Organization Report)	3. Lease Name	4. Well No.
068596	BHP BILLITON PET(TXLA OP) CO	STATE PROJECTS 57-T2-47X38	1H

Lateral Drainhole Location Information

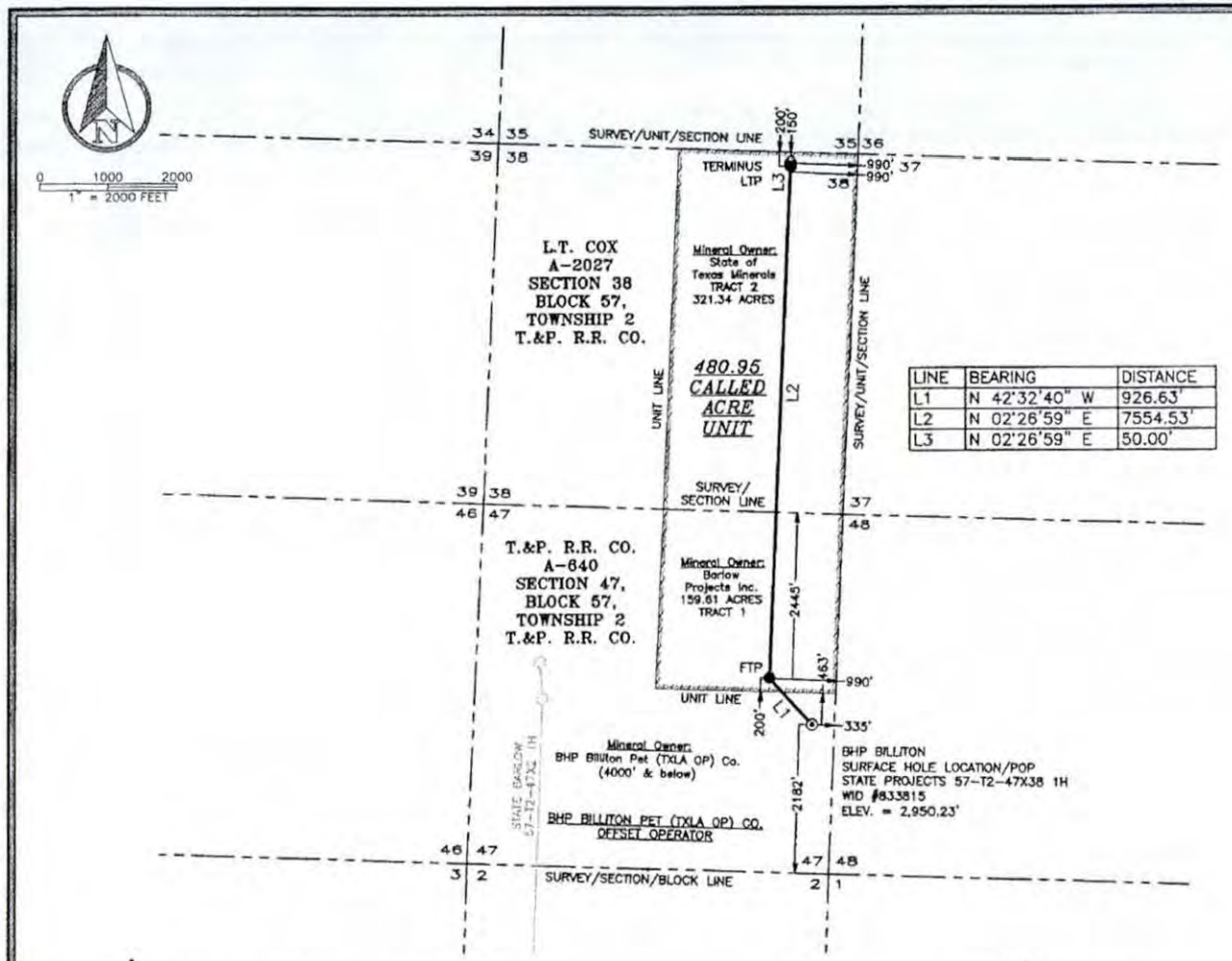
5. Field as shown on Form W-1: PHANTOM (WOLFCAMP) (Field # 71052900, RRC District 08)

6. Section	7. Block	8. Survey	9. Abstract	10. County of BHL
38	57 T2	T&P RR CO/COX, L T	2027	REEVES

11. Terminus Lease Line Perpendiculars
150 ft. from the N line. and 990 ft. from the East line

12. Terminus Survey Line Perpendiculars
150 ft. from the N line. and 990 ft. from the East line

13. Penetration Point Lease Line Perpendiculars
2182 ft. from the S off lease line. and 335 ft. from the E off lease line



LINE	BEARING	DISTANCE
L1	N 42°32'40" W	926.63'
L2	N 02°26'59" E	7554.53'
L3	N 02°26'59" E	50.00'

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999835117
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
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I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LOCATION BASED ON INFORMATION PROVIDED BY THE CLIENT.

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

REVISION	DATE	BY	DETAILS
A	11/17/14	RP	MAKE PRELIMINARY PLAT
B	11/19/14	RP	REVISE UNIT AND LINES
C	12/16/14	RP	REVISE LATERAL OFFSETS
D	01/06/14	RP	REVISE POP

PLAT OF:

A PROPOSED WELL LOCATION FOR:

BHP BILLITON PET (TXLA OP) CO

STATE PROJECTS 57-T2-47X38 1H

WID# 833815

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38, BLOCK 57, TOWNSHIP 2, OF THE T. & P. R.R. CO. SURVEYS AND BEING APPROXIMATELY 4 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

FRANK SURVEYING COMPANY INC
550 Bailey Ave., 205 - Fort Worth, TX 76107
Ph: 817.349.9800 - Fax: 979.732.5271
TBPLS Firm No. 10193887
www.franksurveying.com
LAND SURVEYING/ENERGY/GIS SERVICES
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bhpbilliton
BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

DATE:	01/06/15	PROJECT NO:	2014021015
DRAWN BY:	RP	SCALE:	1" = 2000'
CHECKED BY:	JK	SHEET:	1 OF 2
FIELD CREW:	RE/MR	REVISION:	

51.62.9

21·09·9

SECTION CORNERS TABLE, TEXAS COORDINATE SYSTEM, CENTRAL ZONE							
LOCATION	DESCRIPTION	NAD 83 (HPGN)			NAD 27		
		STATE PLANE	GEOGRAPHIC (D-D)	GEOGRAPHIC (D-M-S)	STATE PLANE	GEOGRAPHIC (D-D)	GEOGRAPHIC (D-M-S)
NW COR 57-T2-38	FOUND AXLE	Y=10,635,176.94 X=1,175,404.13	LAT: 31.79606768°N LONG: 103.94260033°W	LAT:31°47'45.8437"N LONG:103°56'33.3612"W	Y=792,599.74 X=878,942.78	LAT: 31.79594149°N LONG: 103.94212619°W	LAT:31°47'45.3894"N LONG:103°56'31.6543"W
SW COR 57-T2-38	FOUND 2" IRON PIPE	Y=10,629,870.91 X=1,175,186.16	LAT: 31.78147011°N LONG: 103.94274749°W	LAT:31°46'53.2924"N LONG:103°56'33.8910"W	Y=787,293.88 X=878,724.71	LAT: 31.78134387°N LONG: 103.94227377°W	LAT:31°46'52.8379"N LONG:103°56'32.1856"W
NE COR 57-T2-38	FOUND 1/2" IRON ROD WITH CAP	Y=10,635,008.82 X=1,180,686.56	LAT: 31.79607572°N LONG: 103.92558966°W	LAT:31°47'45.8726"N LONG:103°55'32.1228"W	Y=792,431.60 X=884,225.12	LAT: 31.79594939°N LONG: 103.92511621°W	LAT:31°47'45.4178"N LONG:103°55'30.4184"W
SE COR 57-T2-38	CALCULATED CORNER	Y=10,629,704.09 X=1,180,459.61	LAT: 31.78148095°N LONG: 103.92576845°W	LAT:31°46'53.3314"N LONG:103°55'32.7664"W	Y=787,127.03 X=883,998.07	LAT: 31.78135456°N LONG: 103.92529541°W	LAT:31°46'52.8764"N LONG:103°55'31.0635"W
SW COR 57-T2-47	CALCULATED CORNER	Y=10,624,585.48 X=1,174,941.36	LAT: 31.76692666°N LONG: 103.94298304°W	LAT:31°46'00.9360"N LONG:103°56'34.7389"W	Y=787,293.88 X=878,724.71	LAT: 31.76680038°N LONG: 103.94250972°W	LAT:31°46'00.4814"N LONG:103°56'33.0350"W
SE COR 57-T2-47	FOUND 1-1/2" IRON PIPE	Y=10,624,419.66 X=1,180,233.53	LAT: 31.76694194°N LONG: 103.92594650°W	LAT:31°46'00.9910"N LONG:103°55'33.4074"W	Y=781,842.75 X=883,771.89	LAT: 31.76681549°N LONG: 103.92547386°W	LAT:31°46'00.5358"N LONG:103°55'31.7059"W

LATERAL POINTS TABLE, TEXAS COORDINATE SYSTEM, CENTRAL ZONE							
LOCATION	OFFSETS	NAD 83 (HPGN)			NAD 27		
		STATE PLANE	GEOGRAPHIC (D-D)	GEOGRAPHIC (D-M-S)	STATE PLANE	GEOGRAPHIC (D-D)	GEOGRAPHIC (D-M-S)
SURFACE HOLE LOCATION/POP	2182' FSL OF 57-T2-47 335' FEL OF 57-T2-47	Y=10,626,610.16 X=1,179,992.10	LAT: 31.77293890°N LONG: 103.92695058°W	LAT:31°46'22.5800"N LONG:103°55'37.0221"W	Y=784,033.19 X=883,530.51	LAT: 31.77281249°N LONG: 103.92647773°W	LAT:31°46'22.1250"N LONG:103°55'35.3198"W
FIRST TAKE POINT	2445' FNL OF 57-T2-47 990' FEL OF 57-T2-47	Y=10,627,292.86 X=1,179,365.55	LAT: 31.77475897°N LONG: 103.92903665°W	LAT:31°46'29.1323"N LONG:103°55'44.5319"W	Y=784,715.87 X=882,903.98	LAT: 31.77463258°N LONG: 103.92856366°W	LAT:31°46'28.6773"N LONG:103°55'42.8292"W
LAST TAKE POINT	200' FNL OF 57-T2-38 990' FEL OF 57-T2-38	Y=10,634,840.49 X=1,179,688.45	LAT: 31.79552461°N LONG: 103.92878300°W	LAT:31°47'43.8886"N LONG:103°55'43.6188"W	Y=792,263.28 X=883,227.02	LAT: 31.79539831°N LONG: 103.92830943°W	LAT:31°47'43.4339"N LONG:103°55'41.9140"W
TERMINUS	150' FNL OF 57-T2-38 990' FEL OF 57-T2-38	Y=10,634,890.44 X=1,179,690.59	LAT: 31.79566204°N LONG: 103.92878131°W	LAT:31°47'44.3833"N LONG:103°55'43.6127"W	Y=792,313.23 X=883,229.16	LAT: 31.79553573°N LONG: 103.92830774°W	LAT:31°47'43.9286"N LONG:103°55'41.9079"W

GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999835117
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
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REVISION	DATE	BY	DETAILS
A	11/17/14	RP	MAKE PRELIMINARY PLAT
B	11/19/14	RP	REVISE UNIT AND LINES
C	12/16/14	RP	REVISE LATERAL OFFSETS
D	01/06/14	RP	REVISE POP

PLAT OF:

A PROPOSED WELL LOCATION FOR:

BHP BILLITON PET (TXLA OP) CO

STATE PROJECTS 57-T2-47X38 1H

WID# 833815

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38, BLOCK 57, TOWNSHIP 2, OF THE T. & P. R.R. CO. SURVEYS AND BEING APPROXIMATELY 4 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

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bhpbilliton
BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

DATE:	01/06/15	PROJECT NO:	2014091015
DRAWN BY:	RP	SCALE:	
CHECKED BY:	JK	SHEET:	2 OF 2
FIELD CREW:	RE/MR	REVISION:	NO

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division
PO Box 12967
Austin, Texas 78711-2967
www.rrc.state.tx.us

CERTIFICATE OF POOLING AUTHORITY

Revised 05/2001

P-12

1. Field Name(s)	2. Lease/ID Number *(if assigned)*	3. RRC District Number
Phantom (Wolfcamp)		08
4. Operator Name	**5. Operator P-5 Number**	**6. Well Number**
BHP BILLITON (TXLA OP) CO.	068596	1H
7. Pooled Unit Name	**8. API Number**	**9. Purpose of Filing**
State Projects 57-T2-47X38		☑ Drilling Permit (W-1)
10. County	**11. Total acres in pooled unit**	☐ Completion Report
Reeves	480.95	

DESCRIPTION OF INDIVIDUAL TRACTS CONTAINED WITHIN THE POOLED UNIT

TRACT/PLAT IDENTIFIER	TRACT NAME	ACRES IN TRACT *(See inst. #7 below)*	INDICATE UNDIVIDED INTERESTS UNLEASED	NON-POOLED
1.	Barlow Projects, Inc.	159.61	☐	☐
2.	Barlow Projects, Inc.	321.34	☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐

CERTIFICATION:

I declare under penalties prescribed pursuant to the Sec. 91.143, Texas Natural Resources Code, that I am authorized to make the foregoing statements and that the information provided by me or under my direction on this Certificate of Pooling Authority is true, correct, and complete to the best of my knowledge.

Lillian M. Garcia — Signature

Lillian M. Garcia — Print Name

Regulatory Tech Asst. — Title

lillian.garcia@bhpbilliton.com — E-mail *(if available)*

01/13/2015 — Date

(713) 552-4537 — Phone

INSTRUCTIONS — Reference: Statewide Rules 31, 38 and 40

1. When two or more tracts are pooled to form a unit to obtain a drilling permit, file completion paperwork, or reform a pooled unit pursuant to Rule 38(d)(3) the operator must file an original Certificate of Pooling Authority and certified plat.
2. The certified plat shall designate each tract with an outline and a tract identifier. The tract identifier on the plat shall correspond to the tract identifier and associated information listed on the Certificate.
3. If within an individual tract, a non-pooled and/or unleased interest exists, indicate by checking the appropriate box.
4. If the Purpose of Filing is to obtain a drilling permit, in box #1 list all applicable fields separately or enter "All Fields" if the Certificate pertains to all fields requested on Form W-1.
5. If the Purpose of Filing is to file completion paperwork, enter the applicable field name in box #1 for the completion.
6. Identify the drill site tract with an * to the left of the tract identifier.
7. The total number of acres in the pooled unit in #11 should equal the total of all acres in the individual tracts listed.

Clear Form

21.03.3

File No. MF065125 199

Reeves County

Drilling Permit for Unit 7022 API 389-34752

Date Filed: 6-29-15

George P. Bush, Commissioner

By JM

RAILROAD COMMISSION OF TEXAS

Form G-1

1701 N. Congress
P.O. Box 12967
Austin, Texas 78701-2967

Status: Submitted
Date: 10/05/2015
Tracking No.: 143466

GAS WELL BACK PRESSURE TEST, COMPLETION OR RECOMPLETION REPORT, AND LOG

OPERATOR INFORMATION

Operator Name: BHP BILLITON PET(TXLA OP) CO **Operator No.:** 068596
Operator Address: 1360 POST OAK BLVD STE 150 HOUSTON, TX 77056-0000

WELL INFORMATION

API No.: 42-389-34752 **County:** REEVES
Well No.: 1H **RRC District No.:** 08
Lease Name: STATE PROJECTS 57-T2-47X38 **Field Name:** PHANTOM (WOLFCAMP)
RRC Gas ID No.: **Field No.:** 71052900
Location: Section: 47, Block: 57 T2, Survey: T&P RR CO, Abstract: 640

Latitude: 31.77281 **Longitude:** -103.92647
This well is located 4 **miles in a** SW **direction from** ORLA, **which is the nearest town in the county.**

FILING INFORMATION

Purpose of filing: Initial Potential
Type of completion: New Well
Well Type: Producing **Completion or Recompletion Date:** 04/26/2015

Type of Permit	Date	Permit No.
Permit to Drill, Plug Back, or Deepen	01/15/2015	802705
Rule 37 Exception		
Fluid Injection Permit		
O&G Waste Disposal Permit		
Other:		

COMPLETION INFORMATION

Spud date: 02/01/2015 **Date of first production after rig released:** 04/26/2015
Date plug back, deepening, recompletion, or drilling operation commenced: 02/01/2015 **Date plug back, deepening, recompletion, or drilling operation ended:** 02/26/2015
Number of producing wells on this lease in this field (reservoir) including this well: 1 **Distance to nearest well in lease & reservoir (ft.):** 0.0
Total number of acres in lease: 480.95 **Elevation (ft.):** 2950 GR
Total depth TVD (ft.): 10021 **Total depth MD (ft.):** 18254
Plug back depth TVD (ft.): 10021 **Plug back depth MD (ft.):** 18098
Was directional survey made other than inclination (Form W-12)? Yes **Rotation time within surface casing (hours):** 157.0
Is Cementing Affidavit (Form W-15) attached? No
Recompletion or reclass? No **Multiple completion?** No
Type(s) of electric or other log(s) run: Gamma Ray (MWD)
Electric Log Other Description:
Location of well, relative to nearest lease boundaries of lease on which this well is located: **Off Lease:** Yes
2182.0 **Feet from the** South **Line and**
335.0 **Feet from the** East **Line of the**
STATE PROJECTS 57-T2-47X38 **Lease.**

FORMER FIELD (WITH RESERVOIR) & GAS ID OR OIL LEASE NO.

Field & Reservoir	Gas ID or Oil Lease No.	Well No.	Prior Service Type

G1: N/A

PACKET: N/A

FOR NEW DRILL OR RE-ENTRY, SURFACE CASING DEPTH DETERMINED BY:

GAU Groundwater Protection Determination	**Depth (ft.):** 1000.0	**Date:** 09/16/2014
SWR 13 Exception	**Depth (ft.):**	

GAS MEASUREMENT DATA

Date of test: 08/11/2015

Gas production during test (MCF): 3447

Was the well preflowed for 48 hours? Yes

Gas measurement method(s): Orifice Meter, Flange Taps

Run No.	Line size	Orif. or Choke Size (in.)	24 hr. Coeff. Orif. Or Choke (in.)	Static Pm or Choke (in.)	Diff (hw)	Flow Temp (°F)	Temp. (Ftf)	Gravity (Fg)	Compress (Fpv)	Volume (MCF/day)
1	3.068	1.250	10032.66	1075.0	13.0	101.0	0.9627	0.9129	1.109	1149.0

FIELD DATA AND PRESSURE CALCULATIONS

Gravity (dry gas): 0.719

Gas-Liquid Hydro Ratio (CF/Bbl): 2736

Avg. shut in temp. (°F): 121.0

Gravity (liquid hydrocarbons) (Deg. API): 50.4

Gravity (mixture): Gmix= 1.437

Bottom hole temp. and depth: 155.0 **°F@** 10086.0 **FT**

Run No.	Time of Run (Min.)	Choke Size (in.)	Wellhead Pressure (PSIA)	Wellhead Flow Temp (°F)
SHUT-IN	1440	48/64	3227	86.0
1	4320	48/64	992	101.0

CASING RECORD

Row	Type of Casing	Casing Size (in.)	Hole Size (in.)	Setting Depth (ft.)	Multi - Stage Tool Depth (ft.)	Multi - Stage Shoe Depth (ft.)	Cement Class	Cement Amount (sacks)	Slurry Volume (cu. ft.)	Top of Cement (ft.)	TOC Determined By
1	Surface	11 3/4	14 3/4	1123			C	1420	1889.0	SURF	Circulated to Surface
2	Intermediate	9 5/8	10 5/8	4362			C	416	927.0	465	Calculation
3	Intermediate	7 5/8	8 3/4	9945			LITE; C	439	904.0	2340	Calculation
4	Tapered Production	5 1/2	6 3/4	18240			TXI	1552	2079.7	5900	Calculation
5	Tapered Production	4 1/2	6 3/4	18240			TXI	1552	2079.7	5900	Calculation

LINER RECORD

Row	Liner Size (in.)	Hole Size (in.)	Liner Top (ft.)	Liner Bottom (ft.)	Cement Class	Cement Amount (sacks)	Slurry Volume (cu. ft.)	Top of Cement (ft.)	TOC Determined By

N/A

TUBING RECORD

Row	Size (in.)	Depth Size (ft.)	Packer Depth (ft.)/Type
1	2 7/8	9274	9250 / BRANTON BT1-XW

PRODUCING/INJECTION/DISPOSAL INTERVAL

Row	Open hole?	From (ft.)	To (ft.)
1	No	L2 10657	18068

ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC.

Was hydraulic fracturing treatment performed? Yes

Is well equipped with a downhole actuation sleeve? Yes

If yes, actuation pressure (PSIG): 8500.0

Production casing test pressure (PSIG) prior to hydraulic fracturing treatment: 10900

Actual maximum pressure (PSIG) during hydraulic fracturing: 10627

Has the hydraulic fracturing fluid disclosure been reported to FracFocus disclosure registry (SWR29)? Yes

Row	Type of Operation	Amount and Kind of Material Used	Depth Interval (ft.)	
1	Fracture	FRAC 23 STAGES: 9,139,300# PROPPANT; 8,520,253 GALLONS FLUID	10657.0	18068.0
2	Cast Iron Bridge Plug	CIBP SET AT 18088; TAGGED UP AT 18098	18088.0	18090.0

FORMATION RECORD

Formations	Encountered	Depth TVD (ft.)	Depth MD (ft.)	Is formation isolated?	Remarks
FORD-DELAWARE	Yes	2500.0	2500.0	Yes	ESTIMATED
CASTILLE	Yes	2800.0	2800.0	Yes	ESTIMATED
LAMAR LM.	Yes	3057.0	3058.0	Yes	ESTIMATED
BELL CANYON	Yes	3098.0	3099.0	Yes	ESTIMATED
DELAWARE	Yes	5700.0	5700.0	Yes	ESTIMATED
DELAWARE CONSOLIDATED GAS	Yes	6500.0	6500.0	Yes	ESTIMATED
CHERRY CANYON	Yes	3851.0	3852.0	No	ESTIMATED
BONE SPRINGS	Yes	6751.0	6752.0	Yes	ESTIMATED
MID AVALON LIMESTONE	Yes	7243.0	7244.0	Yes	ESTIMATED
BASE AVALON SHALE	Yes	7686.0	7688.0	Yes	ESTIMATED
2ND BONE SPRING	Yes	8319.0	8321.0	Yes	ESTIMATED
3RD BONE SPRING	Yes	9450.0	9456.0	Yes	ESTIMATED
PERMIAN	No			No	NOT DEEP ENOUGH
WOLFCAMP	Yes	9785.0	9832.0	Yes	TARGET ZONE
PENNSYLVANIAN	No			No	NOT DEEP ENOUGH
MISSISSIPPIAN	No			No	NOT DEEP ENOUGH
DEVONIAN	No			No	NOT DEEP ENOUGH
FUSSELMAN	No			No	NOT DEEP ENOUGH
ELLENBURGER	No			No	NOT DEEP ENOUGH

Do the producing interval of this well produce H2S with a concentration in excess of 100 ppm (SWR 36)? No

Is the completion being downhole commingled (SWR 10)? No

REMARKS

INITIAL G-1. KOP AT 9290'. CROSSOVER AT 9324'. FLOAT COLLAR AT 18152'.

RRC REMARKS

PUBLIC COMMENTS:

CASING RECORD :

TUBING RECORD:

PRODUCING/INJECTION/DISPOSAL INTERVAL :

ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC. :

GAS MEASUREMENT DATE REMARK:

OPERATOR'S CERTIFICATION

Printed Name: Diann Flowers	**Title:** Sr. Regulatory Specialist
Telephone No.: (713) 983-2508	**Date Certified:** 09/29/2015

Groundwater
Advisory Unit

GROUNDWATER PROTECTION DETERMINATION

Form GW-2

Date: September 16, 2014

GAU File No.: 5470

***** EXPEDITED APPLICATION *****

API Number: 38900000

Attention: LILLIAN GARCIA

RRC Lease No.: 000000

SC_068596_38900000_000000_5470.pdf

BHP BILLITON PET TXLA OP CO
1360 POST OAK BLVD
HOUSTON TX 77056

P-5# 068596

--Measured--
990 ft FWL
2165 ft FSL
MRL:SECTION

Digital Map Location:
X-coord/Long: 1176046
Y-coord/Lat: 10626732
Datum: 83 Zone: C

County: REEVES

Lease & Well No.: STATE BARLOW 57-T2-47X38 #1H&ALL

Purpose: ND

Location: SUR-T&P,BLK-57,TSHP-2,SEC-47,--[TD=14000],[RRC 8],

To protect usable-quality groundwater at this location, the Groundwater Advisory Unit of the Railroad Commission of Texas recommends:

The interval from land surface to the base of the Rustler, which is estimated to occur at a depth between 950 and 1000 feet, must be protected.

This recommendation is adequate for wells drilled in this section 47.

Note: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. **This recommendation is intended for normal drilling, production, and plugging operations only. It does not apply to saltwater disposal operation into a nonproductive zone (RRC Form W-14).**

If you have any questions, please contact us at 512-463-2741, gau@rrc.state.tx.us, or by mail.

Sincerely,

Digitally signed by Jack Oswalt
DN: c=US, st=TEXAS, l=Austin, o=Railroad Commission of Texas, cn=Jack Oswalt, email=jack.oswalt@rrc.state.tx.us
Date: 2014.09.16 13:18:49 -05'00'

Jack M. Oswalt, P.G.

Geologist, Groundwater Advisory Unit
Oil & Gas Division

GEOLOGIST SEAL

STATE OF TEXAS
Jack M. Oswalt
Geology
897
LICENSED
PROFESSIONAL GEOSCIENTIST

The seal appearing on this document was authorized by Jack M. Oswalt on 9/16/2014
Note: Alteration of this electronic document will invalidate the digital signature.

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

GAS WELL CLASSIFICATION REPORT

Form G-5

Tracking No.: 143466

This facsimile G-5 was generated electronically from data submitted to the RRC.

1. OPERATOR NAME (Exactly as shown on Form P5 Organization Report)	3. RRC DISTRICT NO.	4. OIL LEASE NO OR GAS WELL ID NO.
BHP BILLITON PET(TXLA OP) CO	08	
2. MAILING ADDRESS 1360 POST OAK BLVD STE 150 HOUSTON, TX 77056	5. WELL NO. 1H	6. API NO. 42- 389-34752
	7. COUNTY OF WELL SITE REEVES	

8. FIELD NAME (as per RRC Records)	9. LEASE NAME
PHANTOM (WOLFCAMP)	STATE PROJECTS 57-T2-47X38
10. LOCATION (Section, Block and Survey) 47 , 57 T2 , T&P RR CO , A-640	11. PIPELINE CONNECTION OR USE OF GAS BHP BILLITON PET (TX GATH), LLC

PRODUCTION TEST AT RATE ELECTED BY OPERATOR (data on 24-hour basis)

A. Date of Test	08/11/2015	
B. Gas Volume	1149.0	(Mcf)
C. Oil or Condensate Volume	420.0	(Bbl)
D. Water Volume	2874.0	(Bbl)
E. Gas/Liquid Hydrocarbon Ratio	2736	(Cf/Bbl)
F. Flowing Tubing Pressure	992	(psia)
G. Choke Size	48/64	(in.)
H. Casing Pressure	1456.0	(psia)
I. Shut-in Wellhead Pressure--Tubing	3227	(psia)
J. Separator Operating Pressure	1020.0	(psia)
K. Color of Stock Tank Liquid	Pale Yellow	
L. Gravity of Separator Liquid	50.4	°API
M. Gravity of Stock Tank Liquid	50.4	°API
N. Specific Gravity of the Gas (Air = 1)	0.719	

A.S.T.M. DISTILLATION OF LIQUID SAMPLE. Distillation test is required for gas wells ONLY if the producing gas-liquid hydrocarbon ratio is less than 100,000 CF/barrel.

Date Liquid Sample Obtained: 08/11/2015

Where Obtained: [X] Separator [ ] Stock Tank

	% Over Temp. (deg. F)		% Over Temp. (deg. F)
Initial Boiling Temp.	83.0	60	494.0
10	196.0	70	580.0
20	245.0	80	677.0
30	289.0	90	729.0
40	342.0	95	730.0
50	416.0	End Point	730.0

Total Recovery	93.9	percent
Residue	3.3	percent
Loss	2.8	percent

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

09/29/2015
DATE

NAME (Type or Print): Diann Flowers

SIGNATURE

Sr. Regulatory Specialist
TITLE

(713) 983-2508
CONTACT PERSON PHONE NUMBER

RRC USE ONLY

FESCO, Ltd.
Petroleum Engineers

CORPORATE HEADQUARTERS: 1000 FESCO AVE. • ALICE, TEXAS 78332-7318 • (361) 661-7000
ALICE LABORATORY: (361) 661-7015 • FAX (361) 661-7019

ALICE.....(361) 664-3479	CORPUS CHRISTI.....	KILGORE.....(903) 984-4814	ODESSA.....(432) 332-3211
ALICE HYDRAULICS (361) 661-1538	PROD. TEST (361) 882-4124	LAFAYETTE, LA.....(337) 896-3838	OZONA.....(325) 392-3773
BEAUMONT.....(409) 842-3000	WIRELINE (361) 452-1631	LAREDO.....(956) 724-7501	PECOS.....(432) 445-1993
BRIDGEPORT, WV.....(304) 592-3366	EDINBURG.....(956) 383-8378	LIBERAL, KS.....(580) 778-3384	REFUGIO.....(361) 526-4644
BRYAN.....(979) 775-1825	EL CAMPO.....(979) 543-9451	LUFKIN.....(936) 632-7036	VICTORIA.....(361) 575-7533
CANADIAN.....(806) 323-5050	HOUSTON SALES (281) 565-1115	MANSFIELD, LA.....(318) 872-0734	WOODWARD, OK..(580) 256-0848

August 26, 2015

Ms. Diann Flowers
BHP Billiton - Petroleum (TXLA OP) Co.
3800 East 42nd Street, Suite 105
Odessa, Texas 79762

Re:	Well:	State Projects 57-T2-47X38 No. 1H
	Field:	Phantom (Wolfcamp)
	Location:	Reeves County, Texas
	Formation:	Wolfcamp
	Lateral:	10657 - 18068 ft
	Test Type:	Mathematically Recombined C_{7+} Wellstream Analysis

Dear Ms. Flowers:

As instructed, FESCO collected gas and hydrocarbon (HC) liquid samples from the first-stage lease separator on August 11, 2015 then sent the samples to its laboratory in Alice, Texas for C_{7+} compositional analysis. FESCO then determined the corresponding wellstream fluid composition by mathematically recombining the separator gas and separator HC liquid compositions at the producing GOR of 2232 Scf/Sep Bbl (2780 Scf/STB). The attached report contains the separator gas, separator liquid and wellstream fluid compositions through C_{7+}. The operator provided the GOR value used to determine the wellstream composition. The resulting molar volume of the C_{7+} wellstream pseudo-component was 10.367 mole percent.

Thank you for this opportunity to serve BHP Billiton - Petroleum (TXLA OP) Co. Please call me if you have any questions or concerns regarding this report.

Sincerely,

FESCO, Ltd.

Conan Pierce
Corporate Engineer
Alice, Texas
Phone: 361-661-7000 Ext. 125
Email: Conan.Pierce@FescoInc.com

August 26, 2015

FESCO, Ltd.
1100 FESCO Avenue - Alice, Texas 78332

For: BHP Billiton - Petroleum (TXLA OP) Co.
3800 East 42nd Street, Suite 105
Odessa, Texas 79762

COMPOSITIONAL ANALYSIS OF THE SEPARATOR GAS, HC LIQUID, AND MATHEMATICALLY RECOMBINED WELLSTREAM THROUGH C_{7+}

Well Information For Sample Date of : 08/11/15

Well Name:	State Projects 57-T2-47X38 No. 1H		Formation:	Wolfcamp	
Field:	Phantom (Wolfcamp)		Lateral:	10657 - 18068	ft
County:	Reeves, Texas		FWHP:	992	psig

Separator Effluents at: 1020 psig & 115°F
Production Data Furnished by: Operator

Stock Tank GOR:	2780	SCF / STB	Separator Gas Rate:	1165	MCF/Day
Separator GOR:	2232	SCF / Sep Bbl	Separator HC Liquid Rate:	521.9	Bbls/Day
			Stock Tank HC Liquid Rate:	419.0	Bbls/Day
Stock Tank HC SG:	50.4	°API @ 60 °F	Water Rate:	2873.0	Bbls/Day
Stock Tank HC Color:	Pale Yellow		Sep HC Liquid Recovery Factor:	80.282	%

	GAS		HC LIQUID		WELLSTREAM	
Component	Mole%	GPM	Mole %	Liquid Volume %	Mole %	GPM
Hydrogen Sulfide**	< 0.001		---	---	< 0.001	
Nitrogen	0.676		0.085	0.021	0.502	
Carbon Dioxide	0.150		0.045	0.017	0.119	
Methane	80.478		23.547	8.818	63.720	
Ethane	11.038	2.935	11.391	6.733	11.142	2.963
Propane	4.435	1.215	10.534	6.414	6.230	1.707
Iso-butane	0.590	0.192	2.327	1.683	1.101	0.358
N-butane	1.253	0.393	6.637	4.625	2.838	0.890
2-2 Dimethylpropane	0.000	0.000	0.081	0.069	0.024	0.009
Iso-pentane	0.263	0.096	2.651	2.143	0.966	0.351
N-pentane	0.318	0.115	3.760	3.012	1.331	0.480
Hexanes	0.240	0.098	5.061	4.600	1.659	0.678
Heptanes Plus	0.559	0.271	33.880	61.866	10.367	8.384
TOTALS	100.000	5.314	100.000	100.000	100.000	15.820

HEPTANES PLUS (C_{7+}) FRACTION CHARACTERISTICS

	GAS	HC LIQUID	WELLSTREAM
Molecular Weight	107.2 lb/lb-mol	214.9 lb/lb-mol	210.8 lb/lb-mol
Specific Gravity	3.7143 (Air=1)	0.8240 (Water=1)	0.8212 (Water=1)
Vapor Volume	20.663 Scf/Gal	12.173 Scf/Gal	12.366 Scf/Gal

TOTAL SAMPLE CHARACTERISTICS

	GAS		HC LIQUID	WELLSTREAM
Molecular Weight	20.7 lb/lb-mol		98.9 lb/lb-mol	43.8 lb/lb-mol
Specific Gravity	0.7185 (Air=1)		0.6929 (Water=1)	1.5162 (Air=1)
Vapor Volume	188.191 Scf/Gal		22.227 Scf/Gal	63.211 Scf/Gal
Gross Heating Value	Dry BTU/Scf	Sat BTU/Scf		
	1248	1227		

**Hydrogen Sulfide tested on location by: Stained Tube Method (GPA 2377)
<0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 14.650 psia and 60 °F

Job No.53792

Certified: FESCO, Ltd. - Alice, Texas

Conan Pierce 361-661-7015

Tracking No.: 143466

OPERATOR NAME AND ADDRESS including city, state and zip

BHP BILLITON PET(TXLA OP) CO

1360 POST OAK BLVD STE 150
HOUSTON, TX 77056

GAS WELL STATUS REPORT

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division
P.O. Box 12967
Austin, Texas 78711-2967

This facsimile G-10 was generated electronically from data submitted to the RRC.

Reason for Filing: ☐ Survey ☐ Retest ☒ Initial Test ☐ Correction

Operator P-5 Organization No.: 068596

RRC Dist. No.: 08

G-10

Test Period:

Due Date:

Effective Date:

FIELD NAME / * LEASE NAME	RRC IDENT NO. / WELL NO.	DATE TESTED MO/DAY/YR / MARK X FOR SHUT-IN WELL	GAS PRODUCED MCF/DAY ** / GAS SPEC. GRAVITY	CONDENSATE PRODUCED / CONDENSATE GRAVITY (API)	WATER PROD BBL/DAY / X BOTTOMHOLE PRESSURE PSIA	***SIWH PRESSURE PSIA / ***FLOWING PRESSURE PSIA
PHANTOM (WOLFCAMP)		08/11/2015	1149 MCF	420.0 BBL	2874.0 BBL	3227
STATE PROJECTS 57-T2-47X38	1H		0.719	50.4		992
			MCF	BBL	BBL	
			MCF	BBL	BBL	
			MCF	BBL	BBL	
			MCF	BBL	BBL	
			MCF	BBL	BBL	
			MCF	BBL	BBL	
			MCF	BBL	BBL	

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

G. W. WIRELINE, INC.

Signature: JERRY GRAY **Title:** **Phone:** (940) 325-3617 **Date:** 09/29/2015

* AN ASTERISK PREPRINTED ON A SURVEY IDENTIFIES WELL SUBJECT TO COMMINGLING TEST REQUIREMENT

** GAS PRODUCTION RATE, IN MCF, IS TO BE REPORTED FULL-WELL STREAM, INCLUDING CONDENSATE *** PRESSURE FOR THE TEXAS HUGOTON FIELD IS REPORTED IN PSIG

X AN 'X' PREPRINTED ON A SURVEY IN THE BOTTOMHOLE PRESSURE BOX INDICATES A BOTTOMHOLE PRESSURE MUST BE REPORTED FOR THE WELL

SIG -01

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

ELECTRIC LOG STATUS REPORT

FORM L-1

Tracking No.: 143466

This facsimile L-1 was generated electronically from data submitted to the RRC.

Instructions

When to File Form L-1:
- with Forms G-1, W-2, and GT-1 for new and deepened gas, oil, and geothermal wells
- with Form W-3 for plugged dry holes
- when sending in a log which was held under a request for confidentiality and the period for confidentiality has not yet expired.

When is Form L-1 NOT required:
- with Forms W-2, G-1, and GT-1 filed for injection wells, disposal wells, water supply wells, service wells, re-test wells, re-classifications, and plugbacks of oil, gas or geothermal wells
- with Form W-3 for plugging of other than a dry hole

Where to File Form L-1:
- with the appropriate Commission district office

Filling out Form L-1:
- Section I and the signature section must be filled out for all wells
- complete only the appropriate part of Section II

Type of log required:
- any wireline survey run for the purpose of obtaining lithology, porosity, or resistivity information
- no more than one such log is required but it must be of the subject well
- if such log is NOT run on the subject well, do NOT substitute any other type of log; just select Section II, Part A below

SECTION I. IDENTIFICATION

Operator Name: BHP BILLITON PET(TXLA OP) CO	District No. 08	Completion Date: 04/26/2015
Field Name PHANTOM (WOLFCAMP)	Drilling Permit No. 802705	
Lease Name STATE PROJECTS 57-T2-47X38	Lease/ID No.	Well No. 1H
County REEVES	API No. 42- 389-34752	

SECTION II. LOG STATUS (Complete either A or B)

☐ A. BASIC ELECTRIC LOG NOT RUN

☒ B. BASIC ELECTRIC LOG RUN. (Select one)

- ☒ 1. Confidentiality is requested and a copy of the header for each log that has been run on the well is attached.
- ☐ 2. Confidentiality already granted on basic electric log covering this interval (applicable to deepened wells only).
- ☐ 3. Basic electric log covering this interval already on file with Commission (applicable to deepened wells only).
- ☐ 4. Log attached to (select one):
  - ☐ (a) Form L-1 (this form). If the company/lease name on log is different from that shown in Section I, please enter name on log here: _____
    Check here if attached log is being submitted after being held confidential. ☐
  - ☐ (b) Form P-7, Application for Discovery Allowable and New Field Designation.
  - ☐ (c) Form W-4, Application for Multiple Completion:
    Lease or ID No(s). _____
    Well No(s). _____

Diann Flowers Signature	Sr. Regulatory Specialist Title
Name (print)	(713) 983-2508 Phone 09/29/2015 Date

-FOR RAILROAD COMMISSION USE ONLY-

LEAM Drilling Systems LLC

Leam Drilling Services
2027A Airport Rd
Conroe, TX 77301

Statee Projects 57-T2-47x38 #1H
Scale 5":100' - MD
2/22/2015 6:50 PM

Oper. Company: BHP Billiton
Well: Statee Projects 57-T2-47x38 #1H
Field: Permian Basin
Rig: H&P 603
Well ID: 42-389-34752
Job Number: CO-150082

State: TX
County: Reeves
Country: USA
Location: Reeves County
Start Date: 02/14/2015 20:30:00
End Date: 02/22/2015 18:00:00

Latitude: 31 46' 22.125 N
Longitude: 103 55' 35.320 W

Elev KB: 25'
Elev DF: 2925'
Elev GL: 2950'

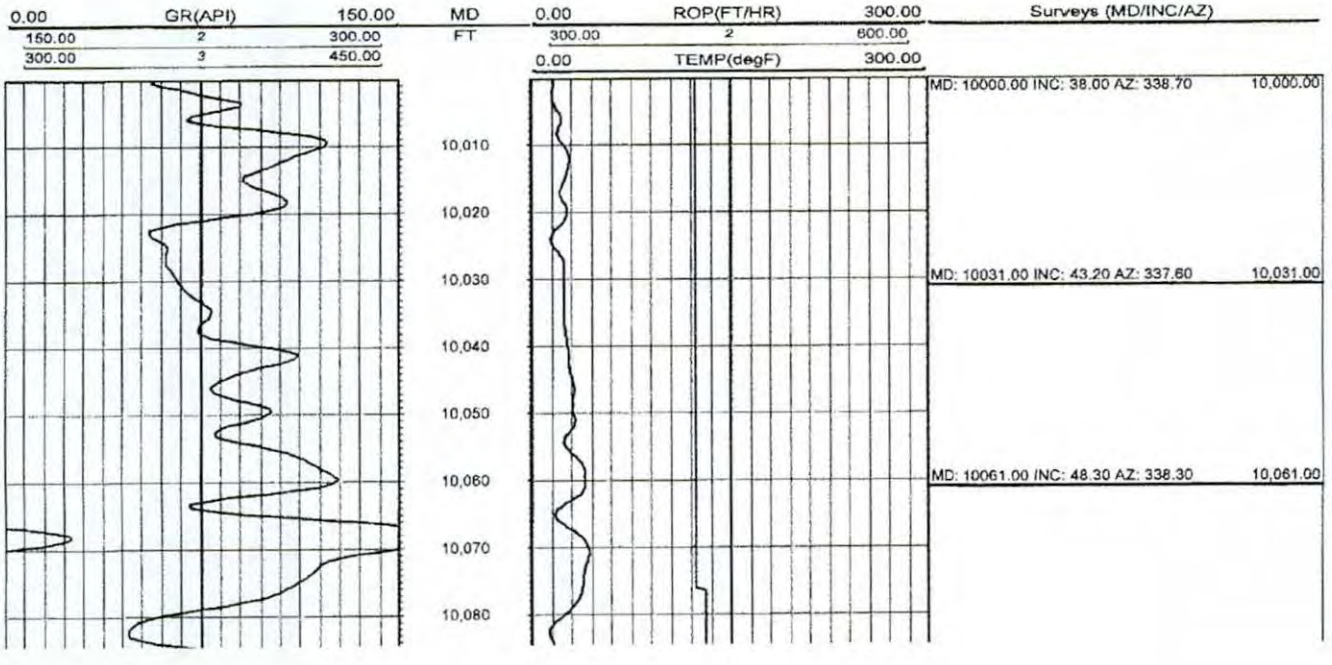
Operator 1: Shaun Dagenhart

Operator 2: Trenten McMichael

Tool Run Data	Run #1	Run #2	Run #3	Run #4	Run #5
Tool S/N	E0GKE	E0GKE	E1314	E6473	
Bit Size	8 3/4	6 3/4	6 3/4	6 3/4	
Survey Offset:	54.00	54.00	54.00	53.00	
Gamma Offset	0.00	46.00	46.00	45.00	
Resisitivity Offset	0.00	0.00	0.00	0.00	
Start Depth	4370.00	9955.00	10913.00	17279.00	
StartDate	2/6/2015	2/14/2015	2/16/2015	2/21/2015	
StartTime	13:30	11:56	14:00	13:00	
EndDepth	9955.00	10913.00	17279.00	18252.00	
EndDate	2/12/2015	2/16/2015	2/21/2015	2/22/2015	
EndTime	06:00	11:30	08:00	18:00	
Mud Type	WBM	OBM	OBM	OBM	
Mud Weight	9.05	11.7	11.7	11.8	
Funnel Viscosity	28	60	58	58	
Plastic Viscosity	1	25	19	18	
Yield Point	3	13	21	18	
Gel Strength	2	18	28	23	
Solids Content	2.9	5.8	10.1	10.2	
Mud Alkalinity	1.35				
Filtrate Alkalinity	0.15				
Chlorides	34000	43000	39000	37000	
Temperature	146	153	182	197	

Hole Data			Casing Data		
Size	From	To	Size	From	To
8 3/4	4370.00	9955.00	11 3/4	0.00	1123.00
6 3/4	9955.00	18252.00	9 5/8	1123.00	4362.00
			7 5/8	4362.00	9945.00

All interpretations are opinions based on inferences from electrical or other measurements and we cannot and do not guarantee the accuracy or correctness of any interpretation, and we shall not except in the case of gross or willful negligence on our part, be liable or responsible for any loss, cost damages or expenses incurred or sustained by anyone resulting from an interpretation made by any of our officers, agents, or employees.



RAILROAD COMMISSION OF TEXAS
Oil and Gas Division
PO Box 12967
Austin TX 78711-2967
www.rrc.state.tx.us

CERTIFICATE OF COMPLIANCE AND TRANSPORTATION AUTHORITY

P-4

This facsimile P-4 was generated electronically from data submitted to the RRC.
A certification of the automated data is available in the RRC's Austin office.

Tracking No.: 143466

1. Field name exactly as shown on proration schedule	2. Lease name as shown on proration schedule			
PHANTOM (WOLFCAMP)	STATE PROJECTS 57-T2-47X38			
3. Current operator name exactly as shown on P-5 Organization Report	4. Operator P-5 no.	5. Oil Lse/Gas ID no	6. County	7. RRC district
BHP BILLITON PET(TXLA OP) CO	068596		REEVES	08
8. Operator address including city, state, and zip code	9. Well no(s) *(see instruction E)*			
1360 POST OAK BLVD STE 150 HOUSTON, TX 77056	1H			
	10. Classification ☐ Oil ☒ Gas ☐ Other *(see instruction A)*			11. Effective Date 04/26/2015

12. Purpose of Filing. (Complete section a or b below.) *(See instructions B and G)*

a. Change of: ☐ operator ☐ oil or condensate gatherer ☐ gas gatherer ☐ gas purchaser ☐ gas purchaser system code
☐ field name from _____
☐ lease name from _____

– – OR – – –

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division
PO Box 12967
Austin, Texas 78711-2967
www.rrc.state.tx.us

CERTIFICATE OF POOLING AUTHORITY

Revised 05/2001

P-12

1. Field Name(s)	2. Lease/ID Number *(if assigned)*	3. RRC District Number
PHANTOM (WOLFCAMP)		08
4. Operator Name	5. Operator P-5 Number	6. Well Number
BHP BILLITON PET (TXLA OP) CO	068596	2H
7. Pooled Unit Name	8. API Number	9. Purpose of Filing
STATE PROJECTS 57-T2-47X38	42-389-34752	☐ Drilling Permit (W-1)
10. County	11.Total acres in pooled unit	☑ Completion Report
REEVES	480.95	

DESCRIPTION OF INDIVIDUAL TRACTS CONTAINED WITHIN THE POOLED UNIT

TRACT/PLAT IDENTIFIER	TRACT NAME	ACRES IN TRACT *(See inst. #7 below)*	INDICATE UNDIVIDED INTERESTS UNLEASED	NON-POOLED
1	BARLOW PROJECTS, INC.	159.61	☐	☐
2	BARLOW PROJECTS, INC.	321.34	☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐
			☐	☐

CERTIFICATION:

I declare under penalties prescribed pursuant to the Sec. 91.143, Texas Natural Resources Code, that I am authorized to make the foregoing statements and that the information provided by me or under my direction on this Certificate of Pooling Authority is true, correct, and complete to the best of my knowledge.

Signature

Diann Flowers
Print Name

Sr. Regulatory Specialist
Title

diann.flowers@bhpbilliton.com
E-mail *(if available)*

09/24/2015
Date

(713) 983-2508
Phone

INSTRUCTIONS — Reference: Statewide Rules 31, 38 and 40

1. When two or more tracts are pooled to form a unit to obtain a drilling permit, file completion paperwork, or reform a pooled unit pursuant to Rule 38(d)(3) the operator must file an original Certificate of Pooling Authority and certified plat.
2. The certified plat shall designate each tract with an outline and a tract identifier. The tract identifier on the plat shall correspond to the tract identifier and associated information listed on the Certificate.
3. If within an individual tract, a non-pooled and/or unleased interest exists, indicate by checking the appropriate box.
4. If the Purpose of Filing is to obtain a drilling permit, in box #1 list all applicable fields separately or enter "All Fields" if the Certificate pertains to all fields requested on Form W-1.
5. If the Purpose of Filing is to file completion paperwork, enter the applicable field name in box #1 for the completion.
6. Identify the drill site tract with an * to the left of the tract identifier.
7. The total number of acres in the pooled unit in #11 should equal the total of all acres in the individual tracts listed.

STATEMENT OF PRODUCTIVITY OF ACREAGE ASSIGNED TO PRORATION UNITS

Form P-15

Tracking No.: 143466

This facsimile P-15 was generated electronically from data submitted to the RRC.

The undersigned states that he is authorized to make this statement; that he has knowledge of the facts concerning the BHP BILLITON PET(TXLA OP) CO (OPERATOR), STATE PROJECTS 57-T2-47X38 (LEASE), No. 1H (WELL); that such well is completed in the PHANTOM (WOLFCAMP) Field, REEVES County, Texas and that the acreage claimed, and assigned to such well for proration purposes as authorized by special rule and as shown on the attached certified plat embraces 480.95 acres which can reasonably be considered to be productive of hydrocarbons.

- CERTIFICATE -

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

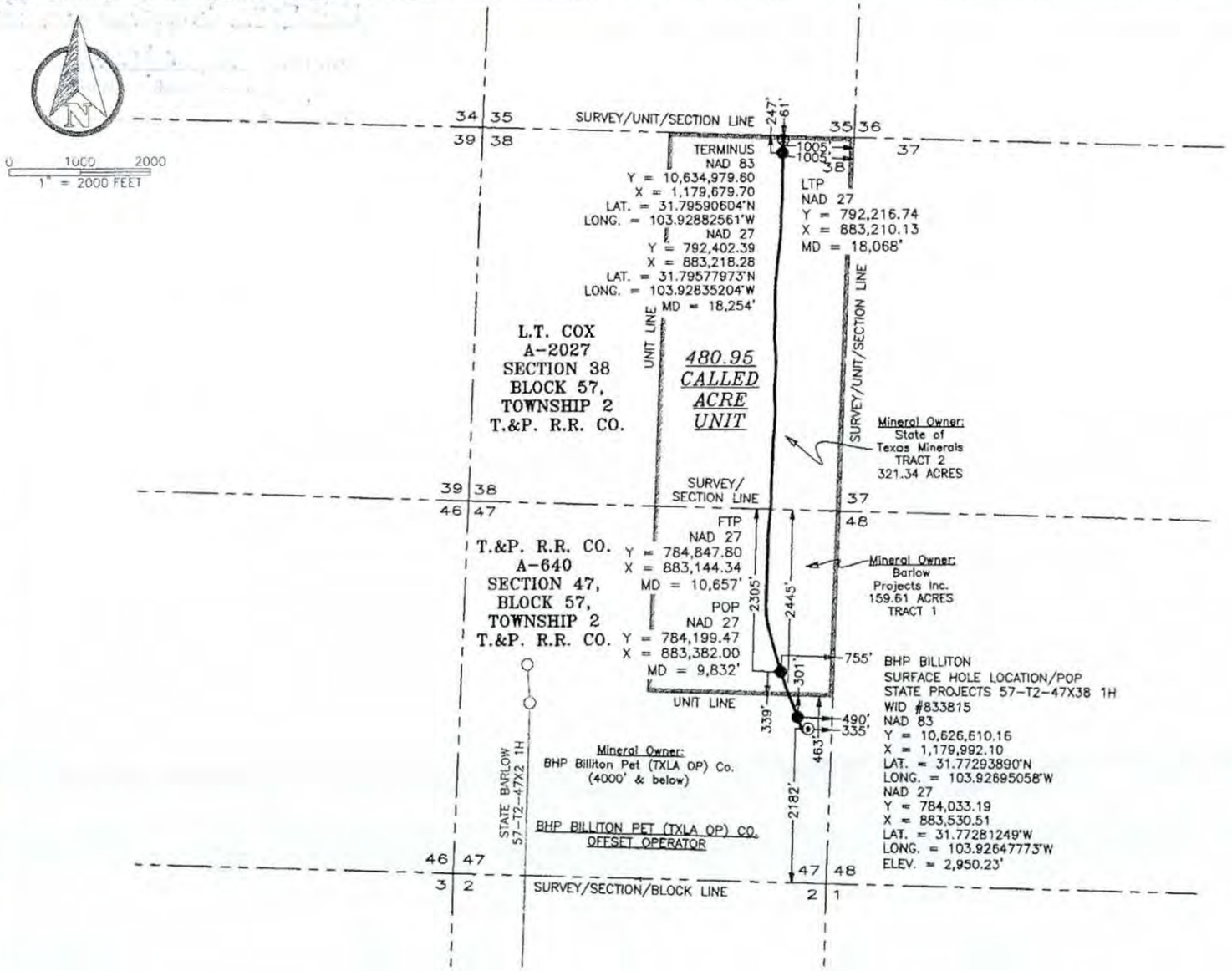
Date 09/29/2015 Signature Diann Flowers

Telephone (713) 983-2508 (AREA CODE) Title Sr. Regulatory Specialist

P-15 STATEMENT OF PRODUCTIVITY OF ACREAGE

OPERATOR: BHP BILLITON PET (TXLA OP) CO (068596)
COUNTY: REEVES – DISTRICT 08
FIELD NAME: PHANTOM (WOLFCAMP)
LEASE NAME: STATE PROJECTS 57-T2-47X38
LEASE ACRES: 480.95

LEASE ID	DRILLING PERMIT #	WELL NO.	DEDICATED ACRES
PENDING	802705	1H	480.95
		TOTAL ALLOCATED:	480.95
		TOTAL AVAILABLE:	0



GENERAL NOTES

1. COORDINATES SHOWN ARE BASED ON TEXAS COORDINATE SYSTEM OF NAD 27 STATE PLANE "TEXAS CENTRAL ZONE", AND BASED ON "ORLA" NGS MONUMENT (Y = 798,953.56, X = 876,026.89)
2. VERTICAL DATUM IS NAVD 88
3. COMBINED SCALE FACTOR = 0.999835117
4. LATITUDE AND LONGITUDE ARE NAD 27 AS SHOWN
5. AREA, DISTANCES, AND COORDINATES ARE "GRID"
6. UNITS ARE UNITED STATES SURVEY FOOT.
7. ALL LEASE AND TRACT INFORMATION SHOWN HERE ON IS DONE SO BY LIMITED DEED RECORD INFORMATION ONLY. ALL ACREAGES SHOWN ARE BY DEED AND LEASE CALL, EXCEPT WHERE NOTED. THIS IS NOT IN ANY WAY A "BOUNDARY SURVEY".

I HEREBY STATE THAT THIS PLAT SHOWS THE SUBJECT LOCATION BASED ON INFORMATION PROVIDED BY THE CLIENT.

ROBERT GLEN MALOY
REGISTERED PROFESSIONAL LAND SURVEYOR
LICENSE NO. 6028

STATE OF TEXAS
REGISTERED
ROBERT GLEN MALOY
6028
PROFESSIONAL
LAND SURVEYOR

REVISION	DATE	BY	DETAILS
A	07/16/15	RP	MAKE PRELIMINARY PLAT

PLAT OF:

AN AS-DRILLED FOR:

BHP BILLITON PET (TXLA OP) CO

STATE PROJECTS 57-T2-47X38 1H

WID# 833815

SITUATED IN THE T.&P. R.R. CO. SURVEY, A-640, SECTION 47, BLOCK 57, TOWNSHIP 2, AND THE L.T. COX SURVEY, A-2027, SECTION 38, BLOCK 57, TOWNSHIP 2, OF THE T. & P. R.R. CO. SURVEYS AND BEING APPROXIMATELY 4 MILES SOUTHWEST OF ORLA, IN REEVES COUNTY, TEXAS.

FRANK SURVEYING COMPANY INC
550 Bailey Ave., 205 - Fort Worth, TX 76107
Ph: 817.349.9800 - Fax: 979.732.5271
TBPLS Firm No. 10193887
www.franksurveying.com
LAND SURVEYING/ENERGY/GIS SERVICES

© COPYRIGHT

bhpbilliton
BHP Billiton
1360 Post Oak Blvd. #150
Houston, Texas 77056

DATE:	07/16/15	PROJECT NO:	2014091015
DRAWN BY:	RP	SCALE:	1" = 2000'
CHECKED BY:	JK	SHEET:	1 OF 2
FIELD CREW:	RE/MR	REVISION:	

150.

File No. MF065125

Reeves County

Unit 7022 Completion Report API 389-34752

Date Filed: 11/20/2015

George P. Bush, Commissioner

By JM

0.*

0.00-

45,914.55-

7,267.18+

8,196.71+

9,414.84+

21,035.82*

Total unpaid bal. remaining

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$

Postmark Here

Ken Mills
06-05-13

Sent To Kimlar Oil Company

Street, Apt. No.; or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006 **See Reverse for Instructions**

7011 1150 0001 2418 5214

Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A record of delivery kept by the Postal Service for two years

Important Reminders:

- Certified Mail may ONLY be combined with First-Class Mail® or Priority Mail®.
- Certified Mail is *not* available for any class of international mail.
- NO INSURANCE COVERAGE IS PROVIDED with Certified Mail. For valuables, please consider Insured or Registered Mail.
- For an additional fee, a *Return Receipt* may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS® postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement *"Restricted Delivery"*.
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

PS Form 3800, August 2006 *(Reverse)* PSN 7530-02-000-9047

UNITED STATES POSTAL SERVICE

AUSTIN TX 787
RIO GRANDE DISTRICT
11 JUN 2013 PM 3

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

Texas General Land Office
Jerry Patterson, Commissioner
P.O. Box 12873
Austin, Texas 78711-2873

21510

Hearing

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Kimlar Oil Company
P.O. Box 1217
Kermit, TX 79745

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Bucky Hill ☐ Agent ☐ Addressee

B. Received by *(Printed Name)*

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No
Ken Mills
HCanvas

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7011 1150 0001 2418 5214

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

TEXAS GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

$24078.73 Reversed from (1'654.62 incorrect

June 5, 2013

$26533.35 duplicates removed

COPY

$19381.20 unpaid bal

Kimlar Oil Company, Inc.
PO Box 1217
Kermit, Texas 79745

Attn: Becky Hill

Re: Delinquent Invoices; Royalty, Penalty, and/or Interest due under State mineral leases MF 065125, 082298, 082299, 082458, and 101167

204

Dear Ms. Hill:

As you know, the GLO's Financial Management Division conducted an examination and/or reconciliation of the reports the company submitted to the GLO. The result of this examination was a determination by the Division that certain amounts, whether some or all of royalties, fees, penalty, and interest, have not been paid, as reflected in the attached list of delinquent invoices that has previously been sent to you.

As of the date of this letter, the amounts shown on the attached list remain due and unpaid. Please remit the total amount shown to the GLO within 30 days of the date of this letter, making reference to the MF (Mineral File) number(s) and to each individual Invoice number shown on the attached current list of delinquent invoices.

You are hereby put on notice that if the amount due as shown on the attached list, including any penalty and interest, is not received by the GLO within 30 days of the date of this letter, the Division will consider the GLO's options for enforcing the State's claim, which options can include **(i) a full statutory audit** of the company's books and accounts relating to the production and sale of oil and gas (Tex. Nat. Res. Code, §52.135), **(ii) non-judicial enforcement** of the State's statutory lien (Tex. Nat. Res. Code, §52.136), (iii) **reporting the company's debt to the Comptroller's Office** so that any warrants otherwise due the company from the State will be held and the amounts paid to the GLO (Tex. Gov't Code, §403.055) (i.e., a "warrant hold"), **and/or (iv) forfeiture** of the subject leases (Tex. Nat. Res. Code, §§52.029 and 52.176). If the Division opts for a warrant hold, you will be given a separate 30-day notice and an opportunity for a hearing prior to such action being taken.

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495
Post Office Box 12873 • Austin, Texas 78711-2873
512-463-5001 • 800-998-4GLO
www.glo.state.tx.us

Our preference would be for the company to pay the amounts reflected on the attached list promptly so that we may close this file without further enforcement action. If you have any questions regarding the amounts reflected on the attached list of delinquent invoices, please promptly contact Donna Keel of the GLO's Financial Management Division at (512) 463-8072.

Please note that the GLO's records do not indicate that the GLO has been notified that the company is a debtor in bankruptcy or has previously been a debtor and received a discharge in bankruptcy. If, however, the company is a debtor in bankruptcy or previously received a discharge in bankruptcy, please immediately notify the undersigned of such bankruptcy proceeding by providing the case number and bankruptcy court where this case is/was pending. Please be advised that the GLO fully respects the bankruptcy laws pertaining to the collection of debts, so if the company is in bankruptcy or has received a discharge in bankruptcy, please treat this letter as informational only with regard to any debts owed to the GLO and not as a demand for payment

Thank you in advance for your prompt attention to this important matter.

Sincerely,

Ken Mills, Attorney
Legal Services Division, Energy Section
Ph: (512) 463-7341
Fax: (512) 463-6311
Ken.Mills@glo.texas.gov

Enclosure

cc: Donna Keel, Financial Management Division
Robert Hatter, Energy Division

COPY

Delinquent Invoices Pre FY10 - FY12
Voluntary Royalty, Limited Reviews, Reconciliations, Due vs Paid, Late Report and Late Payment Invoices

Customer Name	Customer ID	Transaction Class	Invoice Number	Doc Date	Due Date	Lease Number	1 - 3 Years Past Due	Older	Description (AE Name)
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	10L02632	10/25/09	11/24/09	MF065125	$0.00	$200.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	10L02633	10/25/09	11/24/09	MF082298	$0.00	$200.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	10L02634	10/25/09	11/24/09	MF082299	$0.00	$200.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	10L02635	10/25/09	11/24/09	MF082458	$0.00	$200.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	10L02636	10/25/09	11/24/09	MF101167	$0.00	$200.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	10L09292	7/25/10	8/24/10	MF065125	$450.00	$0.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	10L09293	7/25/10	8/24/10	MF082299	$450.00	$0.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	10L09294	7/25/10	8/24/10	MF082458	$450.00	$0.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Royalty Vol	10Y09021	6/28/10	6/28/10	MF065125	$9,414.84	$0.00	Unpaid Voluntary Royalty
KIMLAR OIL COMPANY INC	C000048213	Royalty Vol	10Y09023	6/28/10	6/28/10	MF082299	$8,196.71	$0.00	Unpaid Voluntary Royalty
KIMLAR OIL COMPANY INC	C000048213	Royalty Vol	10Y09024	6/28/10	6/28/10	MF082458	$1,654.62	$0.00	Unpaid Voluntary Royalty
KIMLAR OIL COMPANY INC	C000048213	Volume Recon	11I00704	3/11/11	4/10/11	MF082298	$2,479.52	$0.00	Shirley Chou
KIMLAR OIL COMPANY INC	C000048213	Volume Recon	11I00705	3/11/11	4/10/11	MF082298	$4,752.28	$0.00	Shirley Chou
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	11L01812	3/25/11	4/24/11	MF082298	$800.00	$0.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	11L02026	4/25/11	5/25/11	MF065125	$2,270.00	$0.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	11L02027	4/25/11	5/25/11	MF082298	$3,080.00	$0.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	11L02028	4/25/11	5/25/11	MF082299	$520.00	$0.00	Susan Wauer

Reversed duplicate

FM Aged Receivables
Doc Date Between: 1/1/2001 And 6/5/2013

Aging Date: 6/5/2013

Wednesday, June 05, 2013

Delinquent Invoices Pre FY10 - FY12

Voluntary Royalty, Limited Reviews, Reconciliations, Due vs Paid, Late Report and Late Payment Invoices

KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	11L02183	5/25/11	6/24/11	MF082458	$300.00	$0.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Royalty Vol	11Y06534	4/5/11	4/5/11	MF065125	$7,267.18	$0.00	Unpaid Voluntary Royalty
KIMLAR OIL COMPANY INC	C000048213	Dues vs Paid	12I00619	4/2/12	5/2/12	MF082298	$2,779.40	$0.00	John Markham
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	LRBB1083	5/30/09	6/29/09	MF065125	$0.00	$10.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	LRBB1084	5/30/09	6/29/09	MF082298	$0.00	$10.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	LRBB1085	5/30/09	6/29/09	MF082299	$0.00	$10.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	LRBB1086	5/30/09	6/29/09	MF082458	$0.00	$10.00	Susan Wauer
KIMLAR OIL COMPANY INC	C000048213	Late Incorrect	LRBB1087	5/30/09	6/29/09	MF101167	$0.00	$10.00	Susan Wauer
							$44,864.55	$1,050.00	~~$45,914.55~~

$19381.20

FM Aged Receivables

Doc Date Between: 1/1/2001 And 6/5/2013 Aging Date: 6/5/2013 Wednesday, June 05, 2013

MLRV-Royalty Vol - Transaction Class - Transaction Documents

C000048213 - KIMLAR OIL COMPANY INC

Document Number	Document Date	GLA Code	Royalty Due	Prod YYYYMM	Lease #
10Y09021	6/28/2010	Oil	$1,857.28	200908	MF065125
10Y09021	6/28/2010	Oil	$1,004.62	200910	MF065125
10Y09021	6/28/2010	Oil	$1,015.09	200911	MF065125
10Y09021	6/28/2010	Oil	$1,075.97	200912	MF065125
10Y09021	6/28/2010	Oil	$1,059.40	201001	MF065125
10Y09021	6/28/2010	Oil	$2,228.58	201003	MF065125
10Y09021	6/28/2010	Oil	$1,173.90	201004	MF065125
Total 10Y09021	6/28/2010		$9,414.84		

Document Number	Document Date	GLA Code	Royalty Due	Prod YYYYMM	Lease #
10Y09023	6/28/2010	Oil	$2,217.33	200909	MF082299
10Y09023	6/28/2010	Oil	$839.89	200910	MF082299
10Y09023	6/28/2010	Oil	$845.33	200911	MF082299
10Y09023	6/28/2010	Oil	$777.69	200912	MF082299
10Y09023	6/28/2010	Oil	$830.81	201001	MF082299
10Y09023	6/28/2010	Oil	$1,799.82	201003	MF082299
10Y09023	6/28/2010	Oil	$885.84	201004	MF082299
Total 10Y09023	6/28/2010		$8,196.71		

Document Number	Document Date	GLA Code	Royalty Due	Prod YYYYMM	Lease #
10Y09024	6/28/2010	Oil	$1,654.62	200912	MF082458
Total 10Y09024	6/28/2010		$1,654.62		

Document Number	Document Date	GLA Code	Royalty Due	Prod YYYYMM	Lease #
11Y06534	4/5/2011	Oil	$953.70	201005	MF065125
11Y06534	4/5/2011	Oil	$1,003.84	201006	MF065125
11Y06534	4/5/2011	Oil	$1,030.66	201007	MF065125
11Y06534	4/5/2011	Oil	$1,012.25	201008	MF065125
11Y06534	4/5/2011	Oil	$1,032.55	201009	MF065125
11Y06534	4/5/2011	Oil	$2,234.18	201011	MF065125
Total 11Y06534	4/5/2011		$7,267.18		

151

File No. MF065125

_____ County

FY10, 11, 12 Demand Letter

Date Filed: 3/18/16

George P. Bush, Commissioner

By Nayda Ramirez

1·29·15 MFO65125

DIVISION ORDER

bhpbilliton
resourcing the future

To: **BHP Billiton Petroleum**
Land Administration
P O Box 22719
Houston, TX 77227-9927
(877) 311- 1443

Issue Date:	1/26/2015
Property Name:	STATE BARLOW 57-T2-47X2 1H
Property #:	P1L021/00500
Production:	ALL PRODUCTS
Operator:	BHP BILLITON PETROLEUM (TXLA OPERATING)
Legal Description:	T&P RR CO ABST/ID# 5760 Grantee STATE Twsp T3 Blk 57 Sec 2 REEVES COUNTY, TEXAS (160.35 ACRES); T&P RR CO ABST/ID# 640 Grantee T. & P.R.R.CO. Twsp T2 Blk 57 Sec 47 REEVES COUNTY, TEXAS (159.48 ACRES); T&P RR CO ABST/ID# 2462 Grantee STATE Twsp T3 Blk 57 Sec 2 REEVES COUNTY, TEXAS (160.32 ACRES)

API 389-34554

CREDIT TO
Owner # 80113945
STATE OF TEXAS GLO
1700 N CONGRESS AVE #640
AUSTIN TX 78701-1495

Decimal	Type	Status	Reason	Start Date
0.08348173	RI	PAY		1/1/2015

PLEASE KEEP THIS COPY FOR YOUR RECORDS

The undersigned severally and not jointly certifies that they are the legal owner of the interest set out above of all products produced from the property described above:

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

The following provisions apply to each interest owner ("owner") who executes this agreement and may not be altered as to its terms:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interest set out above. The payor shall pay all parties at the price agreed to by the operator for products to be sold pursuant to this division order. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities.

PAYMENT: From the effective date, payment is to be made monthly by payor's check or electronic funds transfer, based on this division of interest, for products run during the preceding calendar month from the property listed above, less taxes required by law to be deducted and remitted by payor as purchaser. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 months of proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than $10 until production ceases or the payor's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed.

In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time.

No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the change occurs.

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

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of this division order, an owner and payor may have certain statutory rights under the laws of this state.

PLEASE KEEP THIS COPY FOR YOUR RECORDS

1·29·15

Special Clauses/Comments:

❑ I am **NOT** a U.S. Citizen or U.S. Person as defined in the attached IRS Form W-9

Owners Signatures: _____

Owner Tax I.D. Number: XXXXXX - 9999 (TIN)

Day Time Phone Number: _____

E-Mail Address: _____

Owners Mailing Address: 1700 N CONGRESS AVE #640
AUSTIN TX 78701-1495

Witness: _____

Federal Law requires you to furnish your Social Security or Taxpayer Identification Number. Failure to comply will result in 28% tax withholding and will not be refundable by Payor.

DIVO 24300 80113945

PLEASE KEEP THIS COPY FOR YOUR RECORDS
FREYV - 24300(P1L021_NotAmended)

TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

March 4, 2016

Broderick Brown
Division Order Analyst
BHP Billiton Petroleum
P O BOX 22719
Houston, TX 77227-9927

Re: State Lease No. MF065125 State Barlow 57-T2 1H

Dear Mr. Brown:

The Texas General Land Office (GLO) has received your Division Order for the referenced unit. This Division Order has been filed in the appropriate mineral file.

The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas leases. If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

We look forward to being put on pay status as soon as you are able to set up the wells in our RRAC system.

Thank you,

Vivian Hernandez

Vivian Hernandez
Landman, Energy Resources
512-475-0428
512-475-1543 (fax)
vivian.hernandez@glo.texas.gov

File No. MF 05125

Division Order ~~County~~

Date Filed: 4-6-16

George P. Bush, Commissioner

By UH

UNITED STATES POSTAL SERVICE

TX 773
MAY '16

21510

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

s box•

Texas General Land Office
George P. Bush, Commissioner
P.O. Box 12873
Austin, Texas 78711-2873

RECEIVED
MAY 10 2016
General Land Office

USPS TRACKING#

9590 9403 0530 5179 4172 52

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1510

1. Article Addressed to:

BHP Billiton Petroleum Co.
Attn: Cristen Steele
1360 Post Oak Blvd. Ste 150
Houston, TX 77056-3030

9590 9403 0530 5173 4172 52

2. Article Number *(Transfer from service label)*

7007 0710 0000 5380 6521

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by *(Printed Name)*

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

MF 065125

AC.

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ ail
- ☐ ail Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Texas General Land Office
Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

BHP Billiton Petroleum (TXLA Operating) Company
Attn: Cristen Steele
1360 Post Oak Blvd Ste 150
Houston, TX 77056-3030

Billing Date: 5/3/2016
Billing Due Date: 6/2/2016
Customer Number: C000046383

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00395	MF065125	$16,927.65	$0.00	$1,892.25	$469.02	$19,288.92
16I00397	MF111133	$961.17	$0.00	$155.66	$41.87	$1,158.70
16I00399	MF111133	$0.00	$435.27	$75.00	$12.31	$522.58
16I00400	MF111134	$1,885.97	$0.00	$305.43	$82.15	$2,273.55
16I00401	MF111134	$0.00	$858.32	$97.72	$24.30	$980.34
16I00402	MF113602	$8,541.37	$0.00	$1,383.27	$273.81	$10,198.45
16I00403	MF113602	$0.00	$3,893.00	$389.30	$110.27	$4,392.57
Total Due		$28,316.16	$5,186.59	$4,298.63	$1,013.73	**$38,815.11**

Penalty and interest have been calculated thru 5/31/2016. Payment remitted after 5/31/2016 will result in additional penalty and interest charges.

Contact Info: Andrea Charlton (512) 463-5190 or Andrea.Charlton@GLO.TEXAS.GOV

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

BHP Billiton Petroleum (TXLA Operating) Company

Billing Date: 5/3/2016

Billing Due Date: 6/2/2016

Customer Number: C000046383

Remit Payment To:

Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00395	MF065125	$16,927.65	$0.00	$1,892.25	$469.02	$19,288.92
16I00397	MF111133	$961.17	$0.00	$155.66	$41.87	$1,158.70
16I00399	MF111133	$0.00	$435.27	$75.00	$12.31	$522.58
16I00400	MF111134	$1,885.97	$0.00	$305.43	$82.15	$2,273.55

Texas General Land Office

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

16I00401	MF111134	$0.00	$858.32	$97.72	$24.30	$980.34
16I00402	MF113602	$8,541.37	$0.00	$1,383.27	$273.81	$10,198.45
16I00403	MF113602	$0.00	$3,893.00	$389.30	$110.27	$4,392.57
Total Due		$28,316.16	$5,186.59	$4,298.63	$1,013.73	**$38,815.11**
Amt. Paid						

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Andrea Charlton
Company Name: BHP BILLITON PET(TXLA OP) CO
Customer Number: C000046383
Mineral File #: MF065125
Transaction Type: Volume Reconciliation
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$19,288.92	04/29/16	Under reported/paid sales volumes.	MM 4/29/2016	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Customer ID: C000046383
Invoice Number:
GLO Lease: MF065125
GLO Review: BHP BILLITON PET(TXLA OP) CO
Review Period: JANUARY Through AUGUST 2015

Auditor/AE: Acharito
Billing Date: 5/2/2016
P&I Calculation Date: 5/31/2016
Royalty Rate: 8.33%

Month / Year	RRC Number	(1) Gas Volume	(2) Tract Participation	(3) Price	(4) BTU	(5) Gross Value (1)X(2)x(3)x(4)	(6) Royalty Due (5) * Royalty Rate	(7) Royalty Paid	(8) Additional Royalty Due	(9) Number of Days Late	(10) Interest Rate For Additional Royalty	(11) Penalty From Additional Royalty	(12) Interest From Additional Royalty	Revenue Due (8)+(11)+(12)
Jan-16	08-46563	6,209	1.000000	2.857673	1.031468	18,301.64	1,525.13	1,748.21	(223.08)	77	4.250000%	$0.00	$0.00	($223.08)
Feb-16	08-46563	8,863	1.000000	2.507914	1.049867	23,336.07	1,944.66	2,205.46	(260.80)	46	4.250000%	$0.00	$0.00	($260.80)
Mar-16	08-46563	5,281	1.000000	2.466953	1.056431	13,763.16	1,146.93	844.52	302.41	16	4.250000%	$25.00	$0.00	$327.41
Apr-15	08-46563	11,808	1.000000	2.30709	1.040594	28,347.99	2,362.32	3,703.13	(1,340.81)	351	4.250000%	$0.00	$0.00	($1,340.81)
May-15	08-46563	12,218	1.000000	2.567962	1.043013	32,724.91	2,727.06	2,949.66	(222.60)	321	4.250000%	$0.00	$0.00	($222.60)
Jun-15	08-46563	(28,815)	1.000000	2.593114	1.01591	(75,909.38)	(6,325.76)	(18,816.48)	12,490.72	290	4.250000%	$1,249.07	$335.97	$14,075.76
Jul-15	08-46563	13,050	1.000000	2.712562	1.036878	36,704.38	3,058.69	0.00	3,058.69	259	4.250000%	$305.87	$71.23	$3,435.79
Aug-15	08-46563	13,453	1.000000	2.670976	1.042997	37,477.64	3,123.12	0.00	3,123.12	229	4.250000%	$312.31	$61.82	$3,497.25
TOTALS		42,067				$114,746.39	$9,562.15	(7,365.50)	16,927.65			$1,892.25	$469.02	$19,288.92

ATTN: CRISTEN STEELE
CERTIFIED MAIL: 7007 0710 0000 5380 6521

COMMENTS: SALES VOLUMES REPORTED TO THE GLO WAS COMPARED TO VOLUMES REPORTED TO THE RRC.
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAS BEEN UNDER PAID.

COLUMN (1) RRC VOLUME - REPRESENTS UNDER REPORTED SALES VOLUMES TO THE GLO FROM RRC WELL ID# 08-46563 08-278234
COLUMN (2) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (3) BTU - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (7) VARIANCES BETWEEN ROYALITY DUE PER GLO-2 REPORTS AND ROYALITY PAID TO GLO.
COLUMN (10)(11)(12) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

NOTE 1 : PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

153

File No. MF 065125

County

Reconciliation Billing

Date Filed: 5/17/16.

George P. Bush, Commissioner

By Dayle Ramirez

4.20.15

MF065125

DIVISION ORDER

bhpbilliton
resourcing the future

To: **BHP Billiton Petroleum**
Land Administration
P O Box 22719
Houston, TX 77227-9927
(877) 311- 1443

Issue Date:	4/14/2015
Property Name:	STATE PROJECTS 57-T2-47X38 1H
Property #:	P1M607/00501 API 389-34752
Production:	ALL PRODUCTS
Operator:	BHP BILLITON PETROLEUM (TXLA OPERATING)
Legal Description:	T&P RR CO ABST/ID# 2027 Grantee L.J. COX Twsp T2 Blk 57 Sec 38REEVES COUNTY, TEXAS T&P RR CO ABST/ID# 640 Grantee T. & P.R.R.CO. Twsp T2 Blk 57 Sec 47 REEVES COUNTY, TEXAS (480.950 ACRES)

CREDIT TO
Owner # 80113945
STATE OF TEXAS GLO
1700 N CONGRESS AVE NO 640
AUSTIN TX 78701-1495

Decimal	Type	Status	Reason	Start Date
0.05567800	RI	PAY		3/1/2015

PLEASE KEEP THIS COPY FOR YOUR RECORDS

TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

August 2, 2016

Broderick Brown
Division Order Analyst
BHP Billiton Petroleum
P O BOX 22719
Houston, TX 77227-9927

Re: State Lease Nos. MF109172/MF087169 and MF116840 State Cumberland 57-T2-16 1H;
MF112780/MF113876/MF116646 State Projects 57-T2-47X2 1H; and
MF065125 State Projects 57-T2-47X38 1H

Dear Mr. Brown:

The Texas General Land Office (GLO) has received your Division Orders for the referenced units. These Division Orders have been filed in the appropriate mineral files.

The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas leases. If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

We look forward to being put on pay status as soon as you are able to set up the wells in our RRAC system.

Thank you,

Vivian Hernandez

Vivian Hernandez
Landman, Energy Resources
512-475-0428
512-475-1543 (fax)
vivian.hernandez@glo.texas.gov

:e No. MF-065125
Division Order

Date Filed: 8/3/16

George P. Bush, Commissioner

By

7007 0710 0000 5380 6514

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$

Petrohawk Energy

Postmark Here

MF 111133
MF 111134
113602

Sent To

Street, Apt. No.; or PO Box No.

City, State, ZIP+4

PS Form 3800, August 2006 — See Reverse for Instructions

Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A record of delivery kept by the Postal Service for two years

Important Reminders:

- Certified Mail may ONLY be combined with First-Class Mail® or Priority Mail®.
- Certified Mail is *not* available for any class of international mail.
- NO INSURANCE COVERAGE IS PROVIDED with Certified Mail. For valuables, please consider Insured or Registered Mail.
- For an additional fee, a *Return Receipt* may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS® postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement *"Restricted Delivery"*.
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

PS Form 3800, August 2006 *(Reverse)* PSN 7530-02-000-9047

Texas General Land Office
Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

BHP Billiton Petroleum (TXLA Operating) Company
Attn: Cristen Steele
1360 Post Oak Blvd Ste 150
Houston, TX 77056-3030

Billing Date: 5/3/2016
Billing Due Date: 6/2/2016
Customer Number: C000046383

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00395	MF065125	$16,927.65	$0.00	$1,892.25	$469.02	$19,288.92
16I00397	MF111133	$961.17	$0.00	$155.66	$41.87	$1,158.70
16I00399	MF111133	$0.00	$435.27	$75.00	$12.31	$522.58
16I00400	MF111134	$1,885.97	$0.00	$305.43	$82.15	$2,273.55
16I00401	MF111134	$0.00	$858.32	$97.72	$24.30	$980.34
16I00402	MF113602	$8,541.37	$0.00	$1,383.27	$273.81	$10,198.45
16I00403	MF113602	$0.00	$3,893.00	$389.30	$110.27	$4,392.57
Total Due		$28,316.16	$5,186.59	$4,298.63	$1,013.73	**$38,815.11**

Penalty and interest have been calculated thru 5/31/2016. Payment remitted after 5/31/2016 will result in additional penalty and interest charges.

Contact Info: Andrea Charlton (512) 463-5190 or Andrea.Charlton@GLO.TEXAS.GOV

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

BHP Billiton Petroleum (TXLA Operating) Company

Billing Date: 5/3/2016

Billing Due Date: 6/2/2016

Customer Number: C000046383

Remit Payment To:

Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
16I00395	MF065125	$16,927.65	$0.00	$1,892.25	$469.02	$19,288.92
16I00397	MF111133	$961.17	$0.00	$155.66	$41.87	$1,158.70
16I00399	MF111133	$0.00	$435.27	$75.00	$12.31	$522.58
16I00400	MF111134	$1,885.97	$0.00	$305.43	$82.15	$2,273.55

Texas General Land Office

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

16I00401	MF111134	$0.00	$858.32	$97.72	$24.30	$980.34
16I00402	MF113602	$8,541.37	$0.00	$1,383.27	$273.81	$10,198.45
16I00403	MF113602	$0.00	$3,893.00	$389.30	$110.27	$4,392.57
Total Due		$28,316.16	$5,186.59	$4,298.63	$1,013.73	**$38,815.11**
Amt. Paid						

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Andrea Charlton
Company Name: BHP Billiton Petroeum Company
Customer Number: C000046383
Mineral File #: MF111133
Transaction Type: Volume Reconciliation
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$1,158.70	04/29/16	Under reported/paid sales volumes.	MM 4/29/2016	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Customer ID: C000046383
Invoice Number:
GLO Lease: MF111133
GLO Review: BHP Billiton Petroleum Company
Review Period: JANUARY Through AUGUST 2015

Auditor/AE: Acharito
Billing Date: 5/2/2016
P&I Calculation Date: 5/31/2016
Royalty Rate: 12.50%

Month / Year	RRC Number	(1) Gas Volume	(2) Tract Participation	(3) Price	(4) BTU	(5) Gross Value (1)X(2)x(3)x(4)	(6) Royalty Due (5) * Royalty Rate	(7) Royalty Paid	(8) Additional Royalty Due	(9) Number of Days Late	(10) Interest Rate For Additional Royalty	(11) Penalty From Additional Royalty	(12) Interest From Additional Royalty	Revenue Due (8)+(11)+(12)
Apr-15	08-278243		1.000000			$1,232.72	$154.09	$249.92	($95.83)	351	4.250000%	$0.00	$0.00	($95.83)
May-15	08-278243		1.000000			$12,452.80	$1,556.60	$2,056.20	($499.60)	321	4.250000%	$0.00	$0.00	($499.60)
Jun-15	08-278243		1.000000			$30,082.88	$3,760.36	$2,203.76	$1,556.60	290	4.250000%	$155.66	$41.87	$1,754.13
TOTALS		0				$43,768.40	$5,471.05	$4,509.88	$961.17			$155.66	$41.87	$1,158.70

ATTN: CRISTEN STEELE

CERTIFIED MAIL: 7007 0710 0000 5380 6514

COMMENTS: Under payment of Due vs. Paid on royalities due to GLO

COLUMN (10)(11)(12) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

NOTE 1 : PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Andrea Charlton
Company Name: BHP Billiton Petroeum Company
Customer Number: C000046383
Mineral File #: MF111133
Transaction Type: Volume Reconciliation
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$522.58	04/29/16	Under reported/paid sales volumes.	MM 4/29/2016	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Customer ID: C000046383
Invoice Number:
GLO Lease: MF111133
GLO Review: BPH Billiton Petroleum Company
Review Period: JANUARY THROUGH DECEMBER 2014

Auditor/AE: Acharito
Billing Date: 5/2/2016
P&I Calculation Date: 5/31/2016
Royalty Rate: 12.50%

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Month / Year	RRC Number	Oil Volume	Tract Participation Rate	Price	Gross Value (1)X(2)x(3)	Royalty Due (4) * Royalty Rate	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	Penalty From Additional Royalty	Interest From Additional Royalty	Revenue Due (7)+(10)+(11)
Apr-15	08-278243	13.00	1	$45.66	$593.60	$74.20	$0.00	$74.20	361	4.250000%	$25.00	$2.61	$101.81
Jun-15	08-278243	37.00	1	$52.30	$1,935.10	$241.89	$0.00	$241.89	300	4.250000%	$25.00	$6.79	$273.68
Jul-15	08-278243	21.00	1	$45.40	$953.40	$119.18	$0.00	$119.18	269	4.250000%	$25.00	$2.91	$147.09
TOTALS		71.00			$3,482.10	$435.27	$0.00	$435.27			$75.00	$12.31	$522.58

ATTENTION: CRISTEN STEELE
CERTIFIED MAIL : 7007 0710 0000 5380 6514

COMMENTS: SALES VOLUMES REPORTED TO THE GLO WAS COMPARED TO VOLUMES REPORTED TO THE RRC,
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAS BEEN UNDER PAID.

COLUMN (1) RRC VOLUME - REPRESENTS UNDER REPORTED SALES VOLUMES TO THE GLO FROM RRC WELL ID# 08-278243

COLUMN (3) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE

COLUMN (10)(11)(12) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

NOTE 1 : PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

(155)

File No. MF065125

_____ County

Recon Billing

Date Filed: 12-6-16

George P. Bush, Commissioner

By _____

7016 2070 0000 7391 3538

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MF065125

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- ☐ Return Receipt (hardcopy) $ _____
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- ☐ Certified Mail Restricted Delivery $ _____
- ☐ Adult Signature Required $ _____
- ☐ Adult Signature Restricted Delivery $ _____

E Postmark Here

Postage

$

MF112764

Total Postage and Fees

$

Attn: Holly Dutton

Sent To
BHP Billiton Petroleum (TX LA Operating) Co.

Street and Apt. No., or PO Box No.
1360 Post Oak Blvd ste 150

City, State, ZIP+4®
Houston, TX 77056-3030

Certified Mail service provides the following benefits:

- A receipt (this portion of the Certified Mail label).
- A unique identifier for your mailpiece.
- Electronic verification of delivery or attempted delivery.
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Important Reminders:

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  - Return receipt service, which provides a record of delivery (including the recipient's signature). You can request a hardcopy return receipt or an electronic version. For a hardcopy return receipt, complete PS Form 3811, *Domestic Return Receipt;* attach PS Form 3811 to your mailpiece; for an electronic return receipt, see a retail associate for assistance. To receive a duplicate return receipt for no additional fee, present this USPS®-postmarked Certified Mail receipt to the retail associate.
  - Restricted delivery service, which provides delivery to the addressee specified by name, or to the addressee's authorized agent.
  - Adult signature service, which requires the signee to be at least 21 years of age (not available at retail).
  - Adult signature restricted delivery service, which requires the signee to be at least 21 years of age and provides delivery to the addressee specified by name, or to the addressee's authorized agent (not available at retail).
- To ensure that your Certified Mail receipt is accepted as legal proof of mailing, it should bear a USPS postmark. If you would like a postmark on this Certified Mail receipt, please present your Certified Mail item at a Post Office™ for postmarking. If you don't need a postmark on this Certified Mail receipt, detach the barcoded portion of this label, affix it to the mailpiece, apply appropriate postage, and deposit the mailpiece.

IMPORTANT: Save this receipt for your records.

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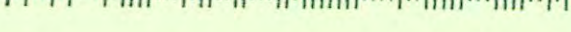
United States Postal Service

Texas General Land Office
George P. Bush, Commissioner
P.O. Box 12873
Austin, Texas 78711-2873

ATTN: Aurora Jordan Energy-7th
LMF065125

287373



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

BHP Billiton Petroleum (TXLA) Operating Company
ATTN: Holly Dutton
1360 Post Oak Blvd Ste 150
Houston, TX 77056-3030

9590 9402 1749 6074 7815 90

7016 2070 0000 7391 3538

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Elisa Powers ☐ Agent ☐ Addressee

B. Received by (Printed Name) Elisa Powers

C. Date of Delivery 11-8-17

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Delivery Restricted Delivery
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- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

Texas General Land Office
Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

BHP Billiton Petroleum (TXLA Operating) Company
Attn: Holly Dutton
1360 Post Oak Blvd Ste 150
Houston, TX 77056-3030

Billing Date: 11/2/2017
Billing Due Date: 12/2/2017
Customer Number: C000046383

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
18I00088	MF065125	$35,687.24	$0.00	$3,568.73	$2,311.00	$41,566.97
18I00089	MF065125	$0.00	$1,150.74	$165.17	$85.83	$1,401.74
18I00090	MF112764	$690.15	$0.00	$150.00	$49.32	$889.47
Total Due		$36,377.39	$1,150.74	$3,883.90	$2,446.15	**$43,858.18**

Penalty and interest have been calculated thru 11/30/2017. Payment remitted after 11/30/2017 will result in additional penalty and interest charges.

Contact Info: David Jacquet (512) 463-5262 or david.jacquet@glo.texas.gov

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

BHP Billiton Petroleum (TXLA Operating) Company
Billing Date: 11/2/2017
Billing Due Date: 12/2/2017
Customer Number: C000046383

Remit Payment To:
Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
18I00088	MF065125	$35,687.24	$0.00	$3,568.73	$2,311.00	$41,566.97
18I00089	MF065125	$0.00	$1,150.74	$165.17	$85.83	$1,401.74
18I00090	MF112764	$690.15	$0.00	$150.00	$49.32	$889.47
Total Due		$36,377.39	$1,150.74	$3,883.90	$2,446.15	**$43,858.18**
Amt. Paid						

Customer ID: C000046383
Invoice Number:
GLO Lease: MF112764
GLO Review: BHP BillintonPetroleum (TXLA Operating) Company
Review Period: September 2015 through August 2016

Category OIL
Auditor/AE: DJACQUET
Billing Date: 10/24/2017
P&I Calculation Date: 11/30/2017
Royalty Rate: 12.50%

		(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Month / Year	RRC Number	Gas/Oil Volume	Tract Participation Rate	Price	BTU	Gross Value	Royalty Due	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	Penalty Rate From Additional Royalty	Interest Rate From Additional Royalty2	Revenue Due
Oct-15	08-277458	36	1.00000000	$41.32	1	$1,487.52	$185.94	$0.00	$185.94	716	4.25%	$25.00	$14.22	$225.16
Nov-15	08-277458	19	1.00000000	$41.43	1	$787.17	$98.40	$0.00	$98.40	685	4.50%	$25.00	$7.59	$130.99
Dec-15	08-277458	20	1.00000000	$35.77	1	$715.40	$89.43	$0.00	$89.43	654	4.50%	$25.00	$6.56	$120.99
Jan-16	08-277458	28	1.00000000	$29.88	1	$836.64	$104.58	$0.00	$104.58	625	4.50%	$25.00	$7.30	$136.88
Feb-16	08-277458	37	1.00000000	$27.10	1	$1,002.70	$125.34	$0.00	$125.34	594	4.50%	$25.00	$8.27	$158.61
Mar-16	08-277458	24	1.00000000	$28.82	1	$691.68	$86.46	$0.00	$86.46	564	4.50%	$25.00	$5.38	$116.84
TOTALS		**164**				**$5,521.11**	**$690.15**	**$0.00**	**$690.15**			**$150.00**	**$49.32**	**$889.47**

COMMENTS: BILLING ON DIFFERENCE FROM VOLUMES REPORTED TO GLO COMPARED TO THE VOLUMES REPORTED TO RRC.

COLUMN (3) VOLUME - REPRESENTS UNDER REPORTED SALES VOLUMES TO THE GLO FROM RRC ID # 08-277458
COLUMN (5) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE.
COLUMNS (12),(13 PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

NOTE 1: PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

ATTN: HOLLY DUTTON
CERTIFIED MAIL: 7016 2070 0000 7391 3538

Customer ID: C000046383
Invoice Number:
GLO Lease: MF065125
GLO Review: BHP BILLITON PET (TXLA OP) CO
Review Period: September 2015 thru August 2016

Category Oil
Auditor/AE: DJACQUET
Billing Date: 10/24/2017
P&I Calculation Date: 11/30/2017
Royalty Rate: 8.33%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	RRC Number	Gas/Oil Volume	Tract Participation Rate	Price	BTU	Gross Value	Royalty Due	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	From Additional Royalty	From Additional Royalty2	Revenue Due
Oct-15	08-46563	117	1.00000000	$41.20	1.00	$4,820.34	$401.69	$0.00	$401.69	726	4.25%	$40.17	$31.20	$473.06
Nov-15	08-46563	74	1.00000000	$39.30	1.00	$2,908.05	$242.34	$0.00	$242.34	695	4.50%	$25.00	$19.00	$286.34
Dec-15	08-46563	72	1.00000000	$35.19	1.00	$2,533.91	$211.16	$0.00	$211.16	664	4.50%	$25.00	$15.75	$251.91
Jan-16	08-46563	35	1.00000000	$29.18	1.00	$1,021.23	$85.10	$0.00	$85.10	635	4.50%	$25.00	$6.04	$116.14
Feb-16	08-46563	59	1.00000000	$25.87	1.00	$1,526.41	$127.20	$0.00	$127.20	604	4.50%	$25.00	$8.55	$160.75
Mar-16	08-46563	35	1.00000000	$28.54	1.00	$999.06	$83.25	$0.00	$83.25	574	4.50%	$25.00	$5.29	$113.54
TOTALS		**392**				**$13,809.00**	**$1,150.74**	**$0.00**	**$1,150.74**			**$165.17**	**$85.83**	**$1,401.74**

COMMENTS: BILLING ON SKIM OIL VOLUMES NOT REPORTED TO GLO COMPARED TO THE VOLUMES REPORTED TO RRC.

COLUMN (3) VOLUME - REPRESENTS UNDER REPORTED SALES VOLUMES TO THE GLO FROM RRC ID # 08-46563 & 08-278234
COLUMN (5) PRICE - AVERAGE FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE.
COLUMNS (12),(13),(14) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

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ATTN: HOLLY DUTTON
CERTIFIED MAIL: 7016 2070 0000 7391 3538

Customer ID:	C000046383	**Category**	Gas
Invoice Number:		**Auditor/AE:**	DJACQUET
GLO Lease:	MF065125	**Billing Date:**	10/24/2017
GLO Review:	BHP BILLITON PET(TXLA OP) CO	**P&I Calculation Date:**	11/30/2017
Review Period:	September 2015 through August 2016	**Royalty Rate:**	0.083333

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	**RRC Number**	**Gas/Oil Volume**	**Tract Participation Rate**	**Price**	**BTU**	**Gross Value**	**Royalty Due**	**Royalty Paid**	**Additional Royalty Due**	**Number of Days Late**	**Interest Rate For Additional Royalty**	**Penalty Rate From Additional Royalty**	**Interest Rate From Additional Royalty2**	**Revenue Due**
Sep-15	08-46563	7,804	1	$2.62	1.04	$21,343.00	$1,778.58	$0.00	$1,778.58	746	4.25%	$177.86	$142.27	$2,098.71
Oct-15	08-46563	18,236	1	$2.42	1.04	$46,120.54	$3,843.36	$0.00	$3,843.36	716	4.25%	$384.34	$294.02	$4,521.72
Nov-15	08-46563	24,806	1	$2.13	1.05	$55,462.08	$4,621.82	$0.00	$4,621.82	685	4.50%	$462.18	$356.70	$5,440.70
Dec-15	08-46563	17,836	1	$1.96	1.04	$36,473.06	$3,039.41	$0.00	$3,039.41	654	4.50%	$303.94	$222.96	$3,566.31
Jan-16	08-46563	41,629	1	$2.01	1.04	$87,235.97	$7,269.64	$0.00	$7,269.64	625	4.50%	$726.96	$507.28	$8,503.88
Feb-16	08-46563	5,188	1	$2.06	1.09	$11,613.91	$967.82	$0.00	$967.82	594	4.50%	$96.78	$63.84	$1,128.44
Mar-16	08-46563	10,031	1	$1.68	1.18	$19,943.31	$1,661.94	$0.00	$1,661.94	564	4.50%	$166.19	$103.47	$1,931.60
Apr-16	08-46563	15,301	1	$1.58	1.14	$27,544.48	$2,295.36	$0.00	$2,295.36	533	4.50%	$229.54	$134.14	$2,659.04
May-16	08-46563	12,154	1	$1.70	1.06	$21,823.97	$1,818.66	$0.00	$1,818.66	503	4.50%	$181.87	$99.55	$2,100.08
Jun-16	08-46563	8,265	1	$1.73	1.02	$14,506.75	$1,208.89	$0.00	$1,208.89	472	4.50%	$120.89	$61.55	$1,391.33
Jul-16	08-46563	16,126	1	$2.68	1.02	$43,980.99	$3,665.07	$0.00	$3,665.07	441	4.50%	$366.51	$172.61	$4,204.19
Aug-16	08-46563	16,500	1	$2.49	1.03	$42,200.40	$3,516.69	$0.00	$3,516.69	411	4.50%	$351.67	$152.61	$4,020.97
TOTALS		**193,876**				**$428,248.44**	**$35,687.24**	**$0.00**	**$35,687.24**			**$3,568.73**	**$2,311.00**	**$41,566.97**

COMMENTS: BILLING ON ROYALTIES NOT PAID ON VOLUMES REPORTED TO THE RRC VS REPORTED TO THE GLO FOR RRC ID #08-46563 & 08-278234

COLUMN (3) VOLUMES SHOWN ARE THE UNDER REPORTED VOLUMES BASED ON THE DIFFERENCE BETWEEN THE TOTAL OF LEASE USE, RESIDUE, VENTED OR FLARED SALES.
COLUMNS (5) & (6) THE PRICES AND BTU FACTORS WERE DETERMINED BY CALCULATING AN AVERAGE PRICE AND BTU REPORTED FOR RESIDUE GAS PER GLO2 REPORTS.
COLUMNS (12),(13),(14) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
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ATTN: HOLLY DUTTON
CERTIFIED MAIL: 7016 2070 0000 7391 3538

156

File No. MF 065125

County

Recon Billings

Date Filed: 11/8/17

George P. Bush, Commissioner

By

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- ☐ Return Receipt (electronic) $ _____
- ☐ Certified Mail Restricted Delivery $ _____
- ☐ Adult Signature Required $ _____
- ☐ Adult Signature Restricted Delivery $ _____

Postage
$

Total Postage and Fees
$

Postmark Here

MF 065125

ATTN: Holly Dutton

Sent To
BHP Billiton Petroleum (TX) LA Operating Co.

Street and Apt. No., or PO Box No.
1360 Post Oak Blvd ste 150

City, State, ZIP+4®
Houston, TX 77056-3030

PS Form 3800, April 2015 PSN 7530-02-000-9047 **See Reverse for Instructions**

7014 2070 0000 2390 9127

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- A unique identifier for your mailpiece.
- Electronic verification of delivery or attempted delivery.
- A record of delivery (including the recipient's signature) that is retained by the Postal Service™ for a specified period.

Important Reminders:

- You may purchase Certified Mail service with First-Class Mail®, First-Class Package Service®, or Priority Mail® service.
- Certified Mail service is *not* available for international mail.
- Insurance coverage is *not* available for purchase with Certified Mail service. However, the purchase of Certified Mail service does not change the insurance coverage automatically included with certain Priority Mail items.
- For an additional fee, and with a proper endorsement on the mailpiece, you may request the following services:
  - Return receipt service, which provides a record of delivery (including the recipient's signature). You can request a hardcopy return receipt or an electronic version. For a hardcopy return receipt, complete PS Form 3811, *Domestic Return Receipt;* attach PS Form 3811 to your mailpiece; for an electronic return receipt, see a retail associate for assistance. To receive a duplicate return receipt for no additional fee, present this USPS®-postmarked Certified Mail receipt to the retail associate.
  - Restricted delivery service, which provides delivery to the addressee specified by name, or to the addressee's authorized agent.
  - Adult signature service, which requires the signee to be at least 21 years of age (not available at retail).
  - Adult signature restricted delivery service, which requires the signee to be at least 21 years of age and provides delivery to the addressee specified by name, or to the addressee's authorized agent (not available at retail).
- To ensure that your Certified Mail receipt is accepted as legal proof of mailing, it should bear a USPS postmark. If you would like a postmark on this Certified Mail receipt, please present your Certified Mail item at a Post Office™ for postmarking. If you don't need a postmark on this Certified Mail receipt, detach the barcoded portion of this label, affix it to the mailpiece, apply appropriate postage, and deposit the mailpiece.

IMPORTANT: Save this receipt for your records.

USPS TRACKING #

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United States
Postal Service

Texas General Land Office
George P. Bush, Commissioner
P.O. Box 12873
Austin, Texas 78711-2873

ATTN: Aurora Jordan 7th Energy
MF065125

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

BHP Billiton Petroleum GX LA Operating company
ATTN: Holly Dutton
1360 Post Oak Blvd Ste 150
Houston, TX 77056-3030

9590 9402 1749 6074 7562 53

7016 2070 0000 7390 6127

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X [signature] ☑ Agent ☐ Addressee

B. Received by (Printed Name) Elisa Paek

C. Date of Delivery 6-14-18

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ [illegible]n Delivery Restricted Delivery
- ☐ [illegible]Mail
- ☐ [illegible]Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Texas General Land Office
Reconciliation Billing

George P. Bush, Commissioner

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

BHP Billiton Petroleum (TXLA Operating) Company
Attn: Holly Dutton
1360 Post Oak Blvd Ste 150
Houston, TX 77056-3030

COPY

Billing Date: 6/8/2018
Billing Due Date: 7/8/2018
Customer Number: C000046383

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
18I00548	MF065125	$3,148.55	$0.00	$314.86	$177.89	$3,641.30
Total Due		$3,148.55	$0.00	$314.86	$177.89	**$3,641.30**

Penalty and interest have been calculated thru 6/30/2018. Payment remitted after 6/30/2018 will result in additional penalty and interest charges.

Contact Info: Andrea Charlton (512) 463-5190 or Andrea.Charlton@GLO.TEXAS.GOV

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.
- For other royalty reporting questions, visit http://www.glo.texas.gov, call (512) 463-6850 or email us at glo123@glo.texas.gov.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing

BHP Billiton Petroleum (TXLA Operating) Company
Billing Date: 6/8/2018
Billing Due Date: 7/8/2018
Customer Number: C000046383

Remit Payment To:
Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
18I00548	MF065125	$3,148.55	$0.00	$314.86	$177.89	$3,641.30
Total Due		$3,148.55	$0.00	$314.86	$177.89	**$3,641.30**
Amt. Paid						

Energy Financial Management
SMAR Activity / Invoicing Approval

Auditor/Account Examiner: Andrea Charlton
Company Name: BHP BILLITON PET(TXLA OP) CO
Customer Number: C000046383
Mineral File #: MF065125 Unit 7021 & 7022
Transaction Type: Volume Reconciliation
Other / Invoice #:

Previous Amount	Current Amount	Date	AE / Reviewer's Notes	Reviewer's Signature	AR Notes
	$3,641.27	06/06/18	Under reported/paid sales volumes	MM 6/6/2018	

All original invoices must be approved.
All reductions in billing of more than $1000 must be approved.

Customer ID:	C000046383	**Category**	Gas
Invoice Number:		**Auditor/AE:**	Acharlto
GLO Lease:	MF065125	**Billing Date:**	6/6/2018
GLO Review:	BHP BILLITON PET(TXLA OP) CO	**P&I Calculation Date:**	6/30/2018
Review Period:	201609-201708	**Royalty Rate:**	8.33%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	**RRC Number**	**Gas/Oil Volume**	**Tract Participa**	**Price**	**BTU**	**Gross Value**	**Royalty Due**	**Royalty Paid**	**Additional Ro**	**Number of Da**	**Interest Rate For**	**Penalty Rate Fror**	**Interest Rate Fror**	**Revenue Due**
Sep-16	08-28240	2,035	1.00000000	2.568101	1.038100	$5,425.20	$452.10	$0.00	$452.10	592	4.50%	$45.21	$29.71	$527.02
Oct-16	08-28240	1,688	1.00000000	2.691960	1.038100	$4,717.16	$393.10	$0.00	$393.10	562	4.50%	$39.31	$24.38	$456.79
Jan-17	08-28240	8,667	1.00000000	3.115300	1.023700	$27,640.21	$2,303.35	$0.00	$2,303.35	472	4.75%	$230.34	$123.80	$2,657.49
TOTALS		**12,390**				**$37,782.57**	**$3,148.55**	**$0.00**	**$3,148.55**			**$314.86**	**$177.89**	**$3,641.30**

ATTN: GARY D. SUBLETT
CERTIFIED MAIL: 7016 2070 0000 7390 6127

COMMENTS: SALES VOLUMES REPORTED TO THE GLO WERE COMPARED TO VOLUMES REPORTED TO THE RRC.
IT HAS BEEN DETERMINED THAT THE SALES VOLUMES HAVE BEEN UNDER PAID.

COLUMN (3) RRC VOLUME - REPRESENTS UNDER REPORTED SALES VOLUMES TO THE GLO FROM RRC WELL ID# 08-28240 08-28575
COLUMN (5) PRICE - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (6) BTU - TAKEN FROM PRODUCTION ROYALTY REPORTS SUBMITTED TO THE TEXAS GENERAL LAND OFFICE
COLUMN (13)(14)(15) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENT:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

NOTE 1 : PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS. THE PREFERED METHOD OF PAYMENT IS BY CHECK ACCOMPANIED WITH THE BOTTOM HALF OF THE ATTACHED INVOICE. IF PAYMENT IS MADE THROUGH ACH DEBIT, NOTIFY THE AUDITOR AS TO THE REMITTANCE DATE SO THE INVOICE CAN BE PROPERLY CREDITED.

(157)

File No. MF 065125

County

Recon Billing

Date Filed: 6/11/18

George P. Bush, Commissioner

By AT

TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

November 7, 2018

I, George P. Bush, Commissioner of the General Land Office of the State of Texas, do hereby certify that the papers, records, and documents of said office show;

This Certificate of Fact is supplemental to one written October 30, 1996, for Richard J. Ganem, covering Section 38, Block 57, Township 2, T&P Ry. Company Survey, Reeves County, Texas, and contains title and status facts since that date only;

****

That on January 1, 2012, MARTHA SCOTT CHAPMAN FOWLER, assigned to PETROHAWK PROPERTIES, LP, various interests in lease M-65125, and reference to said assignment ID #8192 is herein made for all purposes to the instrument which was filed of record in Volume 920, Page 661, Official Public Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on May 11, 2012, in Mineral File M-65125;

That on January 1, 2012, BOLDRICK FAMILY PROPERTIES, LP, assigned to PETROHAWK PROPERTIES, LP, various interests in lease M-65125, and reference to said assignment ID #8192 is herein made for all purposes to the instrument which was filed of record in Volume 928, Page 637, Official Public Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on May 11, 2012, in Mineral File M-65125;

That on January 1, 2012, PENWELL ENERGY, INC., assigned to PETROHAWK PROPERTIES, LP, various interests in lease M-65125, and reference to said assignment ID #8192 is herein made for all purposes to the instrument which was filed of record in Volume 924, Page 255, Official Public Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on May 11, 2012, in Mineral File M-65125;

That on March 1, 2012, LAGNIAPPE HYDROCARBONS, LLC, assigned to PETROHAWK PROPERTIES, LP, various interests in lease M-65125, and reference to said assignment ID #8192 is herein made for all purposes to the instrument which was filed of record in File Number 12-03352, Official Public Records, Reeves County, a certified copy of which was filed in the Texas General Land Office on May 11, 2012, in Mineral File M-65125;

That on July 26, 2012, the Requested Assignments into Petrohawk (shallow rights) to MF-65125 were filed in the Texas General Land Office, in Mineral File M-65125;

That on July 26, 2012, the Requested Assignments into Petrohawk (deep rights) to MF-65125 were filed in the Texas General Land Office, in Mineral File M-65125;

That on September 26, 2014, BHP BILLITON PETROLEUM PROPERTIES (N.A.), LP, and JERRY E. PATTERSON, Commissioner of the Texas General Land Office, executed an Unit Agreement #7021, which included lease M-65125, insofar as 321.14 acres (Unit Depth 4000 TVD – 11465 TVD) is concerned, and covering an area designated as State Barlow/Phantom (Wolfcamp), and said agreement, having been approved by the School Land Board on September 9, 2014, was filed in the Texas General Land Office on September 30, 2014, in Mineral File M-65125;

That on September 26, 2014, BHP BILLITON PETROLEUM PROPERTIES (N.A.), LP, and JERRY E. PATTERSON, Commissioner of the Texas General Land Office, executed an Unit Agreement, #7022,

which included lease M-65125, insofar as 321.34 acres (Unit Depth 0 Surface – 11465 TVD) is concerned, and covering an area designated as State Barlow/Phantom (Wolfcamp), and said agreement, having been approved by the School Land Board on September 9, 2014, was filed in the Texas General Land Office on September 30, 2014, in Mineral File M-65125;

That on September 29, 2014, Railroad Commission Form Application For Permit W-1, To Drill, Recomplete or Re-Enter, was filed in the Texas General Land Office in Mineral File M-65125, indicating that Well #1H was spudded on September 29, 2014 and is now drilling at 14000';

That on July 23, 2015, AMENDED Railroad Commission Form Application For Permit W-1, To Drill, Recomplete or Re-Enter, was filed in the Texas General Land Office in Mineral File M-65125, indicating that Well #1H was spudded on September 29, 2014 and is now drilling at 10006';

That on August 3, 2015, Railroad Commission Form W-2, Oil Well Potential Test, Completion or Recompletion Report and Log for Unit 7021, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 1H, STATE BARLOW/PHANTOM (WOLFCAMP), was completed as a new well on January 24, 2015;

That on June 29, 2015, Railroad Commission Form Application For Permit W-1, To Drill, Recomplete or Re-Enter, was filed in the Texas General Land Office in Mineral File M-65125, indicating that Well #1H was spudded on September 29, 2014 and is now drilling at 14000';

That on November 20, 2015, Railroad Commission Form W-2, Oil Well Potential Test, Completion or Recompletion Report and Log for Unit 7022, was filed in the Texas General Land Office in Mineral File M-65125, indicating that well No. 1H, STATE BARLOW/PHANTOM (WOLFCAMP), was completed as a new well on January 15, 2015;

That the latest royalty payments for lease M-65125 were received in the Texas General Land Office on September 16, 2018, for oil produced during July 2018, and on September 23, 2018, for gas produced during August 2018;

****

IN TESTIMONY WHEREOF, I hereto set my hand and seal of said office the first date above written.

GEORGE P. BUSH
COMMISSIONER OF THE GENERAL LAND OFFICE

GPB/wt

Name: Shannon Lavergne, 118 Demanade, Lafayette, LA 70503
Docta No.: 2019-3
Fee: $300.00
Files: BEX S 23805, SCH 91544, M-65125

158
M-65125
Reeves
Cert of Fact
File No.
Date Filed: 9 Nov 2018
George P. Bush, Commissioner
By

2019-3

DIVISION ORDER

MF065125

To: **RIO OIL AND GAS (OPCO), LLC**
3 Waterway Square, Suite 500
The Woodlands, TX 77380
Attn: Division Orders
Phone: (832) 616-3734

Date: January 16, 2020

Property Number: 112.000002
Property Name: BERGMAN STATE 38 #2H
Operator: RIO OIL AND GAS (OPCO) LLC
County and State: Reeves, Texas
Property Description: T&P RR CO/COX, LT, Blk: 57 T2 Sec: 38

Effective Date: Date of First Production

Production: X Oil X Gas X Other: all products

Owner Name and Address:	Owner Number: 1403
TEXAS GENERAL LAND OFFICE P O BOX 12873 AUSTIN, TX 78711-2873	Type of Interest: RI Decimal Interest: 0.08333333

The undersigned certifies the ownership of their decimal interest in production or proceeds as described above payable by **RIO OIL & GAS, LLC** (Payor).

RIO OIL & GAS, LLC shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

RIO OIL & GAS, LLC is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned. The undersigned agrees to indemnify and reimburse **RIO OIL & GAS, LLC** any amount attributable to an interest to which the undersigned is not entitled.

RIO OIL & GAS, LLC may accrue proceeds until the total amount equals **$100.00**, or pay annually an amount of $10.00 or greater, whichever occurs first, or as required by applicable state statute.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

In addition to the terms and conditions of this Division Order, the undersigned and **RIO OIL & GAS, LLC** may have certain statutory rights under the laws of the state in which the property is located.

Special Clauses: *(None or See Attached Exhibit)*

Owner(s) Signature(s): _____ _____
TEXAS GENERAL LAND OFFICE

Owner(s) Tax I.D. Number(s): _____ _____

Owner Daytime Telephone _____ _____

Owner FAX Telephone #. _____ _____

Owner Email Address: _____ _____

AB

Retain this copy for your records

Federal Law requires you to furnish your Social Security or Taxpayer Identification Number.
Failure to comply will result in 24% tax withholding and will not be refundable by Payor

DIVISION ORDER

To: **RIO OIL AND GAS (OPCO), LLC**
3 Waterway Square, Suite 500
The Woodlands, TX 77380
Attn: Division Orders
Phone: (832) 616-3734

Date: January 16, 2020

Property Number: 112.000003
Property Name: BERGMAN STATE 38 #3H
Operator: RIO OIL AND GAS (OPCO) LLC
County and State: Reeves, Texas
Property Description: T&P RR CO/COX, LT, Blk: 57 T2 Sec: 38

Effective Date: Date of First Production

Production: ____X____ Oil ____X____ Gas ____X____ Other: all products

Owner Name and Address:	Owner Number: 1403
TEXAS GENERAL LAND OFFICE P O BOX 12873 AUSTIN, TX 78711-2873	Type of Interest: RI Decimal Interest: 0.08333333

The undersigned certifies the ownership of their decimal interest in production or proceeds as described above payable by **RIO OIL & GAS, LLC** (Payor).

RIO OIL & GAS, LLC shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

RIO OIL & GAS, LLC is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned. The undersigned agrees to indemnify and reimburse **RIO OIL & GAS, LLC** any amount attributable to an interest to which the undersigned is not entitled.

RIO OIL & GAS, LLC may accrue proceeds until the total amount equals **$100.00**, or pay annually an amount of $10.00 or greater, whichever occurs first, or as required by applicable state statute.

This Division Order does not amend any lease or operating agreement between the undersigned and the lessee or operator or any other contracts for the purchase of oil or gas.

In addition to the terms and conditions of this Division Order, the undersigned and **RIO OIL & GAS, LLC** may have certain statutory rights under the laws of the state in which the property is located.

Special Clauses: *(None or See Attached Exhibit)*

Owner(s) Signature(s): _____ _____
TEXAS GENERAL LAND OFFICE

Owner(s) Tax I.D. Number(s): _____ _____

Owner Daytime Telephone _____ _____

Owner FAX Telephone #. _____ _____

Owner Email Address: _____ _____

AB

Retain this copy for your records

Federal Law requires you to furnish your Social Security or Taxpayer Identification Number.
Failure to comply will result in 24% tax withholding and will not be refundable by Payor

1-23-20

INSTRUCTIONS TO ALL INTEREST OWNERS

Dear Interest Owner,

Rio Oil and Gas (OPCO), LLC has enclosed a Division Order for your execution.

The attached document should not be altered in any way except to correct spelling errors, unless accompanied by documentary evidence to support the change.

If your name and interest are correctly shown:

1. Sign your name as shown on the Division Order.

2. If your name has changed due to marriage or divorce, execute the Division Order using your present name and furnish a copy of the marriage certificate or divorce decree.

3. If signing for a corporation, signature must be attested, corporate seal fixed and title of signatory party reflected.

4. If signed by agent, attorney-in-fact, guardian or any party other than the named interest owner, a certified copy of the power of attorney or other evidence of such party's right to sign must be furnished.

5. Your correct mailing address should be noted in the space provided to insure prompt receipt of production proceeds.

6. The top copy or the "Original" of the Division Order should be returned to:

RIO OIL AND GAS (OPCO), LLC
3 Waterway Square, Suite 500
The Woodlands, TX 77380
Attn: Division Orders

7. Should you have any further questions regarding the enclosed Division Order, please contact Rio Oil and Gas (OPCO), LLC at (832) 616-3734

8. Please DO NOT DETACH the exhibit from the Division Order or Transfer Order if one is included.

TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

March 13, 2020

Rio Oil and Gas, LLC
Attn: Division Order Analyst
3 Waterway Square, Suite 500
The Woodlands, TX 77380

Re: State Lease No. MF065125 Bergman State 38 #2H and #3H

Dear Sir/Madam:

The Texas General Land Office (GLO) has received your Division Orders for the referenced unit. These Division Orders have been filed in the appropriate mineral file.

The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas leases. If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

We look forward to being put on pay status as soon as you are able to set up the wells in our RRAC system.

Thank you,

Vivian Zamora

Vivian Zamora
Landman, Energy Resources
512-475-0428
512-475-1404 (fax)
vivian.zamora@glo.texas.gov

File No. MF065125

Reeves DIVISION ORDER County

Date Filed: 3/16/2020

George P. Bush, Commissioner

By VB

DIVISION ORDER

MF065125

Date: 12/16/2020
User Y01FJA
Effective 7am: 06/01/2020
Property Number: 154985-1

To: Sunoco Partners Marketing & Terminals L.P.
PO Box 4933
Houston, TX 77210-4933

The undersigned, severally not jointly warrants, guarantees and certifies that it is the owner of the interest shown opposite its name on the attached exhibit in the oil (defined herein to include condensate), produced from:

Property Name: SAND BEND (28420)
Operator: 1000344360
Operator Name: KIMLAR OIL CO INC
County: REEVES
State: TEXAS

Legal Description:

Comments:

Tax I.D./S.S.N	Owner No.	Payee	Division of Interest
XXXXX0108	1000341562	TEXAS GENERAL LAND OFFICE STATE OF TX LAND OFFICE BLDG AUSTIN, TX 78701	0.08333340 RI 01

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

The following provisions apply to each interest owner ("owner") who executes this agreement.

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests set out above. The payor shall pay all parties at the price agreed to by the operator for oil to be sold pursuant to this division order. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities.

PAYMENT: From the effective date, payment is to be made monthly by payor's check, based on this division of interest, for oil run during the preceding calendar month form the property listed above, less taxes required by law to be deducted and remitted by payor as purchaser. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 month's proceeds accumulate, whichever occurs first. However, the payor may hold accumulate proceeds of less than $10 until production ceases or the payor's responsibility for making payments for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, Including but not limited to attorney fees or judgment in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition field.

In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withholding payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time.

No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the changes occurs.

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

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provision of this division order, an owner may have certain statutory rights under the laws of this state.

Signature: _____ Print Name: _____

Tax ID/SSN: _____ Email: _____

Phone: _____

Failure to furnish your Social Security / Tax I.D. Number will result in withholding tax in accordance with federal law, and any tax withheld will not be refunded by Payor.

DIVISION ORDER

Date: 12/16/2020
User Y01FJA
Effective 7am: 06/01/2020
Property Number: 154988-1

To: Sunoco Partners Marketing & Terminals L.P.
PO Box 4933
Houston, TX 77210-4933

The undersigned, severally not jointly warrants, guarantees and certifies that it is the owner of the interest shown opposite its name on the attached exhibit in the oil (defined herein to include condensate), produced from:

Property Name: SAND BEND A-1 (31447)
Operator: 1000344360
Operator Name: KIMLAR OIL CO INC
County: REEVES
State: TEXAS

Legal Description:

Comments:

Tax I.D./S.S.N	Owner No.	Payee	Division of Interest
XXXXX0108	1000341562	TEXAS GENERAL LAND OFFICE STATE OF TX LAND OFFICE BLDG AUSTIN, TX 78701	0.08333330 RI 01

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

The following provisions apply to each interest owner ("owner") who executes this agreement.

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests set out above. The payor shall pay all parties at the price agreed to by the operator for oil to be sold pursuant to this division order. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities.

PAYMENT: From the effective date, payment is to be made monthly by payor's check, based on this division of interest, for oil run during the preceding calendar month form the property listed above, less taxes required by law to be deducted and remitted by payor as purchaser. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 month's proceeds accumulate, whichever occurs first. However, the payor may hold accumulate proceeds of less than $10 until production ceases or the payor's responsibility for making payments for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, Including but not limited to attorney fees or judgment in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition field.

In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withholding payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time.

No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the changes occurs.

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

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provision of this division order, an owner may have certain statutory rights under the laws of this state.

Signature: _____ Print Name: _____

Tax ID/SSN: _____ Email: _____

Phone: _____

Failure to furnish your Social Security / Tax I.D. Number will result in withholding tax in accordance with federal law, and any tax withheld will not be refunded by Payor.

TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

August 26, 2022

Alice J. Holland
Division Order Manager
Sunoco Partners Marketing & Terminal L.P.
PO Box 4933
Houston, TX 77210-4933

Re: State Lease No. MF065125 Sand Bend 1 and Sand Bend A1

Dear Mrs. Holland:

The Texas General Land Office (GLO) has received your Division Orders for the referenced unit. These Division Orders have been filed in the appropriate mineral file.

The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas leases. If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

We look forward to being put on pay status as soon as you are able to set up the wells in our RRAC system.

Thank you,

Vivian Ramora

Vivian Zamora
Landman, Energy Resources
512-475-0428
512-475-1404 (fax)
vivian.zamora@glo.texas.gov

File No. MFDL65125

Reeves County

Division Order

Date Filed: 9-12-2022

George P. Bush, Commissioner

By VB

Texas General Land Office
Reconciliation Billing

PO Box 12873
Austin, TX 78711-2873
(800) 998-4456
8:00 - 5:00 M-F

Commissioner Dawn Buckingham, M.D.

Kimlar Oil Company, INC.
PO Box 1217
Kermit, TX 79745-1217

Billing Date: 6/5/2023
Billing Due Date: 7/5/2023
Customer Number: C000048213

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
23I01131	MF065125	$0.00	$4,477.22	$447.72	$157.26	$5,082.20
Total Due		$0.00	$4,477.22	$447.72	$157.26	**$5,082.20**

Penalty and interest have been calculated thru 6/30/2023. Payment remitted after 6/30/2023 will result in additional penalty and interest charges.

NOTICE

- Please update GLO1 and GLO2 production reports to correct volumes.
- Please do not update GLO3 report to include billed royalty, penalty or interest. This receivable has already been recorded.

This notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Texas Natural Resources Code and, consequently, does not preclude the TGLO from conducting further examinations of these leases, time periods or issues.

Detach and return with payment

Reconciliation Billing
Kimlar Oil Company, INC.
Billing Date: 6/5/2023
Billing Due Date: 7/5/2023
Customer Number: C000048213

Remit Payment To:
Texas General Land Office
PO Box 12873
Austin, TX 78711-2873

Invoice	Mineral File	Gas Royalty	Oil Royalty	Penalty	Interest	Total Due
23I01131	MF065125	$0.00	$4,477.22	$447.72	$157.26	$5,082.20
Total Due		$0.00	$4,477.22	$447.72	$157.26	**$5,082.20**
Amt. Paid						

Customer ID: C000048213
Invoice Number:
GLO Lease: MF065125
GLO Review: KIMLAR OIL COMPANY, INC.
Review Period: Sept 2021 - Aug 2022

Category Oil
Auditor/AE: ECortez
Billing Date: 6/1/2023
P&I Calculation Date: 6/30/2023
Royalty Rate: 8.33%

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Month / Year	RRC Number	Gas/Oil Volume	Tract Participation Rate	Price	BTU	Gross Value	Royalty Due	Royalty Paid	Additional Royalty Due	Number of Days Late	Interest Rate For Additional Royalty	Penalty Rate From Additional Royalty	Interest Rate From Additional Royalty2	Revenue Due
Mar-22	08-28240	165	1	$109.377	1	$18,047.21	$1,503.93	$0.00	$1,503.93	421	4.25%	$150.39	$63.39	$1,717.71
May-22	08-28240	169	1	$109.494	1	$18,504.47	$1,542.03	$0.00	$1,542.03	360	4.25%	$154.20	$54.04	$1,750.27
Jul-22	08-28240	169	1	$101.628	1	$17,175.20	$1,431.26	$0.00	$1,431.26	298	4.25%	$143.13	$39.83	$1,614.22
TOTALS		503				$53,726.87	$4,477.22	$0.00	$4,477.22			$447.72	$157.26	$5,082.20

COMMENTS: BILLING ON UNREPORTED OIL VOLUMES TO THE GLO FOR RRC ID'S 08-28240 AND 08-28575

COLUMN (3) UNDER REPORTED VOLUMES: REPORTED RRC VOLUMES MINUS REPORTED GLO1 VOLUMES
COLUMNS (5) & (6) REPORTED GLO1 VOLUMES WERE USED
COLUMNS (12),(13),(14) PLEASE GO TO THIS WEB SITE FOR EXPLANATION OF PENALTY AND INTEREST ASSESSMENTS:
http://www.glo.texas.gov/energy-business/oil-gas/rrac/forms/penalty-interest-assessment-rules.pdf

FOR QUESTIONS REGARDING THIS INVOICE PLEASE E-MAIL: eric.cortez@glo.texas.gov

NOTE 1: PAYMENT OF THIS INVOICE MAY BE MADE BY CHECK OR ACH DEBIT.
PLEASE REMIT PAYMENT OF THIS INVOICE SEPARATELY FROM REGULAR ROYALTY PAYMENTS.
WHEN PAYMENT IS REMITTED, PLEASE SEND AN EMAIL TO: account.services@glo.texas.gov and eric.cortez@glo.texas.gov
NOTING YOUR COMPANY NAME, CUSTOMER ID, INVOICE NUMBER(S) AND AMOUNT OF PAYMENT.

ATTN: Lannie Stimson
EMAIL: [redacted] [redacted]

161

File No. MF065125

County

Recon Billing

Date Filed: 6/7/2023

Commissioner Dawn Buckingham, M.D.

By: VD

BPX Midstream, LLC
Attn: GBS - P2P Treasury Payments
501 Westlake Park Boulevard
Houston, TX 77079

bpx energy

2100008 01 SD T 5181 DD -P00008 C10

09/19/23

COMMISSIONER OF THE TEXAS GENERAL L
1700 N CONGRESS
AUSTIN TX 78701-149

PG 1 OF 1

Surface Damage
✓ Done
10/10/23

VENDOR NUMBER:

TRACE NUMBER: 1490240068BPXML-CPS

MF065125AB

24700697

INQUIRIES CONCERNING THIS PAYMENT SHOULD BE DIRECTED TO 1-888-529-1358

IN ORDER TO AFFECT TIMELY INVOICE PAYMENTS PLEASE PLACE YOUR VENDOR NUMBER ON ALL FUTURE INVOICES. YOUR VENDOR NUMBER IS

DETACH AND RETAIN THIS STUB FOR YOUR RECORDS

CHECK # 6000000647 ATTACHED BELOW

bpx energy

BPX Midstream, LLC
Attn: GBS - P2P Treasury Payments
501 Westlake Park Boulevard
Houston, TX 77079

62-20
311

No. 6000000647

24700697

09/19/23

TRACE NO.: 1490240068BPXML-CPS

PAY TO THE ORDER OF
COMMISSIONER OF THE TEXAS GENERAL L
1700 N CONGRESS
AUSTIN TX 78701-149

$$$$$$$$$24,030.75

NOT VALID AFTER 6 MONTHS

Twenty-four Thousand Thirty and 75/100 Dollars

AUTHORIZED SIGNATURE

CITIBANK, N.A.
ONE PENN'S WAY, NEW CASTLE, DE 19720

167 ⑈6000000647⑈ [redacted] [redacted]

bpx energy

bp

BP America Production Company
BPX Energy Inc.
Permian Development – Land Department
1700 Platte Street, Suite 150
Denver, CO 80202

September 25, 2023

Texas General Land Office
Attn: Energy Resources
1700 North Congress Avenue
Austin, TX 78701

RE: **Surface Damage Payment**
Bishop #724 SWD Well
MF065125A-B
Block 57-T2-Section 38
Reeves County, Texas

Dear Texas General Land Office,

The subject well is located on Relinquishment Act Lands and therefore one half of the surface damages associated with the subject well are being paid directly to the General Land Office of the State of Texas. Enclosed herein, please find **Check No. 6000000647** in the amount of **$24,030.75** covering surface damages for the drilling operations for the subject well supporting MF065125A-B. The breakdown for said surface damages is as follows:

Pad Site/Pits/Facility:	(3.2387 acres x $10,000/acre)	=	$32,387.00
Road:	(55.40 rods x $85.00/rod)	=	$4,709.00
Clearing Limits:	(2.1931 acres x $5,000/acre)	=	$10,965.50
Total Damages:		=	$48,061.50
Total Paid to the State of Texas:	**($48,061.50 x 50%)**	=	**$24,030.75**

Should you have any questions or need additional assistance regarding this matter, please do not hesitate to contact me at the telephone numbers or email address listed below.

Respectfully,

Bryan Troester

Surface Land Negotiator
Office: (720) 601-5949
Bryan.Troester@bpx.com

(162)

File No. MF065125

Surface ~~Dam~~ County

Date Filed: 10/25/23

Commissioner Dawn Buckingham, M.D.

By: _____

BPX Midstream, LLC
Attn: GBS - P2P Treasury Payments
501 Westlake Park Boulevard
Houston, TX 77079

MF065125

bpx energy

2100007 01 SD T 6181 DD -P00007 C10

09/19/23

COMMISSIONER OF THE TEXAS GENERAL L
1700 N CONGRESS
AUSTIN TX 78701-149

Surface Use
✓ Done
10/10/23

VENDOR NUMBER:

TRACE NUMBER: 1490240067BPXML-CPS

		MF065125A-B		24700698	

INQUIRIES CONCERNING THIS PAYMENT SHOULD BE DIRECTED TO 1-888-529-1358

IN ORDER TO AFFECT TIMELY INVOICE PAYMENTS PLEASE PLACE YOUR VENDOR NUMBER ON ALL FUTURE INVOICES. YOUR VENDOR NUMBER IS

DETACH AND RETAIN THIS STUB FOR YOUR RECORDS

CHECK # 6000000646 ATTACHED BELOW

bpx energy

BPX Midstream, LLC
Attn: GBS - P2P Treasury Payments
501 Westlake Park Boulevard
Houston, TX 77079

TRACE NO.: 1490240067BPXML-CPS

62-20
311

24700698

No. 6000000646

09/19/23

PAY TO THE ORDER OF

COMMISSIONER OF THE TEXAS GENERAL L
1700 N CONGRESS
AUSTIN TX 78701-149

$$$$$$$$$27,670.05

NOT VALID AFTER 6 MONTHS

Twenty-seven Thousand Six Hundred Seventy and 05/100 Dollars

AUTHORIZED SIGNATURE

CITIBANK, N.A.
ONE PENN'S WAY, NEW CASTLE, DE 19720

161 ⑈6000000646⑈ [redacted]

bpx energy

bp

BP America Production Company
BPX Energy Inc.
Permian Development – Land Department
1700 Platte Street, Suite 150
Denver, CO 80202

September 25, 2023

Texas General Land Office
Attn: Energy Resources
1700 North Congress Avenue
Austin, TX 78701

RE: **Surface Damage Payment**
Bishop #725 SWD Well
MF065125A-B
Block 57-T2-Section 38
Reeves County, Texas

Dear Texas General Land Office,

The subject well is located on Relinquishment Act Lands and therefore one half of the surface damages associated with the subject well are being paid directly to the General Land Office of the State of Texas. Enclosed herein, please find **Check No. 6000000646** in the amount of **$27,670.05** covering surface damages for the drilling operations for the subject well supporting MF065125A-B. The breakdown for said surface damages is as follows:

Pad Site/Pits/Facility:	(3.2387 acres x $10,000/acre)	=	$32,387.00
Road:	(137.96 rods x $85.00/rod)	=	$11,726.60
Clearing Limits:	(2.2453 acre x $5,000/acre)	=	$11,226.50
Total Damages:		=	$55,340.10
Total Paid to the State of Texas:	**($55,340.10 x 50%)**	=	**$27,670.05**

Should you have any questions or need additional assistance regarding this matter, please do not hesitate to contact me at the telephone numbers or email address listed below.

Respectfully,

Bryan Troester

Surface Land Negotiator
Office: (720) 601-5949
Bryan.Troester@bpx.com

(163)

File No. UF065125

Surface Dam ~~Levee~~

Date Filed: 10/25/23

Commissioner Dawn Buckingham, M.D.

By:

bpx energy

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/14/2024
Effective Date: 04/01/2024

Property Name: Various Properties (see exhibit A)
Property Number: Various (see exhibit A)
Operator: BPX Operating Company
County/State: Various (see exhibit A)
Description: See Exhibit A

Production: Oil: X Gas: X Other: X

Owner Number:	60468207	Type of Interest: See Exhibit A
Owner Name:	STATE OF TEXAS GLO	Interest Sequence: See Exhibit A
		Tract Factor: See Exhibit A
Owner Address:		Tract Interest: See Exhibit A
	1700 N CONGRESS AVE NO 640	Unit Interest: See Exhibit A
	AUSTIN,TX 78701-1495 US	

The undersigned severally and not jointly certifies it is the legal owner of the interest set out in this Division Order of all the oil and related liquid hydrocarbons and gas produced from the property described.

The following provisions apply to each interest owner ("owner") who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests set out in this Division Order. The payor shall pay all parties at the price for the oil and gas produced and sold hereunder as calculated under the terms of the oil and gas lease.

PAYMENT: Payment is to be made, based on this division of interest, as prescribed by the oil and gas lease or by law. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 months' proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than $10 until production ceases or the payor's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the change occurs.

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

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of this Division Order, an owner may have certain statutory rights under the laws of this state.

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

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

bpx energy

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/14/2024
Effective Date: 04/01/2024

Property Name: Various Properties (see exhibit A)
Property Number: Various (see exhibit A)
Operator: BPX Operating Company
County/State: Various (see exhibit A)
Description: See Exhibit A

Production: Oil: X Gas: X Other: X

Owner Number: 60468207
Owner Name: STATE OF TEXAS GLO
Owner Address:
1700 N CONGRESS AVE NO 640
AUSTIN,TX 78701-1495 US

Type of Interest: See Exhibit A
Interest Sequence: See Exhibit A
Tract Factor: See Exhibit A
Tract Interest: See Exhibit A
Unit Interest: See Exhibit A

Owner(s) Signature(s): _____ _____

Owner Address Correction: _____ _____

Owner's Tax I.D. Number: _____

Owner's Telephone: _____

Owner's Email: _____

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

To: BPX Operating Company

DIVISION ORDER EXHIBIT "A"

Dated: 05/14/2024

OWNER: 60468207

STATE OF TEXAS GLO
1700 N CONGRESS AVE NO 640
AUSTIN TX 78701-1495

Unit 7021

Property Name
STATE BARLOW 57-T2-47X38 B311H
Operator 389-40527
BPX Operating Company
Legal Description
County or Parish: REEVES State: TEXAS NW/4 SEC 47 AND W/2 SEC 38 BLK 57, T2

DOI/ PROPERTY CODE	DOI SUFFIX	TRACT FACTOR	TRACT INTEREST	INTEREST TYPE	PRODUCT CODE	UNIT INTEREST	ACCOUNT STATUS
132737	1	1.00000000	0.05565492	Royalty Interest	All Products	0.05565492	Pay

Property Name
STATE BARLOW 57-T2-47X38 B312H
Operator
BPX Operating Company
Legal Description
County or Parish: REEVES State: TEXAS NW/4 SEC 47 AND W/2 SEC 38 BLK 57, T2

DOI/ PROPERTY CODE	DOI SUFFIX	TRACT FACTOR	TRACT INTEREST	INTEREST TYPE	PRODUCT CODE	UNIT INTEREST	ACCOUNT STATUS
132737	2	1.00000000	0.05565492	Royalty Interest	All Products	0.05565492	Pay

bpx energy

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/14/2024
Effective Date: 04/01/2024

Property Name: Various Properties (see exhibit A)
Property Number: Various (see exhibit A)
Operator: BPX Operating Company
County/State: Various (see exhibit A)
Description: See Exhibit A

Production: Oil: X Gas: X Other: X

Owner Number:	60468207	Type of Interest: See Exhibit A
Owner Name:	STATE OF TEXAS GLO	Interest Sequence: See Exhibit A
		Tract Factor: See Exhibit A
Owner Address:		Tract Interest: See Exhibit A
	1700 N CONGRESS AVE NO 640	Unit Interest: See Exhibit A
	AUSTIN,TX 78701-1495 US	

The undersigned severally and not jointly certifies it is the legal owner of the interest set out in this Division Order of all the oil and related liquid hydrocarbons and gas produced from the property described.

The following provisions apply to each interest owner ("owner") who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests set out in this Division Order. The payor shall pay all parties at the price for the oil and gas produced and sold hereunder as calculated under the terms of the oil and gas lease.

PAYMENT: Payment is to be made, based on this division of interest, as prescribed by the oil and gas lease or by law. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 months' proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than $10 until production ceases or the payor's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the change occurs.

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

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of this Division Order, an owner may have certain statutory rights under the laws of this state.

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

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

bpx energy

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/14/2024
Effective Date: 04/01/2024

Property Name: Various Properties (see exhibit A)
Property Number: Various (see exhibit A)
Operator: BPX Operating Company
County/State: Various (see exhibit A)
Description: See Exhibit A

Production: Oil: X Gas: X Other: X

Owner Number: 60468207
Owner Name: STATE OF TEXAS GLO
Owner Address:
1700 N CONGRESS AVE NO 640
AUSTIN,TX 78701-1495 US

Type of Interest: See Exhibit A
Interest Sequence: See Exhibit A
Tract Factor: See Exhibit A
Tract Interest: See Exhibit A
Unit Interest: See Exhibit A

Owner(s) Signature(s): _____ _____

Owner Address Correction: _____ _____

Owner's Tax I.D. Number: _____

Owner's Telephone: _____

Owner's Email: _____

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

To: BPX Operating Company

DIVISION ORDER EXHIBIT "A" Dated: 05/14/2024 Page: 1

OWNER: 60468207 **STATE OF TEXAS GLO**
1700 N CONGRESS AVE NO 640
AUSTIN TX 78701-1495

Unit 7022

Property Name							
STATE PROJ 57-T2-47X38 B313H							
Operator 389-40529							
BPX Operating Company							
Legal Description							
County or Parish: REEVES State: TEXAS SEC 47 & 38, BLK 57, T2							
DOI/ PROPERTY CODE	**DOI SUFFIX**	**TRACT FACTOR**	**TRACT INTEREST**	**INTEREST TYPE**	**PRODUCT CODE**	**UNIT INTEREST**	**ACCOUNT STATUS**
130435	2	1.00000000	0.05567800	Royalty Interest	All Products	0.05567800 ✓	Pay

Property Name							
STATE PROJ 57-T2-47X38 B314H 389-40530							
Operator							
BPX Operating Company							
Legal Description							
County or Parish: REEVES State: TEXAS SEC 47 & 38, BLK 57, T2							
DOI/ PROPERTY CODE	**DOI SUFFIX**	**TRACT FACTOR**	**TRACT INTEREST**	**INTEREST TYPE**	**PRODUCT CODE**	**UNIT INTEREST**	**ACCOUNT STATUS**
130435	3	1.00000000	0.05567800	Royalty Interest	All Products	0.05567800	Pay

TEXAS GENERAL LAND OFFICE
COMMISSIONER DAWN BUCKINGHAM, M.D.

May 29, 2024

Anne Patton
Division Order Analyst
BPX Operating Company
PO Box 941180
Houston, TX 77094

Re: State Lease No. MF065125 State Barlow 57-T2-47X38 B311H and B312H Unit 7021 and
State Proj 57-T2-47X38 B313H and B31H Unit 7022

Dear Mrs. Patton:

The Texas General Land Office (GLO) has received your Division Orders for the referenced units. These Division Orders have been filed in the appropriate mineral file.

The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas leases. If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

We look forward to being put on pay status as soon as you are able to set up the wells in our RRAC system.

Thank you,

Vivian Zamora

Vivian Zamora
Landman, Energy Resources
vivian.zamora@glo.texas.gov

File No. MF065125

County

Division Order

Date Filed: 5/30/2024

Commissioner Dawn Buckingham, M.D.

By: VB

bpx energy

Michael Glover, CPL
Senior Land Negotiator – Permian Development

BPX Operating Company
BPX Energy, Inc.
1700 Platte Street, Suite 150
Denver, CO 80202

Mobile: (303) 903-7648
Email: michael.gloverl@bpx.com

August 16, 2024

Texas General Land Office
Attention: Joy McCauley
1700 N Congress Avenue, Suite 840
Austin, Texas 78701-1495

Via FedEx (Tracking #4091 8391 2705)

Re: PSA Application
57-T2-47X38 Lease
(State Projects/Barlow 57-T2-47X38 Unit Area)

Dear Ms. McCauley,

Enclosed for your and the SLB's review and approval, please find a copy of BPX Operating Company's form of PSA along with the $500 application fee for the following:

- 57-T2-47X38 Lease *(State Projects/Barlow 57-T2-47X38 Unit Area)*
  - Covering 961.80 acres of land, more or less, being all of the North-Half (N/2) of Section 47 and all of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas

If you have any questions, or need additional information, please do not hesitate to contact me.

Respectfully,

Michael Glover, CPL
Senior Land Negotiator

165

File No. MF065125

Reeves County

Ltr. from BPX

Date Filed: 9-9-24

Commissioner Dawn Buckingham, M.D.

By: CRB

BPX Operating Company
Attn: GBS - P2P Treasury Payments
501 Westlake Park Boulevard
Houston, TX 77079

bpx energy

2100002 01 SD T 6118 DD -P00002 C10

06/17/24

COMMISSIONER OF THE TEXAS GENERAL L
1700 N CONGRESS AVE
AUSTIN TX 78701

PG 1 OF 1

VENDOR NUMBER:

TRACE NUMBER: 3696499322BPXML-CPS

24710198

INQUIRIES CONCERNING THIS PAYMENT SHOULD BE DIRECTED TO 1-888-529-1358

IN ORDER TO AFFECT TIMELY INVOICE PAYMENTS PLEASE PLACE YOUR VENDOR NUMBER ON ALL FUTURE INVOICES. YOUR VENDOR NUMBER IS

DETACH AND RETAIN THIS STUB FOR YOUR RECORDS

CHECK # 6000008806 ATTACHED BELOW

bpx energy

BPX Operating Company
Attn: GBS - P2P Treasury Payments
501 Westlake Park Boulevard
Houston, TX 77079

62-20
311

No. 6000008806

06/17/24

TRACE NO.: 3696499322BPXML-CPS

PAY TO THE ORDER OF
COMMISSIONER OF THE TEXAS GENERAL L
1700 N CONGRESS AVE
AUSTIN TX 78701

$$$$$$$$$$$$500.00

NOT VALID AFTER 6 MONTHS

24710198

Five Hundred and 00/100 Dollars

AUTHORIZED SIGNATURE

CITIBANK, N.A.
ONE PENN'S WAY, NEW CASTLE, DE 19720

⑈6000008806⑈ [redacted] [redacted]

(166)

File No. MF065125

Reeves County

Application Fee

Date Filed: 9-9-24

Commissioner Dawn Buckingham, M.D.

By: CRB

TEXAS GENERAL LAND OFFICE
COMMISSIONER DAWN BUCKINGHAM, M.D.

September 6, 2024

ATTN: Michael Glover
BPX Energy
1700 Platte St., STE 150
Denver, CO 80202

Re: Production Sharing Agreement
BPX Operating Company
PSA No. 00670
GLO Unit Nos. 7021 & 7022
MF-065125
Reeves County, Texas

Dear Mr. Glover:

The School Land Board of the State of Texas approved your application to have the State enter into the Production Sharing Agreement ("PSA") for the referenced Leases. Enclosed is a duplicate original of the PSA that has been executed by Dawn Buckingham, M.D., Commissioner of the Texas General Land Office. We have retained the other original of the PSA for our files.

Please provide our office with a recorded certified copy of the PSA, or fully executed copy if it is not going to be recorded as soon as it is available.

Thank you for your assistance, if you have any questions, please contact me by email.

Sincerely,

COPY

Chase Brockman
Landman
Energy Resources
Texas General Land Office
Commissioner Dawn Buckingham, M.D.
512-475-1502
chase.brockman@glo.texas.gov

enclosures

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File No. MF065125

Reeves County

Ltr. to BPX

Date Filed: 9-9-24

Commissioner Dawn Buckingham, M.D.

By: CRB

MEMORANDUM

TEXAS GENERAL LAND OFFICE • COMMISSIONER DAWN BUCKINGHAM, M.D.

DATE: **August 20, 2024** **PSA# 00670**

TO: **School Land Board**

FROM: **Pooling Committee**

SUBJECT: **Request from BPX Operating Company to have the State enter into a Production Sharing Agreement for drilling of one or more allocation wells.**

- **BPX Operating Company** is the operator of State Lease MF065125 (GLO Units 7021 and 7022) in which the State has a royalty interest, and they are requesting that the royalty owners sign a Production Sharing Agreement, which the School Land Board has the authority to approve pursuant to Texas Natural Resources Code §52.154.
- The Production Sharing Agreement will allow the operator to drill one or more allocation wells.
- The State's participation in the sharing wells will be based productive lateral length from first take point to last take point.

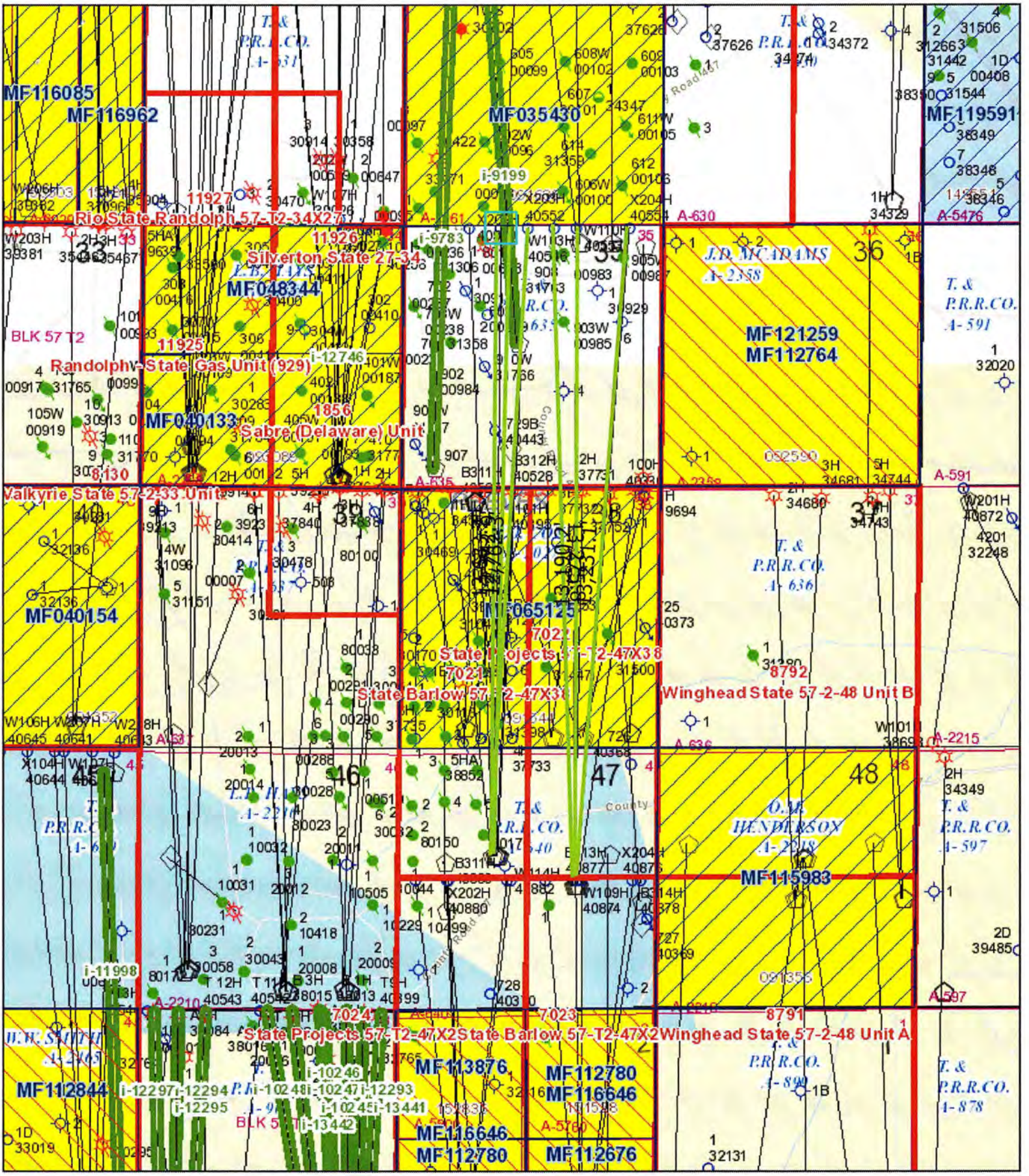
POOLING COMMITTEE RECOMMENDATION:

The Pooling Committee recommends Board approval of the Production Sharing Agreement.

General Land Office — Date: 7/25/24

Office of the Governor — Date

Office of the Governor — Date



BPX State Projects - Barlow PSA

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0 0.28 0.55 1.1 mi

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

PRODUCTION SHARING AGREEMENT

57-T2-47X38 Lease

STATE OF TEXAS §
§
COUNTY OF REEVES §

This **PRODUCTION SHARING AGREEMENT** (hereinafter the "Agreement") is by and between the undersigned (the "Interest Owners" or individually an "Interest Owner"), and **BPX Operating Company**, with an address at 1700 Platte Street, Suite 150, Denver, Colorado 80202 (hereinafter "BPX"). The Interest Owners and BPX may be collectively referred to herein as the "Parties" or individually as a "Party". This Agreement is dated as of the date of execution by the Parties but shall be effective for all purposes as of May 1, 2024 (hereinafter the "Effective Date").

RECITALS

A. The Interest Owners own an interest in the minerals, royalties, overriding royalties and/or executive rights under the lands described on Exhibit "A" and depicted on Exhibit "B" attached hereto and fully incorporated by reference herein and made a part hereof (collectively, the "Lands").

B. BPX owns an interest in the leases, minerals, royalties and/or executive rights in and under the oil and gas leases described on Exhibit "C" (hereinafter singularly a "Lease" and collectively the "Leases")

C. If one or more pooled units is formed (a "Unit" or "Units") comprising all or a portion of the Leases and/or the Lands, this Agreement shall apply to such Unit, rather than specifically to the Lands, in the same manner specifically provided for herein.

D. The Parties wish to encourage further development of the Hydrocarbons underlying the Lands, the Leases and/or any Unit by the drilling of one or more Horizontal Drainhole Well(s) by BPX, and in order to:

1. Prevent physical and economic waste and the drilling of unnecessary wells, and to increase the ultimate recovery of Hydrocarbons from the Lands, the Leases and any Unit; and

2. Protect the correlative rights of the Interest Owners so that each may receive a fair share of the Hydrocarbons in and under its respective proportion of the Lands, the Leases and any Unit.

E. The Parties recognize it may be advantageous to position one or more future Horizontal Drainhole Well(s) such that the same may traverse multiple tracts having differing ownership from the Lands, the Leases and any Unit.

F. The Parties desire to establish a basis for allocating and sharing in the proceeds of production of Hydrocarbons from such a Horizontal Drainhole Well(s) deemed a Sharing Well, as defined below.

In consideration of the mutual promises set out herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following terms, conditions and provisions:

AGREEMENT

1. DEFINITIONS. As used in this Agreement, these words have the following meanings:

a. "Allocation Factor" means a fraction, the numerator of which is equal to a Sharing Well's Completed Lateral Length within a Separate Tract, and the denominator of which is equal to the Sharing Well's total Completed Lateral Length.
b. "Completed Lateral Length" means the horizontal length, in feet, measured from the first Take Point, to the last Take Point, less any portion of the Horizontal Drainhole deemed by the Railroad Commission of Texas to be a "no perf zone" (NPZ) and/or non-productive portions. In the event a Sharing Well is developed with more than one Horizontal Drainhole, the Completed Lateral Length shall be the sum of all Completed Lateral Lengths for all such Horizontal Drainholes.
c. "Completed Horizontal Drainhole" means that portion of a Sharing Well's Horizontal Drainhole excluding any portion deemed by the Railroad Commission of Texas to be a "no perf zone" (NPZ) and/or non-productive portions.
d. "Correlative Interval" is the correlative geologic interval from the top of the Two Georges (Bone Spring) Field as defined by the Railroad Commission of Texas as of August 25, 2015 to the base of the Phantom (Wolfcamp) Field as defined by the Railroad Commission of Texas as of August 1, 2017.
e. "Exploration and Production Activities" means the necessary, incidental, and appurtenant activities and operations to be conducted by BPX and convenient to its exploration, exploitation, development, transportation, production operations, and any other operations on the Lands, the Leases or any Unit and in the area, including, but not limited to, any rights granted to BPX under the terms of the Leases and any Unit agreement.
f. "Horizontal Drainhole" means that portion of the Horizontal Drainhole Well within the Correlative Interval between the penetration point and the terminus.
g. "Horizontal Drainhole Well" means a horizontal well as defined by Statewide Rule 86 of the Railroad Commission of Texas (16 Tex. Admin. Code §3.86).
h. "Hydrocarbons" means oil, gas, condensate, casinghead gas and all by-products thereof.
i. "Separate Tract" means any tract of land included within the Lands or covered by the Leases that is crossed by any portion of a Sharing Well's Completed Horizontal Drainhole wherein any Interest Owner's fractional ownership interest in produced Hydrocarbons differs, as compared to any other tract of land crossed by such Completed Horizontal Drainhole. A Unit

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is considered a Separate Tract as to any Interest Owner whose interest has been validly pooled into such Unit.

j. "Sharing Well" means a Horizontal Drainhole Well in which a portion of the Completed Horizontal Drainhole traverses one or more Separate Tracts.

k. "Take Point" means any point along the Horizontal Drainhole where Hydrocarbons can enter the wellbore from the Correlative Interval and be produced.

2. ALLOCATION. Production of Hydrocarbons from a Sharing Well shall be allocated on the following basis:

a. The Interest Owners shall share Hydrocarbon production proceeds from a Sharing Well on the basis of the Allocation Factor, as defined above. An Allocation Factor shall be calculated for each Separate Tract.

b. For each Separate Tract, proceeds from Hydrocarbon production from a Sharing Well shall be paid to each Interest Owner in accordance with the Allocation Factor, as same may be proportionately reduced, set out in Section 2.c below, subject to the terms of the Leases' royalty provisions, which remain in full force and effect except as expressly modified herein.

c. In the event an Interest Owner owns less than 100% of the undivided interest in a Separate Tract, then such Interest Owner's Allocation Factor shall be further proportionately reduced based upon its actual ownership.

d. Under no circumstances shall the sum of all Allocation Factors for all Interest Owners (whether a part of this Agreement or not) in a Sharing Well exceed 1.00 (i.e. 100%).

3. Exploration and Production Activities from each Sharing Well, whether or not the entirety of the Sharing Well's Horizontal Drainhole is located on the Lands, the Leases and/or a Unit and regardless of the surface location of such Sharing Well, shall be treated as if there were actual operations on or production from the Lands, the Leases and/or such Unit and will be deemed as actual operations conducted on, or production from, the Lands, the Leases and/or such Unit pursuant to the terms and provisions of the Leases and such Unit and shall be deemed sufficient to maintain the Leases and such Unit in full force and effect pursuant to the terms thereof.

4. BPX shall have the right to make reasonable use of the surface of the Lands, the Leases and/or any Unit for the purpose of exploring, drilling, producing, transporting and marketing Hydrocarbons from a Sharing Well.

5. Production from any and all Sharing Wells drilled hereunder shall not create any offset obligation under the Leases or any Unit, whether express or implied, and shall not constitute drainage under the Leases. This Agreement shall be deemed to constitute satisfaction of BPX's obligations (whether express or implied) to protect the Leases from drainage from each Sharing Well drilled, and protect each Interest Owner's respective correlative rights. The undersigned further agrees that this Agreement affects only production of Hydrocarbons from each Sharing Well drilled hereunder, and in no way affects ownership under other wells drilled or to be drilled which are not Sharing Wells.

6. If any lease contains a retained-acreage clause, partial-termination clause, or other provision that would, based upon passage of time or the occurrence or non-occurrence of some event or condition,

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cause the Lease to terminate, except as to certain portions of the leased premises included within certain types of units or otherwise associated with productive wells, then, for the sole purpose of determining the acreage and/or depths of the leased premises under said Lease that is perpetuated by a Sharing Well, that portion of the leased premises under said Lease shall be treated as a well drilled entirely on the leased premises, and the acreage retained by said Sharing Well shall be the greater of 40 acres or the amount of acreage determined by the following formula: 0.032 x L = A, where L = the Length (in feet) of the horizontal lateral component of the well from the first takepoint to the last takepoint and A = the portion of the Lease retained (in acres) provided that, if A is not divisible by the number 20, A will be rounded up to the next number divisible by 20, i.e. (0.032 x 4500 feet = 144 acres, which rounds up to 160 acres).

7. The provisions of any leases, agreements and, to the extent necessary, any division order(s) or transfer order(s) covering or affecting the Lands, the Leases and/or any Unit, are hereby amended to the extent necessary to make such instruments and agreements conform to the provisions herein, but not otherwise. In the event of a conflict between the terms and conditions of this Agreement and any of the Leases, agreements, division or transfer orders, then this Agreement shall prevail.

8. This Agreement shall remain in effect for so long as the Leases or any Unit are maintained in full force and effect. In the event any Sharing Well is plugged back or recompleted such that the wellbore continues to be a Sharing Well but the Completed Lateral Length is altered, the Allocation Factor shall be adjusted accordingly. This Agreement shall become binding as to each Interest Owner upon such owner's execution of this Agreement regardless of whether all Interest Owners have executed this Agreement.

9. Upon any Interest Owner's request, BPX shall supply said Interest Owner in sufficient detail an explanation and description of how production of Hydrocarbons from a Sharing Well was allocated to said Interest Owner based upon this Agreement.

10. It is understood and agreed that the Interest Owners herein do not by the execution hereof intend to pool or communitize the interest which they now own, or may hereafter own in portions of the land covered by the Lands, the Leases and/or any Unit with the interests of other parties owning an interest in any other portion or portions of the land covered by the Lands, the Leases and/or any Unit. Further, except as amended by this Agreement made for the sole purpose of allocation of production of Hydrocarbons from one or more Sharing Wells, the Leases and any Unit are not otherwise altered or amended, except as set forth in Section (6) above.

11. To the extent they have the right to do so, Interest Owners hereby grant, let, lease and demise unto BPX surface and subsurface easements and rights-of-way (including all reasonable ingress and egress thereto and therefrom) on, in and under all the Lands, the Leases and any Unit associated with the Sharing Well(s) for Exploration and Production Activities.

12. This Agreement may be executed in multiple counterparts, each of which shall be given the same effect as the execution of an original Agreement. Failure of any Party hereto to execute a counterpart shall not render this Agreement ineffective as to any other Party hereto that does execute a counterpart thereof, but this Agreement shall be a covenant running with the Land, the Leases and any Unit and be binding upon each executing Party and its, his or her heirs, legal

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representatives, successors and assigns. The executed counterparts may be combined into one or more instruments for recordation, by combining the signature pages and acknowledgments, and the executing Parties agree that such combined instruments shall be effective for all purposes as a single instrument.

IN WITNESS WHEREOF, the undersigned have executed this Agreement, to be effective for all purposes as of the Effective Date.

BPX Operating Company

_____

By: BPX Operating Company
Name: Mindy Johnson
Title: Attorney-in-Fact

ACKNOWLEDGMENT

STATE OF COLORADO

COUNTY OF DENVER

This foregoing instrument was acknowledged before me on the _____ day of _____, 2020, by Mindy Johnson, as Attorney-in-Fact for BPX Operating Company, a Texas company.

_____

Notary Public in and for the State of Colorado

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Docusign Envelope ID: 0CA13D45-B672-41C3-8518-F6200CE6AD5E

INTEREST OWNERS

Date Executed: 8-28-24

STATE OF TEXAS

DAWN BUCKINGHAM, M.D.
Commissioner, General Land Office

Approved:

Leas. LB

Cont. DBO

Legal NO

DCC AP

CC JGJ

CERTIFICATE

I, Vickie Gonzales, Secretary of the School Land Board of the State of Texas, do hereby certify that at a meeting of the School Land Board duly held on August 20, 2024, the foregoing instrument was approved by said Board under the provisions of Chapter 32 and 52 of the Natural Resources Code all of which is set forth in the Minutes of the Board of which I am custodian.

IN TESTIMONY WHEREOF, witness my hand this the 28 day of August, 2024

Secretary of the School Land Board

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EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN 57-T2-47X38 LEASE PRODUCTION SHARING AGREEMENT DATED EFFECTIVE MAY 1, 2024

LANDS:

961.80 acres of land, more or less, being all of the North-half (N/2) of Section 47 and All of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas

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EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT CERTAIN
PRODUCTION SHARING AGREEMENT DATED EFFECTIVE MAY 1, 2024

PLAT:

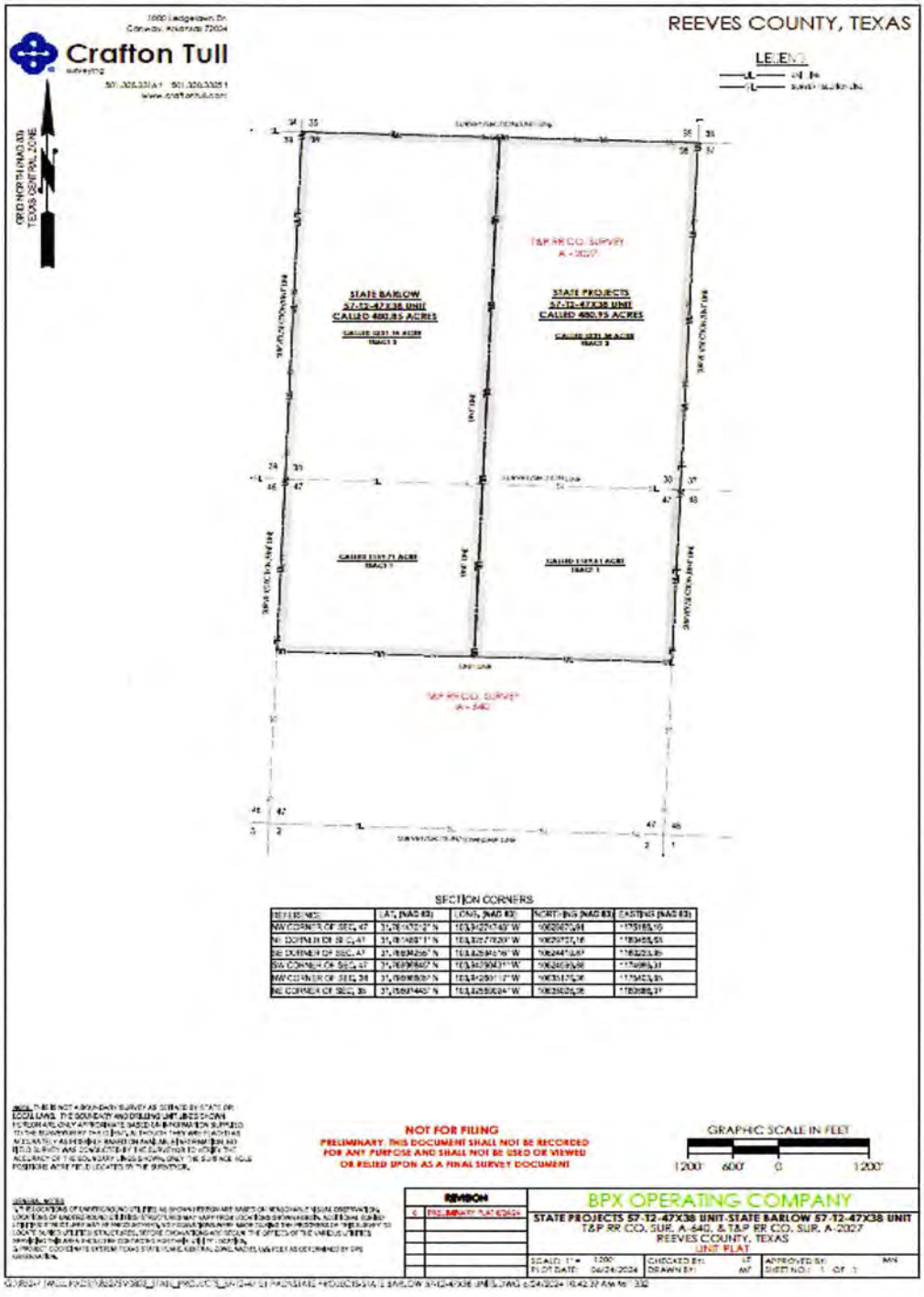

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EXHIBIT "C"

ATTACHED TO AND MADE A PART OF THAT CERTAIN 57-T2-47X38 LEASE PRODUCTION SHARING AGREEMENT DATED EFFECTIVE MAY 1, 2024

LEASES:

1. **BPX LEASE #:** 2006733001
   LESSOR: Lela Mae Wynne, Samuella Wynne Palmer and Ruth Wynne Hollinshead, Agents for the State of Texas (MF-065125B)
   LESSEE: Ford Chapman
   DATE: September 21, 1970
   RECORDING: Book 297, Page 489, Deed Records of Reeves County, Texas
   DESCRIPTION: All of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas

2. **BPX LEASE #:** 2006733002
   LESSOR: Sallie Wynne Reynaud, Agent for the State of Texas (MF-065125A)
   LESSEE: Ford Chapman
   DATE: September 21, 1970
   RECORDING: Book 297, Page 485, Deed Records of Reeves County, Texas
   DESCRIPTION: All of Section 38, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas

3. **BPX LEASE #:** 2006752000
   LESSOR: Barlow Projects, Inc.
   LESSEE: Petrohawk Properties, LP
   DATE: May 30, 2012
   RECORDING: Book 948, Page 63, Deed Records of Reeves County, Texas
   DESCRIPTION: Northeast Quarter (NE/4) of Section 47, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas

4. **BPX LEASE #:** 2006757000
   LESSOR: George C. Fraser, Jr., et al
   LESSEE: Standard Oil Company of Texas
   DATE: March 17, 1943
   RECORDING: Book 98, Page 544, Deed Records of Reeves County, Texas
   DESCRIPTION: West Half and Southeast Quarter (W/2 and SE/4) of Section 47, Block 57, Township 2, T&P RR Co. Survey, Reeves County, Texas

Incorporated by reference herein for all purposes shall be any and all instruments that have further adopted, amended, confirmed, extended, ratified and/or revised the leases listed herein and recorded in Reeves County, Texas.

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File No. MF 065125

Reeves County

PSA # 00670

Date Filed: 9-9-24

Commissioner Dawn Buckingham, M.D.

By: CRB

Information for processing an Internal Non Unit Transaction (iNut)

Length of Lateral

iNut No. 13875

GENERAL INFORMATION

Name of Well: State Barlow 57-T2-47X35 C # W103H API # 42-389-40546

Name of Operator: BPX Operating Company RRC # 08-889979

Operator Contact Person: Michael Glover Phone: 303-903-7648

Counties: Reeves

ALLOCATION OF STATE UNITS AND/OR LEASES BASED ON LENGTH OF LATERAL

Lease Type	Unit/Lease No	Total Lateral Ft.	Unit or Lease Lateral Ft.	Unit or Lease Rylty Decimal	Lease Royalty Decimal	RRAC Participation Factor	State Particpation by Unit/Lease
RAL	7021/MF065125	12877	7710	0.05565469	0.08333300	0.39987517	0.03332280
Totals:							0.03332280
Effective Date:	08/01/2023						State Net Royalty Revenue in Well

Name of Production Sharing Agreement, if any: PSA00670

Comments:

- June 7, 2024, but operator had to obtain approval from the School Land Board for a PSA. The PSA was approved on September 24, 2024 by the School Land Board.

Attach a plat showing the iNut well with length of laterals marked and the State lands marked.

Lease Types: Relinquishment Act Land (RAL), State Fee (SF), Free Royalty (FR), Unleased Riverbed (UR), Highway Right of Way (HROW), Unleased Highway (UH), Criminal Justice (TDCJ), Parks & Wildlife (TPW), Mineral Production Allocation (MPAA), Dept. of Aging (DADS), School for the Blind (SBVI), Stephen F. Austin (SFA), TX A&M (A&M).

Prepared by: JM Alamo updated by: JM WI updated by: JM

RAM approval by: VD GIS updated by: RL

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

INUT240001

Unit Number	*13875*		
Operator Name	*BPX Operating Company*	***Effective Date***	*08/01/2023*
Customer ID	*C000046383*	***Unitized For***	*Oil And Gas*
Unit Name	*State Barlow 57-T2-47X35 C # W103H*	***Unit Term***	
County 1	*Reeves*	***RRC District 1*** *08*	***Old Unit Number*** ***Inactive Status Date***
County 2		***RRC District 2***	
County 3		***RRC District 3***	
County 4		***RRC District 4***	
Unit type	*iNut*		
State Net Revenue Interest	***Oil*** *0.03332280*		
State Part in Unit	*0.39987517*		
Unit Depth	*Specified Depths*	***Well***	
From Depth		***Formation***	
To Depth		***Participation Basis***	***Length of Lateral***
		If Excluions Apply: See Remarks	

Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*O/G*	*Lease Royalty*	*NRI of Lease in Unit*	*Royalty Rate Reduction Clause*
MF065125		0.000000	0.000000	0.39987517	O/G	0.08333300	0.03332280	No

API Number
4238940546

Remarks: PSA00670. Final as drilled plat submitted on June 7, 2024 but the operator needed to obtain approval of the SLB of a PSA before the well could be set up for payment. The PSA was approved at the September 24, 2024 SLB meeting.

Prepared By:	JM	***Prepared Date:***	10/09/2024
GLO Base Updated By:	JM	***GLO Base Date:***	10/09/2024
RAM Approval By:	VD	***RAM Approval Date:***	10/09/2024
GIS By:	RL	***GIS Date:***	10/15/24
Well Inventory By:	JM	***WI Date:***	10/09/2024

Pooling Committee Report

To: School Land Board

INUT240001

Date of Board Meeting:

Unit Number: 13875

Effective Date: 08/01/2023

Unit Expiration Date:

Applicant: BPX Operating Company

Attorney Rep:

Operator: BPX Operating Company

Unit Name: State Barlow 57-T2-47X35 C # W103H

Field Name: PHANTOM (WOLFCAMP)

County: Reeves

Lease Type	Lease Number	Lease Royalty	Expiration Date	Lease Term	Lease Acres	Lease Acres In Unit	Royalty Participation
RAL	MF065125	0.08333300	10/21/1970	1 months	640.000000	0.000000	0.03332280

Private Acres:	0.000000
State Acres:	0.000000
Total Unit Acres:	0.000000

Participation Basis:	Length of Lateral
Surface Acreage	
State Acreage:	39.99%
State Net Revenue Interest:	3.33%

Unit Type:	Unitized for:
iNut	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
No	

1000 Ledgelawn Dr.
Conway, Arkansas 72034

Crafton Tull
surveying

501.328.3316 f 501.328.3325 f
www.craftontull.com

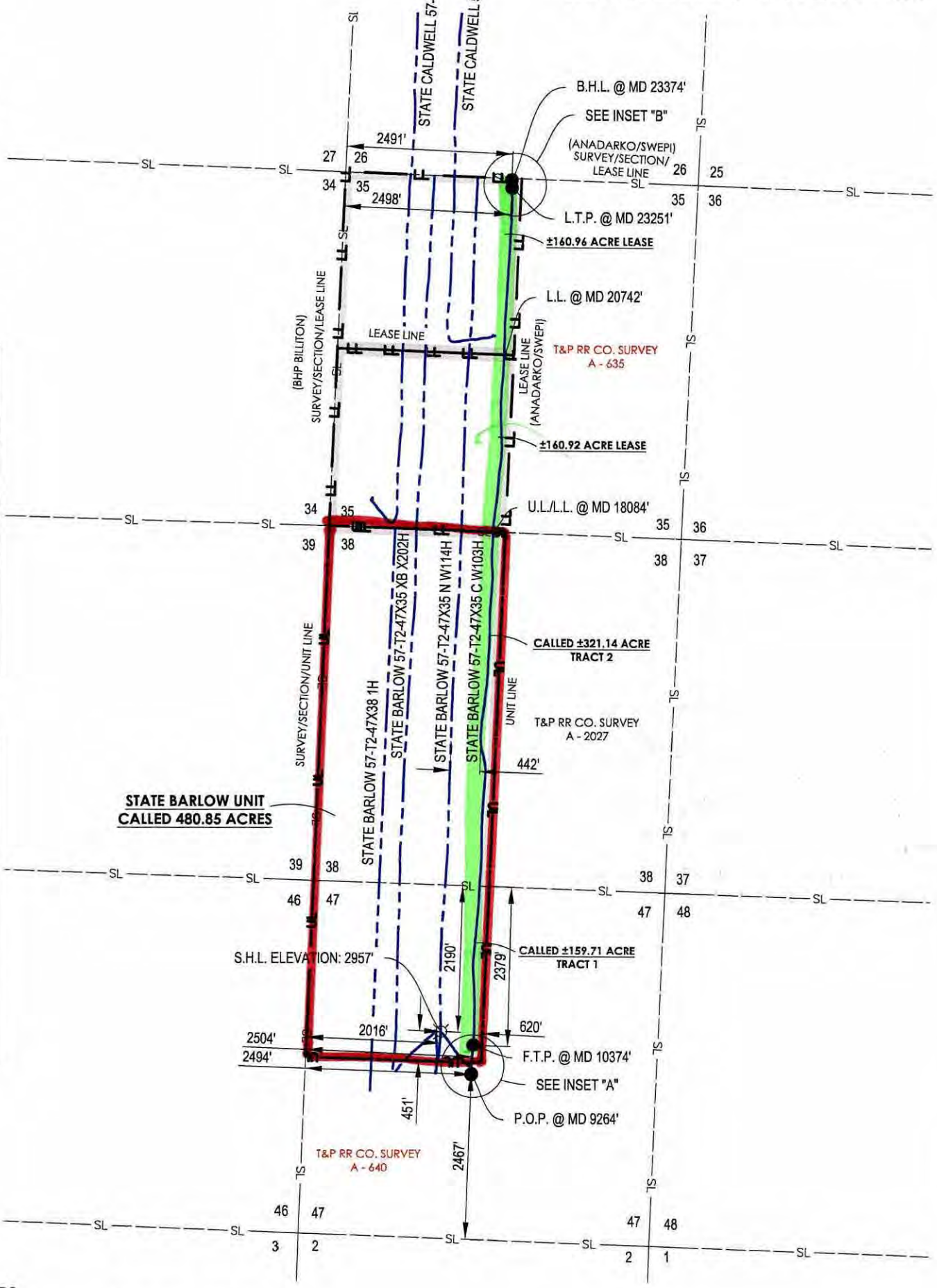
REEVES COUNTY, TEXAS

NOTE: S.H.L. APPROXIMATE LOCATION IS S 27°19'23" W, 3.80 MILES FROM ORLA, TEXAS.
S.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 640.
B.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 635.

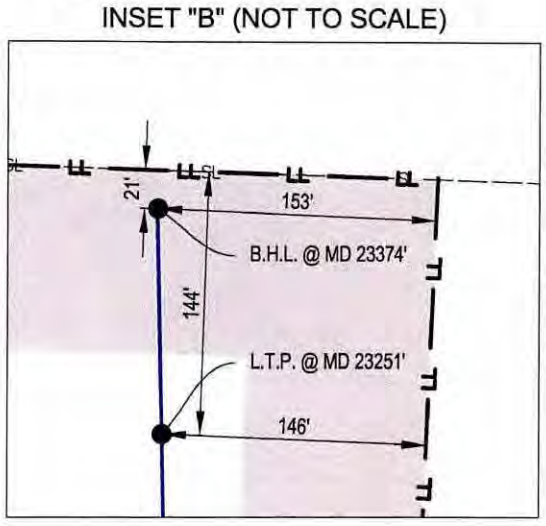
GRID NORTH (NAD 83)
TEXAS CENTRAL ZONE

LEGEND

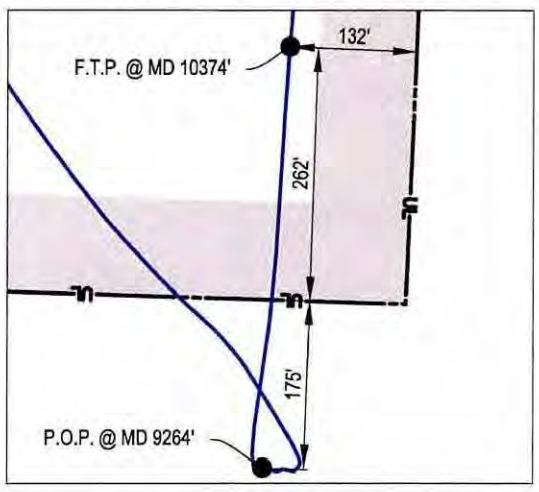
LL	LEASE LINE
UL	UNIT LINE
	ADDITIONAL AS-DRILLED PATHS
	AS-DRILLED PATH
SL	SURVEY / SECTION LINE
S.H.L.	SURFACE HOLE LOCATION
P.O.P.	POINT OF PENETRATION
F.T.P.	FIRST TAKE POINT
T.P.	TURNING POINT
L.T.P.	LAST TAKE POINT
B.H.L.	BOTTOM HOLE LOCATION



INSET "B" (NOT TO SCALE)



INSET "A" (NOT TO SCALE)



PERFORATED FOOTAGES

SECTION	FOOTAGE	PERCENTAGE
47 & 38	7710'	59.87%
SW1/4 35	2658'	20.64%
NW1/4 35	2509'	19.49%
TOTAL	12877'	100.00%

SECTION CORNERS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
NW CORNER OF SEC. 47	31.78147012° N	103.94274748° W	10629870.91	1175186.16
NE CORNER OF SEC. 47	31.78148911° N	103.92577820° W	10629707.16	1180456.68
SE CORNER OF SEC. 47	31.76694255° N	103.92594516° W	10624419.87	1180233.95
SW CORNER OF SEC. 47	31.76696845° N	103.94290431° W	10624599.88	1174966.31
NW CORNER OF SEC. 38	31.79606605° N	103.94260117° W	10635176.36	1175403.85
NE CORNER OF SEC. 38	31.79607443° N	103.92559024° W	10635008.36	1180686.37
NW CORNER OF SEC. 35	31.81064803° N	103.94244162° W	10640476.62	1175625.47
NE CORNER OF SEC. 35	31.81065229° N	103.92541724° W	10640307.03	1180911.30

WELL PATH DATA

REF.	SECTION LINE CALLS (±)	UNIT/LEASE LINE CALLS (±)
S.H.L.	2190' FNL, 2016' FWL	451' FSL, 620' FEL
P.O.P.	2467' FSL, 2494' FWL	175' FSL, N/A
F.T.P.	2379' FNL, 2504' FWL	262' FSL, 132' FEL
L.T.P.	144' FNL, 2498' FWL	144' FNL, 146' FEL
B.H.L.	21' FNL, 2491' FWL	21' FNL, 153' FEL

WELL BORE POSITIONS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
S.H.L.	31.77545771° N	103.93632483° W	10627620.18	1177110.07
P.O.P.	31.77373672° N	103.93480613° W	10626979.17	1177561.51
F.T.P.	31.77493933° N	103.93476100° W	10627415.97	1177589.69
L.T.P.	31.81025479° N	103.93440285° W	10640252.73	1178116.74
B.H.L.	31.81059242° N	103.93442389° W	10640375.70	1178114.18

CONTACT INFORMATION:
Bradley G. Russell
Crafton Tull (10193715)
1000 Ledgelawn Dr.
Conway, AR 72034

STATE OF TEXAS
REGISTERED
BRADLEY G RUSSELL
6349
PROFESSIONAL
LAND SURVEYOR

X
5/9/2024

NOTE: THIS IS NOT A BOUNDARY SURVEY AS DEFINED BY STATE OR LOCAL LAWS. THE BOUNDARY AND DRILLING UNIT LINES SHOWN HEREON ARE ONLY APPROXIMATE BASED ON INFORMATION SUPPLIED TO THE SURVEYOR BY THE CLIENT. ALTHOUGH THEY ARE PLACED AS ACCURATELY AS POSSIBLE BASED ON AVAILABLE INFORMATION, NO FIELD SURVEY WAS CONDUCTED BY THE SURVEYOR TO VERIFY THE ACCURACY OF THE BOUNDARY LINES SHOWN. ONLY THE SURFACE HOLE POSITIONS WERE FIELD LOCATED BY THE SURVEYOR.

GRAPHIC SCALE IN FEET
2000' 1000' 0 2000'

GENERAL NOTES
1. THE LOCATIONS OF UNDERGROUND UTILITIES AS SHOWN HEREON ARE BASED ON REASONABLE VISUAL OBSERVATION. LOCATIONS OF UNDERGROUND UTILITIES/ STRUCTURES MAY VARY FROM LOCATIONS SHOWN HEREIN. ADDITIONAL BURIED UTILITIES/ STRUCTURES MAY BE ENCOUNTERED. NO EXCAVATIONS WERE MADE DURING THE PROGRESS OF THIS SURVEY TO LOCATE BURIED UTILITIES/ STRUCTURES. BEFORE EXCAVATIONS ARE BEGUN, THE OFFICES OF THE VARIOUS UTILITIES SERVICING THIS AREA SHOULD BE CONTACTED FOR THEIR UTILITY LOCATION.
2. PROJECT COORDINATE SYSTEM: TEXAS STATE PLANE, CENTRAL ZONE, NAD'83, U.S. FEET AS DETERMINED BY GPS OBSERVATION.
3. SHL ELEVATIONS SHOWN ARE PRIOR TO PAD CONSTRUCTION.

REVISION	
0	FINAL PLAT 5/6/24
1	ADD FOOTAGE TABLE 5/9/24

BPX OPERATING COMPANY

STATE BARLOW 57-T2-47X35 C W103H
S.H.L. IN T&P RR CO. SUR, A-640, & B.H.L. IN T&P RR CO. SUR, A-635
REEVES COUNTY, TEXAS
FINAL AS-DRILLED PLAT

SCALE: 1" =	2000'	CHECKED BY:	LD
PLOT DATE:	05/09/2024	DRAWN BY:	LE
APPROVED BY:			NE
SHEET NO.:	1 OF 1		

G:\852-7 (WELL PADS)\8527SV0804_STATE_BARLOW_57-T2-47 D1 PAD\STATE BARLOW 57-T2-47 D1 AS-DRILLEDS.DWG 5/9/2024 9:40:24 AM LE3014

169.

File No. MF065125

Reeves County

iNut13875-API42.389.40546

Date Filed: 10/10/2024

Commissioner Dawn Buckingham, M.D.

By: JM

Information for processing an Internal Non Unit Transaction (iNut)

Length of Lateral

iNut No. 13876

GENERAL INFORMATION

Name of Well: State Barlow 57-T2-47X35 N # W114H API # 42-389-40547

Name of Operator: BPX Operating Company RRC # 08-889995

Operator Contact Person: Michael Glover Phone: 303-903-7648

Counties: Reeves

ALLOCATION OF STATE UNITS AND/OR LEASES BASED ON LENGTH OF LATERAL

Lease Type	Unit/Lease No	Total Lateral Ft.	Unit or Lease Lateral Ft.	Unit or Lease Rylty Decimal	Lease Royalty Decimal	RRAC Participation Factor	State Particpation by Unit/Lease
RAL	7021/MF065125	12878	7717	0.05565469	0.08333300	0.40020714	0.03335046
Totals:							0.03335046
Effective Date: 08/01/2023							State Net Royalty Revenue in Well

Name of Production Sharing Agreement, if any: PSA00670

Comments:

- June 7, 2024, but operator had to obtain approval from the School Land Board for a PSA. The PSA was approved on September 24, 2024 by the School Land Board.

Attach a plat showing the iNut well with length of laterals marked and the State lands marked.

Lease Types: Relinquishment Act Land (RAL), State Fee (SF), Free Royalty (FR), Unleased Riverbed (UR), Highway Right of Way (HROW), Unleased Highway (UH), Criminal Justice (TDCJ), Parks & Wildlife (TPW), Mineral Production Allocation (MPAA), Dept. of Aging (DADS), School for the Blind (SBVI), Stephen F. Austin (SFA), TX A&M (A&M).

Prepared by: JM Alamo updated by: JM WI updated by: JM

RAM approval by: VD GIS updated by: RL

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

INUT240001

Unit Number	*13876*		
Operator Name	*BPX Operating Company*	***Effective Date***	*08/01/2023*
Customer ID	*C000046383*	***Unitized For***	*Oil And Gas*
Unit Name	*State Barlow 57-T2-47X35 N # W114H*	***Unit Term***	
County 1	*Reeves*	***RRC District 1*** *08*	***Old Unit Number*** ***Inactive Status Date***
County 2		***RRC District 2***	
County 3		***RRC District 3***	
County 4		***RRC District 4***	
Unit type	*iNut*		
State Net Revenue Interest	***Oil*** *0.03335046*		
State Part in Unit	*0.40020714*		
Unit Depth	*Specified Depths*	***Well***	
From Depth		***Formation***	
To Depth		***Participation Basis***	***Length of Lateral***
		If Excluions Apply: See Remarks	

Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*O/G*	*Lease Royalty*	*NRI of Lease in Unit*	*Royalty Rate Reduction Clause*
MF065125		0.000000	0.000000	0.40020714	O/G	0.08333300	0.03335046	No

API Number
4238940547

Remarks: PSA00670. Final as drilled plat submitted on June 7, 2024 but the operator needed to obtain approval of the SLB of a PSA before the well could be set up for payment. The PSA was approved at the September 24, 2024 SLB meeting.

Prepared By:	Tm	***Prepared Date:***	10/09/2024
GLO Base Updated By:	Tm	***GLO Base Date:***	10/09/2024
RAM Approval By:	VD	***RAM Approval Date:***	10/09/2024
GIS By:	RL	***GIS Date:***	10/15/24
Well Inventory By:	Tm	***WI Date:***	10/09/2024

Pooling Committee Report

To: School Land Board **INUT240001**

Date of Board Meeting: **Unit Number: 13876**

Effective Date: 08/01/2023

Unit Expiration Date:

Applicant: BPX Operating Company

Attorney Rep:

Operator: BPX Operating Company

Unit Name: State Barlow 57-T2-47X35 N # W114H

Field Name: PHANTOM (WOLFCAMP)

County: Reeves

Lease Type	Lease Number	Lease Royalty	Expiration Date	Lease Term	Lease Acres	Lease Acres In Unit	Royalty Participation
RAL	MF065125	0.08333300	10/21/1970	1 months	640.000000	0.000000	0.03335046

Private Acres:	0.000000
State Acres:	0.000000
Total Unit Acres:	0.000000

Participation Basis:	Length of Lateral
Surface Acreage	
State Acreage:	40.02%
State Net Revenue Interest:	3.34%

Unit Type:	Unitized for:
iNut	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
No	

1000 Ledgelawn Dr.
Conway, Arkansas 72034

Crafton Tull
surveying

501.328.3316 t 501.328.3325 f
www.craftontull.com

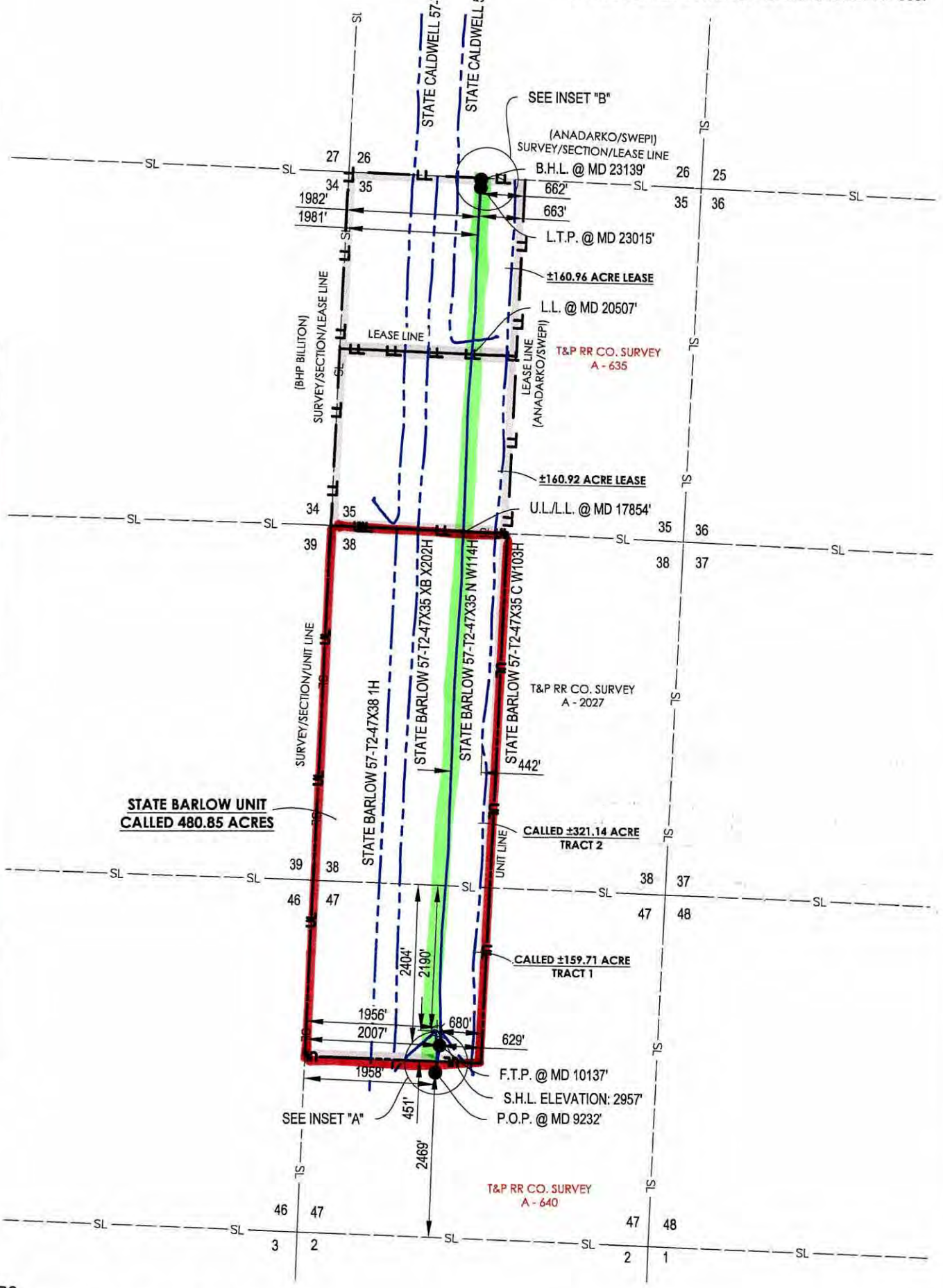
REEVES COUNTY, TEXAS

NOTE: S.H.L. APPROXIMATE LOCATION IS S 27°19'23" W, 3.80 MILES FROM ORLA, TEXAS.
S.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 640.
B.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 635.

GRID NORTH (NAD 83)
TEXAS CENTRAL ZONE

LEGEND

LL	LEASE LINE
UL	UNIT LINE
	ADDITIONAL AS-DRILLED PATHS
	AS-DRILLED PATH
SL	SURVEY / SECTION LINE
S.H.L.	SURFACE HOLE LOCATION
P.O.P.	POINT OF PENETRATION
F.T.P.	FIRST TAKE POINT
T.P.	TURNING POINT
L.T.P.	LAST TAKE POINT
B.H.L.	BOTTOM HOLE LOCATION



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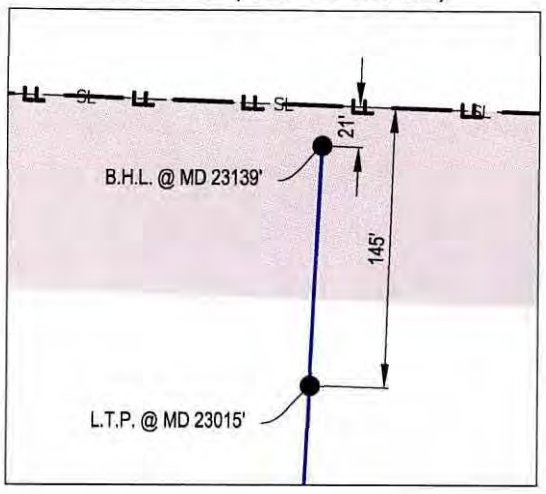
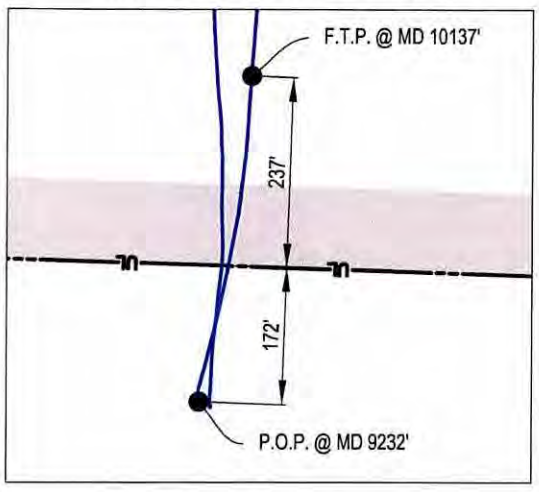


INSET "A" (NOT TO SCALE)



PERFORATED FOOTAGES

SECTION	FOOTAGE	PERCENTAGE
47 & 38	7717'	59.92%
SW1/4 35	2653'	20.60%
NW1/4 35	2508'	19.48%
TOTAL	12878'	100.00%

SECTION CORNERS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
NW CORNER OF SEC. 47	31.78147012° N	103.94274748° W	10629870.91	1175186.16
NE CORNER OF SEC. 47	31.78148911° N	103.92577820° W	10629707.16	1180456.68
SE CORNER OF SEC. 47	31.76694255° N	103.92594516° W	10624419.87	1180233.95
SW CORNER OF SEC. 47	31.76696845° N	103.94290431° W	10624599.88	1174966.31
NW CORNER OF SEC. 38	31.79606605° N	103.94260117° W	10635176.36	1175403.85
NE CORNER OF SEC. 38	31.79607443° N	103.92559024° W	10635008.36	1180686.37
NW CORNER OF SEC. 35	31.81064803° N	103.94244162° W	10640476.62	1175625.47
NE CORNER OF SEC. 35	31.81065229° N	103.92541724° W	10640307.03	1180911.30

WELL PATH DATA

REF.	SECTION LINE CALLS (±)	UNIT/LEASE LINE CALLS (±)
S.H.L.	2190' FNL, 1956' FWL	451' FSL, 680' FEL
P.O.P.	2469' FSL, 1958' FWL	172' FSL, N/A
F.T.P.	2404' FNL, 2007' FWL	237' FSL, 629' FEL
L.T.P.	145' FNL, 1981' FWL	145' FNL, 663' FEL
B.H.L.	21' FNL, 1982' FWL	21' FNL, 662' FEL

WELL BORE POSITIONS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
S.H.L.	31.77545768° N	103.93651791° W	10627622.12	1177050.10
P.O.P.	31.77374491° N	103.93652935° W	10626999.49	1177026.37
F.T.P.	31.77486942° N	103.93636153° W	10627406.66	1177091.74
L.T.P.	31.81025207° N	103.93606804° W	10640268.49	1177599.69
B.H.L.	31.81059289° N	103.93606236° W	10640392.35	1177605.47

CONTACT INFORMATION:
Bradley G. Russell
Crafton Tull (10193715)
1000 Ledgelawn Dr.
Conway, AR 72034

STATE OF TEXAS
REGISTERED
BRADLEY G RUSSELL
6349
PROFESSIONAL
LAND SURVEYOR

X
5/9/2024

NOTE: THIS IS NOT A BOUNDARY SURVEY AS DEFINED BY STATE OR LOCAL LAWS. THE BOUNDARY AND DRILLING UNIT LINES SHOWN HEREON ARE ONLY APPROXIMATE BASED ON INFORMATION SUPPLIED TO THE SURVEYOR BY THE CLIENT. ALTHOUGH THEY ARE PLACED AS ACCURATELY AS POSSIBLE BASED ON AVAILABLE INFORMATION, NO FIELD SURVEY WAS CONDUCTED BY THE SURVEYOR TO VERIFY THE ACCURACY OF THE BOUNDARY LINES SHOWN. ONLY THE SURFACE HOLE POSITIONS WERE FIELD LOCATED BY THE SURVEYOR.

GRAPHIC SCALE IN FEET
2000' 1000' 0 2000'

GENERAL NOTES
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2. PROJECT COORDINATE SYSTEM: TEXAS STATE PLANE, CENTRAL ZONE, NAD'83, U.S. FEET AS DETERMINED BY GPS OBSERVATION.
3. SHL ELEVATIONS SHOWN ARE PRIOR TO PAD CONSTRUCTION.

REVISION	
0	FINAL PLAT 5/6/24
1	ADD FOOTAGE TABLE 5/9/24

BPX OPERATING COMPANY

STATE BARLOW 57-T2-47X35 N W114H
S.H.L. IN T&P RR CO. SUR, A-640, & B.H.L. IN T&P RR CO. SUR, A-635
REEVES COUNTY, TEXAS
FINAL AS-DRILLED PLAT

SCALE: 1" =	2000'	CHECKED BY:	LD
PLOT DATE:	05/09/2024	DRAWN BY:	LE
APPROVED BY:			NE
SHEET NO.:	1 OF 1		

G:\852-7 (WELL PADS)\8527SV0804_STATE_BARLOW_57-T2-47 D1 PAD\STATE BARLOW 57-T2-47 D1 AS-DRILLEDS.DWG 5/9/2024 9:39:58 AM LE3014

File No. MF065125 170.

Reeves County

INJ#13876 - API 42-389-40547

Date Filed: 10/10/2024

Commissioner Dawn Buckingham, M.D.

By: JM

Information for processing an Internal Non Unit Transaction (iNut)

Length of Lateral

iNut No. 13877

GENERAL INFORMATION

Name of Well: State Barlow 57-T2-47X35 XB # X202H API # 42-389-40548

Name of Operator: BPX Operating Company RRC # 08-889997

Operator Contact Person: Michael Glover Phone: 303-903-7648

Counties: Reeves

ALLOCATION OF STATE UNITS AND/OR LEASES BASED ON LENGTH OF LATERAL

Lease Type	Unit/Lease No	Total Lateral Ft.	Unit or Lease Lateral Ft.	Unit or Lease Rylty Decimal	Lease Royalty Decimal	RRAC Participation Factor	State Particpation by Unit/Lease
RAL	7021/MF065125	12602	7439	0.05565469	0.08333300	0.39423923	0.03285314
Totals:							0.03285314
Effective Date: 08/01/2023							State Net Royalty Revenue in Well

Name of Production Sharing Agreement, if any: PSA00670

Comments:

- June 7, 2024, but operator had to obtain approval from the School Land Board for a PSA. The PSA was approved on September 24, 2024 by the School Land Board.

Attach a plat showing the iNut well with length of laterals marked and the State lands marked.

Lease Types: Relinquishment Act Land (RAL), State Fee (SF), Free Royalty (FR), Unleased Riverbed (UR), Highway Right of Way (HROW), Unleased Highway (UH), Criminal Justice (TDCJ), Parks & Wildlife (TPW), Mineral Production Allocation (MPAA), Dept. of Aging (DADS), School for the Blind (SBVI), Stephen F. Austin (SFA), TX A&M (A&M).

Prepared by: JM Alamo updated by: JM WI updated by: JM

RAM approval by: VD GIS updated by: RL

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

INUT240001

Unit Number	*13877*		
Operator Name	*BPX Operating Company*	***Effective Date***	*08/01/2023*
Customer ID	*C000046383*	***Unitized For***	*Oil And Gas*
Unit Name	*State Barlow 57-T2-47X35 XB # X202H*	***Unit Term***	
County 1	*Reeves*	***RRC District 1***	*08*
County 2		***RRC District 2***	
County 3		***RRC District 3***	
County 4		***RRC District 4***	
Unit type	*iNut*		
State Net Revenue Interest	*Oil 0.03285314*		
State Part in Unit	*0.39423923*		
Unit Depth	*Specified Depths*	***Well***	
From Depth		***Formation***	
To Depth		***Participation Basis***	*Length of Lateral*
		If Excluions Apply: See Remarks	

Old Unit Number ***Inactive Status Date***

Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*O/G*	*Lease Royalty*	*NRI of Lease in Unit*	*Royalty Rate Reduction Clause*
MF065125		0.000000	0.000000	0.39423923	O/G	0.08333300	0.03285314	No

API Number
4238940548

Remarks: PSA00670. Final as drilled plat submitted on June 7, 2024 but the operator needed to obtain approval of the SLB of a PSA before the well could be set up for payment. The PSA was approved at the September 24, 2024 SLB meeting.

Prepared By:	JM	***Prepared Date:***	10/09/2024
GLO Base Updated By:	JM	***GLO Base Date:***	10/09/2024
RAM Approval By:	VD	***RAM Approval Date:***	10/09/2024
GIS By:	RL	***GIS Date:***	10/15/24
Well Inventory By:	JM	***WI Date:***	10/09/2024

Pooling Committee Report

To: School Land Board

INUT240001

Date of Board Meeting:

Unit Number: 13877

Effective Date: 08/01/2023

Unit Expiration Date:

Applicant: BPX Operating Company

Attorney Rep:

Operator: BPX Operating Company

Unit Name: State Barlow 57-T2-47X35 XB # X202H

Field Name: PHANTOM (WOLFCAMP)

County: Reeves

Lease Type	Lease Number	Lease Royalty	Expiration Date	Lease Term	Lease Acres	Lease Acres In Unit	Royalty Participation
RAL	MF065125	0.08333300	10/21/1970	1 months	640.000000	0.000000	0.03285314

Private Acres:	0.000000
State Acres:	0.000000
Total Unit Acres:	0.000000

Participation Basis:	Length of Lateral
Surface Acreage	
State Acreage:	39.42%
State Net Revenue Interest:	3.29%

Unit Type:	Unitized for:
iNut	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
No	

1000 Ledgelawn Dr.
Conway, Arkansas 72034

Crafton Tull
surveying

501.328.3316 t 501.328.3325 f
www.craftontull.com

REEVES COUNTY, TEXAS

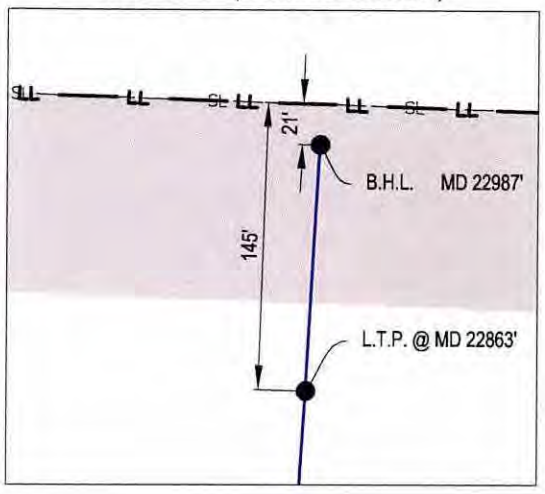
NOTE: S.H.L. APPROXIMATE LOCATION IS S 27°19'23" W, 3.80 MILES FROM ORLA, TEXAS.
S.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 640.
B.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 635.

GRID NORTH (NAD 83)
TEXAS CENTRAL ZONE

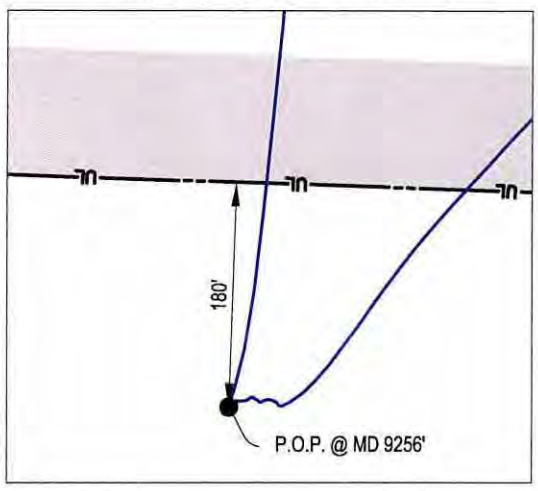
LEGEND

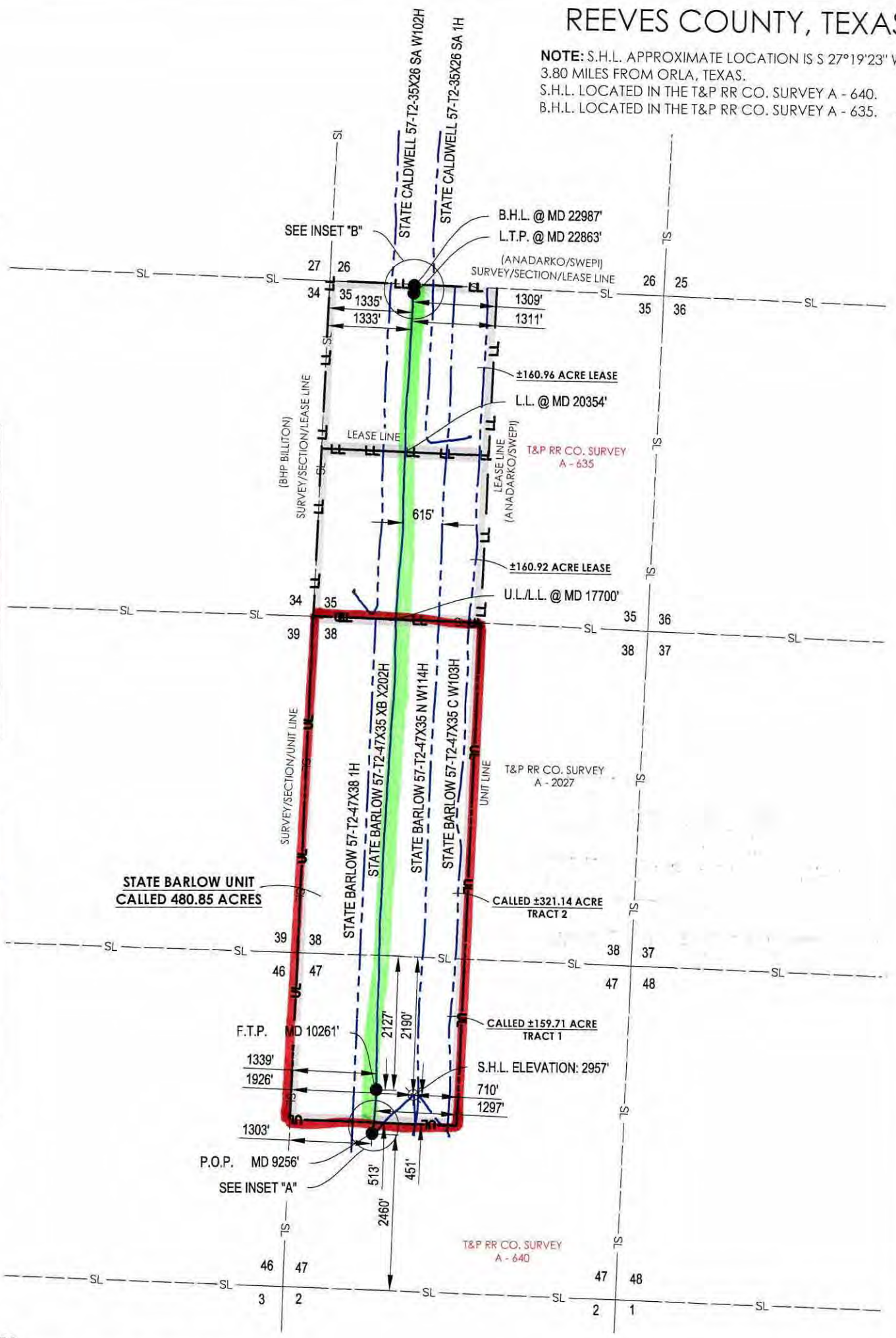
LL	LEASE LINE
UL	UNIT LINE
	ADDITIONAL AS-DRILLED PATHS
	AS-DRILLED PATH
SL	SURVEY / SECTION LINE
S.H.L.	SURFACE HOLE LOCATION
P.O.P.	POINT OF PENETRATION
F.T.P.	FIRST TAKE POINT
T.P.	TURNING POINT
L.T.P.	LAST TAKE POINT
B.H.L.	BOTTOM HOLE LOCATION

INSET "B" (NOT TO SCALE)



INSET "A" (NOT TO SCALE)





PERFORATED FOOTAGES

SECTION	FOOTAGE	PERCENTAGE
47 & 38	7439'	59.03%
SW1/4 35	2654'	21.06%
NW1/4 35	2509'	19.91%
TOTAL	12602'	100.00%

SECTION CORNERS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
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NE CORNER OF SEC. 38	31.79607443° N	103.92559024° W	10635008.36	1180686.37
NW CORNER OF SEC. 35	31.81064803° N	103.94244162° W	10640476.62	1175625.47
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F.T.P.	2127' FNL, 1339' FWL	513' FSL, 1297' FEL
L.T.P.	145' FNL, 1333' FWL	145' FNL, 1311' FEL
B.H.L.	21' FNL, 1335' FWL	21' FNL, 1309' FEL

WELL BORE POSITIONS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
S.H.L.	31.77545767° N	103.93661445° W	10627623.09	1177020.11
P.O.P.	31.77372440° N	103.93863884° W	10627013.27	1176370.91
F.T.P.	31.77562803° N	103.93850302° W	10627704.04	1176435.54
L.T.P.	31.81025205° N	103.93815329° W	10640289.46	1176952.25
B.H.L.	31.81059282° N	103.93814424° W	10640413.27	1176959.08

CONTACT INFORMATION:
Shannon D. Ozment
Crafton Tull (10193715)
1000 Ledgelawn Dr.
Conway, AR 72034

STATE OF TEXAS
REGISTERED
SHANNON D. OZMENT
6542
PROFESSIONAL
LAND SURVEYOR

5/30/2024

NOTE: THIS IS NOT A BOUNDARY SURVEY AS DEFINED BY STATE OR LOCAL LAWS. THE BOUNDARY AND DRILLING UNIT LINES SHOWN HEREON ARE ONLY APPROXIMATE BASED ON INFORMATION SUPPLIED TO THE SURVEYOR BY THE CLIENT. ALTHOUGH THEY ARE PLACED AS ACCURATELY AS POSSIBLE BASED ON AVAILABLE INFORMATION, NO FIELD SURVEY WAS CONDUCTED BY THE SURVEYOR TO VERIFY THE ACCURACY OF THE BOUNDARY LINES SHOWN. ONLY THE SURFACE HOLE POSITIONS WERE FIELD LOCATED BY THE SURVEYOR.

GRAPHIC SCALE IN FEET
2000' 1000' 0 2000'

GENERAL NOTES
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2. PROJECT COORDINATE SYSTEM: TEXAS STATE PLANE, CENTRAL ZONE, NAD'83, U.S. FEET AS DETERMINED BY GPS OBSERVATION.
3. SHL ELEVATIONS SHOWN ARE PRIOR TO PAD CONSTRUCTION.

REVISION	
0	FINAL PLAT 5/30/24

BPX OPERATING COMPANY

STATE BARLOW 57-T2-47X35 XB X202H
S.H.L. IN T&P RR CO. SUR, A-640, & B.H.L. IN T&P RR CO. SUR, A-635
REEVES COUNTY, TEXAS
FINAL AS-DRILLED PLAT

SCALE: 1" =	2000'	CHECKED BY:	MF
PLOT DATE:	05/30/2024	DRAWN BY:	LE
APPROVED BY:			MN
SHEET NO.:	1 OF 1		

G:\852-7 (WELL PADS)\8527SV0804_STATE_BARLOW_57-T2-47 D1 PAD\STATE BARLOW 57-T2-47 D1 AS-DRILLEDS.DWG 5/30/2024 9:09:26 AM LE3014

171.

File No. MF065125

Reeves County

iNut13877-API42.389.40548

Date Filed: 10/10/2024

Commissioner Dawn Buckingham, M.D.

By: JM

Information for processing an Internal Non Unit Transaction (iNut)

Length of Lateral

iNut No. 13878

GENERAL INFORMATION

Name of Well: State Projects 57-T2-47X35 J # W110H API # 42-389-40553

Name of Operator: BPX Operating Company RRC # 08-890059

Operator Contact Person: Michael Glover Phone: 303-903-7648

Counties: Reeves

ALLOCATION OF STATE UNITS AND/OR LEASES BASED ON LENGTH OF LATERAL

Lease Type	Unit/Lease No	Total Lateral Ft.	Unit or Lease Lateral Ft.	Unit or Lease Rylty Decimal	Lease Royalty Decimal	RRAC Participation Factor	State Particpation by Unit/Lease
RAL	7022/MF065125	12818	7722	0.05567800	0.08333300	0.40250950	0.03354232
Totals:							0.03354232
Effective Date:	08/01/2023						State Net Royalty Revenue in Well

Name of Production Sharing Agreement, if any: PSA00670

Comments:

- June 7, 2024, but operator had to obtain approval from the School Land Board for a PSA. The PSA was approved on September 24, 2024 by the School Land Board.

Attach a plat showing the iNut well with length of laterals marked and the State lands marked.

Lease Types: Relinquishment Act Land (RAL), State Fee (SF), Free Royalty (FR), Unleased Riverbed (UR), Highway Right of Way (HROW), Unleased Highway (UH), Criminal Justice (TDCJ), Parks & Wildlife (TPW), Mineral Production Allocation (MPAA), Dept. of Aging (DADS), School for the Blind (SBVI), Stephen F. Austin (SFA), TX A&M (A&M).

Prepared by: JM Alamo updated by: JM WI updated by: JM

RAM approval by: VD GIS updated by: RL

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

INUT240001

Unit Number	*13878*		
Operator Name	*BPX Operating Company*	***Effective Date***	*08/01/2023*
Customer ID	*C000046383*	***Unitized For***	*Oil And Gas*
Unit Name	*State Projects 57-T2-47X35 J # W110H*	***Unit Term***	
County 1	*Reeves*	***RRC District 1***	*08*
County 2		***RRC District 2***	
County 3		***RRC District 3***	
County 4		***RRC District 4***	
Unit type	*iNut*		
State Net Revenue Interest	***Oil*** *0.03354232*		
State Part in Unit	*0.40250950*		
Unit Depth	*Specified Depths*	***Well***	
From Depth		***Formation***	
To Depth		***Participation Basis***	***Length of Lateral***
		If Excluions Apply: See Remarks	

Old Unit Number ***Inactive Status Date***

Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*O/G*	*Lease Royalty*	*NRI of Lease in Unit*	*Royalty Rate Reduction Clause*
MF065125		0.000000	0.000000	0.40250950	O/G	0.08333300	0.03354232	No

API Number
4238940553

Remarks: PSA00670. Final as drilled plat submitted on June 7, 2024 but the operator needed to obtain approval of the SLB of a PSA before the well could be set up for payment. The PSA was approved at the September 24, 2024 SLB meeting.

Prepared By:	JM	***Prepared Date:***	10/09/2024
GLO Base Updated By:	JM	***GLO Base Date:***	10/09/2024
RAM Approval By:	VD	***RAM Approval Date:***	10/09/2024
GIS By:	RL	***GIS Date:***	10/15/24
Well Inventory By:	JM	***WI Date:***	10/09/2024

Pooling Committee Report

To: School Land Board

INUT240001

Date of Board Meeting:

Unit Number: 13878

Effective Date: 08/01/2023

Unit Expiration Date:

Applicant: BPX Operating Company

Attorney Rep:

Operator: BPX Operating Company

Unit Name: State Projects 57-T2-47X35 J # W110H

Field Name: PHANTOM (WOLFCAMP)

County: Reeves

Lease Type	Lease Number	Lease Royalty	Expiration Date	Lease Term	Lease Acres	Lease Acres In Unit	Royalty Participation
RAL	MF065125	0.08333300	10/21/1970	1 months	640.000000	0.000000	0.03354232

Private Acres:	0.000000
State Acres:	0.000000
Total Unit Acres:	0.000000

Participation Basis:	Length of Lateral
Surface Acreage	
State Acreage:	40.25%
State Net Revenue Interest:	3.35%

Unit Type:	Unitized for:
iNut	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
No	

1000 Ledgelawn Dr.
Conway, Arkansas 72034

Crafton Tull
surveying

501.328.3316 t 501.328.3325 f
www.craftontull.com

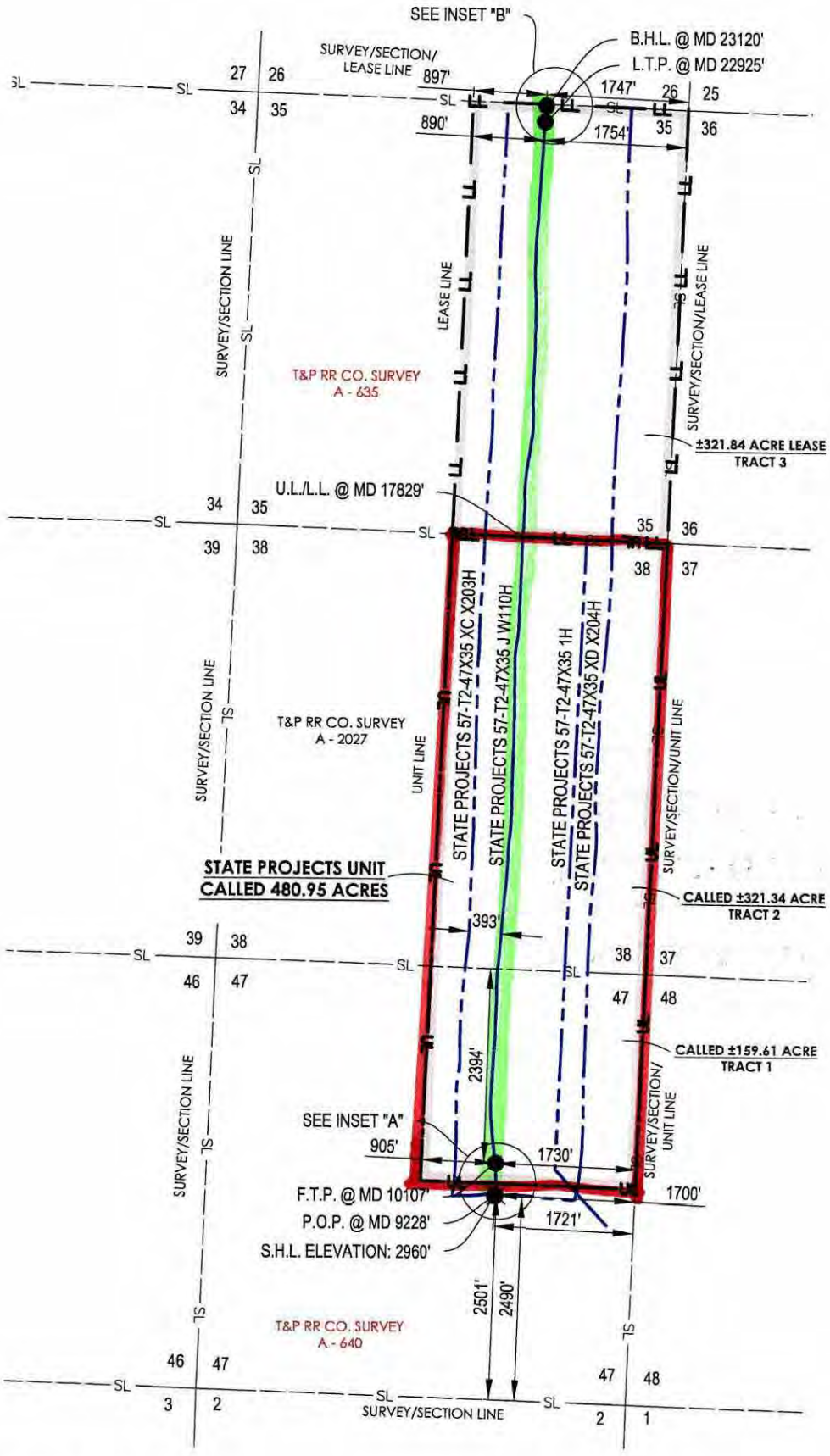
REEVES COUNTY, TEXAS

NOTE: S.H.L. APPROXIMATE LOCATION IS S 22°04' W, 3.8 MILES FROM ORLA, TEXAS.
S.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 640.
B.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 635.

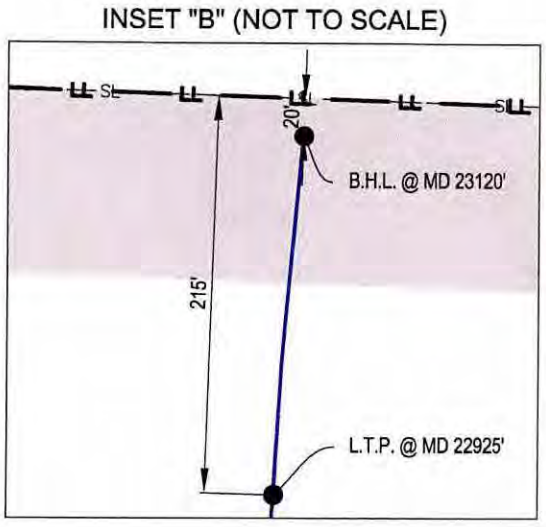
GRID NORTH (NAD 83)
TEXAS CENTRAL ZONE

LEGEND

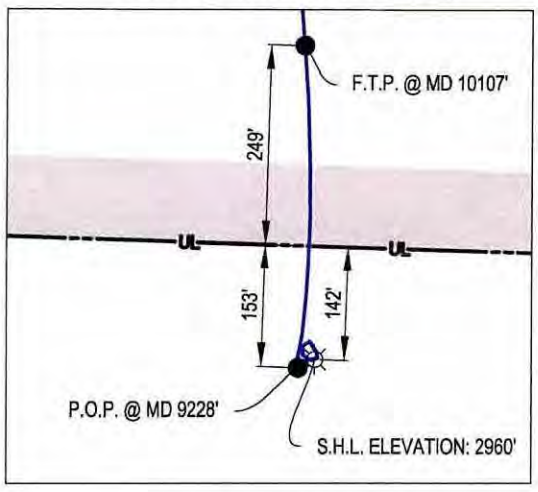
LL	LEASE LINE
UL	UNIT LINE
	ADDITIONAL AS-DRILLED PATHS
	AS-DRILLED PATH
SL	SURVEY / SECTION LINE
S.H.L.	SURFACE HOLE LOCATION
P.O.P.	POINT OF PENETRATION
F.T.P.	FIRST TAKE POINT
T.P.	TURNING POINT
L.T.P.	LAST TAKE POINT
B.H.L.	BOTTOM HOLE LOCATION



INSET "B" (NOT TO SCALE)



INSET "A" (NOT TO SCALE)



PERFORATED FOOTAGES

SECTION	FOOTAGE	PERCENTAGE
47 & 38	7722'	60.24%
35	5096'	39.76%
TOTAL	12818'	100.00%

SECTION CORNERS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
NW CORNER OF SEC. 47	31.78147012° N	103.94274748° W	10629870.91	1175186.16
NE CORNER OF SEC. 47	31.78148911° N	103.92577820° W	10629707.16	1180456.68
SE CORNER OF SEC. 47	31.76694255° N	103.92594516° W	10624419.87	1180233.95
SW CORNER OF SEC. 47	31.76696845° N	103.94290431° W	10624599.88	1174966.31
NW CORNER OF SEC. 38	31.79606605° N	103.94260117° W	10635176.36	1175403.85
NE CORNER OF SEC. 38	31.79607443° N	103.92559024° W	10635008.36	1180686.37
NW CORNER OF SEC. 35	31.81064803° N	103.94244162° W	10640476.62	1175625.47
NE CORNER OF SEC. 35	31.81065229° N	103.92541724° W	10640307.03	1180911.30

WELL PATH DATA

REF.	SECTION LINE CALLS (±)	LEASE LINE CALLS (±)
S.H.L.	2501' FSL, 1700' FEL	142' FSL, N/A
P.O.P.	2490' FSL, 1721' FEL	153' FSL, N/A
F.T.P.	2394' FNL, 1730' FEL	249' FSL, 905' FWL
L.T.P.	215' FNL, 1754' FEL	215' FNL, 890' FWL
B.H.L.	20' FNL, 1747' FEL	20' FNL, 897' FWL

WELL BORE POSITIONS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
S.H.L.	31.77382631° N	103.93133670° W	10626976.86	1178640.18
P.O.P.	31.77379568° N	103.93140433° W	10626966.41	1178618.81
F.T.P.	31.77490148° N	103.93142225° W	10627368.64	1178626.26
L.T.P.	31.81006005° N	103.93107130° W	10640148.44	1179148.84
B.H.L.	31.81059539° N	103.93104167° W	10640342.79	1179164.34

CONTACT INFORMATION:
Bradley G. Russell
Crafton Tull (10193715)
1000 Ledgelawn Dr.
Conway, AR 72034

STATE OF TEXAS
REGISTERED
BRADLEY G RUSSELL
6349
PROFESSIONAL
LAND SURVEYOR

X
5/9/2024

NOTE: THIS IS NOT A BOUNDARY SURVEY AS DEFINED BY STATE OR LOCAL LAWS. THE BOUNDARY AND DRILLING UNIT LINES SHOWN HEREON ARE ONLY APPROXIMATE BASED ON INFORMATION SUPPLIED TO THE SURVEYOR BY THE CLIENT. ALTHOUGH THEY ARE PLACED AS ACCURATELY AS POSSIBLE BASED ON AVAILABLE INFORMATION, NO FIELD SURVEY WAS CONDUCTED BY THE SURVEYOR TO VERIFY THE ACCURACY OF THE BOUNDARY LINES SHOWN. ONLY THE SURFACE HOLE POSITIONS WERE FIELD LOCATED BY THE SURVEYOR.

GRAPHIC SCALE IN FEET
2000' 1000' 0 2000'

GENERAL NOTES
1. THE LOCATIONS OF UNDERGROUND UTILITIES AS SHOWN HEREON ARE BASED ON REASONABLE VISUAL OBSERVATION. LOCATIONS OF UNDERGROUND UTILITIES/ STRUCTURES MAY VARY FROM LOCATIONS SHOWN HEREIN. ADDITIONAL BURIED UTILITIES/ STRUCTURES MAY BE ENCOUNTERED. NO EXCAVATIONS WERE MADE DURING THE PROGRESS OF THIS SURVEY TO LOCATE BURIED UTILITIES/ STRUCTURES. BEFORE EXCAVATIONS ARE BEGUN, THE OFFICES OF THE VARIOUS UTILITIES SERVICING THIS AREA SHOULD BE CONTACTED FOR THEIR UTILITY LOCATION.
2. PROJECT COORDINATE SYSTEM: TEXAS STATE PLANE, CENTRAL ZONE, NAD'83, U.S. FEET AS DETERMINED BY GPS OBSERVATION.
3. SHL ELEVATIONS SHOWN ARE PRIOR TO PAD CONSTRUCTION.

REVISION	
0	FINAL PLAT 5/6/24
1	ADD FOOTAGE TABLE 5/9/24

BPX OPERATING COMPANY

STATE PROJECTS 57-T2-47X35 J W110H
S.H.L. IN T&P RR CO. SUR, A-640, & B.H.L. IN T&P RR CO. SUR, A-635
REEVES COUNTY, TEXAS
FINAL AS-DRILLED PLAT

SCALE: 1" =	2000'	CHECKED BY:	LD
PLOT DATE:	05/09/2024	DRAWN BY:	LE
APPROVED BY:			NE
SHEET NO.:	1 OF 1		

G:\852-7 (WELL PADS)\8527SV0803_STATE_PROJECTS_57-T2-47 E1 PAD\STATE PROJECTS 57-T2-47 E1 AS-DRILLEDS.DWG 5/9/2024 9:38:47 AM LE3014

172.

File No. MF065125

Reeves County

iNut 13878 - API 42-389-40553

Date Filed: 10/10/2024

Commissioner Dawn Buckingham, M.D.

By: JM

Information for processing an Internal Non Unit Transaction (iNut)

Length of Lateral

iNut No. 13879

GENERAL INFORMATION

Name of Well: State Projects 57-T2-47X35 XC # X203H API # 42-389-40552

Name of Operator: BPX Operating Company RRC # 08-890058

Operator Contact Person: Michael Glover Phone: 303-903-7648

Counties: Reeves

ALLOCATION OF STATE UNITS AND/OR LEASES BASED ON LENGTH OF LATERAL

Lease Type	Unit/Lease No	Total Lateral Ft.	Unit or Lease Lateral Ft.	Unit or Lease Rylty Decimal	Lease Royalty Decimal	RRAC Participation Factor	State Particpation by Unit/Lease
RAL	7022/MF065125	12746	7660	0.05567800	0.08333300	0.40153321	0.03346097
Totals:							0.03346097
Effective Date: 08/01/2023							State Net Royalty Revenue in Well

Name of Production Sharing Agreement, if any: PSA00670

Comments:

- June 7, 2024, but operator had to obtain approval from the School Land Board for a PSA. The PSA was approved on September 24, 2024 by the School Land Board.

Attach a plat showing the iNut well with length of laterals marked and the State lands marked.

Lease Types: Relinquishment Act Land (RAL), State Fee (SF), Free Royalty (FR), Unleased Riverbed (UR), Highway Right of Way (HROW), Unleased Highway (UH), Criminal Justice (TDCJ), Parks & Wildlife (TPW), Mineral Production Allocation (MPAA), Dept. of Aging (DADS), School for the Blind (SBVI), Stephen F. Austin (SFA), TX A&M (A&M).

Prepared by: JM Alamo updated by: JM WI updated by: JM

RAM approval by: VD GIS updated by: RL

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

INUT240001

Unit Number	*13879*		
Operator Name	*BPX Operating Company*	***Effective Date***	*08/01/2023*
Customer ID	*C000046383*	***Unitized For***	*Oil And Gas*
Unit Name	*State Projects 57-T2-47X35 XC # X203H*	***Unit Term***	
County 1	*Reeves*	***RRC District 1*** *08*	***Old Unit Number*** ***Inactive Status Date***
County 2		***RRC District 2***	
County 3		***RRC District 3***	
County 4		***RRC District 4***	
Unit type	*iNut*		
State Net Revenue Interest	***Oil*** *0.03346097*		
State Part in Unit	*0.40153321*		
Unit Depth	*Specified Depths*	***Well***	
From Depth		***Formation***	
To Depth		***Participation Basis***	***Length of Lateral***
		If Excluions Apply: See Remarks	

Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*O/G*	*Lease Royalty*	*NRI of Lease in Unit*	*Royalty Rate Reduction Clause*
MF065125		0.000000	0.000000	0.40153321	O/G	0.08333300	0.03346097	No

API Number
4238940552

Remarks: PSA00670. Final as drilled plat submitted on June 7, 2024 but the operator needed to obtain approval of the SLB of a PSA before the well could be set up for payment. The PSA was approved at the September 24, 2024 SLB meeting.

Prepared By:	JM	***Prepared Date:***	10/09/2024
GLO Base Updated By:	JM	***GLO Base Date:***	10/09/2024
RAM Approval By:	MD	***RAM Approval Date:***	10/09/2024
GIS By:	RL	***GIS Date:***	10/17/24
Well Inventory By:	JM	***WI Date:***	10/09/2024

Pooling Committee Report

To: School Land Board

INUT240001

Date of Board Meeting:

Unit Number: 13879

Effective Date: 08/01/2023

Unit Expiration Date:

Applicant: BPX Operating Company

Attorney Rep:

Operator: BPX Operating Company

Unit Name: State Projects 57-T2-47X35 XC # X203H

Field Name: PHANTOM (WOLFCAMP)

County: Reeves

Lease Type	Lease Number	Lease Royalty	Expiration Date	Lease Term	Lease Acres	Lease Acres In Unit	Royalty Participation
RAL	MF065125	0.08333300	10/21/1970	1 months	640.000000	0.000000	0.03346097

Private Acres:	0.000000
State Acres:	0.000000
Total Unit Acres:	0.000000

Participation Basis:	Length of Lateral
Surface Acreage	
State Acreage:	40.15%
State Net Revenue Interest:	3.35%

Unit Type:	Unitized for:
iNut	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
No	

1000 Ledgelawn Dr.
Conway, Arkansas 72034

Crafton Tull
surveying

501.328.3316 t 501.328.3325 f
www.craftontull.com

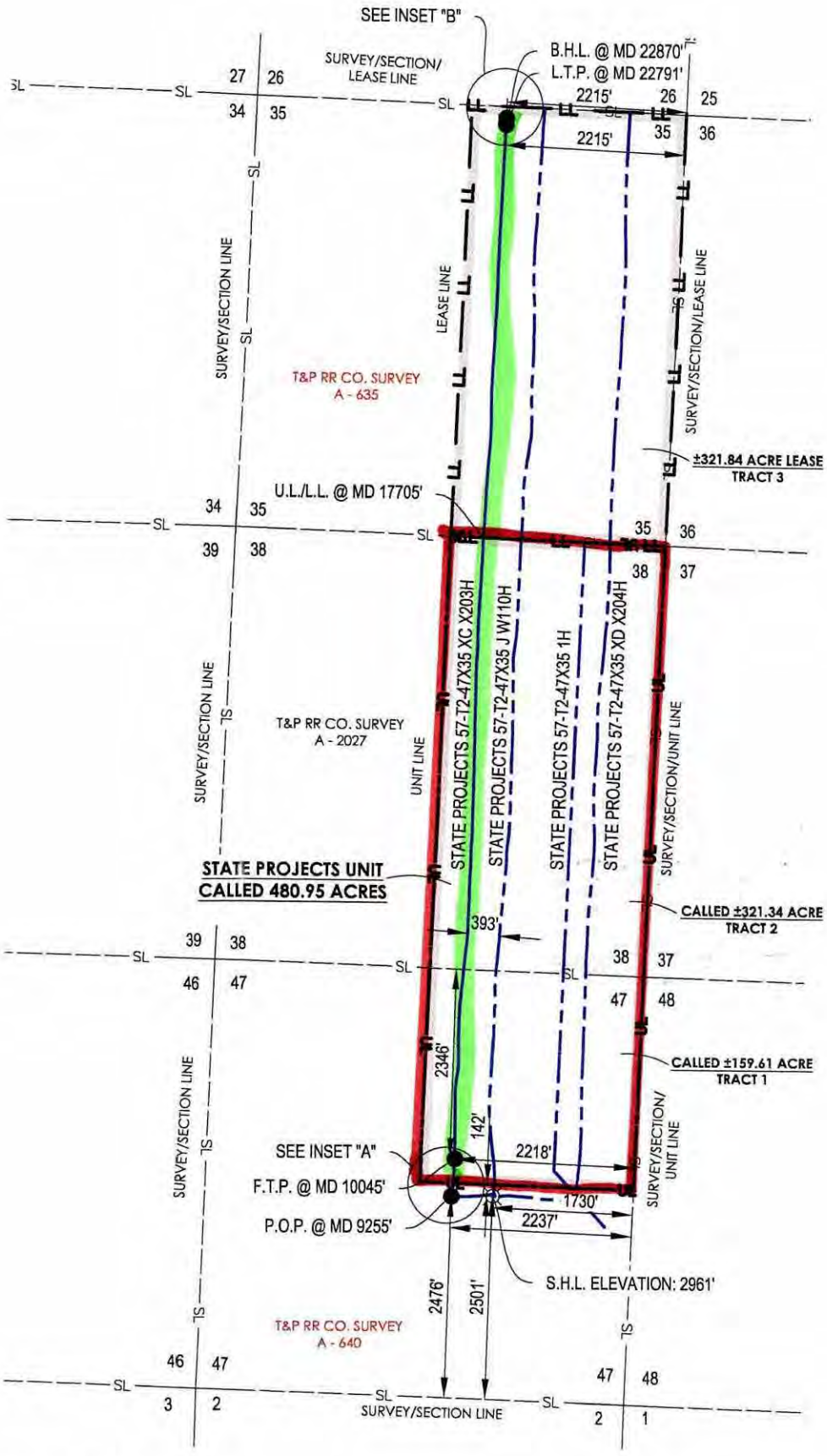
REEVES COUNTY, TEXAS

NOTE: S.H.L. APPROXIMATE LOCATION IS S 22°04' W, 3.8 MILES FROM ORLA, TEXAS.
S.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 640.
B.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 635.

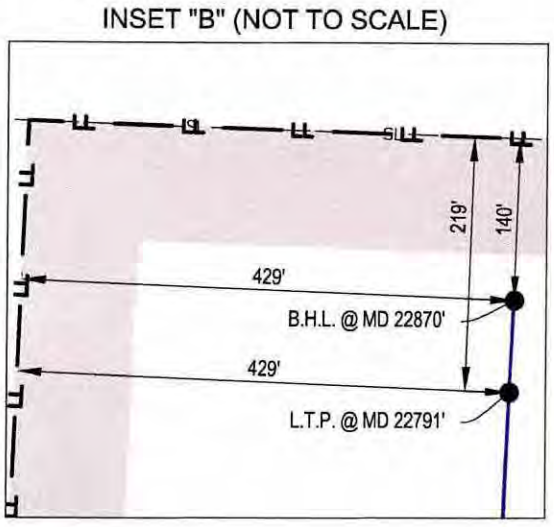
GRID NORTH (NAD 83)
TEXAS CENTRAL ZONE

LEGEND

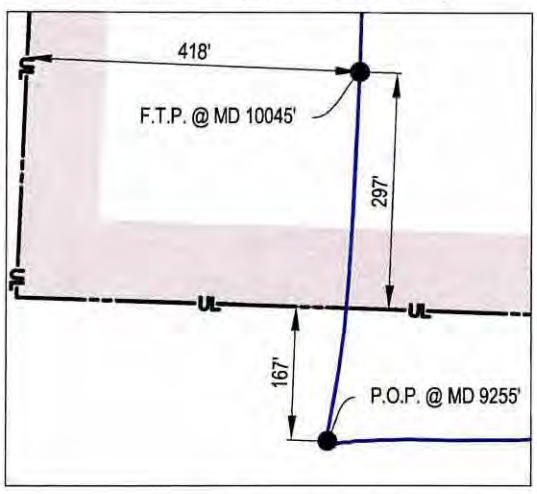
LL	LEASE LINE
UL	UNIT LINE
	ADDITIONAL AS-DRILLED PATHS
	AS-DRILLED PATH
SL	SURVEY / SECTION LINE
S.H.L.	SURFACE HOLE LOCATION
P.O.P.	POINT OF PENETRATION
F.T.P.	FIRST TAKE POINT
T.P.	TURNING POINT
L.T.P.	LAST TAKE POINT
B.H.L.	BOTTOM HOLE LOCATION



INSET "B" (NOT TO SCALE)



INSET "A" (NOT TO SCALE)



PERFORATED FOOTAGES

SECTION	FOOTAGE	PERCENTAGE
47 & 38	7660'	60.10%
35	5086'	39.90%
TOTAL	12746'	100.00%

SECTION CORNERS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
NW CORNER OF SEC. 47	31.78147012° N	103.94274748° W	10629870.91	1175186.16
NE CORNER OF SEC. 47	31.78148911° N	103.92577820° W	10629707.16	1180456.68
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NW CORNER OF SEC. 38	31.79606605° N	103.94260117° W	10635176.36	1175403.85
NE CORNER OF SEC. 38	31.79607443° N	103.92559024° W	10635008.36	1180686.37
NW CORNER OF SEC. 35	31.81064803° N	103.94244162° W	10640476.62	1175625.47
NE CORNER OF SEC. 35	31.81065229° N	103.92541724° W	10640307.03	1180911.30

WELL PATH DATA

REF.	SECTION LINE CALLS (±)	LEASE LINE CALLS (±)
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P.O.P.	2476' FSL, 2237' FEL	167' FSL, N/A
F.T.P.	2346' FNL, 2218' FEL	297' FSL, 418' FWL
L.T.P.	219' FNL, 2215' FEL	219' FNL, 429' FWL
B.H.L.	140' FNL, 2215' FEL	140' FNL, 429' FWL

WELL BORE POSITIONS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
S.H.L.	31.77382630° N	103.93143323° W	10626977.83	1178610.20
P.O.P.	31.77375919° N	103.93306617° W	10626969.85	1178102.21
F.T.P.	31.77503337° N	103.93298833° W	10627432.34	1178141.39
L.T.P.	31.81004820° N	103.93255577° W	10640159.05	1178687.80
B.H.L.	31.81026532° N	103.93255165° W	10640237.95	1178691.63

CONTACT INFORMATION:
Bradley G. Russell
Crafton Tull (10193715)
1000 Ledgelawn Dr.
Conway, AR 72034

STATE OF TEXAS
REGISTERED
BRADLEY G RUSSELL
6349
PROFESSIONAL
LAND SURVEYOR

X
5/9/2024

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GRAPHIC SCALE IN FEET
2000' 1000' 0 2000'

GENERAL NOTES
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2. PROJECT COORDINATE SYSTEM: TEXAS STATE PLANE, CENTRAL ZONE, NAD'83, U.S. FEET AS DETERMINED BY GPS OBSERVATION.
3. SHL ELEVATIONS SHOWN ARE PRIOR TO PAD CONSTRUCTION.

REVISION	
0	FINAL PLAT 5/6/24
1	ADD FOOTAGE TABLE 5/9/24

BPX OPERATING COMPANY

STATE PROJECTS 57-T2-47X35 XC X203H
S.H.L. IN T&P RR CO. SUR, A-640, & B.H.L. IN T&P RR CO. SUR, A-635
REEVES COUNTY, TEXAS
FINAL AS-DRILLED PLAT

SCALE: 1" =	2000'	CHECKED BY:	LD
PLOT DATE:	05/09/2024	DRAWN BY:	LE
APPROVED BY:			NE
SHEET NO.:	1 OF 1		

G:\852-7 (WELL PADS)\8527SV0803_STATE_PROJECTS_57-T2-47 E1 PAD\STATE PROJECTS 57-T2-47 E1 AS-DRILLEDS.DWG 5/9/2024 9:38:22 AM LE3014

173.

File No. MF065125

Reeves County

iNut13879-AP142.389.40552

Date Filed: 10/10/2024

Commissioner Dawn Buckingham, M.D.

By: JM

Information for processing an Internal Non Unit Transaction (iNut)

Length of Lateral

iNut No. 13880

GENERAL INFORMATION

Name of Well: State Projects 57-T2-47X35 XD # X204H API # 42-389-40554

Name of Operator: BPX Operating Company RRC # 08-890089

Operator Contact Person: Michael Glover Phone: 303-903-7648

Counties: Reeves

ALLOCATION OF STATE UNITS AND/OR LEASES BASED ON LENGTH OF LATERAL

Lease Type	Unit/Lease No	Total Lateral Ft.	Unit or Lease Lateral Ft.	Unit or Lease Rylty Decimal	Lease Royalty Decimal	RRAC Participation Factor	State Particpation by Unit/Lease
RAL	7022/MF065125	12881	7729	0.05567800	0.08333300	0.40090395	0.03340853
Totals:							0.03340853
Effective Date: 08/01/2023							State Net Royalty Revenue in Well

Name of Production Sharing Agreement, if any: PSA00670

Comments:

- June 7, 2024, but operator had to obtain approval from the School Land Board for a PSA. The PSA was approved on September 24, 2024 by the School Land Board.

Attach a plat showing the iNut well with length of laterals marked and the State lands marked.

Lease Types: Relinquishment Act Land (RAL), State Fee (SF), Free Royalty (FR), Unleased Riverbed (UR), Highway Right of Way (HROW), Unleased Highway (UH), Criminal Justice (TDCJ), Parks & Wildlife (TPW), Mineral Production Allocation (MPAA), Dept. of Aging (DADS), School for the Blind (SBVI), Stephen F. Austin (SFA), TX A&M (A&M).

Prepared by: JM Alamo updated by: JM WI updated by: JM

RAM approval by: VD GIS updated by: RL

DO NOT DESTROY

Texas General Land Office

UNIT AGREEMENT MEMO

INUT240001

Unit Number	*13880*		
Operator Name	*BPX Operating Company*	***Effective Date***	*08/01/2023*
Customer ID	*C000046383*	***Unitized For***	*Oil And Gas*
Unit Name	*State Projects 57-T2-47X35 XD # X204H*	***Unit Term***	
County 1	*Reeves*	***RRC District 1***	*08*
County 2		***RRC District 2***	
County 3		***RRC District 3***	
County 4		***RRC District 4***	
Unit type	*iNut*		
State Net Revenue Interest	***Oil*** *0.03340853*		
State Part in Unit	*0.40090395*		
Unit Depth	*Specified Depths*	***Well***	
From Depth		***Formation***	
To Depth		***Participation Basis***	*Length of Lateral*
		If Excluions Apply: See Remarks	

Old Unit Number ***Inactive Status Date***

Lease Number	*Tract No*	*Lease Acres in Unit*	*Total Unit Acres*	*Tract Participation*	*O/G*	*Lease Royalty*	*NRI of Lease in Unit*	*Royalty Rate Reduction Clause*
MF065125		0.000000	0.000000	0.40090395	O/G	0.08333300	0.03340853	No

API Number
4238940554

Remarks: PSA00670. Final as drilled plat submitted on June 7, 2024 but the operator needed to obtain approval of the SLB of a PSA before the well could be set up for payment. The PSA was approved at the September 24, 2024 SLB meeting.

Prepared By:	JM	***Prepared Date:***	10/09/2024
GLO Base Updated By:	JM	***GLO Base Date:***	10/09/2024
RAM Approval By:	VD	***RAM Approval Date:***	10/09/2024
GIS By:	RL	***GIS Date:***	10/17/24
Well Inventory By:	JM	***WI Date:***	10/09/2024

Pooling Committee Report

To: School Land Board

INUT240001

Date of Board Meeting:

Unit Number: 13880

Effective Date: 08/01/2023

Unit Expiration Date:

Applicant: BPX Operating Company

Attorney Rep:

Operator: BPX Operating Company

Unit Name: State Projects 57-T2-47X35 XD # X204H

Field Name: PHANTOM (WOLFCAMP)

County: Reeves

Lease Type	Lease Number	Lease Royalty	Expiration Date	Lease Term	Lease Acres	Lease Acres In Unit	Royalty Participation
RAL	MF065125	0.08333300	10/21/1970	1 months	640.000000	0.000000	0.03340853

Private Acres:	0.000000
State Acres:	0.000000
Total Unit Acres:	0.000000

Participation Basis:	Length of Lateral
Surface Acreage	
State Acreage:	40.09%
State Net Revenue Interest:	3.34%

Unit Type:	Unitized for:
iNut	Oil And Gas
Term:	

RRC Rules:	Spacing Acres:
No	

1000 Ledgelawn Dr.
Conway, Arkansas 72034

Crafton Tull
surveying

501.328.3316 t 501.328.3325 f
www.craftontull.com

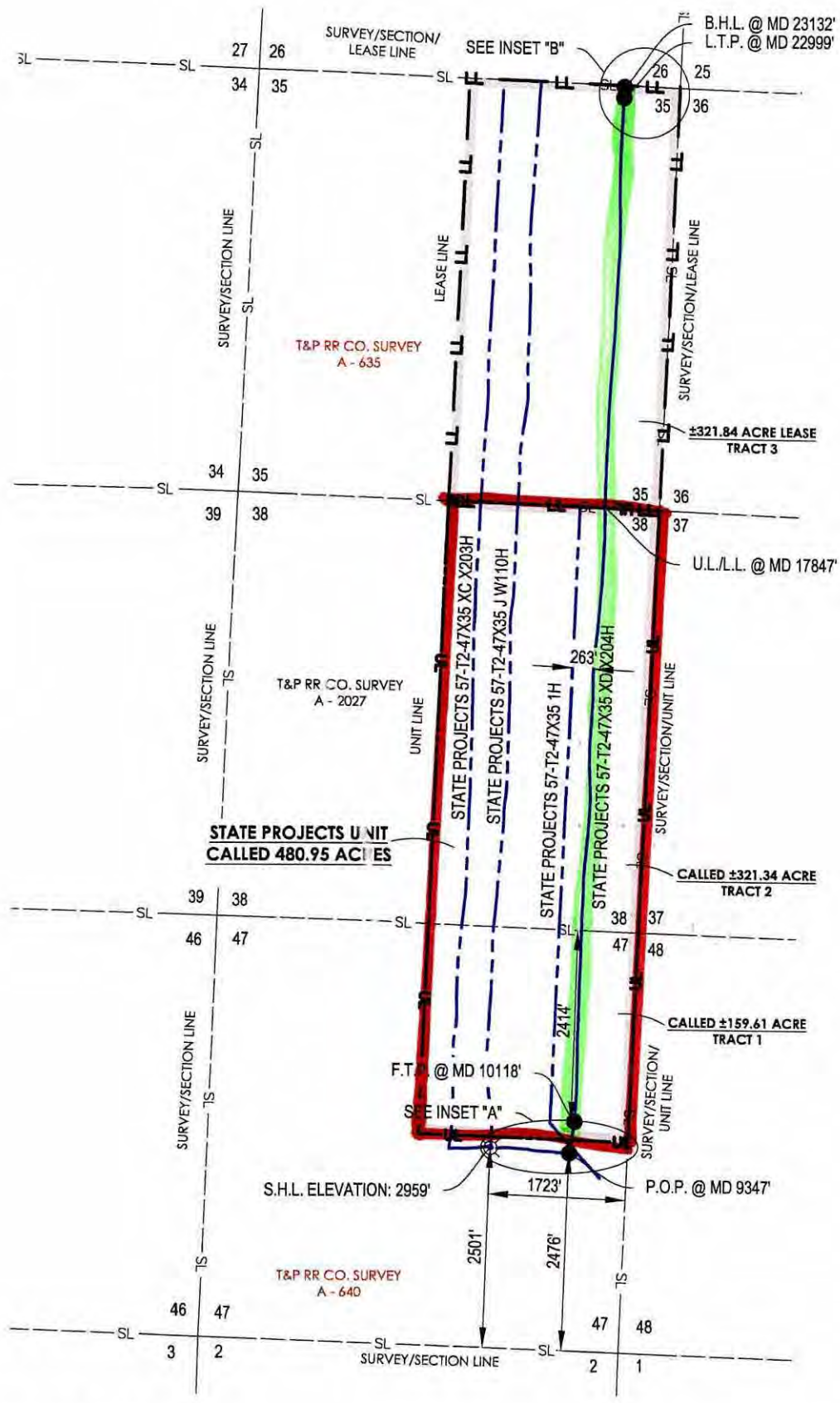
REEVES COUNTY, TEXAS

NOTE: S.H.L. APPROXIMATE LOCATION IS S 22°04' W, 3.8 MILES FROM ORLA, TEXAS.
S.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 640.
B.H.L. LOCATED IN THE T&P RR CO. SURVEY A - 635.

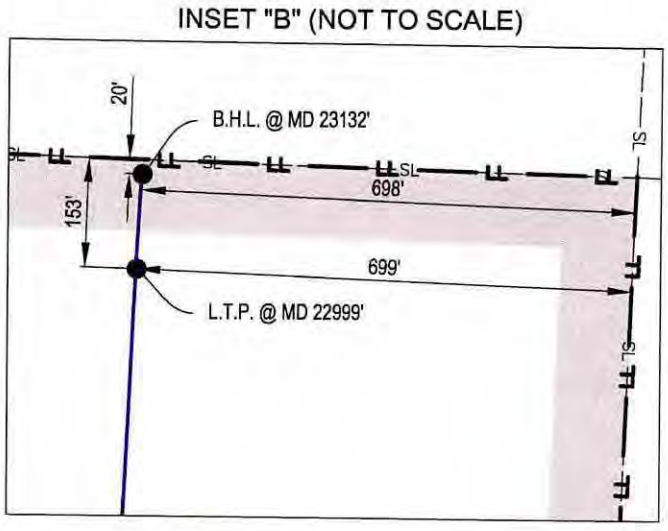
GRID NORTH (NAD 83)
TEXAS CENTRAL ZONE

LEGEND

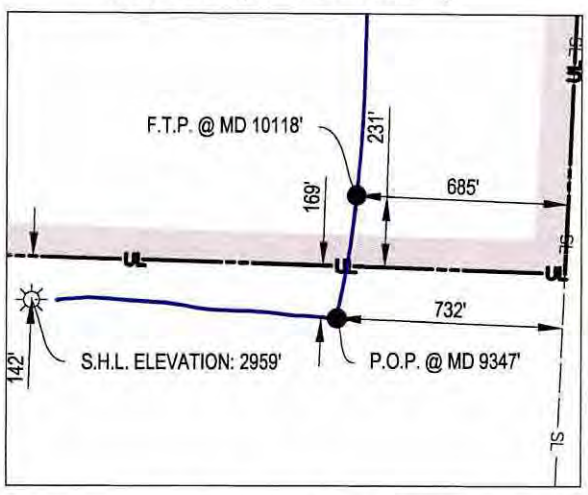
LL	LEASE LINE
UL	UNIT LINE
	ADDITIONAL AS-DRILLED PATHS
	AS-DRILLED PATH
SL	SURVEY / SECTION LINE
S.H.L.	SURFACE HOLE LOCATION
P.O.P.	POINT OF PENETRATION
F.T.P.	FIRST TAKE POINT
T.P.	TURNING POINT
L.T.P.	LAST TAKE POINT
B.H.L.	BOTTOM HOLE LOCATION



INSET "B" (NOT TO SCALE)



INSET "A" (NOT TO SCALE)



PERFORATED FOOTAGES

SECTION	FOOTAGE	PERCENTAGE
47 & 38	7729'	60.00%
35	5152'	40.00%
TOTAL	12881'	100.00%

SECTION CORNERS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
NW CORNER OF SEC. 47	31.78147012° N	103.94274748° W	10629870.91	1175186.16
NE CORNER OF SEC. 47	31.78148911° N	103.92577820° W	10629707.16	1180456.68
SE CORNER OF SEC. 47	31.76694255° N	103.92594516° W	10624419.87	1180233.95
SW CORNER OF SEC. 47	31.76696845° N	103.94290431° W	10624599.88	1174966.31
NW CORNER OF SEC. 38	31.79606605° N	103.94260117° W	10635176.36	1175403.85
NE CORNER OF SEC. 38	31.79607443° N	103.92559024° W	10635008.36	1180686.37
NW CORNER OF SEC. 35	31.81064803° N	103.94244162° W	10640476.62	1175625.47
NE CORNER OF SEC. 35	31.81065229° N	103.92541724° W	10640307.03	1180911.30

WELL PATH DATA

REF.	SECTION LINE CALLS (±)	LEASE LINE CALLS (±)
S.H.L.	2501' FSL, 1723' FEL	142' FSL, N/A
P.O.P.	2476' FSL, 732' FEL	169' FSL, N/A
F.T.P.	2414' FNL, 685' FEL	231' FSL, 685' FEL
L.T.P.	153' FNL, 699' FEL	153' FNL, 699' FEL
B.H.L.	20' FNL, 698' FEL	20' FNL, 698' FEL

WELL BORE POSITIONS

REFERENCE	LAT. (NAD 83)	LONG. (NAD 83)	NORTHING (NAD 83)	EASTING (NAD 83)
S.H.L.	31.77382632° N	103.93114363° W	10626974.93	1178700.15
P.O.P.	31.77375158° N	103.92822222° W	10626918.41	1179606.67
F.T.P.	31.77485100° N	103.92806005° W	10627316.52	1179669.97
L.T.P.	31.81023073° N	103.92767392° W	10640176.39	1180205.68
B.H.L.	31.81059624° N	103.92766435° W	10640309.19	1180212.95

CONTACT INFORMATION:
Bradley G. Russell
Crafton Tull (10193715)
1000 Ledgelawn Dr.
Conway, AR 72034

STATE OF TEXAS
REGISTERED
BRADLEY G RUSSELL
6349
PROFESSIONAL
LAND SURVEYOR

X

5/9/2024

NOTE: THIS IS NOT A BOUNDARY SURVEY AS DEFINED BY STATE OR LOCAL LAWS. THE BOUNDARY AND DRILLING UNIT LINES SHOWN HEREON ARE ONLY APPROXIMATE BASED ON INFORMATION SUPPLIED TO THE SURVEYOR BY THE CLIENT. ALTHOUGH THEY ARE PLACED AS ACCURATELY AS POSSIBLE BASED ON AVAILABLE INFORMATION, NO FIELD SURVEY WAS CONDUCTED BY THE SURVEYOR TO VERIFY THE ACCURACY OF THE BOUNDARY LINES SHOWN. ONLY THE SURFACE HOLE POSITIONS WERE FIELD LOCATED BY THE SURVEYOR.

GRAPHIC SCALE IN FEET
2000' 1000' 0 2000'

GENERAL NOTES
1. THE LOCATIONS OF UNDERGROUND UTILITIES AS SHOWN HEREON ARE BASED ON REASONABLE VISUAL OBSERVATION. LOCATIONS OF UNDERGROUND UTILITIES/ STRUCTURES MAY VARY FROM LOCATIONS SHOWN HEREIN. ADDITIONAL BURIED UTILITIES/ STRUCTURES MAY BE ENCOUNTERED. NO EXCAVATIONS WERE MADE DURING THE PROGRESS OF THIS SURVEY TO LOCATE BURIED UTILITIES/ STRUCTURES. BEFORE EXCAVATIONS ARE BEGUN, THE OFFICES OF THE VARIOUS UTILITIES SERVICING THIS AREA SHOULD BE CONTACTED FOR THEIR UTILITY LOCATION.
2. PROJECT COORDINATE SYSTEM: TEXAS STATE PLANE, CENTRAL ZONE, NAD'83, U.S. FEET AS DETERMINED BY GPS OBSERVATION.
3. SHL ELEVATIONS SHOWN ARE PRIOR TO PAD CONSTRUCTION.

REVISION	
0	FINAL PLAT 5/6/24
1	ADD FOOTAGE TABLE 5/9/24

BPX OPERATING COMPANY

STATE PROJECTS 57-T2-47X35 XD X204H
S.H.L. IN T&P RR CO. SUR, A-640, & B.H.L. IN T&P RR CO. SUR, A-635
REEVES COUNTY, TEXAS
FINAL AS-DRILLED PLAT

SCALE: 1" =	2000'	CHECKED BY:	LD
PLOT DATE:	05/09/2024	DRAWN BY:	LE
APPROVED BY:			NE
SHEET NO.:	1 OF 1		

G:\852-7 (WELL PADS)\8527SV0803_STATE_PROJECTS_57-T2-47 E1 PAD\STATE PROJECTS 57-T2-47 E1 AS-DRILLEDS.DWG 5/9/2024 9:39:16 AM LE3014

174.

File No. MF065125

Reeves County

iNut13880 - API42.389.40554

Date Filed: 10/10/2024

Commissioner Dawn Buckingham, M.D.

By: JM

bpx energy

6.11.24

bp

DIVISION ORDER

INLet 13879
MF065125

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/23/2024
Effective Date: 04/01/2024

Property Name: STATE PROJ 57-T2-47X35 X203H
Property Number: 132735 / 00001 389-40552
Operator: BPX Operating Company
County/State: REEVES/TEXAS
Description: NE/4 SEC 47 AND E/2 SEC 38 ; BLK 57, T2

Production: Oil: X Gas: X Other: X

Owner Number: 60468207
Owner Name: STATE OF TEXAS GLO
Owner Address:
1700 N CONGRESS AVE NO 640
AUSTIN,TX 78701-1495 US

Type of Interest: RI
Interest Sequence: 1
Tract Factor: 0.60097285
Tract Interest: 0.05567800
Unit Interest: 0.03346097

The undersigned severally and not jointly certifies it is the legal owner of the interest set out in this Division Order of all the oil and related liquid hydrocarbons and gas produced from the property described.

The following provisions apply to each interest owner ("owner") who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests set out in this Division Order. The payor shall pay all parties at the price for the oil and gas produced and sold hereunder as calculated under the terms of the oil and gas lease.

PAYMENT: Payment is to be made, based on this division of interest, as prescribed by the oil and gas lease or by law. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 months' proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than $10 until production ceases or the payor's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the change occurs.

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

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of this Division Order, an owner may have certain statutory rights under the laws of this state.

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

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

bpx energy

6.1.24

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/23/2024
Effective Date: 04/01/2024

Property Name: STATE PROJ 57-T2-47X35 X203H
Property Number: 132735 / 00001
Operator: BPX Operating Company
County/State: REEVES/TEXAS
Description: NE/4 SEC 47 AND E/2 SEC 38 ; BLK 57, T2

Production: Oil: X Gas: X Other: X

Owner Number: 60468207
Owner Name: STATE OF TEXAS GLO
Owner Address:
1700 N CONGRESS AVE NO 640
AUSTIN,TX 78701-1495 US

Type of Interest: RI
Interest Sequence: 1
Tract Factor: 0.60097285
Tract Interest: 0.05567800
Unit Interest: 0.03346097

Owner(s) Signature(s): _____ _____

Owner Address Correction: _____ _____

Owner's Tax I.D. Number: _____

Owner's Telephone: _____

Owner's Email: _____

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

To: BPX Operating Company

6.11.24

DIVISION ORDER EXHIBIT "A" Dated: 05/23/2024 Page: 1

OWNER: 60468207 **STATE OF TEXAS GLO**
1700 N CONGRESS AVE NO 640
AUSTIN TX 78701-1495

Property Name
STATE PROJ 57-T2-47X35 X203H
Operator
BPX Operating Company
Legal Description
County or Parish: REEVES State: TEXAS NE/4 SEC 47 AND E/2 SEC 38 BLK 57, T2

DOI/ PROPERTY CODE	DOI SUFFIX	TRACT FACTOR	TRACT INTEREST	INTEREST TYPE	PRODUCT CODE	UNIT INTEREST	ACCOUNT STATUS
132735	1	0.60097285	0.05567800	Royalty Interest	All Products	0.03346097	Pay

bpx energy

6-20-24

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 06/03/2024
Effective Date: 04/01/2024

Property Name: Various Properties (see exhibit A)
Property Number: Various (see exhibit A)
Operator: BPX Operating Company
County/State: Various (see exhibit A)
Description: See Exhibit A

Production: Oil: X Gas: X Other: X

Owner Number:	60468207	Type of Interest: See Exhibit A
Owner Name:	STATE OF TEXAS GLO	Interest Sequence: See Exhibit A
		Tract Factor: See Exhibit A
Owner Address:		Tract Interest: See Exhibit A
	1700 N CONGRESS AVE NO 640	Unit Interest: See Exhibit A
	AUSTIN,TX 78701-1495 US	

The undersigned severally and not jointly certifies it is the legal owner of the interest set out in this Division Order of all the oil and related liquid hydrocarbons and gas produced from the property described.

The following provisions apply to each interest owner ("owner") who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests set out in this Division Order. The payor shall pay all parties at the price for the oil and gas produced and sold hereunder as calculated under the terms of the oil and gas lease.

PAYMENT: Payment is to be made, based on this division of interest, as prescribed by the oil and gas lease or by law. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 months' proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than $10 until production ceases or the payor's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

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bpx energy

6-20-24

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 06/03/2024
Effective Date: 04/01/2024

Property Name: Various Properties (see exhibit A)
Property Number: Various (see exhibit A)
Operator: BPX Operating Company
County/State: Various (see exhibit A)
Description: See Exhibit A

Production: Oil: X Gas: X Other: X

Owner Number:	60468207	Type of Interest: See Exhibit A
Owner Name:	STATE OF TEXAS GLO	Interest Sequence: See Exhibit A
		Tract Factor: See Exhibit A
Owner Address:		Tract Interest: See Exhibit A
	1700 N CONGRESS AVE NO 640	Unit Interest: See Exhibit A
	AUSTIN,TX 78701-1495 US	

Owner(s) Signature(s): _____ _____

Owner Address Correction: _____ _____

Owner's Tax I.D. Number: _____

Owner's Telephone: _____

Owner's Email: _____

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

To: BPX Operating Company

8-20-24

DIVISION ORDER EXHIBIT "A" Dated: 06/03/2024 Page: 1

OWNER: 60468207 **STATE OF TEXAS GLO**
1700 N CONGRESS AVE NO 640
AUSTIN TX 78701-1495

iNut 13876

Property Name							
STATE BARLOW 57-T2-47X35 W114H							
Operator 389-40547							
BPX Operating Company							
Legal Description							
County or Parish: REEVES State: TEXAS NW/4 SEC 47 AND W/2 SEC 38 BLK 57, T2							
DOI/ PROPERTY CODE	**DOI SUFFIX**	**TRACT FACTOR**	**TRACT INTEREST**	**INTEREST TYPE**	**PRODUCT CODE**	**UNIT INTEREST**	**ACCOUNT STATUS**
132739	1	0.59923901	0.05565492 ✓	Royalty Interest	All Products	0.03335060 ✓	Pay

iNut 13875

Property Name							
STATE BARLOW 57-T2-47X35 W103H							
Operator 389-40546							
BPX Operating Company							
Legal Description							
County or Parish: REEVES State: TEXAS NW/4 SEC 47 AND W/2 SEC 38 BLK 57, T2							
DOI/ PROPERTY CODE	**DOI SUFFIX**	**TRACT FACTOR**	**TRACT INTEREST**	**INTEREST TYPE**	**PRODUCT CODE**	**UNIT INTEREST**	**ACCOUNT STATUS**
132740	1	0.59874194	0.05565492 ✓	Royalty Interest	All Products	0.03332293	Pay

bpx energy

6.14.24

bp

DIVISION ORDER

INut 13878

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/23/2024
Effective Date: 04/01/2024

Property Name: STATE PROJ 57-T2-47X35 J W110H
Property Number: 132736 / 00001
Operator: BPX Operating Company
County/State: REEVES/TEXAS
Description: NE/4 SEC 47 AND E/2 SEC 38 ; BLK 57, T2

389-40553

Production: Oil: X Gas: X Other: X

Owner Number: 60468207
Owner Name: STATE OF TEXAS GLO

Owner Address:
1700 N CONGRESS AVE NO 640
AUSTIN,TX 78701-1495 US

Type of Interest: RI
Interest Sequence: 1
Tract Factor: 0.60243408
Tract Interest: 0.05567800
Unit Interest: 0.03354232

The undersigned severally and not jointly certifies it is the legal owner of the interest set out in this Division Order of all the oil and related liquid hydrocarbons and gas produced from the property described.

The following provisions apply to each interest owner ("owner") who executes this agreement:

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PAYMENT: Payment is to be made, based on this division of interest, as prescribed by the oil and gas lease or by law. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 months' proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than $10 until production ceases or the payor's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

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Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

bpx energy

6·14·24

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/23/2024
Effective Date: 04/01/2024

Property Name: STATE PROJ 57-T2-47X35 J W110H
Property Number: 132736 / 00001
Operator: BPX Operating Company
County/State: REEVES/TEXAS
Description: NE/4 SEC 47 AND E/2 SEC 38 ; BLK 57, T2

Production: Oil: X Gas: X Other: X

Owner Number: 60468207
Owner Name: STATE OF TEXAS GLO
Owner Address:
1700 N CONGRESS AVE NO 640
AUSTIN,TX 78701-1495 US

Type of Interest: RI
Interest Sequence: 1
Tract Factor: 0.60243408
Tract Interest: 0.05567800
Unit Interest: 0.03354232

Owner(s) Signature(s): _____ _____

Owner Address Correction: _____ _____

Owner's Tax I.D. Number: _____

Owner's Telephone: _____

Owner's Email: _____

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

To: BPX Operating Company

6.14.24

DIVISION ORDER EXHIBIT "A" Dated: 05/23/2024 Page: 1

OWNER: 60468207 **STATE OF TEXAS GLO**
1700 N CONGRESS AVE NO 640
AUSTIN TX 78701-1495

Property Name							
STATE PROJ 57-T2-47X35 J W110H							
Operator 389-40553							
BPX Operating Company							
Legal Description							
County or Parish: REEVES State: TEXAS NE/4 SEC 47 AND E/2 SEC 38 BLK 57, T2							
DOI/ PROPERTY CODE	**DOI SUFFIX**	**TRACT FACTOR**	**TRACT INTEREST**	**INTEREST TYPE**	**PRODUCT CODE**	**UNIT INTEREST**	**ACCOUNT STATUS**
132736	1	0.60243408	0.05567800	Royalty Interest	All Products	0.03354232	Pay

bpx energy

bp

DIVISION ORDER

iNut 13880

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/23/2024
Effective Date: 04/01/2024

Property Name: STATE PROJ 57-T2-47X35 X204H
Property Number: 132734 / 00001
Operator: BPX Operating Company
County/State: REEVES/TEXAS
Description: NE/4 SEC 47 AND E/2 SEC 38 ; BLK 57, T2

Production: Oil: X Gas: X Other: X

Owner Number: 60468207
Owner Name: STATE OF TEXAS GLO
Owner Address:
1700 N CONGRESS AVE NO 640
AUSTIN,TX 78701-1495 US

Type of Interest: RI
Interest Sequence: 1
Tract Factor: 0.60003105
Tract Interest: 0.05567800
Unit Interest: 0.03340853

The undersigned severally and not jointly certifies it is the legal owner of the interest set out in this Division Order of all the oil and related liquid hydrocarbons and gas produced from the property described.

The following provisions apply to each interest owner ("owner") who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests set out in this Division Order. The payor shall pay all parties at the price for the oil and gas produced and sold hereunder as calculated under the terms of the oil and gas lease.

PAYMENT: Payment is to be made, based on this division of interest, as prescribed by the oil and gas lease or by law. Payments of less than $100 may be accrued before disbursement until the total amount equals $100 or more, or until 12 months' proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than $10 until production ceases or the payor's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

DISPUTE; WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the change occurs.

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

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of this Division Order, an owner may have certain statutory rights under the laws of this state.

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

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

bpx energy

bp

DIVISION ORDER

To: BPX Operating Company
PO Box 941180
Houston, TX 77094

Date: 05/23/2024
Effective Date: 04/01/2024

Property Name: STATE PROJ 57-T2-47X35 X204H
Property Number: 132734 / 00001
Operator: BPX Operating Company
County/State: REEVES/TEXAS
Description: NE/4 SEC 47 AND E/2 SEC 38 ; BLK 57, T2

Production: Oil: X Gas: X Other: X

Owner Number: 60468207
Owner Name: STATE OF TEXAS GLO
Owner Address:
1700 N CONGRESS AVE NO 640
AUSTIN,TX 78701-1495 US

Type of Interest: RI
Interest Sequence: 1
Tract Factor: 0.60003105
Tract Interest: 0.05567800
Unit Interest: 0.03340853

Owner(s) Signature(s): _____ _____

Owner Address Correction: _____ _____

Owner's Tax I.D. Number: _____

Owner's Telephone: _____

Owner's Email: _____

Failure to furnish your proper Social Security/Tax I.D. Number on IRS Form W-9 will result in income tax withholding in accordance with federal law, and any tax withheld will not be refundable by Payor.

To: BPX Operating Company

DIVISION ORDER EXHIBIT "A"

Dated: 05/23/2024

OWNER: 60468207

STATE OF TEXAS GLO
1700 N CONGRESS AVE NO 640
AUSTIN TX 78701-1495

Property Name
STATE PROJ 57-T2-47X35 X204H
Operator 389-40554
BPX Operating Company
Legal Description
County or Parish: REEVES State: TEXAS NE/4 SEC 47 AND E/2 SEC 38 BLK 57, T2

DOI/ PROPERTY CODE	DOI SUFFIX	TRACT FACTOR	TRACT INTEREST	INTEREST TYPE	PRODUCT CODE	UNIT INTEREST	ACCOUNT STATUS
132734	1	0.60003105	0.05567800	Royalty Interest	All Products	0.03340853	Pay

TEXAS GENERAL LAND OFFICE
COMMISSIONER DAWN BUCKINGHAM, M.D.

October 24, 2024

Brianna O'Keeffe, CDOA
Sr. Division of Interest Analyst
BPX Operating Company
PO Box 941180
Houston, TX 77094

Re: State Lease No. MF065125 State Projects 57-T2-47X35 X203H iNut 13879, State Barlow 57-T2-47X35 W114H iNut 13876, State Barlow 57-T2-47X35 W103H iNut 13875, State Projects 57-T2-47X35 J W110H iNut 13878 and State Projects 57-T2-47X35 X204H iNut 13880

Dear Mrs. O'Keeffe:

The Texas General Land Office (GLO) has received your Division Orders for the referenced iNuts. These Division Orders have been filed in the appropriate mineral file.

The payment of royalties attributable to state-owned mineral and royalty interests is set by contract and applicable statutes and rules. The execution of division orders may, in some cases, affect the manner in which such payments are made or calculated. Therefore, Title 31, §9.32, of the Texas Administrative Code specifies that GLO staff cannot execute a division order or bind the state to any terms contained within it.

Subject to applicable state law and the state's right to take its production in-kind, the GLO acquiesces to the sale of oil and gas in accordance with the terms and conditions set out in the oil and gas leases. If you have questions concerning this matter, please feel free to e-mail me at the address below my signature.

We look forward to being put on pay status as soon as you are able to set up the wells in our RRAC system.

Thank you,

Vivian Zamora

Vivian Zamora
Landman, Energy Resources
vivian.zamora@glo.texas.gov
(512) 475-0428

File No. MF065125

Reeves County

Division Order

Date Filed: 10/24/2024

Commissioner Dawn Buckingham, M.D.

By: VG