

STATE LEASE

MF099026

CONTROL	BASEFILE	COUNTY
07-31204	138370 -	CULBERSON /055

SURVEY : PUBLIC SCHOOL LAND
BLOCK : 107
TOWNSHIP : 00
SECTION/TRACT: 14
PART : N/2
ACRES : 320.00
DEPTH LIMITS : NO

Rentals: *MT.*

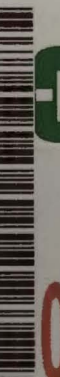
Lease
Admin: *DL.*

Mineral

Maps: *[Signature]*

LESSEE : JOHNSON, CLAY
LEASE DATE : Jan 01 1998
PRIMARY TERM : 5 yrs
BONUS (\$) : 1600.00
RENTAL (\$) : 1.00
ROYALTY : 0.15625000
VAR ROYALTY :

MF 099026



-M-

0

9

9

0

2

6

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GENERAL LAND OFFICE

GARRY MAURO
COMMISSIONER

MEMORANDUM

DATE:

TO: Garry Mauro, Commissioner
Spencer Reid, Senior Deputy

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

SUBJECT:

County: CULBERSON
Description: N/2 SEC 14 BLK 107, PSL
Applicant: TITAN RESOURCES
Consideration: #10, 5YR, #1, 5/32

Consideration

Recommended: PAB 1/30/98

Not Recommend: _____

Comments:

Form

Recommended: PAB 1/30/98

Not Recommend: _____

Recommended, after technical changes: ✓

Comments:

RP2 of Exhibit A will be amended

Spencer Reid, Senior Deputy

Date: 3/18

Recommended: SM

Not Recommend: _____

Garry Mauro, Commissioner

Date: _____

Approved: GM

Not Approved: _____

①
REF 98036
ITEM Memo
TO _____
FROM _____
DATE 1-30-98

Mineral Classified Land
Lease Consideration Comparison

County CULBERSON
Area N 1/2 SEC 14, BLK 107, P 54

M. F.	Acres	Lease Date	Term	Total Bonus	B/Ac	Rental	Comparison
New	320	1/1/98	5	3200	\$10	\$1	10/64
	NO	RECENT		COMPARISONS			

138370

07-31204

Remarks:

Consideration
Recommended PAB 1/30/98
Not Recommended _____

50370

OIL AND GAS LEASE

THIS AGREEMENT is made and entered into this 1st day of January 1998, between the State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd of P. O. Box 1861, Pecos, Texas 79772

said agent

(Give Permanent Address)

herein referred to as the owner of the soil (whether one or more), and Clay Johnson

of

310 West Texas, Suite 808, Midland, Texas 79701

(Give Permanent Address)

hereinafter called Lessee.

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

Block 107, Public School Land Survey
Section 14: N/2

Refer to Exhibit "A", attached hereto and made a part hereof, for additional lease provisions.
containing 320 acres, more or less. The bonus consideration paid for this lease is as follows:

To the State of Texas: One Thousand Six Hundred and no/100's
Dollars (\$ 1,600.00)

To the owner of the soil: One Thousand Six Hundred and no/100's
Dollars (\$ 1,600.00)

Total bonus consideration: Three Thousand Two Hundred and no/100's
Dollars (\$ 3,200.00)

The total bonus consideration paid represents a bonus of Ten and no/100's

Dollars (\$ 10.00) per acre, on 320 net acres.

2. TERM. Subject to the other provisions in this lease, this lease shall be for a term of five (5) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced in paying quantities from said land. As used in this lease, the term "produced in paying quantities" means that the receipts from the sale or other authorized commercial use of the substance(s) covered exceed out of pocket operational expenses for the six months last past.

3. DELAY RENTALS. If no well is commenced on the leased premises on or before one (1) year from this date, this lease shall terminate, unless on or before such anniversary date Lessee shall pay or tender to the owner of the soil or to his credit in the SECURITY STATE ACCT # 28-475-0 Bank, at PECOS TX, or its successors (which shall continue as the depository regardless of changes in the ownership of said land), the amount specified below; in addition, Lessee shall pay or tender to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, a like sum on or before said date. Payments under this paragraph shall operate as a rental and shall cover the privilege of deferring the commencement of a well for one (1) year from said date. Payments under this paragraph shall be in the following amounts:

To the owner of the soil: One Hundred Sixty and no/100's
Dollars (\$ 160.00)

To the State of Texas: One Hundred Sixty and no/100's
Dollars (\$ 160.00)

Total Rental: Three Hundred Twenty and no/100's
Dollars (\$ 320.00)

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

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

(A) **OIL.** Royalty payable on oil, which is defined as including all hydrocarbons produced in a liquid form at the mouth of the well and also as all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas run through a separator or other equipment, as hereinafter provided, shall be 5/32 part of the gross production or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such value to be determined by 1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity in the general area where produced and when run, or 2) the highest market price thereof offered or paid in the general area where produced and when run, or 3) the gross proceeds of the sale thereof, whichever is the greater. Lessee agrees that before any gas produced from the leased premises is sold, used or processed in a plant, it will be run free of cost to the royalty owners through an adequate oil and gas separator of conventional type, or other equipment at least as efficient, so that all liquid hydrocarbons recoverable from the gas by such means will be recovered. The requirement that such gas be run through a separator or other equipment may be waived in writing by the royalty owners upon such terms and conditions as they prescribe.

(B) **NON PROCESSED GAS.** Royalty on any gas (including flared gas), which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (A) above, produced from any well on said land (except as provided herein with respect to gas processed in a plant for the extraction of gasoline, liquid hydrocarbons or other products) shall be 5/32 part of the gross production or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such value to be based on the highest market price paid or offered for gas of comparable quality in the general area where produced and when run, or the gross price paid or offered to the producer, whichever is the greater; provided that the maximum pressure base in measuring the gas under this lease shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to tests made by the Balance Method or by the most approved method of testing being used by the industry at the time of testing.

(C) **PROCESSED GAS.** Royalty on any gas processed in a gasoline plant or other plant for the recovery of gasoline or other liquid hydrocarbons shall be 5/32 part of the residue gas and the liquid hydrocarbons extracted or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office. All royalties due herein shall be based on one hundred percent (100%) of the total plant production of residue gas attributable to gas produced from this lease, and on fifty percent (50%), or that percent accruing to Lessee, whichever is the greater, of the total plant production of liquid hydrocarbons attributable to the gas produced from this lease; provided that if liquid hydrocarbons are recovered from gas processed in a plant in which Lessee (or its parent, subsidiary or affiliate) owns an interest, then the percentage applicable to liquid hydrocarbons shall be fifty percent (50%) or the highest percent accruing to a third party processing gas through such plant under a processing agreement negotiated at arm's length (or if there is no such third party, the highest percent then being specified in processing agreements or contracts in the industry), whichever is the greater. The respective royalties on residue gas and on liquid hydrocarbons shall be determined by 1) the highest market price paid or offered for any gas (or liquid hydrocarbons) of comparable quality in the general area, or 2) the gross price paid or offered for such residue gas (or the weighted average gross selling price for the respective grades of liquid hydrocarbons), whichever is the greater. In no event, however, shall the royalties payable under this paragraph be less than the royalties which would have been due had the gas not been processed.

•••••(D) **OTHER PRODUCTS.** Royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead," "dry," or any other gas, by fractionating, burning or any other processing shall be 5/32 part of the gross production of such products, or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such market value to be determined as follows: 1) on the basis of the highest market price of each product for the same month in which such product is produced, or 2) on the basis of the average gross sale price of each product for the same month in which such products are produced; whichever is the greater.

•••••5. **MINIMUM ROYALTY.** During any year after the expiration of the primary term of this lease, if this lease is maintained by production, the royalties paid under this lease in no event shall be less than an amount equal to the total annual delay rental herein provided; otherwise, there shall be due and payable on or before the last day of the month succeeding the anniversary date of this lease a sum equal to the total annual rental less the amount of royalties paid during the preceding year. If Paragraph 3 of this lease does not specify a delay rental amount, then for the purposes of this paragraph, the delay rental amount shall be one dollar (\$1.00) per acre.

6. **ROYALTY IN KIND.** Notwithstanding any other provision in this lease, at any time or from time to time, the owner of the soil or the Commissioner of the General Land Office may, at the option of either, upon not less than sixty (60) days notice to the holder of the lease, require that the payment of any royalties accruing to such royalty owner under this lease be made in kind. The owner of the soil's or the Commissioner of the General Land Office's right to take its royalty in kind shall not diminish or negate the owner of the soil's or the Commissioner of the General Land Office's rights or Lessee's obligations, whether express or implied, under this lease.

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

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

9. **ROYALTY PAYMENTS AND REPORTS.** All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

Payment of royalty on production of oil and gas shall be as provided in the rules set forth in the Texas Register. Rules currently provide that royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition

and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, then Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00 whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value.

10. (A) RESERVES, CONTRACTS AND OTHER RECORDS. Lessee shall annually furnish the Commissioner of the General Land Office with its best possible estimate of oil and gas reserves underlying this lease or allocable to this lease and shall furnish said Commissioner with copies of all contracts under which gas is sold or processed and all subsequent agreements and amendments to such contracts within thirty (30) days after entering into or making such contracts, agreements or amendments. Such contracts and agreements when received by the General Land Office shall be held in confidence by the General Land Office unless otherwise authorized by Lessee. All other contracts and records pertaining to the production, transportation, sale and marketing of the oil and gas produced on said premises, including the books and accounts, receipts and discharges of all wells, tanks, pools, meters, and pipelines shall at all times be subject to inspection and examination by the Commissioner of the General Land Office, the Attorney General, the Governor, or the representative of any of them.

(B) PERMITS, DRILLING RECORDS. Written notice of all operations on this lease shall be submitted to the Commissioner of the General Land Office by Lessee or operator five (5) days before spud date, workover, re-entry, temporary abandonment or plug and abandonment of any well or wells. Such written notice to the General Land Office shall include copies of Railroad Commission forms for application to drill. Copies of well tests, completion reports and plugging reports shall be supplied to the General Land Office at the time they are filed with the Texas Railroad Commission. All applications, permits, reports or other filings that reference this lease or any specific well on the leased premises and that are submitted to the Texas Railroad Commission or any other governmental agency shall include the word "State" in the title. Additionally, in accordance with Railroad Commission rules, any signage on the leased premises for the purpose of identifying wells, tank batteries or other associated improvements to the land must also include the word "State." Lessee shall supply the General Land Office with any records, memoranda, accounts, reports, cuttings and cores, or other information relative to the operation of the above-described premises, which may be requested by the General Land Office, in addition to those herein expressly provided for. Lessee shall have an electrical and/or radioactivity survey made on the bore-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after the making of said survey.

(C) PENALTIES. Lessee shall incur a penalty whenever reports, documents or other materials are not filed in the General Land Office when due. The penalty for late filing shall be set by the General Land Office administrative rule which is effective on the date when the materials were due in the General Land Office.

11. DRY HOLE/CESSATION OF PRODUCTION DURING PRIMARY TERM. If, during the primary term hereof and prior to discovery and production of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if during the primary term hereof and after the discovery and actual production of oil or gas from the leased premises such production thereof should cease from any cause, this lease shall not terminate if on or before the expiration of sixty (60) days from date of completion of said dry hole or cessation of production Lessee commences additional drilling or reworking operations thereon, or pays or tenders the next annual delay rental in the same manner as provided in this lease. If, during the last year of the primary term or within sixty (60) days prior thereto, a dry hole be completed and abandoned, or the production of oil or gas should cease for any cause, Lessee's rights shall remain in full force and effect without further operations until the expiration of the primary term; and if Lessee has not resumed production in paying quantities at the expiration of the primary term, Lessee may maintain this lease by conducting additional drilling or reworking operations pursuant to Paragraph 13, using the expiration of the primary term as the date of cessation of production under Paragraph 13. Should the first well or any subsequent well drilled on the above described land be completed as a shut-in oil or gas well within the primary term hereof, Lessee may resume payment of the annual rental in the same manner as provided herein on or before the rental paying date following the expiration of sixty (60) days from the date of completion of such shut-in oil or gas well and upon the failure to make such payment, this lease shall ipso facto terminate. If at the expiration of the primary term or any time thereafter a shut-in oil or gas well is located on the leased premises, payments may be made in accordance with the shut-in provisions hereof.

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

13. CESSATION, DRILLING, AND REWORKING. If, after the expiration of the primary term, production of oil or gas from the leased premises, after once obtained, should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days after such cessation, and this lease shall remain in full force and effect for so long as such operations continue in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days. If such drilling or reworking operations result in the production of oil or gas, the lease shall remain in full force and effect for so long as oil or gas is produced from the leased premises in paying quantities or payment of shut-in oil or gas well royalties or payment of compensatory royalties is made as provided herein or as provided by law. If the drilling or reworking operations result in the completion of a well as a dry hole, the lease will not terminate if the Lessee commences additional drilling or reworking operations within sixty (60) days after the completion of the well as a dry hole, and this lease shall remain in effect so long as Lessee continues drilling or reworking operations in good faith and in a workmanlike manner without interruptions totaling more than sixty (60) days. Lessee shall give written notice to the General Land Office within thirty (30) days of any cessation of production.

14. SHUT-IN ROYALTIES. For purposes of this paragraph, "well" means any well that has been assigned a well number by the state agency having jurisdiction over the production of oil and gas. If, at any time after the expiration of the primary term of a lease that, until being shut in, was being maintained in force and effect, a well capable of producing oil or gas in paying quantities is located on the leased premises, but oil or gas is not being produced for lack of suitable production facilities or lack of a suitable market, then Lessee may pay as a shut-in oil or gas royalty an amount equal to double the annual rental provided in the lease, but not less than \$1,200 a year for each well capable of producing oil or gas in paying quantities. If Paragraph 3 of this lease does not specify a delay rental amount, then for the purposes of this paragraph, the delay rental amount shall be one dollar (\$1.00) per acre. To be effective, each initial shut-in oil or gas royalty

must be paid on or before: (1) the expiration of the primary term, (2) 60 days after the Lessee ceases to produce oil or gas from the leased premises, or (3) 60 days after Lessee completes a drilling or reworking operation in accordance with the lease provisions; whichever date is latest. Such payment shall be made one-half (1/2) to the Commissioner of the General Land Office and one-half (1/2) to the owner of the soil. If the shut-in oil or gas royalty is paid, the lease shall be considered to be a producing lease and the payment shall extend the term of the lease for a period of one year from the end of the primary term, or from the first day of the month following the month in which production ceased, and, after that, if no suitable production facilities or suitable market for the oil or gas exists, Lessee may extend the lease for four more successive periods of one (1) year by paying the same amount each year on or before the expiration of each shut-in year.

15. COMPENSATORY ROYALTIES. If, during the period the lease is kept in effect by payment of the shut-in oil or gas royalty, oil or gas is sold and delivered in paying quantities from a well located within one thousand (1,000) feet of the leased premises and completed in the same producing reservoir, or in any case in which drainage is occurring, the right to continue to maintain the lease by paying the shut-in oil or gas royalty shall cease, but the lease shall remain effective for the remainder of the year for which the royalty has been paid. The Lessee may maintain the lease for four more successive years by Lessee paying compensatory royalty at the royalty rate provided in the lease of the market value of production from the well causing the drainage or which is completed in the same producing reservoir and within one thousand (1,000) feet of the leased premises. The compensatory royalty is to be paid monthly, one-half (1/2) to the Commissioner of the General Land Office and one-half (1/2) to the owner of the soil, beginning on or before the last day of the month following the month in which the oil or gas is produced from the well causing the drainage or that is completed in the same producing reservoir and located within one thousand (1,000) feet of the leased premises. If the compensatory royalty paid in any 12-month period is in an amount less than the annual shut-in oil or gas royalty, Lessee shall pay an amount equal to the difference within thirty (30) days from the end of the 12-month period. Compensatory royalty payments which are not timely paid will accrue penalty and interest in accordance with Paragraph 9 of this lease. None of these provisions will relieve Lessee of the obligation of reasonable development nor the obligation to drill offset wells as provided in Texas Natural Resources Code 52.173; however, at the determination of the Commissioner, and with the Commissioner's written approval, the payment of compensatory royalties can satisfy the obligation to drill offset wells.

16. RETAINED ACREAGE. Notwithstanding any provision of this lease to the contrary, after a well producing or capable of producing oil or gas has been completed on the leased premises, Lessee shall exercise the diligence of a reasonably prudent operator in drilling such additional well or wells as may be reasonably necessary for the proper development of the leased premises and in marketing the production thereon.

(A) VERTICAL. In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall then terminate as to all of the leased premises, EXCEPT (1) 40 acres surrounding each oil well capable of producing in paying quantities and 320 acres surrounding each gas well capable of producing in paying quantities (including a shut-in oil or gas well as provided in Paragraph 14 hereof), or a well upon which Lessee is then engaged in continuous drilling or reworking operations, or (2) the number of acres included in a producing pooled unit pursuant to Texas Natural Resources Code 52.151-52.153, or (3) such greater or lesser number of acres as may then be allocated for production purposes to a proration unit for each such producing well under the rules and regulations of the Railroad Commission of Texas, or any successor agency, or other governmental authority having jurisdiction. If at any time after the effective date of the partial termination provisions hereof, the applicable field rules are changed or the well or wells located thereon are reclassified so that less acreage is thereafter allocated to said well or wells for production purposes, this lease shall thereupon terminate as to all acreage not thereafter allocated to said well or wells for production purposes. Notwithstanding the termination of this lease as to a portion of the lands covered hereby, Lessee shall nevertheless continue to have the right of ingress to and egress from the lands still subject to this lease for all purposes described in Paragraph 1 hereof, together with easements and rights-of-way for existing roads, existing pipelines and other existing facilities on, over and across all the lands described in Paragraph 1 hereof ("the retained lands"), for access to and from the retained lands and for the gathering or transportation of oil, gas and other minerals produced from the retained lands.

~~(B) HORIZONTAL. In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall further terminate as to all depths below 100 feet below the total depth drilled (hereinafter "deeper depths") in each well located on acreage retained in Paragraph 16 (A) above, unless on or before two (2) years after the primary or extended term Lessee pays an amount equal to one-half (1/2) of the bonus originally paid as consideration for this lease (as specified on page 1 hereof). If such amount is paid, this lease shall be in force and effect as to such deeper depths, and said termination shall be delayed for an additional period of two (2) years and so long thereafter as oil or gas is produced in paying quantities from such deeper depths covered by this lease.~~

(C) IDENTIFICATION AND FILING. The surface acreage retained hereunder as to each well shall, as nearly as practical, be in the form of a square with the well located in the center thereof, or such other shape as may be approved by the Commissioner of the General Land Office. Within thirty (30) days after partial termination of this lease as provided herein, Lessee shall execute and record a release or releases containing a satisfactory legal description of the acreage and/or depths not retained hereunder. The recorded release, or a certified copy of same, shall be filed in the General Land Office, accompanied by the filing fee prescribed by the General Land Office rules in effect on the date the release is filed. If Lessee fails or refuses to execute and record such release or releases within ninety (90) days after being requested to do so by the General Land Office, then the Commissioner at his sole discretion may designate by written instrument the acreage ~~and/or depths~~ to be released hereunder and record such instrument at Lessee's expense in the county or counties where the lease is located and in the official records of the General Land Office and such designation shall be binding upon Lessee for all purposes.

17. OFFSET WELLS. Neither the bonus, delay rentals, nor royalties paid, or to be paid, under this lease shall relieve Lessee of his obligation to protect the oil and gas under the above-described land from being drained. Lessee, sublessee, receiver or other agent in control of the leased premises shall drill as many wells as the facts may justify and shall use appropriate means and drill to a depth necessary to prevent undue drainage of oil and gas from the leased premises. In addition, if oil and/or gas should be produced in commercial quantities within 1,000 feet of the leased premises, or in any case where the leased premises is being drained by production of oil or gas, the Lessee, sublessee, receiver or other agent in control of the leased premises shall in good faith begin the drilling of a well or wells upon the leased premises within 100 days after the draining well or wells or the well or wells completed within 1,000 feet of the leased premises start producing in commercial quantities and shall prosecute such drilling with diligence. Failure to satisfy the statutory offset obligation may subject this lease and the owner of the soil's agency rights to forfeiture. Only upon the determination of the Commissioner of the General Land Office and with his written approval may the payment of compensatory royalty under applicable statutory parameters satisfy the obligation to drill an offset well or wells required under this paragraph.

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

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

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

(B) **REDUCTION OF PAYMENTS.** If, during the primary term, a portion of the land covered by this lease is included within the boundaries of a pooled unit that has been approved by the School Land Board and the owner of the soil in accordance with Natural Resources Code Sections 52.151-52.154, or if, at any time after the expiration of the primary term or the extended term, this lease covers a lesser number of acres than the total amount described herein, payments that are made on a per acre basis hereunder shall be reduced according to the number of acres pooled, released, surrendered, or otherwise severed, so that payments determined on a per acre basis under the terms of this lease during the primary term shall be calculated based upon the number of acres outside the boundaries of a pooled unit, or, if after the expiration of the primary term, the number of acres actually retained and covered by this lease.

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

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

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

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

25. **POLLUTION.** In developing this area, Lessee shall use the highest degree of care and all proper safeguards to prevent pollution. Without limiting the foregoing, pollution of coastal wetlands, natural waterways, rivers and impounded water shall be prevented by the use of containment facilities sufficient to prevent spillage, seepage or ground water contamination. In the event of pollution, Lessee shall use all means at its disposal to recapture all escaped hydrocarbons or other pollutants and shall be responsible for all damage to public and private properties. Lessee shall build and maintain fences around its slush, sump, and drainage pits and tank batteries so as to protect livestock against loss, damage or injury; and upon completion or abandonment of any well or wells, Lessee shall fill and level all slush pits and cellars and completely clean up the drilling site of all rubbish thereon. Lessee shall, while conducting operations on the leased premises, keep said premises free of all rubbish, cans, bottles, paper cups or garbage, and upon completion of operations shall restore the surface of the land to as near its original condition and contours as is practicable. Tanks and equipment will be kept painted and presentable.

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

27. (A) **ASSIGNMENTS.** Under the conditions contained in this paragraph and Paragraph 29 of this lease, the rights and estates of either party to this lease may be assigned, in whole or in part, and the provisions of this lease shall extend to and be binding upon their heirs, devisees, legal representatives, successors and assigns. However, a change or division in ownership of the land, rentals, or royalties will not enlarge the obligations of Lessee, diminish the rights, privileges and estates of Lessee, impair the effectiveness of any payment made by Lessee or impair the effectiveness of any act performed by Lessee. And no change or division in ownership of the land, rentals, or royalties shall bind Lessee for any purpose until thirty (30) days after the owner of the soil (or his heirs, devisees, legal representatives or assigns) furnishes the Lessee with satisfactory written evidence of the change in ownership, including the original recorded muniments of title (or a certified copy of such original) when the ownership changed because of a conveyance. A total or partial assignment of this lease shall, to the extent of the interest assigned, relieve and discharge Lessee of all subsequent obligations under this lease. If this lease is assigned in its entirety as to only part of the acreage, the right and option to pay rentals shall be apportioned as between the several owners ratably, according to the area of each, and failure by one or more of them to pay his share of the rental shall not affect this lease on the part of the land upon which pro rata rentals are timely paid or tendered; however, if the assignor or assignee does not file a certified copy of such assignment in the General Land Office before the next rental paying date, the entire lease shall terminate for failure to pay the entire rental due under Paragraph 3. Every assignee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original lessee or any prior assignee of the lease, including any liabilities to the State for unpaid royalties.

(B) **ASSIGNMENT LIMITATION.** Notwithstanding any provision in Paragraph 27(a), if the owner of the soil acquires this lease in whole or in part by assignment without the prior written approval of the Commissioner of the General Land Office, this lease is void as of the time of assignment and the agency power of the owner may be forfeited by the Commissioner. An assignment will be treated as if it were made to the owner of the soil if the assignee is:

- (1) a nominee of the owner of the soil;
- (2) a corporation or subsidiary in which the owner of the soil is a principal stockholder or is an employee of such a corporation or subsidiary;
- (3) a partnership in which the owner of the soil is a partner or is an employee of such a partnership;
- (4) a principal stockholder or employee of the corporation which is the owner of the soil;
- (5) a partner or employee in a partnership which is the owner of the soil;

(6) a fiduciary for the owner of the soil; including but not limited to a guardian, trustee, executor, administrator, receiver, or conservator for the owner of the soil; or

(7) a family member of the owner of the soil or related to the owner of the soil by marriage, blood, or adoption.

28. **RELEASES.** Under the conditions contained in this paragraph and Paragraph 29, Lessee may at any time execute and deliver to the owner of the soil and place of record a release or releases covering any portion or portions of the leased premises, and thereby surrender this lease as to such portion or portions, and be relieved of all subsequent obligations as to acreage surrendered. If any part of this lease is properly surrendered, the delay rental due under this lease shall be reduced by the proportion that the surrendered acreage bears to the acreage which was covered by this lease immediately prior to such surrender; however, such release will not relieve Lessee of any liabilities which may have accrued under this lease prior to the surrender of such acreage.

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

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

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

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

33. **LIEN.** In accordance with Texas Natural Resources Code 52.136, the State shall have a first lien upon all oil and gas produced from the area covered by this lease to secure payment of all unpaid royalty and other sums of money that may become due under this lease. By acceptance of this lease, Lessee grants the State, in addition to the lien provided by Texas Natural Resources Code 52.136 and any other applicable statutory lien, an express contractual lien on and security interest in all leased minerals in and extracted from the leased premises, all proceeds which may accrue to Lessee from the sale of such leased minerals, whether such proceeds are held by Lessee or by a third party, and all fixtures on and improvements to the leased premises used in connection with the production or processing of such leased minerals in order to secure the payment of all royalties or other amounts due or to become due under this lease and to secure payment of any damages or loss that Lessor may suffer by reason of Lessee's breach of any covenant or condition of this lease, whether express or implied. This lien and security interest may be foreclosed with or without court proceedings in the manner provided in the Title 1, Chapter 9 of the Texas Business and Commerce Code. Lessee agrees that the Commissioner may require Lessee to execute and record such instruments as may be reasonably necessary to acknowledge, attach or perfect this lien. Lessee hereby represents that there are no prior or superior liens arising from and relating to Lessee's activities upon the above-described property or from Lessee's acquisition of this lease. Should the Commissioner at any time determine that this representation is not true, then the Commissioner may declare this lease forfeited as provided herein.

34. **POOLING.** 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 or 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 Texas Natural Resources Code 52.151-52.153. The owner of the soil agrees that the inclusion of this provision in this lease satisfies the execution requirements stated in Texas Natural Resources Code 52.152.

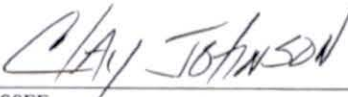
35. **INDEMNITY.** Lessee hereby releases and discharges the State of Texas and the owner of the soil, their officers, employees, partners, agents, contractors, subcontractors, guests, invitees, and their respective successors and assigns, of and from all and any actions and causes of action of every nature, or other harm, including environmental harm, for which recovery of damages is sought, including, but not limited to, all losses and expenses which are caused by the activities of Lessee, its officers, employees, and agents arising out of, incidental to, or resulting from, the operations of or for Lessee on the leased premises hereunder, or that may arise out of or be occasioned by Lessee's breach of any of the terms or provisions of this Agreement, or by any other negligent or strictly liable act or omission of Lessee. Further, Lessee hereby agrees to be liable for, exonerate, indemnify, defend and hold harmless the State of Texas and the owner of the soil, their officers, employees and agents, their successors or assigns, against any and all claims, liabilities, losses, damages, actions, personal injury (including death), costs and expenses, or other harm for which recovery of damages is sought, under any theory including tort, contract, or strict liability, including attorneys' fees and other legal expenses, including those related to environmental hazards, on the leased premises or in any way related to Lessee's failure to comply with any and all environmental laws; those arising from or in any way related to Lessee's operations or any other of Lessee's activities on the leased premises; those arising from Lessee's use of the surface of the leased premises; and those that may arise out of or be occasioned by Lessee's breach of any of the terms or provisions of this Agreement or any other act or omission of Lessee, its directors, officers, employees, partners, agents, contractors, subcontractors, guests, invitees, and their respective successors and assigns. Each assignee of this Agreement, or an interest therein, agrees to be liable for, exonerate, indemnify, defend and hold harmless the State of Texas and the owner of the soil, their officers, employees, and agents in the same manner provided above in connection with the activities of Lessee, its officers, employees, and agents as described above. EXCEPT AS OTHERWISE EXPRESSLY LIMITED HEREIN, ALL OF THE INDEMNITY OBLIGATIONS AND/OR LIABILITIES ASSUMED UNDER THE TERMS OF THIS AGREEMENT SHALL BE WITHOUT LIMITS AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (EXCLUDING PRE-EXISTING CONDITIONS), STRICT LIABILITY, OR THE NEGLIGENCE OF ANY PARTY OR PARTIES (INCLUDING THE NEGLIGENCE OF THE INDEMNIFIED PARTY), WHETHER SUCH NEGLIGENCE BE SOLE, JOINT, CONCURRENT, ACTIVE, OR PASSIVE.

36. ENVIRONMENTAL HAZARDS. Lessee shall use the highest degree of care and all reasonable safeguards to prevent contamination or pollution of any environmental medium, including soil, surface waters, groundwater, sediments, and surface or subsurface strata, ambient air or any other environmental medium in, on, or under, the leased premises, by any waste, pollutant, or contaminant. Lessee shall not bring or permit to remain on the leased premises any asbestos containing materials, explosives, toxic materials, or substances regulated as hazardous wastes, hazardous materials, hazardous substances (as the term "Hazardous Substance" is defined in the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Sections 9601, et seq.), or toxic substances under any federal, state, or local law or regulation ("Hazardous Materials"), except ordinary products commonly used in connection with oil and gas exploration and development operations and stored in the usual manner and quantities. LESSEE'S VIOLATION OF THE FOREGOING PROHIBITION SHALL CONSTITUTE A MATERIAL BREACH AND DEFAULT HEREUNDER AND LESSEE SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND THE STATE OF TEXAS AND THE OWNER OF THE SOIL FROM AND AGAINST ANY CLAIMS, DAMAGES, JUDGMENTS, PENALTIES, LIABILITIES, AND COSTS (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) CAUSED BY OR ARISING OUT OF (I) A VIOLATION OF THE FOREGOING PROHIBITION OR (II) THE PRESENCE, RELEASE, OR DISPOSAL OF ANY HAZARDOUS MATERIALS ON, UNDER, OR ABOUT THE LEASED PREMISES DURING LESSEE'S OCCUPANCY OR CONTROL OF THE LEASED PREMISES. LESSEE SHALL CLEAN UP, REMOVE, REMEDY AND REPAIR ANY SOIL OR GROUND WATER CONTAMINATION AND DAMAGE CAUSED BY THE PRESENCE OR RELEASE OF ANY HAZARDOUS MATERIALS IN, ON, UNDER, OR ABOUT THE LEASED PREMISES DURING LESSEE'S OCCUPANCY OF THE LEASED PREMISES IN CONFORMANCE WITH THE REQUIREMENTS OF APPLICABLE LAW. THIS INDEMNIFICATION AND ASSUMPTION SHALL APPLY, BUT IS NOT LIMITED TO, LIABILITY FOR RESPONSE ACTIONS UNDERTAKEN PURSUANT TO CERCLA OR ANY OTHER ENVIRONMENTAL LAW OR REGULATION. LESSEE SHALL IMMEDIATELY GIVE THE STATE OF TEXAS AND THE OWNER OF THE SOIL WRITTEN NOTICE OF ANY BREACH OR SUSPECTED BREACH OF THIS PARAGRAPH, UPON LEARNING OF THE PRESENCE OF ANY HAZARDOUS MATERIALS, OR UPON RECEIVING A NOTICE FROM ANY GOVERNMENTAL AGENCY PERTAINING TO HAZARDOUS MATERIALS WHICH MAY AFFECT THE LEASED PREMISES. THE OBLIGATIONS OF LESSEE HEREUNDER SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION, FOR ANY REASON, OF THIS AGREEMENT.

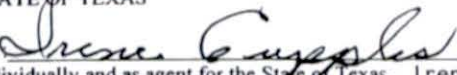
37. APPLICABLE LAW. This lease is issued under the provisions of Texas Natural Resources Code 52.171 through 52.190, commonly known as the Relinquishment Act, and other applicable statutes and amendments thereto, and if any provision in this lease does not conform to these statutes, the statutes will prevail over any nonconforming lease provisions.

38. EXECUTION. This oil and gas lease must be signed and acknowledged by the Lessee before it is filed of record in the county records and in the General Land Office of the State of Texas. Once the filing requirements found in Paragraph 39 of this lease have been satisfied, the effective date of this lease shall be the date found on Page 1.

39. LEASE FILING. Pursuant to Chapter 9 of the Texas Business and Commerce Code, this lease must be filed of record in the office of the County Clerk in any county in which all or any part of the leased premises is located, and certified copies thereof must be filed in the General Land Office. This lease is not effective until a certified copy of this lease (which is made and certified by the County Clerk from his records) is filed in the General Land Office in accordance with Texas Natural Resources Code 52.183. Additionally, this lease shall not be binding upon the State unless it recites the actual and true consideration paid or promised for execution of this lease. The bonus due the State and the prescribed filing fee shall accompany such certified copy to the General Land Office.


LESSEE
BY: Clay Johnson
TITLE: _____
DATE: 1-14-98

STATE OF TEXAS

BY: 
Individually and as agent for the State of Texas, Irene Cupples,
a married woman dealing in her sole and separate property
Date: _____

STATE OF TEXAS

BY: _____
Individually and as agent for the State of Texas
Date: _____

STATE OF TEXAS

BY: 
Individually and as agent for the State of Texas, Irene Cupples, Independent
Executrix of the Estate of Joe T. Rounsaville, deceased
Date: _____

STATE OF TEXAS

BY: _____
Individually and as agent for the State of Texas
Date: _____

STATE OF _____

(INDIVIDUAL ACKNOWLEDGMENT)

COUNTY OF _____

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

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.

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

Notary Public in and for _____

STATE OF TEXAS

(INDIVIDUAL ACKNOWLEDGMENT)

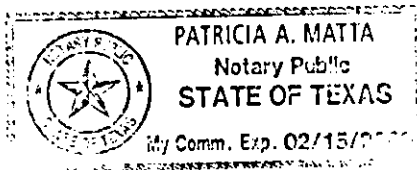
COUNTY OF Reeves

Before me, the undersigned authority, on this day personally appeared Clay Johnson

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.

Given under my hand and seal of office this the 14th day of January, 1998.

Patricia A. Matta
Notary Public in and for the State of Texas



STATE OF TEXAS

(INDIVIDUAL ACKNOWLEDGMENT)

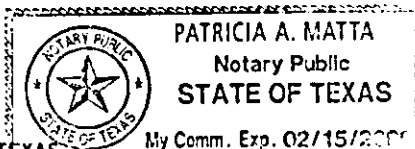
COUNTY OF Reeves

Before me, the undersigned authority, on this day personally appeared Irene Cupples, a married woman dealing in her sole and separate property

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.

Given under my hand and seal of office this the 14th day of January, 1998.

Patricia A. Matta
Notary Public in and for the State of Texas



STATE OF TEXAS

(INDIVIDUAL ACKNOWLEDGMENT)

COUNTY OF Reeves

Before me, the undersigned authority, on this day personally appeared Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, deceased

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.

Given under my hand and seal of office this the 14th day of January, 1998.

Patricia A. Matta
Notary Public in and for the State of Texas

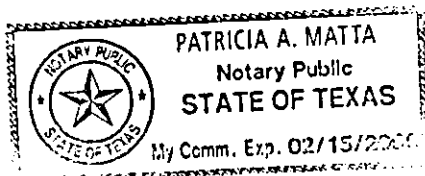


EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE
DATED JANUARY 1, 1998, BY AND BETWEEN THE STATE OF TEXAS, ACTING BY AND THROUGH
ITS AGENT, IRENE CUPPLES, AS LESSOR, AND CLAY JOHNSON, AS LESSEE

1. If, at the expiration of the primary term hereof, this lease is being held by production or a shut-in well pursuant to the terms hereof, or Lessee is then engaged in operations on said land or on lands pooled therewith, or Lessee has completed a well as a dry hole or shall have commenced a well within 180 days prior to the expiration of the primary term hereof, Lessee agrees to commence a continuous drilling program on said lands, or on lands pooled therewith, within 180 days after the end of the primary term hereof or within 180 days after the completion of drilling operations being conducted on said land, or lands pooled therewith, at the end of the primary term hereof, whichever is the later date; and thereafter carry on the continuous drilling program until all proration units have been drilled, allowing not more than 180 days to elapse between the completion of one well and the commencement of the next succeeding well. Should Lessee fail to commence the continuous drilling program or subsequently default in the performance thereof, then in either event, this lease shall terminate as to all lands covered hereby, save and except for the proration units surrounding each well then producing, capable of producing or upon which operations are being conducted. The term "proration unit" as used in this paragraph means any acreage designated as a drilling unit or production unit in accordance with the rules of the Railroad Commission of the State of Texas. Further, the term "commencement" shall mean that point in time when the pertinent well is spudded and the term "completion" shall mean the date upon which the initial potential test report is filed with the Railroad Commission of the State of Texas, if a productive well, or the date of filing the plugging report with the commission, if a dry hole. Notwithstanding the termination of this lease as to a portion of the lands covered hereby, Lessee shall nevertheless continue to have the right of ingress to and egress from said land still subject to this lease for purposes described in paragraph 1 hereof, together with easements and rights of way for roads, pipelines and other facilities on, over and across all of the lands still subject to this lease and for the gathering or transportation of oil and gas produced from the retained lands. The sole liability or penalty for the failure of Lessee to drill any well or wells required or permitted in this lease shall be the termination or partial termination of Lessee's rights under the lease as provided above.

In conducting such continuous drilling program, Lessee shall be entitled to accumulate and later use time, if any, saved between wells, beginning with the second well under this continuous drilling program. If one well is commenced sooner than 180 days after the completion of the last preceding well, the portion of the prescribed 180 day period not used may be carried forward and added to the period between subsequent wells.

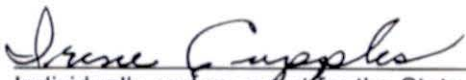
2. Lessee shall pay to the owners of the surface estate, and such owner's successors and assigns, a reasonable amount for all damages of every kind caused by operations conducted under or by authority of this lease.
3. Lessee further agrees for himself, his successors and assigns, that it will maintain all drill sites and other portions of the surface of the above property used or occupied by Lessee, its successors and assigns, free and clear of weeds and noxious vegetation and trash, and will maintain the same in a reasonable manner so as to prevent additional damage to surface owner's lands. Lessee agrees that it will keep location sites free and clear of all trash.
4. It is further understood and agreed that any and all roads established by the Lessee hereunder shall be located as near as practical as agreed upon by and between Lessee and the surface owner.

EXHIBIT "A" continued

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE
DATED JANUARY 1, 1998, BY AND BETWEEN THE STATE OF TEXAS, ACTING BY AND THROUGH
ITS AGENT, IRENE CUPPLES, AS LESSOR, AND CLAY JOHNSON, AS LESSEE

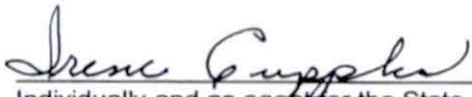
5. It is further agreed that Lessee, its successors and assigns, shall not erect any permanent buildings or houses on the premises in question, and that only those structures which are reasonably necessary by way of production facilities or tank batteries shall be erected on the surface of the premises in question.
6. Notwithstanding any of the other provisions hereof, this lease covers only oil, gas and associated hydrocarbons produced with oil and gas in liquid or gaseous form, as well as carbon dioxide, and all references to other minerals contained in this lease shall be deemed to refer only to such hydrocarbons and carbon dioxide, and not to any other minerals.
7. In the event Lessee shall obtain full approval to plug and abandon any well drilled pursuant to the terms of this lease, in accordance with the terms of any operating agreement or other agreement pertaining to Lessee's operations on the leased premises, Lessor shall have the right and the option to take over such well for the sole purpose of recompleting such well as a water supply well. Should Lessor elect to take over any well pursuant to the terms of this paragraph, Lessor agrees to indemnify, defend and hold harmless Lessee from any and all liability, claims or causes of action, including attorney's fees, arising therefrom, and Lessor further agrees to execute a written agreement evidencing same upon request by Lessee.

SIGNED FOR IDENTIFICATION:



Irene Cupples

Individually and as agent for the State of Texas,
Irene Cupples, a married woman dealing in her
sole and separate property,



Irene Cupples

Individually and as agent for the State of Texas,
Irene Cupples, Independent Executrix of the
Estate of Joe T. Rounsaville, deceased

3477

THE STATE OF TEXAS I

COUNTY OF CULBERSON I, Linda Urias, 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 Oil & Gas Lease dated 1-14 1998

filed for record in my office this 14th day of Jan, 1998 at 1:20 P.M., under Clerk's File No. 50370, to be recorded in the Oil & Gas Records of Culberson County, Texas.

TO CERTIFY WHICH, Witness my hand and official seal at Van Horn, this 14th day of Jan, 1998

By Linda Urias, Deputy. LINDA URIAS, COUNTY CLERK
CULBERSON COUNTY, TEXAS.

FILED FOR RECORD

AT 1:20 O'CLOCK P M
ON THE 14th DAY OF Jan
A.D., 19 98

STATE OF TEXAS

COUNTY OF CULBERSON

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the _____ Records of Culberson County, Texas.

Linda McDonald
COUNTY CLERK, CULBERSON COUNTY, TEXAS



Linda McDonald
COUNTY CLERK,
CULBERSON COUNTY, TEXAS

BY Rosario Carrasco
DEPUTY

VOL _____ PAGE _____
RECORDED _____

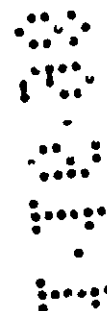
50370

②

84215088
84215088

MF 99026
ITEM Lease
TO _____
FROM _____
DATE 1798

84215088
84215088





TITAN RESOURCES, L.P.

RECEIVED
OCT 24 PM 1:12
TITAN RESOURCES

November 21, 1997

Texas General Land Office
Stephen F. Austin Building
1700 North Congress Ave.
Austin, Texas 78701-1495

Drew
in GSA file

Attn: Mr. Drew Reid

Re: Approval of Oil and Gas Lease - Relinquishment Act Lands
10, 320 acres, more or less, Culberson County, Texas

Gentlemen:

Clay Johnson, a lease broker performing work for Titan Resources, L.P., has entered into agreement with Gene Cupples, owner of the soil of certain Relinquishment Act lands in Culberson County, Texas. By this letter we describe the lease terms which have been negotiated and agreed to by the subject parties, and we submit these terms for your approval.

The parties have agreed to pay and/or accept bonus consideration in the amount of \$10.00 per acre and delay rentals in the amount of \$1.00 per acre per year, the total of such sums to be paid 1/2 to the State of Texas and 1/2 to the owner of the soil. The primary term of the lease shall be 5 years. The royalty to be paid shall be a 1/8 part of the substances subject to the lease. The form of the lease is the September 1997 Relinquishment Act Lease Form, as amended by certain changes to the form including a rider containing additional lease provisions.

This transaction encompasses a total of 10,320 acres, more or less, which lands shall be divided into 5 separate leases, each covering the following described lands:

LEASE 1

Block 107, Public School Land Survey

Section 14: N/2 320 acres

(bonus = 320 ac x \$10/ac = \$3,200 total; \$1,600 owner of soil, \$1,600 State of Texas)

LEASE 2

Block 104, Public School Land Survey

Section 3: E/2 E/2 160 acres

Section 10: E/2 E/2 160 acres

Section 14: All 640 acres

Section 15: E/2 E/2 E/2 80 acres

(bonus = 1,400 ac x \$10/ac = \$10,400 total; \$5,200 owner of soil, \$5,200 State of Texas)

LEASE 3

Block 108, Public School Land Survey

Section 22: All 640 acres

Section 23: All 640 acres

Section 24: All 640 acres

(bonus = 1,920 ac x \$10/ac = \$19,200 total; \$9,600 owner of soil, \$9,600 State of Texas)

LEASE 4

Block 106, Public School Land Survey

Section 10: All 640 acres

Section 15: All 640 acres

Section 22: All 640 acres

Block 105, Public School Land Survey

Section 3: All 640 acres

Section 10: All 640 acres

(bonus = 3,200 ac x \$10/ac = \$32,000 total; \$16,000 owner of soil, \$16,000 State of Texas)

LEASE 5

Block 105, Public School Land Survey

Section 5: All 640 acres

Section 8: All 640 acres

Section 17: All 640 acres

Section 18: All 640 acres

Section 19: All 640 acres

Section 20: All 640 acres

(bonus = 3,840 ac x \$10/ac = \$38,400 total; \$19,200 owner of soil, \$19,200 State of Texas)

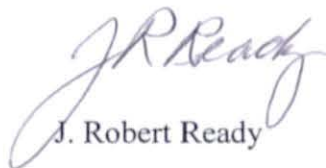
TOTAL BONUS PAID FOR LEASES 1 THROUGH 5

10,320 ac x \$10/ac = \$103,200 total; \$51,600 payable to owner of soil, \$51,600 payable to State of Texas

Please review this agreement to lease at your earliest opportunity and advise of your acceptance. We appreciate your cooperation and prompt attention to this matter. Should you have any questions or comments, do not hesitate to contact me at (915) 682 6612; I will be happy to discuss them with you.

Very truly yours,

TITAN RESOURCES, L. P.


J. Robert Ready

Enclosures

JRR:jb

(13)

MF 99036
ITEM Letter
TO _____
FROM _____
DATE 11-21-97

4
2
2
2
2
2

TITAN RESOURCES, L.P. ✓
ACQUISITION CHECKING

COMMISSIONER OF THE GENERAL LAND OFFICE

PARAGON #299:Lease Bonus



Lease Bonus due the State
of Texas for Oil and Gas
Lease dated 01/01/98
between the State of Texas,
by Irene Cupples, a married
woman, dealing in her sole
and separate property and
as Independent Executrix
of the Estate of Joe T.
Rounsaville, decd., Agent,
referred to as owner of the
soil, as Lessor, and Clay
Johnson, Lessee, covering
320 acres in N/2 of
Section 14, Block 107,
PSL Survey,
Culberson County, Texas.

Checking

Lease Bonus

1/14/98

001321

1,600.00

98024549

170

1,600.00

TITAN RESOURCES, L.P. ✓
ACQUISITION CHECKING

COMMISSIONER OF THE GENERAL LAND OFFICE

1/14/98

001322

125.00

PARAGON #299:GLO Filing & Processing Fees

Filing and Processing Fee
due the State of Texas for
Oil and Gas Lease dated
01/01/98 between the State
of Texas, by Irene Cupples,
a married woman, dealing in
her sole and separate
property and as Independent
Executrix of the Estate of
Joe T. Rounsaville, decd.,
Agent, referred to as owner
of the soil, as Lessor, and
Clay Johnson, Lessee,
covering 320 acres in N/2
of Section 14, Block 107,
PSL Survey,
Culberson County, Texas.

170
98024550

Checking

Filing and Processing Fee

125.00



January 15, 1998

Commissioner of the
General Land Office
Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701

Attn: Mr. Robert Hatter, Room 600

Re: Relinquishment Act Oil and Gas Lease dated January 1, 1998
Irene Cupples, a married woman dealing in her sole and separate
property, and Irene Cupples, Independent Executrix of the Estate of Joe
T. Rounsaville, deceased, Agent for the State of Texas, Lessor
Titan Resources, L.P., Lessee covering lands in Culberson County, Texas
Paragon Prospect

Gentlemen:

With reference to our previous correspondence and conversations pertaining to the captioned Oil and Gas Lease, enclosed please find the following for your files and further handling:

1. Certified copy of Oil and Gas Lease dated January 1, 1998, between the State of Texas, acting by and through its Agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, deceased, said Agent referred to as the owner of the soil, and Titan Resources, L.P., Lessee, covering 320 acres in N/2 of Section 14, Block 107, PSL Survey, in Culberson County, Texas, which has been duly filed under Clerk's File Number 50369 to be recorded in the Oil and Gas Records of Culberson County, Texas.
2. Titan Resources, L.P. Check No. 1321 made payable to the order of Commissioner of the General Land Office of the State of Texas in the amount of \$1,600.00, representing payment in full of lease bonus consideration (1/2 due the State of Texas) for the above mentioned Oil and Gas Lease.

Commissioner of the
General Land Office

page -2-

January 15, 1998

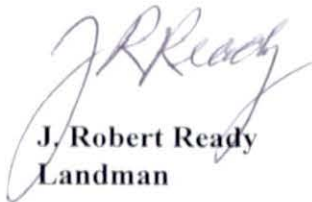
3. Titan Resources, L.P. Check No. 1322 made payable to the order of Commissioner of the General Land Office of the State of Texas in the amount of \$125.00, representing the required processing fee and filing fee for handling this matter.

Verbal approval to the terms covered under the captioned lease was given on January 8, 1998, pursuant to our meeting with representatives of the General Land Office on January 6, 1998.

Please advise this office of the assigned Mineral Number for the enclosed lease when it has been processed and duly filed in your records. If additional information is required, please do not hesitate to contact the undersigned.

Thank you for your continued cooperation and courtesy in this matter.

Very truly yours,



J. Robert Ready
Landman

/pb

Enclosures

④

MF 99026
ITEM Letter
TO _____
FROM _____
DATE 115-98

2274



Texas General Land Office

Garry Mauro, Commissioner

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

June 24, 1998

Attn: J. Robert Ready
TITAN Resources, L.P.
500 W. Texas, Suite 500
Midland, Texas 79701

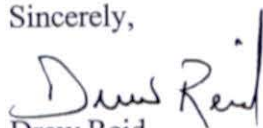
Re: RELINQUISHMENT ACT LEASE No. M-099026
N/2 of Sec, 14, Blk. 107, PSL Survey.
320 Acres, Culberson County

Dear Mr. Ready:

The certified copy of the Relinquishment Act lease covering the above referenced tract has been approved and filed in our records under mineral file number M-099026. Please refer to this number in all future correspondence concerning the lease.

Your remittance of \$1,725.00, has been applied as the state's portion of the bonus, the processing fee and the filing fee. Please let me know if you should have any questions.

Sincerely,



Drew Reid
Minerals Leasing
Energy Resources
(512) 475-1534

MT/DR

⑤

MF 99026
ITEM Letter
TO _____
FROM _____
DATE 6-24-98

AMENDMENT TO OIL AND GAS LEASES

50473

STATE OF TEXAS

COUNTY OF CULBERSON

Owner Of The Soil: The State of Texas, acting by and through its agent,
Irene Cupples, a married woman dealing in her sole and separate property, and
Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, deceased
P. O. Box 1861, Pecos, Texas 79772-1861

Lessee: Clay Johnson, 310 West Texas, Suite 808, Midland, Texas 79701

WHEREAS, Owner Of The Soil and Lessee, each defined above, have entered into certain Oil and Gas Leases more particularly described below; and

NOW, Owner Of The Soil and Lessee desire to amend the terms of each of the subject Oil and Gas Leases by deleting in its entirety the paragraph numbered 2 in Exhibit "A" attached to and made a part of each of the leases. For reference purposes, paragraph 2 in Exhibit "A" of the subject leases reads as follows:

2. Lessee shall pay to the owners of the surface estate, and such owner's successors and assigns, a reasonable amount for all damages of every kind caused by operations conducted under or by authority of this lease.

THEREFOR, in consideration of the mutual benefits realized by the parties hereto, the receipt and sufficiency of which is hereby acknowledged, Owner Of The Soil and Lessee do hereby amend each of the following described Oil and Gas Leases such that the paragraph numbered 2 in Exhibit "A" attached to and made a part of each of the leases is deleted in its entirety.

OIL AND GAS LEASES:

Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 106, Public School Land Survey
Section 3: N/2, Section 4: S/2, Section 10: All, Section 15: All, Section 22: All
Block 105, Public School Land Survey
Section 3: All, Section 10: All
Culberson County, Texas

Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 105, Public School Land Survey
Section 5: All, Section 8: All, Section 17: All, Section 18: All, Section 19: All
Culberson County, Texas

Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 105, Public School Land Survey
Section 20: All
Block 66, Public School Land Survey
Section 1: All
Block 99, Public School Land Survey
Section 4: All, Section 5: All, Section 6: All
Culberson County, Texas

OIL AND GAS LEASES: continued

Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 107, Public School Land Survey
Section 14: N/2
Culberson County, Texas

Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 104, Public School Land Survey
Section 3: E/2 E/2, Section 10: All, Section 14: All, Section 15: E/2 E/2 E/2
Culberson County, Texas

Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 108, Public School Land Survey
Section 8: All, Section 9: All, Section 10: All, Section 20: All
Culberson County, Texas

Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 108, Public School Land Survey
Section 16: All, Section 17: E/2 and NW/4, Section 18: N/2, Section 19: N/2,
Section 26: E/2, Section 27: All
Culberson County, Texas

Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 108, Public School Land Survey
Section 21: All, Section 22: All, Section 23: All, Section 24: All
Culberson County, Texas

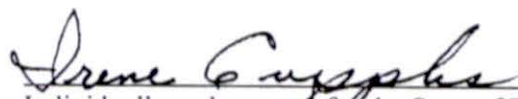
Lessor: Owner Of The Soil
Lessee: Clay Johnson
Lease Date: January 1, 1998
Lands: Block 42, Public School Land Survey
Section 7: All, Section 8: All
Block 108, Public School Land Survey
Section 15: All, Section 28: All
Culberson County, Texas

FURTHER, Owner Of The Soil and Lessee do hereby ratify and confirm each of the above Oil and Gas Leases, and all of the terms and provisions contained therein, except as said leases are amended by this instrument.

IN WITNESS WHEREOF, this instrument has been executed on the dates reflected in the acknowledgments hereto, to be effective for all purposes as of January 1, 1998.

OWNER OF THE SOIL


Individually and as agent for the State of Texas,
Irene Cupples, a married woman dealing in her
sole and separate property


Individually and as agent for the State of Texas,
Irene Cupples, Independent Executrix of the
Estate of Joe T. Rounsaville, deceased

LESSEE

Clay Johnson

Clay Johnson

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF REEVES ~~MIDLAND~~

This instrument was acknowledged before me on this 4th day of February, 1998, by Clay Johnson.



ALVESIA TARIN
Notary Public, State of Texas
My Commission Expires Dec 15, 1998

Alvesia Tarin

Notary Public

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF REEVES

Before me, the undersigned authority, on this day personally appeared Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, deceased, 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.

Given under my hand and seal of office this the 4th day of February, 1998.



ALVESIA TARIN
Notary Public, State of Texas
My Commission Expires Dec 15, 1998

Alvesia Tarin

Notary Public in and for the State of Texas

6

MF 9926
ITEM lease
TO _____
FROM 2498
DATE _____

2
2
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2

THE STATE OF TEXAS I
COUNTY OF CULBERSON I I, Linda Urias, Clerk of the County Court is and
for said County and State, do hereby certify that the foregoing is a true and
correct copy of Amendment to Oil dated Feb 4
19 98 Oil & Gas Lease
filed for record in my office this 4th day of Feb
19 98 at 11:15 A.M. under Clerk's File No. 50473 to be
recorded in the Oil & Gas Records of Culberson County
Texas.
TO CERTIFY WHICH, Witness my hand and official seal at Van Horn, this
4th day of Feb 19 98
By Linda Urias Deputy, LINDA URIAS, COUNTY CLERK
CULBERSON COUNTY, TEXAS.

FILED FOR RECORD
AT 11:15 O'CLOCK A M
ON THE 4 DAY OF Feb
A.D., 19 98
STATE OF TEXAS
COUNTY OF CULBERSON
I hereby certify that this instrument was FILED on
the date and at the time stamped hereon by me
and was duly RECORDED in the Volume and
Page of the _____ Records
of Culberson County, Texas.
Linda McDonald
COUNTY CLERK, CULBERSON COUNTY, TEXAS
BY Linda McDonald
DEPUTY
VOL. _____ PAGE _____
RECORDED _____

50473

Lease Number	Book/Vol	Page	Entry	County / Parish	State			
TX299-109-014-000-00	76	613	50408	CULBERSON	TEXAS			
Lease Name:	Cupples, I.: State of Texas, et al, Irene Cupples,			Lease Date	01/01/98			
Legal Description								
BLOCK 107, PUBLIC SCHOOL LAND SURVEY SECTION 14: N/2								
PROSPECT TX299 - PARAGON INDIAN/ST/FED LSE# M99026								
Payee(s)			Account Number	Amount				
State of Texas General Land Office 1700 N. Congress Avenue Austin, TX 78701				160.00				
RN - Period Beg. 01/01/1999 DELAY RENTAL				CHECK # 100126				

INSTRUCTIONS TO DEPOSITORY: You have been designated as depository for the above described payment. Please credit the proceeds thereof to the parties named and in the amounts indicated. Should any difficulty of any nature arise, DO NOT RETURN our check, but make the deposit to the credit of the party named in a special account, and advise us as soon as possible for further instructions.

99020665

100126

⑦

M-99026

Rental Payment 12-28-98

2000

Lease Number	Book/Vol	Page	Entry	County / Parish	State			
TX299-109-014-000-00	76	613	50408	CULBERSON	TX			
Lease Name:	Cupples, I.: State of Texas, et al, Irene Cupples,			Lease Date	01/01/98			
Legal Description								
BLOCK 107, PUBLIC SCHOOL LAND SURVEY SECTION 14: N/2 Culberson: Amendment Recordation: 02-18-1998/76/772/50473  PROSPECT TX299 - PARAGON INDIAN/ST/FED LSE# M-99026								
Payee(s)			Account Number	Amount				
State of Texas General Land Office 1700 N. Congress Avenue Austin, TX 78701				00120475 Titan Resources LP 121 SH CoX 160.00				
RN - Period Beg. 01/01/2000 DELAY RENTAL				CHECK # 100796				

INSTRUCTIONS TO DEPOSITORY: You have been designated as depository for the above described payment. Please credit the proceeds thereof to the parties named and in the amounts indicated. Should any difficulty of any nature arise, DO NOT RETURN our check, but make the deposit to the credit of the party named in a special account, and advise us as soon as possible for further instructions.

100796

8

Auto Reg. MF-099026

Rental Payment

Date Filed: 12/27/99

[Signature]
By [Signature] Commissioner

4
2
3
2
3

Texas General
Land Office



David Dewhurst
Commissioner

COPY

February 16, 2000

Mr. J. Robert Ready
Landman
Titan Resources, L.P.
500 W. Texas Suite 200
Midland, Texas 79701

RE: Mineral Lease Assignment

Dear Mr. Ready:

The General Land Office received the following instrument on February 15, 2000, and has filed it in MF099037, MF099038, MF099040, MF099039, MF099041, MF099036, MF099028, MF099029, MF099031, MF099030, MF099027, MF099026, MF099032, MF099034, MF099060, MF099033, MF099061, MF099063, MF099062, MF099067, MF099066, MF099065, MF099064, MF099068, MF099069, MF099080, MF099079, MF099078, MF099077, MF099076, MF099075, MF099074, MF099073, MF099072, MF099071, MF099070, MF100071, MF100077, MF100078, MF100080, MF100168, MF100167, MF100127, MF100073, MF100070, MF100076, MF100074, MF100129, MF100128, MF100086, MF100075, MF100072, MF099597, MF099598, MF099599, MF099600, MF099601, MF099602, MF099603, MF099604, MF099605, MF099607, MF099610, MF099611, MF099612, MF099613, MF099614, MF099615, MF099616, MF100166, MF100165, MF100148, MF100147, MF100141, MF100140, MF100170, MF100187, MF100186, MF100185 and MF100184.

Stephen F. Austin Building

1700 North
Congress Avenue

Austin, Texas
78701-1495

512-463-5001

Partial Assignment of Oil and Gas Leases (State) With Reservation of Overriding Royalty (50%) with an execution date of January 17, 2000, from Titan Resources, L.P., as Assignor, to Mobil Producing Texas & New Mexico Inc., as Assignee, recorded in Culberson County, Texas.

Letter to Titan Resources, L.P.
February 16, 2000
Page 2

If you have any questions, please feel free to call me at (512) 475-2230.

Sincerely,


Jim Baumgardner
Landman
Energy Resources

Titan Resources, L.P.; Culberson Co.

• Checked for MF #'s	☒
• Entered in database:	2920
• Problem file? Y ☐ N ☒	
• Acknowledgement letter sent	2.16.00

52326

**PARTIAL ASSIGNMENT OF OIL AND GAS LEASES (STATE)
WITH RESERVATION OF OVERRIDING ROYALTY**

STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF CULBERSON

THAT, **TITAN RESOURCES, L.P.**, by and through its general partner **TITAN RESOURCES I, INC.**, whose address is 500 West Texas, Suite 200, Midland, Texas 79701, hereinafter referred to as "Assignor", 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, does hereby bargain, sell, transfer, assign and convey to **MOBIL PRODUCING TEXAS & NEW MEXICO INC.**, whose address is 500 West Illinois, Midland, Texas 79701, hereinafter referred to as "Assignee", an undivided Fifty Percent (50%) of Assignor's right, title and interest in and to those certain Oil, Gas and Mineral Leases, and Oil and Gas Leases, described on Exhibit "A" to this Assignment, hereinafter referred to in the singular as a "Lease" and hereinafter collectively referred to as the "Leases", which cover certain lands located in Culberson County, Texas, more particularly described on said Exhibit "A", hereinafter referred to as the "Lands".

Assignor excepts from this Assignment and reserves to itself an overriding royalty interest in all of the oil, gas and other minerals produced, saved and sold from or attributable to the Lands under the Leases equal to the difference, if any, between existing leasehold burdens and 18.75% of 100%, not to exceed 3.125% of 100%.

The overriding royalty interest herein reserved shall be delivered to Assignor and to its successors and assigns, free and clear of any and all costs of drilling, operating, development and production expenses and shall only bear its proportionate part of any gross production and/or pipeline and/or severance taxes, ad valorem taxes, Federal or State and other similar taxes.

The overriding royalty interest herein reserved to Assignor may be pooled, without the necessity of Assignor's joinder, to the same extent as the landowners' royalty may be pooled in accordance with the provisions of the Leases.

In the event that the Leases cover less than the full oil, gas and mineral interest in the lands purported to be covered thereby, or if Assignor's interest in the Leases is less than the full leasehold interest, then the overriding royalty interest herein reserved shall be reduced in proportion to the oil, gas and mineral interest covered by the Leases and actually owned by Assignor.

Assignor shall warrant title to and forever defend title to the Leases against every person claiming the Leases by, through or under Assignor, but not otherwise. Except as otherwise stated in this Assignment or Exhibit "A" hereto, Assignor covenants that the Leases herein conveyed are free of any liens or encumbrances created by, through or under Assignor.

This Assignment shall be binding upon and will inure to the benefit of Assignor and Assignee and their respective successors and/or assigns.

This instrument is executed on the date of the acknowledgments below, to be effective for all purposes as to each Lease, respectively, on the effective date of such Lease.

ASSIGNOR:
**TITAN RESOURCES, L.P., by and through its
general partner, TITAN RESOURCES I, INC.**

By: *Dan P. Colwell*
Dan P. Colwell, Vice President-Land

JEL

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK
ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY *[Signature]* DEPUTY

ASSIGNEE:

MOBIL PRODUCING TEXAS & NEW MEXICO INC.

By: Reginald L. Beasley
Name: Reginald L. Beasley
Title: Attorney-In-Fact

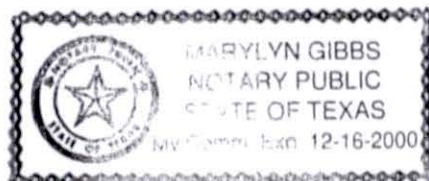
pgk.
GD

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on this 7th day of December, 1999, by Dan P. Colwell, Vice President-Land, of Titan Resources I, Inc., a Delaware corporation, on behalf of said corporation as General Partner for Titan Resources, L.P.



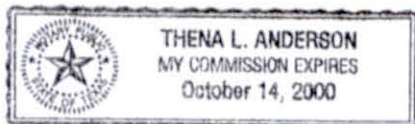
Marilyn Gibbs
Notary Public in and for the State of Texas

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF Midland

This instrument was acknowledged before me on this 17th day of January, 2000, by Reginald L. Beasley, as Attorney-In-Fact of Mobil Producing Texas & New Mexico Inc., a Delaware corporation, on behalf of said corporation



Thera L. Anderson
Notary Public in and for the State of Texas

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK
ATTEST: 1-28-2000
LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY [Signature] DEPUTY

EXHIBIT "A"

Attached to and made a part of that certain Assignment
of Oil and Gas Leases, by and between Titan Resources,
L.P., Assignor, and Mobil Producing Texas &
New Mexico, Inc., Assignee

Lease Number: TX299-109-003-000-00

State Number: M-099037 ✓

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/714/50449

Gross Acres : 2880.0000

Description : BLOCK 42, Public School Land Survey
Section 25: All
Section 35: All
Section 36: All
BLOCK 52, Public School Land Survey
Section 29: S/2
Section 31: All

County : CULBERSON

Lease Number: TX299-109-004-000-00

State Number: M-099038 ✓

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/725/50450

Gross Acres : 2720.0000

Description : BLOCK 42, Public School Land Survey
Section 37: All
Section 38: All
Section 47: N/2 N/2
Section 48: ALL
BLOCK 52, Public School Land Survey
Section 42: S/2
Section 43: N/2

County : CULBERSON

Lease Number: TX299-109-005-000-00

State Number: M-099040 ✓

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/758/50453

Gross Acres : 1520.0000

Description : BLOCK 42, Public School Land Survey
Section 40: All
Section 45: All
Section 46: SW/4 and S/2 SE/4

County : CULBERSON

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK
ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY *[Signature]* DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-006-000-00

State Number: M-099039 ✓

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/736/50451

Gross Acres : 2560.0000

Description : BLOCK 52, Public School Land Survey

Section 40: All

Section 41: All

Section 44: All

Section 45: All

County : CULBERSON

Lease Number: TX299-109-007-000-00

State Number: M-099041 ✓

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/703/50448

Gross Acres : 400.0000

Description : BLOCK 52, Public School Land Survey

Section 35: NW/4, SE/4 and E/2 SW/4

County : CULBERSON

Lease Number: TX299-109-008-000-00

State Number: M-099036 ✓

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/747/50452

Gross Acres : 3303.0000

Description : BLOCK 54, Public School Land Survey

Section 2: N/2

Section 3: N/2, SW/4 and W/2 SE/4

Section 4: N/2

Section 5: E/2, Less 56 acres in SE Corner

Section 6: All

Section 7: All

Section 8: W/2 W/2, NE/4 NW/4 and NW/4 NE/4

Section 18: N/2

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY

DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-009-000-00

State Number: M-99028 ✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/653/50412

Gross Acres : 2560.0000

Description : BLOCK 108, Public School Land Survey

Section 21: All

Section 22: All

Section 23: All

Section 24: All

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

Lease Number: TX299-109-010-000-00

State Number: M-99029 ✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/633/50410

Gross Acres : 2626.0000

Description : BLOCK 42, Public School Land Survey

Section 7: All

Section 8: All

BLOCK 108, Public School Land Survey

Section 15: All

Section 28: All

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

Lease Number: TX299-109-011-000-00

State Number: M-99031 ✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/643/50411

Gross Acres : 2720.0000

Description : BLOCK 108, PUBLIC SCHOOL LAND SURVEY

SECTION 16: ALL

SECTION 17: E/2 AND NW/4

SECTION 18: N/2

SECTION 19: N/2

SECTION 26: E/2

SECTION 27: ALL

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-012-000-00

State Number: M-99030✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a Married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/663/50413

Gross Acres : 2560.0000

Description : BLOCK 108, PUBLIC SCHOOL LAND SURVEY
SECTION 8: ALL
SECTION 9: ALL
SECTION 10: ALL
SECTION 20: ALL

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

Lease Number: TX299-109-013-000-00

State Number: M-99027✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/623/50409

Gross Acres : 1520.0000

Description : BLOCK 104, PUBLIC SCHOOL LAND SURVEY
SECTION 3: E/2 E/2
SECTION 10: ALL
SECTION 14: ALL
SECTION 15: E/2 E/2 E/2

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

Lease Number: TX299-109-014-000-00

State Number: M-99026✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/613/50408

Gross Acres : 320.0000

Description : BLOCK 107, PUBLIC SCHOOL LAND SURVEY
SECTION 14: N/2

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

Lease Number: TX299-109-015-000-00

State Number: M-99032✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/603/50407

Gross Acres : 3200.0000

Description : BLOCK 105, PUBLIC SCHOOL LAND SURVEY
SECTION 20: ALL
BLOCK 66, PUBLIC SCHOOL LAND SURVEY
SECTION 1: ALL
BLOCK 99, PUBLIC SCHOOL LAND SURVEY
SECTION 4: ALL
SECTION 5: ALL
SECTION 6: ALL

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-016-000-00

State Number: M-99034 ✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/583/50405

Gross Acres : 3200.0000

Description : BLOCK 105, PUBLIC SCHOOL LAND SURVEY

SECTION 5: ALL

SECTION 8: ALL

SECTION 17: ALL

SECTION 18: ALL

SECTION 19: ALL

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

Lease Number: TX299-109-017-000-00

State Number: M-99033 ✓

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/593/50406

Gross Acres : 3840.0000

Description : BLOCK 106, PUBLIC SCHOOL LAND SURVEY

SECTION 3: N/2

SECTION 4: S/2

SECTION 10: ALL

SECTION 15: ALL

SECTION 22: ALL

BLOCK 105, PUBLIC SCHOOL LAND SURVEY

SECTION 3: ALL

SECTION 10: ALL

Culberson: Amendment Recordation: 76/772/50473

County : CULBERSON

Lease Number: TX299-109-028-000-00

State Number: M-099060 ✓

Lessor Name : State of Texas, acting by and through its agent, John D. Byram, Trustee and Morin M. Scott, Trustee

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/195/50630

Gross Acres : 2720.0000

Description : BLOCK 103, PUBLIC SCHOOL LAND SURVEY

Section 9: South 3/4

Section 11: All

Section 12: South 3/4

Section 19: NE/4, N/2 SE/4 and W/2 NW/4

Section 20: N/2, S/2 SW/4 and N/2 SE/4

Section 22: SW/4, W/2 NE/4 and E/2 SE/4

County : CULBERSON

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ATTEST: 2-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-029-000-00
 State Number: M-099061 ✓
 Lessor Name : State of Texas, acting by and through its agent, John D. Byram, Trustee and Morin M. Scott, Trustee
 Lessee Name : Clay Johnson
 Lease Date : 03/01/1998
 Recording : CULBERSON: 77/186/50629
 Gross Acres : 1760.0000
 Description : BLOCK 108, PUBLIC SCHOOL LAND SURVEY:
 Section 17: SW/4
 Section 18: S/2
 Section 19: S/2
 Section 25: All
 Section 26: W/2
 County : CULBERSON

Lease Number: TX299-109-030-001-00
 State Number: M-099063 ✓
 Lessor Name : State of Texas, acting by and through its agent, Ethene Plummer, a widow
 Lessee Name : Clay Johnson
 Lease Date : 03/24/1998
 Recording : CULBERSON: 77/133/50621
 Gross Acres : 3272.5000
 Description : Sections 18, 20, 31, 32 and 44, Block 42, PSL Survey
 County : CULBERSON

Lease Number: TX299-109-031-000-00
 State Number: M-099062 ✓
 Lessor Name : State of Texas, acting by and through its agent, Ethene Plummer, a widow
 Lessee Name : Clay Johnson
 Lease Date : 03/24/1998
 Recording : CULBERSON: 77/142/50622
 Gross Acres : 3200.0000
 Description : SECTIONS 9, 14, 22, 24 and 28, Block 42, PSL Survey
 County : CULBERSON

Lease Number: TX299-109-032-001-00
 State Number: M-099067 ✓
 Lessor Name : State of Texas, acting by and through its agent LADONNA N. WALTERS, a married woman dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 02/20/1998
 Recording : CULBERSON: 77/168/51797
 Gross Acres : 3267.0000
 Description : Sections 19, 29, 32, 33 and 42, Block 42, PSL Survey
 Original Recordation: Recorded 05/07/1998, Volume 77, page 168, Index No 50625.
 County : CULBERSON

Lease Number: TX299-109-033-000-00
 State Number: M-099066 ✓
 Lessor Name : State of Texas, acting by and through its agent, LADONNA N. WALTERS, a married woman dealing in her sole & separate property
 Lessee Name : Clay Johnson
 Lease Date : 02/20/1998
 Recording : CULBERSON: 77/177/50626
 Gross Acres : 3200.0000
 Description : Sections 10, 12, 16, 23 and 27, Block 42, PSL Survey
 County : CULBERSON

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 ATTEST: 1-28-2000
 LINDA McDONALD, COUNTY CLERK
 CULBERSON COUNTY, TEXAS
 BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-034-001-00

State Number: M-099065 ✓

Lessor Name : State of Texas, acting by and through its agent, MARSHA L. WOLFE,
a married woman dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 02/20/1998

Recording : CULBERSON: 77/150/50623

Gross Acres : 3262.5000

Description : Sections 30, 32, 34, 41 and 43, Block 42, PSL Survey

County : CULBERSON

Lease Number: TX299-109-035-000-00

State Number: M-99064 ✓

Lessor Name : State of Texas, acting by and through its agent, Marsha L. Wolfe,
a married woman dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 02/20/1998

Recording : CULBERSON: 77/159/50624

Gross Acres : 3200.0000

Description : Sections 11, 13, 15, 17 and 21, Block 42, PSL Survey

County : CULBERSON

Lease Number: TX299-109-038-000-00

State Number: M-99068 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas
Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as
Successor Trustee under the Wills of M. A. Grisham and Josephine
Robertson Grisham, as Agent for Daniel Blinkoff under Management
Agency Agreement dated October 3, 1996, and as Agent for Susannah
Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 76/963/50605

Gross Acres : 1097.2800

Description : Block 54, Public School Land

Section 4: S/2

Section 5: A 56 acre tract of land out of SE part of E/2

Section 8: SE/4, E/2 SW/4, SE/4 NW/4, S/2 NE/4, NE/4 NE/4

Section 10: S/2

County : CULBERSON

Lease Number: TX299-109-039-000-00

State Number: M-99069 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas
Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as
Successor Trustee under the Wills of M. A. Grisham and Josephine
Robertson Grisham, as Agent for Daniel Blinkoff under Management
Agency Agreement dated October 3, 1996, and as Agent for Susannah
Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 76/975/50606

Gross Acres : 1961.8000

Description : Block 54, Public School Land Survey

Section 15: S/2, SE/4 NE/4

Section 16: All

Section 17: All

Section 18: S/2

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-040-000-00

State Number: M-99080 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 76/985/50607

Gross Acres : 3200.0000

Description : Block 98, Public School Land Survey

Section 1: All

Section 2: All

Section 3: All

Section 11: All

Section 12: All

County : CULBERSON

Lease Number: TX299-109-041-000-00

State Number: M-99079 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/1/50608

Gross Acres : 3120.0000

Description : Block 98, Public School Land Survey

Section 7: NE/4, S/2, S/2 NW/4

Section 8: All

Section 9: All

Section 10: All

Block 66, Public School Land Survey

Section 36: All

County : CULBERSON

Lease Number: TX299-109-042-000-00

State Number: M-99078 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/13/50609

Gross Acres : 2560.0000

Description : Block 98, Public School Land Survey

Section 4: All

Section 5: All

Block 99, Public School Land Survey

Section 20: All

Section 21: All

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-043-000-00

State Number: M-99077 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/25/50610

Gross Acres : 2560.0000

Description : Block 99, Public School Land Survey
Section 8: All
Section 9: All
Section 16: All
Section 17: All

County : CULBERSON

Lease Number: TX299-109-044-000-00

State Number: M-99076 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/257/AMEND 50754

Gross Acres : 2560.0000

Description : Block 66, Public School Land Survey
Section 24: All
Section 25: All
Block 98, Public School Land Survey
Section 6: All
Block 99, Public School Land Survey
Section 19: All
Oil & Gas Lease originally recorded March 27, 1998, Entry #50611, Volume 77, Page 37, Oil & Gas Records, Culberson Co., TX

County : CULBERSON

Lease Number: TX299-109-045-000-00

State Number: M-99075 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/49/50612

Gross Acres : 2560.0000

Description : Block 66, Public School Land Survey
Section 12: All
Section 13: All
Block 99, Public School Land Survey
Section 7: All
Section 18: All

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY *[Signature]* DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-046-000-00

State Number: M-99074 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/61/50613

Gross Acres : 1920.9000

Description : Block 54, Public School Land Survey

Section 43: All

Section 44: All

Section 45: All

County : CULBERSON

Lease Number: TX299-109-047-000-00

State Number: M-99073 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/73/50614

Gross Acres : 2559.1000

Description : Block 54, Public School Land Survey

Section 39: All

Section 40: All

Section 41: All

Section 42: All

County : CULBERSON

Lease Number: TX299-109-048-000-00

State Number: M-99072 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/85/50615

Gross Acres : 2557.2000

Description : Block 54, Public School Land Survey

Section 31: All

Section 32: All

Section 33: All

Section 34: All

County : CULBERSON

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ATTEST: 1-28-2000

LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS



BY [Signature] DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-049-000-00

State Number: M-99071 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/97/50616

Gross Acres : 2516.4000

Description : Block 54, Public School Land Survey

Section 27: All

Section 28: All

Section 29: all

Section 30: All, less and except a 40 acre tract out of the NW/4 described in Volume 86, Page 421, Deed Records, Culberson County, Texas

County : CULBERSON

Lease Number: TX299-109-050-000-00

State Number: M-99070 ✓

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/109/50617

Gross Acres : 2536.2000

Description : Block 54, Public School Land Survey

Section 19: All, less and except a 20 acre tract out of the SW/4 described in Volume 86, Page 421, Deed Records, Culberson County, Texas

Section 20: All

Section 21: All

Section 22: All

County : CULBERSON

Lease Number: TX299-109-055-000-00

State Number: M-100071 ✓

Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas

Lessee Name : Clay Johnson

Lease Date : 04/07/1998

Recording : CULBERSON: 77/380/50802

Gross Acres : 2563.7000

Description : All Section 44, Block 53, PSL, containing 641.0 acres;

All Section 5, Block 55, PSL, containing 641.0 acres;

All Section 6, Block 55, PSL, containing 641.0 acres; and

All Section 1, Block 54, PSL, containing 640.7 acres.

Amendment Recordation:

Culberson: Recorded 01/27/1999, Volume 78, Page 380, Amendment #51493

Reeves : Recorded 01/14/1999, Volume 600, Page 404, Amendment #000106

County : CULBERSON

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LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY: [Signature] DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-056-000-00
 State Number: M-100077 ✓
 Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas
 Lessee Name : Clay Johnson
 Lease Date : 04/07/1998
 Recording : CULBERSON: 77/307/50801
 Gross Acres : 2563.1000
 Description : All Section 24, BLock 54, PSL, containing 640.7 acres;
 All Section 25, Block 54, PSL, containing 640.7 acres;
 All Section 26, Block 54, PSL, containing 640.7 acres; and
 All Section 30, Block 55, PSL, containing 641.0 acres
 Amendment Recordation:
 Culberson: Recorded 01/27/1999, Volume 78, Page 380, Amendment #51493
 Reeves : Recorded 01/14/1999, Volume 600, Page 404, Amendment #000106
 County : CULBERSON

Lease Number: TX299-109-057-000-00
 State Number: M-100078 ✓
 Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas
 Lessee Name : Clay Johnson
 Lease Date : 04/07/1998
 Recording : CULBERSON: 77/360/50800
 Gross Acres : 1922.2000
 Description : All Section 35, BLock 54, PSL, containing 640.7 acres;
 All Section 36, Block 54, PSL, containing 640.7 acres; and
 All Section 47, Block 54, PSL, containing 640.8 acres
 Amendment Recordation:
 Culberson: Recorded 01/27/1999, Volume 78, Page 380, Amendment #51493
 Reeves : Recorded 01/14/1999, Volume 600, Page 404, Amendment #000106
 County : CULBERSON

Lease Number: TX299-109-058-000-00
 State Number: M-100080 ✓
 Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas
 Lessee Name : Clay Johnson
 Lease Date : 04/07/1998
 Recording : CULBERSON: 77/350/50799
 Gross Acres : 2563.1000
 Description : All Section 7, Block 55, PSL, containing 641.0 acres;
 All Section 12, Block 54, PSL, containing 640.7 acres
 All Section 13, Block 54, PSL, containing 640.7 acres; and
 All Section 14, Block 54, PSL, containing 640.7 acres
 Amendment Recordation:
 Culberson: Recorded 01/27/1999, Volume 78, Page 380, Amendment #51493
 Reeves : Recorded 01/14/1999, Volume 600, Page 404, Amendment #000106
 County : CULBERSON

Lease Number: TX299-109-073-000-00
 State Number: M-100168 ✓
 Lessor Name : State of Texas, acting by and through its agent, Weatherby Investments I, Ltd.
 Lessee Name : Titan Resources, L.P.
 Lease Date : 09/10/1999
 Recording : CULBERSON: 79/679/52109
 Gross Acres : 2400.0000
 Description : BLOCK 96, PUBLIC SCHOOL LAND SURVEY
 Section 2: W/2 (320 acres more or less)
 Section 13: West 3/8 (240 acres)
 Section 16: W/2 (320 acres)
 Section 23: E/2, SW/4, N/2 NW/4 (560 acres more or less)
 Section 26: All (640 acres more or less)
 Section 27: W/2 (320 acres more or less)
 County : CULBERSON

I HEREBY CERTIFY
 THIS IS THE SEAL OF THE COUNTY CLERK
 ATTEST: 1-28-2000
 LINDA McDONALD, COUNTY CLERK
 CULBERSON COUNTY, TEXAS
 BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-074-000-00
State Number: M-100167 ✓
Lessor Name : State of Texas, acting by and through its agent L. Charles Weatherby, Jr., a single man
Lessee Name : Clay Johnson
Lease Date : 04/01/1998
Recording : CULBERSON: 77/236/50701
Gross Acres : 1920.0000
Description : BLOCK 96, PUBLIC SCHOOL LAND SURVEY
All of Section 20
All of Section 21
All of Section 22
County : CULBERSON

Lease Number: TX299-109-077-000-00
State Number: M-100127 ✓
Lessor Name : State of Texas, acting by and through its agent, Dillyhunt, Ltd.,
by and through Pevehouse Resources Corporation, its General Partner
Lessee Name : Clay Johnson
Lease Date : 05/07/1998
Recording : CULBERSON: 77/273/50773
Gross Acres : 3969.5000
Description : Block 60, Township 5, Texas & Pacific Railway Company Survey
Section 8: S/2 Section 28: All
Section 24: All Section 36: All
Section 26: All Section 48: All
County : CULBERSON

Lease Number: TX299-109-080-001-00
State Number: M-100073
Lessor Name : State of Texas, acting by and through its agent, William Wise
Vinson, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 05/08/1998
Recording : CULBERSON: 77/292/50789
Gross Acres : 160.0000
Description : SE/4 of Section 11, Block 54, Public School Land Survey
County : CULBERSON

Lease Number: TX299-109-080-002-00
State Number: M-100073 ✓
Lessor Name : State of Texas, acting by and through its agent, Lucille Agnes
 Vinson Martin, dealing in her sole and separate property
Lessee Name : Clay Johnson
Lease Date : 05/08/1998
Recording : CULBERSON: 77/283/50788
Gross Acres : 160.0000
Description : SE/4 of Section 11, Block 54, Public School Land Survey
County : CULBERSON

Lease Number: TX299-109-080-003-00
State Number: M-100073 ✓
Lessor Name : State of Texas, acting by and through its agent, Perry Chapman
Martin, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 05/08/1998
Recording : CULBERSON: 77/319/50792
Gross Acres : 160.0000
Description : SE/4 of Section 11, Block 54, Public School Land Survey
County : CULBERSON

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK

ATTEST:

LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY [Signature] DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-084-001-00
 State Number: M-100070
 Lessor Name : State of Texas, acting by and through its agent, Evelyn Stewart
 Graham, a single woman
 Lessee Name : Clay Johnson
 Lease Date : 05/05/1998
 Recording : CULBERSON: 77/301/50790
 Gross Acres : 723.5000
 Description : Block 42, Public School Land Survey
 Sec 46: N/2, N/2 SE/4
 Block 60, T&P RR Co. Survey, T-5-S
 Sec 2: SE 323.5 acres
 County : CULBERSON

Lease Number: TX299-109-084-002-00
 State Number: M-100070
 Lessor Name : State of Texas, acting by and through its agent, J. Ray Stewart, a
 married man, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 05/05/1998
 Recording : CULBERSON: 77/310/50791
 Gross Acres : 723.5000
 Description : BLK 42 PSL, Sec 46, N/2, N/2 SE/4; BLK 60, T&P RR Co. Survey,
 T-5-S, Sec 2: SE 323.5 acres
 County : CULBERSON

Lease Number: TX299-109-089-000-00
 State Number: M-100076
 Lessor Name : State of Texas, acting by and through its agent, Luzelle Bryant, a
 widow
 Lessee Name : Clay Johnson
 Lease Date : 05/06/1998
 Recording : CULBERSON: 77/265/50772
 Gross Acres : 320.0000
 Description : S/2 of Section 23, Block 54, Public School Land Survey
 County : CULBERSON

Lease Number: TX299-109-098-000-00
 State Number: M-100074
 Lessor Name : State of Texas, acting by and through its agent, Daltex Munn
 Associates, a Joint Venture under the laws of the State of Texas
 Lessee Name : Clay Johnson
 Lease Date : 06/11/1998
 Recording : CULBERSON: 77/407/50825
 Gross Acres : 320.0000
 Description : N/2 of Section 11, Block 54, PSL, containing 320 acres;
 Second Recordation:
 Culberson: Recorded 11/20/98, Vol. 77, Page 899, Index #51058
 Amendment Recordation:
 Culberson: Recorded 01/27/1999, Volume 78, Page 380, Amendment
 #51493
 Reeves : Recorded 01/14/1999, Volume 600, Page 404, Amendment
 #000106
 County : CULBERSON

Lease Number: TX299-109-103-001-00
 State Number: M-100129
 Lessor Name : State of Texas, acting by and through its agent, The Robert A.
 Welch Foundation
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/513/50880
 Gross Acres : 2164.0000
 Description : Block 96, Public School Land Survey
 Section 13: E/2 of W 3/4
 Section 14: All
 Section 15: All
 Section 16: E/2
 Section 27: E/2
 Section 28: All
 County : CULBERSON

A CERTIFIED COPY
 OF THE SEAL OF THE COUNTY CLERK
 ATTEST: 1-28-2000
 LINDA McDONALD, COUNTY CLERK
 CULBERSON COUNTY, TEXAS
 BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-103-002-00

State Number: M-100129✓

Lessor Name : State of Texas, acting by and through its agent, Janet Hannah Eskridge, dealing in her sole and separate property, by John T. Hannah, her Attorney-in-Fact

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 78/37/51070

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

Lease Number: TX299-109-103-003-00

State Number: M-100129✓

Lessor Name : State of Texas, acting by and through its agent, John Tweed Hannah, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 78/19/51068

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

Lease Number: TX299-109-103-004-00

State Number: M-100129✓

Lessor Name : State of Texas, acting by and through its agent, Douglas Hannah, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 77/930/51061

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

Lease Number: TX299-109-103-005-00

State Number: M-100129✓

Lessor Name : State of Texas, acting by and through its agent, David Hannah, Jr., dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 78/10/51067

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

A CERTIFIED COPY
OF THE SEALS OF THE COUNTY CLERK

ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY *[Signature]* DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-103-006-00

State Number: M-100129

Lessor Name : State of Texas, acting by and through its agent, David Hannah, III, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 77/966/51065

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

Lease Number: TX299-109-103-007-00

State Number: M-100129

Lessor Name : State of Texas, acting by and through its agent, Glen Hannah Cole, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 77/948/51063

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

Lease Number: TX299-109-103-008-00

State Number: M-100129

Lessor Name : State of Texas, acting by and through its agent, Heather Hannah Beadle, dealing in her sole and separate property, by John T. Hannah, her Attorney-in-Fact

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 78/54/51072

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

Lease Number: TX299-109-103-009-00

State Number: M-100129

Lessor Name : State of Texas, acting by and through its agent, The Welch Legatee Trust No. 2

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 78/188/51150

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK

ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY *[Signature]* DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-103-010-00

State Number: M-100128 ✓

Lessor Name : State of Texas, acting by and through its agent, Smith Children's Trust, A. Frank Smith, III, Trustee

Lessee Name : Clay Johnson

Lease Date : 07/02/1998

Recording : CULBERSON: 78/170/51148

Gross Acres : 2164.0000

Description : Block 96, Public School Land Survey

Section 13: E/2 of West 3/4

Section 14: All

Section 15: All

Section 16: E/2

Section 27: E/2

Section 28: All

County : CULBERSON

Lease Number: TX299-109-104-001-00

State Number: M-100128 ✓

Lessor Name : State of Texas, acting by and through its agent, The Robert A. Welch Foundation

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 77/504/50879

Gross Acres : 1441.9700

Description : Block 60, Twp. 5, T & P Ry. Co. Survey

Section 30: All

Section 40: All

County : CULBERSON

Lease Number: TX299-109-104-002-00

State Number: M-100128 ✓

Lessor Name : State of Texas, acting by and through its agent, Janet Hannah Eskridge, dealing in her sole and separate property, by John T. Hannah, her Attorney-in-Fact

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 77/921/51060

Gross Acres : 1441.9700

Description : Block 60, Twp. 5, T & P Ry. Co. Survey

Section 30: All

Section 40: All

County : CULBERSON

Lease Number: TX299-109-104-003-00

State Number: M-100128 ✓

Lessor Name : State of Texas, acting by and through its agent, John Tweed Hannah, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 78/28/51069

Gross Acres : 1441.9700

Description : Block 60, Twp. 5, T & P Ry. Co. Survey

Section 30: All

Section 40: All

County : CULBERSON

Lease Number: TX299-109-104-004-00

State Number: M-100128 ✓

Lessor Name : State of Texas, acting by and through its agent, Douglas Hannah, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 06/08/1998

Recording : CULBERSON: 77/939/51062

Gross Acres : 1441.9700

Description : Block 60, Twp. 5, T & P Ry. Co. Survey

Section 30: All

Section 40: All

County : CULBERSON

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK

ATTEST: 1-28-2000

LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-104-005-00
 State Number: M-100128 ✓
 Lessor Name : State of Texas, acting by and through its agent, David Hannah, Jr., dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/63/51073
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-006-00
 State Number: M-100128 ✓
 Lessor Name : State of Texas, acting by and through its agent, David Hannah, III, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/1/51066
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-007-00
 State Number: M-100128 ✓
 Lessor Name : State of Texas, acting by and through its agent, Glen Hannah Cole, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/957/51064
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-008-00
 State Number: M-100128 ✓
 Lessor Name : State of Texas, acting by and through its agent, Heather Hannah Beadle, dealing in her sole and separate property, by John T. Hannah, her Attorney-in-Fact
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/46/51071
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-009-00
 State Number: M-100128 ✓
 Lessor Name : State of Texas, acting by and through its agent, The Welch Legatee Trust No. 2
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/197/51151
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

A CERTIFIED COPY
 BEARS THE SEAL OF THE COUNTY CLERK
 ATTEST: 1-28-2000
 LINDA McDONALD, COUNTY CLERK
 CULBERSON COUNTY, TEXAS
 BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-104-010-00
 State Number: M-100128✓
 Lessor Name : State of Texas, acting by and through its agent, Smith Children's Trust, A. Frank Smith, III, Trustee
 Lessee Name : Clay Johnson
 Lease Date : 07/02/1998
 Recording : CULBERSON: 78/179/51149
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-119-000-00
 State Number: M-100086✓
 Lessor Name : State of Texas, acting by and through its agent, Larry J. Cowan, a widower
 Lessee Name : Clay Johnson
 Lease Date : 05/11/1998
 Recording : CULBERSON: 77/416/50826
 Gross Acres : 40.0000
 Description : SW/4 NE/4 of Section 29, Block 55, Public School Land Survey
 County : CULBERSON

Lease Number: TX299-109-120-000-00
 State Number: M-100075✓
 Lessor Name : State of Texas, acting by and through its agent, Daniel W. Nelson, Independent Executor of the Estate of Georgia B. Lucas, dec'd.
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/522/50881
 Gross Acres : 320.0000
 Description : N/2 of Section 23, Block 54, Public School Land Survey
 County : CULBERSON

Lease Number: TX299-109-121-000-00
 State Number: M-100072✓
 Lessor Name : State of Texas, acting by and through its agent, Mary Tom Luton Beyer
 Lessee Name : Clay Johnson
 Lease Date : 05/27/1998
 Recording : CULBERSON: 77/531/50882
 Gross Acres : 280.0000
 Description : N/2 less the SE/4 NE/4 of Section 15, Block 54, Public School Land Survey
 County : CULBERSON

Lease Number: TX299-109-138-000-00
 State Number: M-99597✓
 Lessor Name : Commissioner of the General Land Office of the State of Texas
 Lessee Name : Titan Resources, L.P.
 Lease Date : 08/04/1998
 Recording : CULBERSON: 78/332/51199
 Gross Acres : 640.0000
 Description : Section 39, Block 42, Public School Land Survey, Culberson County, Texas, containing approximately 640 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
 County : CULBERSON

Lease Number: TX299-109-139-000-00
 State Number: M-99598✓
 Lessor Name : Commissioner of the General Land Office of the State of Texas
 Lessee Name : Titan Resources, L.P.
 Lease Date : 08/04/1998
 Recording : CULBERSON: 78/326/51198
 Gross Acres : 320.0000
 Description : S/2 of N/2 & SW/4 of Section 47, Block 42, Public School Land Survey, Culberson County, Texas, containing approximately 320 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-140-000-00
State Number: M-99599 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/320/51197
Gross Acres : 640.0000
Description : Section 30, Block 52, Public School Land Survey, Culberson County, Texas, containing approximately 640 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-141-000-00
State Number: M-99600 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/314/51196
Gross Acres : 640.0000
Description : Section 32, Block 52, Public School Land Survey, Culberson County, Texas, containing approximately 640 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-142-000-00
State Number: M-99601 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/308/51195
Gross Acres : 640.0000
Description : Section 33, Block 52, Public School Land Survey, Culberson County, Texas, containing approximately 640 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-143-000-00
State Number: M-99602 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/302/51194
Gross Acres : 240.7000
Description : SW/4 & S/2 of NW/4 of Section 34, Block 52, Public School Land Survey, Culberson County, Texas, containing approximately 240.7 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-144-000-00
State Number: M-99603 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/296/51193
Gross Acres : 320.0000
Description : N/2 of Section 42, Block 52, Public School Land Survey, Culberson County, Texas, containing approximately 320 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

ATTEST: 1-28-2000
LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-145-000-00
State Number: M-99604 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/290/51192
Gross Acres : 320.0000
Description : S/2 of Section 43, Block 52, Public School Land Survey, Culberson County, Texas, containing approximately 320 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-146-000-00
State Number: M-99605 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/284/51191
Gross Acres : 160.0000
Description : NE/4 of Section 46, Block 52, Public School Land Survey, Culberson County, Texas, containing approximately 160 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-148-000-00
State Number: M-99607 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/278/51190
Gross Acres : 280.0000
Description : E/2 of NE/4 & NW/4 & NW/4 of NE/4 of Section 31, Block 53, Public School Land Survey, Culberson County, Texas, containing approximately 280 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-151-000-00
State Number: M-99610 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/272/51189
Gross Acres : 80.0000
Description : N/2 of NW/4 of Section 19, Block 96, Public School Land Survey, Culberson County, Texas, containing approximately 80 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-152-000-00
State Number: M-99611 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/266/51188
Gross Acres : 80.0000
Description : S/2 of NW/4 of Section 23, Block 96, Public School Land Survey, Culberson County, Texas, containing approximately 80 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

A CERTIFIED COPY
OF THE SEAL OF THE COUNTY CLERK
ATTEST: 1-28-2000
LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-153-000-00
State Number: M-99612 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/260/51187
Gross Acres : 80.0000
Description : N/2 of SW/4 of Section 24, Block 96, Public School Land Survey, Culberson County, Texas, containing approximately 80 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-154-000-00
State Number: M-99613 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/254/51186
Gross Acres : 80.0000
Description : E/2 of SE/4 of Section 13, Block 100, Public School Land Survey, Culberson County, Texas, containing approximately 80 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-155-000-00
State Number: M-99614 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/248/51185
Gross Acres : 252.5400
Description : N/2 of NE/4 & S/2 of NW/4 & S/2 of SW/4 of Section 15, Block 103, Public School Land Survey, Culberson County, Texas, containing approximately 252.54 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-156-000-00
State Number: M-99615 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/242/51184
Gross Acres : 80.0000
Description : N/2 of NE/4 of Section 16, Block 103, Public School Land Survey, Culberson County, Texas, containing approximately 80 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

Lease Number: TX299-109-157-000-00
State Number: M-99616 ✓
Lessor Name : Commissioner of the General Land Office of the State of Texas
Lessee Name : Titan Resources, L.P.
Lease Date : 08/04/1998
Recording : CULBERSON: 78/236/51183
Gross Acres : 80.0000
Description : E/2 of NW/4 of Section 23, Block 103, Public School Land Survey, Culberson County, Texas, containing approximately 80 acres as shown on the Official Map of Culberson County on file in the Texas General Land Office, Austin, Texas
County : CULBERSON

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ATTEST: 1-28-2000
LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY  DEPUTY

Lease Number: TX299-109-193-001-00

State Number: M-100166 ✓

Lessor Name : State of Texas, acting by and through its agent, Anna Delila Looney, dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/599/50935

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-002-00

State Number: M-100166 ✓

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry Looney, II, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/626/50938

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-003-00

State Number: M-100166 ✓

Lessor Name : State of Texas, acting by and through its agent, Robert Arthur Looney, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/608/50936

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-004-00

State Number: M-100166 ✓

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry Looney, II, and Robert Arthur Looney, Trustees of the Treva K. Looney Trust, fbo Peri Kaye Looney

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/887/51491

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-005-00

State Number: M-100166 ✓

Lessor Name : State of Texas, acting by and through its agent, Ashley Looney, dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/887/51491

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-006-00

State Number: M-100166 ✓

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry Looney, III, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/869/51489

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-193-007-00

State Number: M-100166 ✓

Lessor Name : State of Texas, acting by and through its agent, Gloria Looney
williams Gothard, Trustee of the Treva K. Looney Trust, fbo Heath
Nathaniel Gregg

Lessee Name : Clay Johnson

Lease Date : 12/02/1998

Recording : CULBERSON: 78/842/51486

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-008-00

State Number: M-100166 ✓

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, Custodian for Peri Kaye Looney

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/635/50939

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-001-00

State Number: M-100165 ✓

Lessor Name : State of Texas, acting by and through its agent, Anna Delila
Looney, dealing in her sole and separate property, c/o Kirk Perry
Looney, II

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/662/50942

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-002-00

State Number: M-100165 ✓

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/680/50944

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-003-00

State Number: M-100165 ✓

Lessor Name : State of Texas, acting by and through its agent, Robert Arthur
Looney, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/698/50946

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-004-00

State Number: M-100165 ✓

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, and Robert Arthur Looney, Trustees of the Treva K.
Looney Trust fbo Peri Kaye Looney

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/896/51492

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-194-005-00
State Number: M-100165 ✓
Lessor Name : State of Texas, acting by and through its agent, Ashley Looney,
dealing in her sole and separate property
Lessee Name : Clay Johnson
Lease Date : 09/01/1998
Recording : CULBERSON: 78/860/51488
Gross Acres : 640.0000
Description : All of Section 6, Block 97, Public School Land Survey
County : CULBERSON

Lease Number: TX299-109-194-006-00
State Number: M-100165 ✓
Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, III, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 09/01/1998
Recording : CULBERSON: 78/878/51490
Gross Acres : 640.0000
Description : All of Section 6, Block 97, Public School Land Survey
County : CULBERSON

Lease Number: TX299-109-194-007-00
State Number: M-100165 ✓
Lessor Name : State of Texas, acting by and through its agent, Gloria Looney
Williams Gothard, Trustee of the Treva K. Looney Trust fbo Heath
Nathaniel Gregg
Lessee Name : Clay Johnson
Lease Date : 12/02/1998
Recording : CULBERSON: 78/833/51485
Gross Acres : 640.0000
Description : All of Section 6, Block 97, Public School Land Survey
County : CULBERSON

Lease Number: TX299-109-194-008-00
State Number: M-100165 ✓
Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, Custodian for Peri Kaye Looney
Lessee Name : Clay Johnson
Lease Date : 07/10/1998
Recording : CULBERSON: 77/671/50943
Gross Acres : 640.0000
Description : All of Section 6, Block 97, Public School Land Survey
County : CULBERSON

Lease Number: TX299-109-203-000-00
State Number: M-100148 ✓
Lessor Name : State of Texas, acting by and through its agent, Bettye Clayton
and Kathryn G. Hicks, each a married woman dealing in their sole
and separate property
Lessee Name : Clay Johnson
Lease Date : 09/18/1998
Recording : CULBERSON: 78/942/51522
Gross Acres : 320.0000
Description : W/2 of Section 31, Block 55, Public School Land Survey
County : CULBERSON

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LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-205-001-00
 State Number: M-100147
 Lessor Name : State of Texas, acting by and through its agent, Jack E. Blake, et ux Carol Jo Blake
 Lessee Name : Clay Johnson
 Lease Date : 07/01/1998
 Recording : CULBERSON: 78/89/51076
 Gross Acres : 320.0000
 Description : Block 55, Public School Land Survey
 Section 31: E/2
 Amendment Recordation:
 Culberson: Recorded 01/27/1999, Volume 78, Page 380, Amendment #51493
 Reeves : Recorded 01/14/1999, Volume 600, Page 404, Amendment #000106
 County : CULBERSON

Lease Number: TX299-109-208-000-00
 State Number: M-100141 ✓
 Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi, and Helen Ann Hemmi, husband and wife; Roy Lee Conrady, and Diane Conrady, husband and wife; Jerry Vieth, and Margaret Vieth, husband and wife; Joey Schroeder, and Gail Schroeder, husband and wife; Adam Berend, and Etta Mae Berend, husband and wife; Ray Hoffman, Jr., and Myra Hoffman, husband and wife; and Wade Schrieber, a single man
 Lessee Name : Clay Johnson
 Lease Date : 06/15/1998
 Recording : CULBERSON: 77/909/51059
 Gross Acres : 320.0000
 Description : N/2 of Section 47, Block 52, Public School Land
 County : CULBERSON

Lease Number: TX299-109-209-000-00
 State Number: M-100140 ✓
 Lessor Name : State of Texas, acting by and through its agent, East Texas Company, Inc., a Georgia Corporation
 Lessee Name : Clay Johnson
 Lease Date : 05/05/1998
 Recording : CULBERSON: 78/81/51075
 Gross Acres : 160.0000
 Description : SE/4 of Section 47, Block 42, Public School Land Survey
 County : CULBERSON

Lease Number: TX299-109-253-001-00
 State Number: M-100170 ✓
 Lessor Name : State of Texas, acting by and through its agent, Rita Reed George, dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 08/14/1998
 Recording : CULBERSON: 78/207/51168
 Gross Acres : 1280.0000
 Description : Block 53, Public School Land Survey
 Section 29: All
 Section 32: All
 County : CULBERSON

Lease Number: TX299-109-253-002-00
 State Number: M-100170 ✓
 Lessor Name : State of Texas, acting by and through its agent, Carolyn Clark Oatman Trust, Carolyn Clark Oatman, Trustee
 Lessee Name : Clay Johnson
 Lease Date : 08/14/1998
 Recording : CULBERSON: 78/225/51170
 Gross Acres : 1280.0000
 Description : Block 53, Public School Land Survey
 Section 29: All
 Section 32: All
 County : CULBERSON

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 1-28-2000
 ATTEST
 LINDA McDONALD, COUNTY CLERK
 CULBERSON COUNTY, TEXAS
 BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-253-003-00
State Number: M-100170 ✓
Lessor Name : State of Texas, acting by and through its agent, W. W. Oatman,
dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 08/14/1998
Recording : CULBERSON: 78/216/51169
Gross Acres : 1280.0000
Description : Block 53, Public School Land Survey
Section 29: All
Section 32: All
County : CULBERSON

Lease Number: TX299-109-253-004-00
State Number: M-100170 ✓
Lessor Name : State of Texas, acting by and through its agent, Warren Malcolm
Clark, Trustee of the Warren Malcolm Clark Trust
Lessee Name : Clay Johnson
Lease Date : 08/14/1998
Recording : CULBERSON: 78/746/51306
Gross Acres : 1280.0000
Description : Block 53, Public School Land Survey
Section 29: All
Section 32: All
County : CULBERSON

Lease Number: TX299-109-262-001-00
State Number: M-100187 ✓
Lessor Name : State of Texas, acting by and through its agent, Wayne Moore, a
widower
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/539/51249
Gross Acres : 2560.0000
Description : Block 99, Public School Land Survey
Section 3: S/2
Section 10: W/2
Section 15: W/2
Section 22: N/2
Section 23: All
Section 24: All
County : CULBERSON

Lease Number: TX299-109-262-002-00
State Number: M-100187 ✓
Lessor Name : State of Texas, acting by and through its agent, Lee Wayne Moore,
Trustee for Pearl Moore Carter
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/503/51245
Gross Acres : 2560.0000
Description : Block 99, Public School Land Survey
Section 3: S/2
Section 10: W/2
Section 15: W/2
Section 22: N/2
Section 23: All
Section 24: All
County : CULBERSON

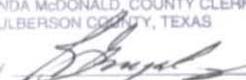
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ATTEST: 1-28-2000
LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-262-003-00
State Number: M-100187
Lessor Name : State of Texas, acting by and through its agent, Montebev, Inc.
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/467/51241
Gross Acres : 2560.0000
Description : Block 99, Public School Land Survey
Section 3: S/2
Section 10: W/2
Section 15: W/2
Section 22: N/2
Section 23: All
Section 24: All
County : CULBERSON

Lease Number: TX299-109-262-004-00
State Number: M-100187
Lessor Name : State of Texas, acting by and through its agent, Montgomery-Walker
1974 Trust, by Charlotte Walker Furman Trustee
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/440/51238
Gross Acres : 2560.0000
Description : Block 99, Public School Land Survey
Section 3: S/2
Section 10: W/2
Section 15: W/2
Section 22: N/2
Section 23: All
Section 24: All
County : CULBERSON

Lease Number: TX299-109-262-005-00
State Number: M-100187
Lessor Name : State of Texas, acting by and through its agent, Joe Montgomery
Brooks, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/584/51254
Gross Acres : 2560.0000
Description : Block 99, Public School Land Survey
Section 3: S/2
Section 10: W/2
Section 15: W/2
Section 22: N/2
Section 23: All
Section 24: All
County : CULBERSON

Lease Number: TX299-109-262-006-00
State Number: M-100187
Lessor Name : State of Texas, acting by and through its agent, Charlotte Walker
Furman, dealing in her sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/638/51260
Gross Acres : 2560.0000
Description : Block 99, Public School Land Survey
Section 3: S/2
Section 10: W/2
Section 15: W/2
Section 22: N/2
Section 23: All
Section 24: All
County : CULBERSON

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COUNTY CLERK
1-28-2000
LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-262-007-00

State Number: M-100187 ✓

Lessor Name : State of Texas, acting by and through its agent, Daniel L. Laird,
dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/602/51256

Gross Acres : 2560.0000

Description : Block 99, Public School Land Survey

Section 3: S/2

Section 10: W/2

Section 15: W/2

Section 22: N/2

Section 23: All

Section 24: All

County : CULBERSON

Lease Number: TX299-109-262-008-00

State Number: M-100187 ✓

Lessor Name : State of Texas, acting by and through its agent, Jograce Laird
Flood, dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/386/51232

Gross Acres : 2560.0000

Description : Block 99, Public School Land Survey

Section 3: S/2

Section 10: W/2

Section 15: W/2

Section 22: N/2

Section 23: All

Section 24: All

County : CULBERSON

Lease Number: TX299-109-262-009-00

State Number: M-100187 ✓

Lessor Name : State of Texas, acting by and through its agent, Dorothy F.
Richardson, a widow of C. E. Richardson, deceased

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/665/51263

Gross Acres : 2560.0000

Description : Block 99, Public School Land Survey

Section 3: S/2

Section 10: W/2

Section 15: W/2

Section 22: N/2

Section 23: All

Section 24: All

County : CULBERSON

Lease Number: TX299-109-263-001-00

State Number: M-100186 ✓

Lessor Name : State of Texas, acting by and through its agent, Wayne Moore, a
widower

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/548/51250

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 8: All

Section 9: All

Section 16: All

Section 17: All

County : CULBERSON

A CERTIFIED COPY
BEFORE ME, THE SEAL OF THE COUNTY CLERKLINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY _____ DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-263-002-00
State Number: M-100186
Lessor Name : State of Texas, acting by and through its agent, Lee Wayne Moore,
Trustee for Pearl Moore Carter
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/512/51246
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 8: All
Section 9: All
Section 16: All
Section 17: All
County : CULBERSON

Lease Number: TX299-109-263-003-00
State Number: M-100186
Lessor Name : State of Texas, acting by and through its agent, Montebev, Inc.
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/476/51242
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 8: All
Section 9: All
Section 16: All
Section 17: All
County : CULBERSON

Lease Number: TX299-109-263-004-00
State Number: M-100186
Lessor Name : State of Texas, acting by and through its agent, Montgomery-Walker
1974 Trust, by Charlotte Walker Furman Trustee
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/422/51236
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 8: All
Section 9: All
Section 16: All
Section 17: All
County : CULBERSON

Lease Number: TX299-109-263-005-00
State Number: M-100186
Lessor Name : State of Texas, acting by and through its agent, Joe Montgomery
Brooks, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/557/51251
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 8: All
Section 9: All
Section 16: All
Section 17: All
County : CULBERSON

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OF THE SEAL OF THE COUNTY CLERK
1-28-2000
LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-263-006-00

State Number: M-100186 ✓

Lessor Name : State of Texas, acting by and through its agent, Charlotte Walker Furman, dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/629/51259

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 8: All

Section 9: All

Section 16: All

Section 17: All

County : CULBERSON

Lease Number: TX299-109-263-007-00

State Number: M-100186 ✓

Lessor Name : State of Texas, acting by and through its agent, Jograce Laird Flood in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/404/51234

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 8: All

Section 9: All

Section 16: All

Section 17: All

County : CULBERSON

Lease Number: TX299-109-263-008-00

State Number: M-100186 ✓

Lessor Name : State of Texas, acting by and through its agent, Daniel L. Laird, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/593/51255

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 8: All

Section 9: All

Section 16: All

Section 17: All

County : CULBERSON

Lease Number: TX299-109-263-009-00

State Number: M-100186 ✓

Lessor Name : State of Texas, acting by and through its agent, Dorothy F. Richardson, a widow of C. E. Richardson, deceased

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/692/51266

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 8: All

Section 9: All

Section 16: All

Section 17: All

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY *[Signature]* DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-264-001-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Wayne Moore, a widower

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/530/51248

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

Lease Number: TX299-109-264-002-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Lee Wayne Moore, Trustee for Pearl Moore Carter

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/485/51243

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

Lease Number: TX299-109-264-003-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Montebev, Inc.

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/458/51240

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

Lease Number: TX299-109-264-004-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Montgomery-Walker 1974 Trust, by Charlotte Walker Furman Trustee

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/413/51235

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

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ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

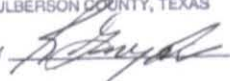
BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-264-005-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Joe Montgomery Brooks, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/575/51253

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

Lease Number: TX299-109-264-006-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Charlotte Walker Furman, dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/656/51262

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

Lease Number: TX299-109-264-007-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Jograce Laird Flood in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/377/51231

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

Lease Number: TX299-109-264-008-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Daniel L. Laird, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/620/51258

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK
ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-264-009-00

State Number: M-100185 ✓

Lessor Name : State of Texas, acting by and through its agent, Dorothy F. Richardson, a widow of C. E. Richardson, deceased

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/683/51265

Gross Acres : 2560.0000

Description : Block 100, Public School Land Survey

Section 18: All

Section 19: All

Section 20: All

Section 21: All

County : CULBERSON

Lease Number: TX299-109-265-001-00

State Number: M-100184 ✓

Lessor Name : State of Texas, acting by and through its agent, Wayne Moore, a widower

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/521/51247

Gross Acres : 3200.0000

Description : Block 100, Public School Land Survey

Section 4: All

Section 5: All

Section 6: All

Section 7: All

Block 104, Public School Land Survey

Section 21: All

County : CULBERSON

Lease Number: TX299-109-265-002-00

State Number: M-100184 ✓

Lessor Name : State of Texas, acting by and through its agent, Lee Wayne Moore, Trustee for Pearl Moore Carter

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/494/51244

Gross Acres : 3200.0000

Description : Block 100, Public School Land Survey

Section 4: All

Section 5: All

Section 6: All

Section 7: All

Block 104, Public School Land Survey

Section 21: All

County : CULBERSON

Lease Number: TX299-109-265-003-00

State Number: M-100184 ✓

Lessor Name : State of Texas, acting by and through its agent, Montebev, Inc.

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/449/51239

Gross Acres : 3200.0000

Description : Block 100, Public School Land Survey

Section 4: All

Section 5: All

Section 6: All

Section 7: All

Block 104, Public School Land Survey

Section 21: All

County : CULBERSON

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK
ATTEST: 1-28-2000LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXASBY *[Signature]* DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-265-004-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Montgomery-Walker
 1974 Trust, by Charlotte Walker Furman Trustee
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/431/51257
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-005-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Joe Montgomery
 Brooks, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/566/51252
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-006-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Charlotte Walker
 Furman, dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/647/51261
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-007-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Jograce Laird
 Flood in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/395/51233
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

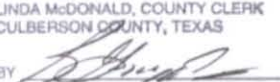
A CERTIFIED COPY
 IF IT BEARS THE SEAL OF THE COUNTY CLERK
 ATTEST: 1-28-2000
 LINDA McDONALD, COUNTY CLERK
 CULBERSON COUNTY, TEXAS
 BY  DEPUTY

EXHIBIT "A", Continued

Lease Number: TX299-109-265-008-00

State Number: M-100184 ✓

Lessor Name : State of Texas, acting by and through its agent, Daniel L. Laird,
dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/611/51257

Gross Acres : 3200.0000

Description : Block 100, Public School Land Survey

Section 4: All

Section 5: All

Section 6: All

Section 7: All

Block 104, Public School Land Survey

Section 21: All

County : CULBERSON

Lease Number: TX299-109-265-009-00

State Number: M-100184 ✓

Lessor Name : State of Texas, acting by and through its agent, Dorothy F.
Richardson, a widow of C. E. Richardson, deceased

Lessee Name : Clay Johnson

Lease Date : 07/17/1998

Recording : CULBERSON: 78/674/51264

Gross Acres : 3200.0000

Description : Block 100, Public School Land Survey

Section 4: All

Section 5: All

Section 6: All

Section 7: All

Block 104, Public School Land Survey

Section 21: All

County : CULBERSON

END OF EXHIBIT "A"



A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK

ATTEST: 1-28-2000



LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS

BY [Signature] DEPUTY

2000

THE STATE OF TEXAS I
COUNTY OF CULBERSON I, Linda Urias, 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 Partial Assignment dated 1-28
2000 of oil & Gas Lease (3600) with Reservation of 2.4 acre
filed for record in my office this 28 day of Jan
2000 at 9:20 A.M., under Clerk's File No. 52326, to be
recorded in the Oil & Gas Records of Culberson County,
Texas.
TO CERTIFY WHICH, Witness my hand and official seal at Van Horn, this
28 day of Jan, 2000
By [Signature], Deputy. LINDA URIAS, COUNTY CLERK
CULBERSON COUNTY, TEXAS.

FILED FOR RECORD
AT 11:55 O'CLOCK A. M
ON THE 28 DAY OF Jan.
A.D., 2000
Linda McDonald
COUNTY CLERK, CULBERSON COUNTY, TEXAS
BY Cynthia Tarango DEPUTY

STATE OF TEXAS
COUNTY OF CULBERSON
I hereby certify that this instrument was FILED on
the date and at the time stamped hereon by me
and was duly RECORDED in the Volume and
Page of the _____ Records
of Culberson County, Texas.
Linda McDonald
COUNTY CLERK
CULBERSON COUNTY, TEXAS
VOL. _____ PAGE _____
RECORDED _____

A CERTIFIED COPY
IF IT BEARS THE SEAL OF THE COUNTY CLERK
ATTEST: 1-28-2000
[Seal] LINDA McDONALD, COUNTY CLERK
CULBERSON COUNTY, TEXAS
BY [Signature] DEPUTY

File No. MF 099026

Letters & Assignment

Date Filed: 2/16/00

By David D. Hughes, Commissioner

5.72.00

Mineral File
MF099026
MF099027
MF099028
MF099029
MF099030
MF099031
MF099032
MF099033
MF099034
MF099036
MF099037
MF099038
MF099039
MF099040
MF099041
MF099060
MF099061
MF099062
MF099063
MF099064
MF099065
MF099066
MF099067
MF099068
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MF099070
MF099071
MF099072
MF099073
MF099074
MF099075
MF099076
MF099077
MF099078
MF099079
MF099080
MF099597
MF099598
MF099599
MF099600
MF099601
MF099602
MF099603
MF099604
MF099605
MF099607

Pat -
 Here are the MF #s
 in their correct order -

Thanks -

Jim

MF099610

MF099611

MF099612

MF099613

MF099614

MF099615

MF099616

MF100070

MF100071

MF100072

MF100073

MF100074

MF100075

MF100076

MF100077

MF100078

MF100080

MF100086

MF100127

MF100128

MF100129

MF100140

MF100141

MF100147

MF100148

MF100165

MF100166

MF100167

MF100168

MF100170

MF100184

MF100185

MF100186

MF100187

Texas General
Land Office



David Dewhurst
Commissioner

November 1, 2000

Mr. J. Robert Ready
Landman
Titan Resources, L.P.
500 W. Texas Suite 200
Midland, Texas 79701

RE: Mineral Lease Assignment

Dear Mr. Ready:

The General Land Office received the following instrument on November 30, 1999, and has filed it in MF099037, MF099038, MF099040, MF099039, MF099041, MF099036, MF099028, MF099029, MF099031, MF099030, MF099027, MF099026, MF099032, MF099034, MF099060, MF099033, MF099061, MF099063, MF099062, MF099067, MF099066, MF099065, MF099064, MF099068, MF099069, MF099080, MF099079, MF099078, MF099077, MF099076, MF099075, MF099074, MF099073, MF099072, MF099071, MF099070, MF100071, MF100077, MF100078, MF100080, MF100168, MF100167, MF100127, MF100073, MF100070, MF100076, MF100074, MF100129, MF100128, MF100086, MF100075, MF100072, MF099597, MF099598, MF099599, MF099600, MF099601, MF099602, MF099603, MF099604, MF099605, MF099607, MF099610, MF099611, MF099612, MF099613, MF099614, MF099615, MF099616, MF100166, MF100165, MF100148, MF100147, MF100141, MF100140, MF100170, MF100187, MF100186, MF100185 and MF100184.

Assignment of Oil and Gas Leases (State) (100%) with an execution date of October 22, 1999, from Clay Johnson and Amy Johnson, L.P., as Assignors, to Titan Resources, L.P., as Assignee, recorded in Culberson County, Texas.

Filing fees of \$3,300.00 were received in connection with the instrument. If you have any questions, please feel free to call me at (512) 475-2230.

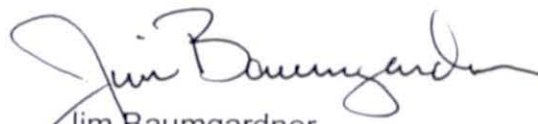
Stephen F. Austin Building

1700 North
Congress Avenue

Austin, Texas
78701-1495

512-463-5001

Sincerely,


Jim Baumgardner
Landman
Energy Resources

• Checked for MF #'s ☒
• Entered in database: 388
• Problem file? Y ☐ N ☒
• Acknowledgement letter sent 52201

ASSIGNMENT OF OIL AND GAS LEASES (STATE)

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

IN CONSIDERATION OF TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **CLAY JOHNSON** and wife **AMY JOHNSON**, whose address is 203 West Wall, Suite 800, Midland, Texas 79701, hereinafter referred to as "Assignor", do hereby bargain, sell, transfer, assign and set over unto **TITAN RESOURCES, L.P.**, whose address is 500 W. Texas Avenue, Suite 200, Midland, Texas 79701, hereinafter referred to as "Assignee", all right, title and interest in and to those certain oil and gas leases described in Exhibit "A" attached hereto and made a part hereof for all purposes (hereinafter referred to individually as a "Lease" and collectively as the "Leases"), covering lands in Culberson County, Texas.

For the same consideration, Assignor covenants with Assignee, its successors and assigns, that Assignor is the lawful owner of and has good title to the interests above assigned in and to the Leases, estates, rights and property, free and clear from all liens, encumbrances or adverse claims; that said instruments are valid and subsisting instruments on the lands covered thereby, and that all rentals and royalties due under said Leases have been paid and all conditions necessary to keep all the instruments in full force and effect have been duly performed; and that Assignor will warrant and forever defend said Leases against all persons whomsoever, lawfully claiming or attempting to claim said Leases.

This instrument is executed on the date of the acknowledgment below, to be effective for all purposes as to each Lease, respectively, on the effective date of such Lease.

CLAY JOHNSON
CLAY JOHNSON

AMY JOHNSON
AMY JOHNSON

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on this 22nd day of October, 1999, by CLAY JOHNSON and wife, AMY JOHNSON.

M. K. Brasel
Notary Public in and for the State of Texas
My commission expires: 10-19-06



EXHIBIT "A"

Attached to and made a part of that certain Assignment
of Oil and Gas Leases, by and between Clay Johnson,
Assignor, and Titan Resources, L.P., Assignee

Lease Number: TX299-109-003-000-00

State Number: M-099037

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/714/50449

Gross Acres : 2880.0000

Description : BLOCK 42, Public School Land Survey
Section 25: All
Section 35: All
Section 36: All
BLOCK 52, Public School Land Survey
Section 29: S/2
Section 31: All

County : CULBERSON

Lease Number: TX299-109-004-000-00

State Number: M-099038

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/725/50450

Gross Acres : 2720.0000

Description : BLOCK 42, Public School Land Survey
Section 37: All
Section 38: All
Section 47: N/2 N/2
Section 48: ALL
BLOCK 52, Public School Land Survey
Section 42: S/2
Section 43: N/2

County : CULBERSON

Lease Number: TX299-109-005-000-00

State Number: M-099040

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/758/50453

Gross Acres : 1520.0000

Description : BLOCK 42, Public School Land Survey
Section 40: All
Section 45: All
Section 46: SW/4 and S/2 SE/4

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-006-000-00

State Number: M-099039

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/736/50451

Gross Acres : 2560.0000

Description : BLOCK 52, Public School Land Survey

Section 40: All

Section 41: All

Section 44: All

Section 45: All

County : CULBERSON

Lease Number: TX299-109-007-000-00

State Number: M-099041

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/703/50448

Gross Acres : 400.0000

Description : BLOCK 52, Public School Land Survey

Section 35: NW/4, SE/4 and E/2 SW/4

County : CULBERSON

Lease Number: TX299-109-008-000-00

State Number: M-099036

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi and Helen Ann, husband and wife; Roy Lee Conrady and Diane Conrady, husband and wife; Jerry Vieth and Margaret Vieth, husband and wife; Joey Schroeder and Gail Schroeder, husband and wife; Adam Berend and Etta Mae Berend, husband and wife; Ray Hoffman, Jr. and Myra Hoffman, husband and wife, and Wade Schreiber, a single man

Lessee Name : Clay Johnson

Lease Date : 01/15/1998

Recording : CULBERSON: 76/747/50452

Gross Acres : 3303.0000

Description : BLOCK 54, Public School Land Survey

Section 2: N/2

Section 3: N/2, SW/4 and W/2 SE/4

Section 4: N/2

Section 5: E/2, Less 56 acres in SE Corner

Section 6: All

Section 7: All

Section 8: W/2 W/2, NE/4 NW/4 and NW/4 NE/4

Section 18: N/2

County : CULBERSON

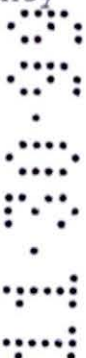


EXHIBIT "A", Continued

Lease Number: TX299-109-009-000-00

State Number: M-99028

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMEND

Gross Acres : 2560.0000

Description : BLOCK 108, Public School Land Survey

Section 21: All

Section 22: All

Section 23: All

Section 24: All

Oil and Gas Lease originally recorded 01/21/98 in Volume 76, Page 653, Oil & Gas Records, Culberson Co., Texas.

County : CULBERSON

Lease Number: TX299-109-010-000-00

State Number: M-99029

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMENDMENT 50473

Gross Acres : 2626.0000

Description : BLOCK 42, Public School Land Survey

Section 7: All

Section 8: All

BLOCK 108, Public School Land Survey

Section 15: All

Section 28: All

Oil and Gas Lease originally recorded in Volume 76, Page 633, Culberson County, Texas.

County : CULBERSON

Lease Number: TX299-109-011-000-00

State Number: M-99031

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMENDMENT 50473

Gross Acres : 2720.0000

Description : BLOCK 108, PUBLIC SCHOOL LAND SURVEY

SECTION 16: ALL

SECTION 17: E/2 AND NW/4

SECTION 18: N/2

SECTION 19: N/2

SECTION 26: E/2

SECTION 27: ALL

Oil and Gas Lease originally recorded in Volume 76, Page 643, Culberson County, Texas.

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-012-000-00

State Number: M-99030

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a Married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMENDMENT 50473

Gross Acres : 2560.0000

Description : BLOCK 108, PUBLIC SCHOOL LAND SURVEY
SECTION 8: ALL
SECTION 9: ALL
SECTION 10: ALL
SECTION 20: ALL

Oil and Gas Lease originally recorded in Volume 76, Page 663, Culberson County, Texas.

County : CULBERSON

Lease Number: TX299-109-013-000-00

State Number: M-99027

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMENDMENT 50473

Gross Acres : 1520.0000

Description : BLOCK 104, PUBLIC SCHOOL LAND SURVEY
SECTION 3: E/2 E/2
SECTION 10: ALL
SECTION 14: ALL
SECTION 15: E/2 E/2 E/2

Oil and Gas Lease originally recorded 1/21/98 in Volume 76, Page 623, Culberson County, Texas.

County : CULBERSON

Lease Number: TX299-109-014-000-00

State Number: M-99026

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMENDMENT 50473

Gross Acres : 320.0000

Description : BLOCK 107, PUBLIC SCHOOL LAND SURVEY
SECTION 14: N/2

Oil and Gas Lease originally recorded 1/21/98 in Volume 76, Page 613, Culberson County, Texas.

County : CULBERSON



EXHIBIT "A", Continued

Lease Number: TX299-109-015-000-00

State Number: M-99032

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMENDMENT 50473

Gross Acres : 3200.0000

Description : BLOCK 105, PUBLIC SCHOOL LAND SURVEY
SECTION 20: ALL
BLOCK 66, PUBLIC SCHOOL LAND SURVEY
SECTION 1: ALL
BLOCK 99, PUBLIC SCHOOL LAND SURVEY
SECTION 4: ALL
SECTION 5: ALL
SECTION 6: ALL

Original Recordation: Recorded 2/18/98 in Volume 76, Page 603, Oil & Gas Records, Index 50407.

Oil and Gas Lease originally recorded 1/21/98 in Volume 76, Page 603, Culberson County, Texas.

County : CULBERSON

Lease Number: TX299-109-016-000-00

State Number: M-99034

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMENDMENT 50473

Gross Acres : 3200.0000

Description : BLOCK 105, PUBLIC SCHOOL LAND SURVEY
SECTION 5: ALL
SECTION 8: ALL
SECTION 17: ALL
SECTION 18: ALL
SECTION 19: ALL

Oil and Gas Lease originally recorded 1/21/98 in Volume 76, Page 583, Culberson County, Texas.

County : CULBERSON

Lease Number: TX299-109-017-000-00

State Number: M-99033

Lessor Name : State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.

Lessee Name : Clay Johnson

Lease Date : 01/01/1998

Recording : CULBERSON: 76/772/AMENDMENT 50473

Gross Acres : 3840.0000

Description : BLOCK 106, PUBLIC SCHOOL LAND SURVEY
SECTION 3: N/2
SECTION 4: S/2
SECTION 10: ALL
SECTION 15: ALL
SECTION 22: ALL

BLOCK 105, PUBLIC SCHOOL LAND SURVEY
SECTION 3: ALL
SECTION 10: ALL

Oil and Gas Lease originally recorded 1/21/98 in Volume 76, Page 593, Oil & Gas Records, Index #50406, Culberson County, Texas.

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-028-000-00
 State Number: M-099060
 Lessor Name : State of Texas, acting by and through its agent, John D. Byram, Trustee and Morin M. Scott, Trustee
 Lessee Name : Clay Johnson
 Lease Date : 03/01/1998
 Recording : CULBERSON: 77/195/50630
 Gross Acres : 2720.0000
 Description : BLOCK 103, PUBLIC SCHOOL LAND SURVEY
 Section 9: South 3/4
 Section 11: All
 Section 12: South 3/4
 Section 19: NE/4, N/2 SE/4 and W/2 NW/4
 Section 20: N/2, S/2 SW/4 and N/2 SE/4
 Section 22: SW/4, W/2 NE/4 and E/2 SE/4
 County : CULBERSON

Lease Number: TX299-109-029-000-00
 State Number: M-099061
 Lessor Name : State of Texas, acting by and through its agent, John D. Byram, Trustee and Morin M. Scott, Trustee
 Lessee Name : Clay Johnson
 Lease Date : 03/01/1998
 Recording : CULBERSON: 77/186/50629
 Gross Acres : 1760.0000
 Description : BLOCK 108, PUBLIC SCHOOL LAND SURVEY:
 Section 17: SW/4
 Section 18: S/2
 Section 19: S/2
 Section 25: All
 Section 26: W/2
 County : CULBERSON

Lease Number: TX299-109-030-001-00
 State Number: M-099063
 Lessor Name : State of Texas, acting by and through its agent, Ethene Plummer, a widow
 Lessee Name : Clay Johnson
 Lease Date : 03/24/1998
 Recording : CULBERSON: 77/133/50621
 Gross Acres : 3272.5000
 Description : Sections 18, 20, 31, 32 and 44, Block 42, PSL Survey
 County : CULBERSON

Lease Number: TX299-109-031-000-00
 State Number: M-099062
 Lessor Name : State of Texas, acting by and through its agent, Ethene Plummer, a widow
 Lessee Name : Clay Johnson
 Lease Date : 03/24/1998
 Recording : CULBERSON: 77/142/50622
 Gross Acres : 3200.0000
 Description : SECTIONS 9, 14, 22, 24 and 28, Block 42, PSL Survey
 County : CULBERSON

Lease Number: TX299-109-032-001-00
 State Number: M-099067
 Lessor Name : State of Texas, acting by and through its agent LADONNA N. WALTERS, a married woman dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 02/20/1998
 Recording : CULBERSON: 77/168/51797
 Gross Acres : 3267.0000
 Description : Sections 19, 29, 32, 33 and 42, Block 42, PSL Survey
 Original Recordation: Recorded 05/07/1998, Volume 77, page 168, Index No 50625.
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-033-000-00
 State Number: M-099066
 Lessor Name : State of Texas, acting by and through its agent, LADONNA N. WALTERS, a married woman dealing in her sole & spearate property
 Lessee Name : Clay Johnson
 Lease Date : 02/20/1998
 Recording : CULBERSON: 77/177/50626
 Gross Acres : 3200.0000
 Description : Sections 10, 12, 16, 23 and 27, Block 42, PSL Survey
 County : CULBERSON

Lease Number: TX299-109-034-001-00
 State Number: M-099065
 Lessor Name : State of Texas, acting by and through its agent, MARSHA L. WOLFE, a married woman dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 02/20/1998
 Recording : CULBERSON: 77/150/50623
 Gross Acres : 3262.5000
 Description : Sections 30, 32, 34, 41 and 43, Block 42, PSL Survey
 County : CULBERSON

Lease Number: TX299-109-035-000-00
 State Number: M-99064
 Lessor Name : State of Texas, acting by and through its agent, Marsha L. Wolfe, a married woman dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 02/20/1998
 Recording : CULBERSON: 77/159/50624
 Gross Acres : 3200.0000
 Description : Sections 11, 13, 15, 17 and 21, Block 42, PSL Survey
 County : CULBERSON

Lease Number: TX299-109-038-000-00
 State Number: M-99068
 Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996
 Lessee Name : Clay Johnson
 Lease Date : 03/01/1998
 Recording : CULBERSON: 76/963/50605
 Gross Acres : 1097.2800
 Description : Block 54, Public School Land
 Section 4: S/2
 Section 5: A 56 acre tract of land out of SE part of E/2
 Section 8: SE/4, E/2 SW/4, SE/4 NW/4, S/2 NE/4, NE/4 NE/4
 Section 10: S/2
 County : CULBERSON

Lease Number: TX299-109-039-000-00
 State Number: M-99069
 Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996
 Lessee Name : Clay Johnson
 Lease Date : 03/01/1998
 Recording : CULBERSON: 76/975/50606
 Gross Acres : 1961.8000
 Description : Block 54, Public School Land Survey
 Section 15: S/2, SE/4 NE/4
 Section 16: All
 Section 17: All
 Section 18: S/2
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-040-000-00

State Number: M-99080

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 76/985/50607

Gross Acres : 3200.0000

Description : Block 98, Public School Land Survey

Section 1: All

Section 2: All

Section 3: All

Section 11: All

Section 12: All

County : CULBERSON

Lease Number: TX299-109-041-000-00

State Number: M-99079

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/1/50608

Gross Acres : 3120.0000

Description : Block 98, Public School Land Survey

Section 7: NE/4, S/2, S/2 NW/4

Section 8: All

Section 9: All

Section 10: All

Block 66, Public School Land Survey

Section 36: All

County : CULBERSON

Lease Number: TX299-109-042-000-00

State Number: M-99078

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/13/50609

Gross Acres : 2560.0000

Description : Block 98, Public School Land Survey

Section 4: All

Section 5: All

Block 99, Public School Land Survey

Section 20: All

Section 21: All

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-043-000-00

State Number: M-99077

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/25/50610

Gross Acres : 2560.0000

Description : Block 99, Public School Land Survey

Section 8: All

Section 9: All

Section 16: All

Section 17: All

County : CULBERSON

Lease Number: TX299-109-044-000-00

State Number: M-99076

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/257/AMEND 50754

Gross Acres : 2560.0000

Description : Block 66, Public School Land Survey

Section 24: All

Section 25: All

Block 98, Public School Land Survey

Section 6: All

Block 99, Public School Land Survey

Section 19: All

Oil & Gas Lease originally recorded March 27, 1998, Entry #50611, Volume 77, Page 37, Oil & Gas Records, Culberson Co., TX

County : CULBERSON

Lease Number: TX299-109-045-000-00

State Number: M-99075

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/49/50612

Gross Acres : 2560.0000

Description : Block 66, Public School Land Survey

Section 12: All

Section 13: All

Block 99, Public School Land Survey

Section 7: All

Section 18: All

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-046-000-00

State Number: M-99074

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/61/50613

Gross Acres : 1920.9000

Description : Block 54, Public School Land Survey

Section 43: All

Section 44: All

Section 45: All

County : CULBERSON

Lease Number: TX299-109-047-000-00

State Number: M-99073

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/73/50614

Gross Acres : 2559.1000

Description : Block 54, Public School Land Survey

Section 39: All

Section 40: All

Section 41: All

Section 42: All

County : CULBERSON

Lease Number: TX299-109-048-000-00

State Number: M-99072

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/85/50615

Gross Acres : 2557.2000

Description : Block 54, Public School Land Survey

Section 31: All

Section 32: All

Section 33: All

Section 34: All

County : CULBERSON



EXHIBIT "A", Continued

Lease Number: TX299-109-049-000-00

State Number: M-99071

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/97/50616

Gross Acres : 2516.4000

Description : Block 54, Public School Land Survey

Section 27: All

Section 28: All

Section 29: all

Section 30: All, less and except a 40 acre tract out of the NW/4 described in Volume 86, Page 421, Deed Records,

Culberson

County, Texas

County : CULBERSON

Lease Number: TX299-109-050-000-00

State Number: M-99070

Lessor Name : State of Texas, acting by and through its agent, Bank of Texas Trust Company, N. A. (formerly Alliance Trust Company, N.A.) as Successor Trustee under the Wills of M. A. Grisham and Josephine Robertson Grisham, as Agent for Daniel Blinkoff under Management Agency Agreement dated October 3, 1996, and as Agent for Susannah Blinkoff under Management Agency Agreement dated February 8, 1996

Lessee Name : Clay Johnson

Lease Date : 03/01/1998

Recording : CULBERSON: 77/109/50617

Gross Acres : 2536.2000

Description : Block 54, Public School Land Survey

Section 19: All, less and except a 20 acre tract out of the SW/4 described in Volume 86, Page 421, Deed Records, Culberson County, Texas

Section 20: All

Section 21: All

Section 22: All

County : CULBERSON

Lease Number: TX299-109-055-000-00

State Number: M-100071

Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas

Lessee Name : Clay Johnson

Lease Date : 04/07/1998

Recording : CULBERSON: 78/905/AMENDMENT 51493

Gross Acres : 2563.7000

Description : All Section 44, BLock 53, PSL, containing 641.0 acres;

All Section 5, Block 55, PSL, containing 641.0 acres;

All Section 6, Block 55, PSL, containing 641.0 acres; and

All Section 1, BLock 54, PSL, containing 640.7 acres.

Original Recordation:

Culberson: Recorded 7/9/98, Vol. 77, Page 380, Index #50802.

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-056-000-00
State Number: M-100077
Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas
Lessee Name : Clay Johnson
Lease Date : 04/07/1998
Recording : CULBERSON: 78/905/AMENDMENT 51493
Gross Acres : 2563.1000
Description : All Section 24, Block 54, PSL, containing 640.7 acres;
All Section 25, Block 54, PSL, containing 640.7 acres;
All Section 26, Block 54, PSL, containing 640.7 acres; and
All Section 30, Block 55, PSL, containing 641.0 acres
Original Recordation:
Culberson: 7-9-98, Vol. 77, Page 307, Index #50801
County : CULBERSON

Lease Number: TX299-109-057-000-00
State Number: M-100078
Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas
Lessee Name : Clay Johnson
Lease Date : 04/07/1998
Recording : CULBERSON: 78/905/AMENDMENT 51493
Gross Acres : 1922.2000
Description : All Section 35, Block 54, PSL, containing 640.7 acres;
All Section 36, Block 54, PSL, containing 640.7 acres; and
All Section 47, Block 54, PSL, containing 640.8 acres
Original Recordation:
Culberson: Recorded 7/9/98, Vol 77, Page 360, Index #50800.
County : CULBERSON

Lease Number: TX299-109-058-000-00
State Number: M-100080
Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas
Lessee Name : Clay Johnson
Lease Date : 04/07/1998
Recording : CULBERSON: 78/905/AMENDMENT 51493
Gross Acres : 2563.1000
Description : All Section 7, Block 55, PSL, containing 641.0 acres;
All Section 12, Block 54, PSL, containing 640.7 acres
All Section 13, Block 54, PSL, containing 640.7 acres; and
All Section 14, Block 54, PSL, containing 640.7 acres
Original Recordation:
Culberson: Recorded 7/9/98, Vol 77, Page 350, Index #50799
County : CULBERSON

Lease Number: TX299-109-074-000-00
State Number: M-100167
Lessor Name : State of Texas, acting by and through its agent L. Charles Weatherby, Jr., a single man
Lessee Name : Clay Johnson
Lease Date : 04/01/1998
Recording : CULBERSON: 77/236/50701
Gross Acres : 1920.0000
Description : BLOCK 96, PUBLIC SCHOOL LAND SURVEY
All of Section 20
All of Section 21
All of Section 22
County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-077-000-00

State Number: M-100127

Lessor Name : State of Texas, acting by and through its agent, Dillyhunt, Ltd.,
by and through Pevehouse Resources Corporation, its General
Partner

Lessee Name : Clay Johnson

Lease Date : 05/07/1998

Recording : CULBERSON: 77/273/50773

Gross Acres : 3969.5000

Description : Block 60, Township 5, Texas & Pacific Railway Company Survey
Section 8: S/2 Section 28: All
Section 24: All Section 36: All
Section 26: All Section 48: All

County : CULBERSON

Lease Number: TX299-109-080-001-00

State Number: M-100073

Lessor Name : State of Texas, acting by and through its agent, William Wise
Vinson, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 05/08/1998

Recording : CULBERSON: 77/292/50789

Gross Acres : 160.0000

Description : SE/4 of Section 11, Block 54, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-080-002-00

State Number: M-100073

Lessor Name : State of Texas, acting by and through its agent, Lucille Agnes
Vinson Martin, dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 05/08/1998

Recording : CULBERSON: 77/283/50788

Gross Acres : 160.0000

Description : SE/4 of Section 11, Block 54, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-080-003-00

State Number: M-100073

Lessor Name : State of Texas, acting by and through its agent, Perry Chapman
Martin, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 05/08/1998

Recording : CULBERSON: 77/319/50792

Gross Acres : 160.0000

Description : SE/4 of Section 11, Block 54, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-084-001-00

State Number: M-100070

Lessor Name : State of Texas, acting by and through its agent, Evelyn Stewart
Graham, a single woman

Lessee Name : Clay Johnson

Lease Date : 05/05/1998

Recording : CULBERSON: 77/301/50790

Gross Acres : 723.5000

Description : Block 42, Public School Land Survey
Sec 46: N/2, N/2 SE/4
Block 60, T&P RR Co. Survey, T-5-S
Sec 2: SE 323.5 acres

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-084-002-00
State Number: M-100070
Lessor Name : State of Texas, acting by and through its agent, J. Ray Stewart, a married man, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 05/05/1998
Recording : CULBERSON: 77/310/50791
Gross Acres : 723.5000
Description : BLK 42 PSL, Sec 46, N/2, N/2 SE/4; BLK 60, T&P RR Co. Survey, T-5-S, Sec 2: SE 323.5 acres
County : CULBERSON

Lease Number: TX299-109-089-000-00
State Number: M-100076
Lessor Name : State of Texas, acting by and through its agent, Luzelle Bryant, a widow
Lessee Name : Clay Johnson
Lease Date : 05/06/1998
Recording : CULBERSON: 77/265/50772
Gross Acres : 320.0000
Description : S/2 of Section 23, Block 54, Public School Land Survey
County : CULBERSON

Lease Number: TX299-109-098-000-00
State Number: M-100074
Lessor Name : State of Texas, acting by and through its agent, Daltex Munn Associates, a Joint Venture under the laws of the State of Texas
Lessee Name : Clay Johnson
Lease Date : 06/11/1998
Recording : CULBERSON: 78/905/AMENDMENT 51493
Gross Acres : 320.0000
Description : N/2 of Section 11, Block 54, PSL, containing 320 acres;
Original Recordation:
Culberson: Recorded 07/09/98, Vol. 77, Page 407, Index #50825
Culberson: Recorded 11/20/98, Vol. 77, Page 899, Index #51058
County : CULBERSON

Lease Number: TX299-109-103-001-00
State Number: M-100129
Lessor Name : State of Texas, acting by and through its agent, The Robert A. Welch Foundation
Lessee Name : Clay Johnson
Lease Date : 06/08/1998
Recording : CULBERSON: 77/513/50880
Gross Acres : 2164.0000
Description : Block 96, Public School Land Survey
Section 13: E/2 of W 3/4
Section 14: All
Section 15: All
Section 16: E/2
Section 27: E/2
Section 28: All
County : CULBERSON



EXHIBIT "A", Continued

Lease Number: TX299-109-103-002-00
State Number: M-100129
Lessor Name : State of Texas, acting by and through its agent, Janet Hannah Eskridge, dealing in her sole and separate property, by John T. Hannah, her Attorney-in-Fact
Lessee Name : Clay Johnson
Lease Date : 06/08/1998
Recording : CULBERSON: 78/37/51070
Gross Acres : 2164.0000
Description : Block 96, Public School Land Survey
Section 13: E/2 of West 3/4
Section 14: All
Section 15: All
Section 16: E/2
Section 27: E/2
Section 28: All
County : CULBERSON

Lease Number: TX299-109-103-003-00
State Number: M-100129
Lessor Name : State of Texas, acting by and through its agent, John Tweed Hannah, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 06/08/1998
Recording : CULBERSON: 78/19/51068
Gross Acres : 2164.0000
Description : Block 96, Public School Land Survey
Section 13: E/2 of West 3/4
Section 14: All
Section 15: All
Section 16: E/2
Section 27: E/2
Section 28: All
County : CULBERSON

Lease Number: TX299-109-103-004-00
State Number: M-100129
Lessor Name : State of Texas, acting by and through its agent, Douglas Hannah, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 06/08/1998
Recording : CULBERSON: 77/930/51061
Gross Acres : 2164.0000
Description : Block 96, Public School Land Survey
Section 13: E/2 of West 3/4
Section 14: All
Section 15: All
Section 16: E/2
Section 27: E/2
Section 28: All
County : CULBERSON

Lease Number: TX299-109-103-005-00
State Number: M-100129
Lessor Name : State of Texas, acting by and through its agent, David Hannah, Jr., dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 06/08/1998
Recording : CULBERSON: 78/10/51067
Gross Acres : 2164.0000
Description : Block 96, Public School Land Survey
Section 13: E/2 of West 3/4
Section 14: All
Section 15: All
Section 16: E/2
Section 27: E/2
Section 28: All
County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-103-006-00
 State Number: M-100129
 Lessor Name : State of Texas, acting by and through its agent, David Hannah, III, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/966/51065
 Gross Acres : 2164.0000
 Description : Block 96, Public School Land Survey
 Section 13: E/2 of West 3/4
 Section 14: All
 Section 15: All
 Section 16: E/2
 Section 27: E/2
 Section 28: All
 County : CULBERSON

Lease Number: TX299-109-103-007-00
 State Number: M-100129
 Lessor Name : State of Texas, acting by and through its agent, Glen Hannah Cole, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/948/51063
 Gross Acres : 2164.0000
 Description : Block 96, Public School Land Survey
 Section 13: E/2 of West 3/4
 Section 14: All
 Section 15: All
 Section 16: E/2
 Section 27: E/2
 Section 28: All
 County : CULBERSON

Lease Number: TX299-109-103-008-00
 State Number: M-100129
 Lessor Name : State of Texas, acting by and through its agent, Heather Hannah Beadle, dealing in her sole and separate property, by John T. Hannah, her Attorney-in-Fact
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/54/51072
 Gross Acres : 2164.0000
 Description : Block 96, Public School Land Survey
 Section 13: E/2 of West 3/4
 Section 14: All
 Section 15: All
 Section 16: E/2
 Section 27: E/2
 Section 28: All
 County : CULBERSON

Lease Number: TX299-109-103-009-00
 State Number: M-100129
 Lessor Name : State of Texas, acting by and through its agent, The Welch Legatee Trust No. 2
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/188/51150
 Gross Acres : 2164.0000
 Description : Block 96, Public School Land Survey
 Section 13: E/2 of West 3/4
 Section 14: All
 Section 15: All
 Section 16: E/2
 Section 27: E/2
 Section 28: All
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-103-010-00
 State Number: M-100129
 Lessor Name : State of Texas, acting by and through its agent, Smith Children's Trust, A. Frank Smith, III, Trustee
 Lessee Name : Clay Johnson
 Lease Date : 07/02/1998
 Recording : CULBERSON: 78/170/51148
 Gross Acres : 2164.0000
 Description : Block 96, Public School Land Survey
 Section 13: E/2 of West 3/4
 Section 14: All
 Section 15: All
 Section 16: E/2
 Section 27: E/2
 Section 28: All
 County : CULBERSON

Lease Number: TX299-109-104-001-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, The Robert A. Welch Foundation
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/504/50879
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-002-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, Janet Hannah Eskridge, dealing in her sole and separate property, by John T. Hannah, her Attorney-in-Fact
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/921/51060
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-003-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, John Tweed Hannah, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/28/51069
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-004-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, Douglas Hannah, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/939/51062
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-104-005-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, David Hannah, Jr., dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/63/51073
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-006-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, David Hannah, III, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/1/51066
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-007-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, Glen Hannah Cole, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/957/51064
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-008-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, Heather Hannah Beadle, dealing in her sole and separate property, by John T. Hannah, her Attorney-in-Fact
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/46/51071
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

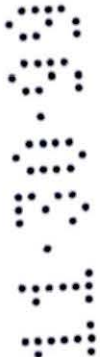


EXHIBIT "A", Continued

Lease Number: TX299-109-104-009-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, The Welch Legatee Trust No. 2
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 78/197/51151
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-104-010-00
 State Number: M-100128
 Lessor Name : State of Texas, acting by and through its agent, Smith Children's Trust, A. Frank Smith, III, Trustee
 Lessee Name : Clay Johnson
 Lease Date : 07/02/1998
 Recording : CULBERSON: 78/179/51149
 Gross Acres : 1441.9700
 Description : Block 60, Twp. 5, T & P Ry. Co. Survey
 Section 30: All
 Section 40: All
 County : CULBERSON

Lease Number: TX299-109-119-000-00
 State Number: M-100086
 Lessor Name : State of Texas, acting by and through its agent, Larry J. Cowan, a widower
 Lessee Name : Clay Johnson
 Lease Date : 05/11/1998
 Recording : CULBERSON: 77/416/50826
 Gross Acres : 40.0000
 Description : SW/4 NE/4 of Section 29, Block 55, Public School Land Survey
 County : CULBERSON

Lease Number: TX299-109-120-000-00
 State Number: M-100075
 Lessor Name : State of Texas, acting by and through its agent, Daniel W. Nelson, Independent Executor of the Estate of Georgia B. Lucas, dec'd.
 Lessee Name : Clay Johnson
 Lease Date : 06/08/1998
 Recording : CULBERSON: 77/522/50881
 Gross Acres : 320.0000
 Description : N/2 of Section 23, Block 54, Public School Land Survey
 County : CULBERSON

Lease Number: TX299-109-121-000-00
 State Number: M-100072
 Lessor Name : State of Texas, acting by and through its agent, Mary Tom Luton Beyer
 Lessee Name : Clay Johnson
 Lease Date : 05/27/1998
 Recording : CULBERSON: 77/531/50882
 Gross Acres : 280.0000
 Description : N/2 less the SE/4 NE/4 of Section 15, Block 54, Public School Land Survey
 County : CULBERSON

Lease Number: TX299-109-193-001-00
 State Number: M-100166
 Lessor Name : State of Texas, acting by and through its agent, Anna Delila Looney, dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/10/1998
 Recording : CULBERSON: 77/599/50935
 Gross Acres : 640.0000
 Description : All of Section 13, Block 97, Public School Land Survey
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-193-002-00

State Number: M-100166

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/626/50938

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-003-00

State Number: M-100166

Lessor Name : State of Texas, acting by and through its agent, Robert Arthur
Looney, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/608/50936

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-004-00

State Number: M-100166

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, and Robert Arthur Looney, Trustees of the Treva K.
Looney Trust, fbo Peri Kaye Looney

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/887/51491

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-005-00

State Number: M-100166

Lessor Name : State of Texas, acting by and through its agent, Ashley Looney,
dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/887/51491

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-006-00

State Number: M-100166

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, III, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/869/51489

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-193-007-00

State Number: M-100166

Lessor Name : State of Texas, acting by and through its agent, Gloria Looney
williams Gothard, Trustee of the Treva K. Looney Trust, fbo Heath
Nathaniel Gregg

Lessee Name : Clay Johnson

Lease Date : 12/02/1998

Recording : CULBERSON: 78/842/51486

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-193-008-00

State Number: M-100166

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, Custodian for Peri Kaye Looney

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/635/50939

Gross Acres : 640.0000

Description : All of Section 13, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-001-00

State Number: M-100165

Lessor Name : State of Texas, acting by and through its agent, Anna Delila
Looney, dealing in her sole and separate property, c/o Kirk Perry
Looney, II

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/662/50942

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-002-00

State Number: M-100165

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/680/50944

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-003-00

State Number: M-100165

Lessor Name : State of Texas, acting by and through its agent, Robert Arthur
Looney, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/698/50946

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-004-00

State Number: M-100165

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, and Robert Arthur Looney, Trustees of the Treva K.
Looney Trust fbo Peri Kaye Looney

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/896/51492

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-005-00

State Number: M-100165

Lessor Name : State of Texas, acting by and through its agent, Ashley Looney,
dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/860/51488

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-194-006-00

State Number: M-100165

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, III, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 09/01/1998

Recording : CULBERSON: 78/878/51490

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-007-00

State Number: M-100165

Lessor Name : State of Texas, acting by and through its agent, Gloria Looney
Williams Gothard, Trustee of the Treva K. Looney Trust fbo Heath
Nathaniel Gregg

Lessee Name : Clay Johnson

Lease Date : 12/02/1998

Recording : CULBERSON: 78/833/51485

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-194-008-00

State Number: M-100165

Lessor Name : State of Texas, acting by and through its agent, Kirk Perry
Looney, II, Custodian for Peri Kaye Looney

Lessee Name : Clay Johnson

Lease Date : 07/10/1998

Recording : CULBERSON: 77/671/50943

Gross Acres : 640.0000

Description : All of Section 6, Block 97, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-203-000-00

State Number: M-100148

Lessor Name : State of Texas, acting by and through its agent, Bettye Clayton
and Kathryn G. Hicks, each a married woman dealing in their sole
and separate property

Lessee Name : Clay Johnson

Lease Date : 09/18/1998

Recording : CULBERSON: 78/942/51522

Gross Acres : 320.0000

Description : W/2 of Section 31, Block 55, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-205-001-00

State Number: M-100147

Lessor Name : State of Texas, acting by and through its agent, Jack E. Blake, et
ux Carol Jo Blake

Lessee Name : Clay Johnson

Lease Date : 07/01/1998

Recording : CULBERSON: 78/905/AMENDMENT 51493

Gross Acres : 320.0000

Description : Block 55, Public School Land Survey

Section 31: E/2

Original Recordation:

Culberson: Recorded 11-20-98, Vol. 78, Page 89, Index #51076

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-208-000-00

State Number: M-100141

Lessor Name : State of Texas, acting by and through its agent, Arthur Hemmi, and Helen Ann Hemmi, husband and wife; Roy Lee Conrady, and Diane Conrady, husband and wife; Jerry Vieth, and Margaret Vieth, husband and wife; Joey Schroeder, and Gail Schroeder, husband and wife; Adam Berend, and Etta Mae Berend, husband and wife; Ray Hoffman, Jr., and Myra Hoffman, husband and wife; and Wade Schrieber, a single man

Lessee Name : Clay Johnson

Lease Date : 06/15/1998

Recording : CULBERSON: 77/909/51059

Gross Acres : 320.0000

Description : N/2 of Section 47, Block 52, Public School Land

County : CULBERSON

Lease Number: TX299-109-209-000-00

State Number: M-100140

Lessor Name : State of Texas, acting by and through its agent, East Texas Company, Inc., a Georgia Corporation

Lessee Name : Clay Johnson

Lease Date : 05/05/1998

Recording : CULBERSON: 78/81/51075

Gross Acres : 160.0000

Description : SE/4 of Section 47, Block 42, Public School Land Survey

County : CULBERSON

Lease Number: TX299-109-253-001-00

State Number: M-100170

Lessor Name : State of Texas, acting by and through its agent, Rita Reed George, dealing in her sole and separate property

Lessee Name : Clay Johnson

Lease Date : 08/14/1998

Recording : CULBERSON: 78/207/51168

Gross Acres : 1280.0000

Description : Block 53, Public School Land Survey

Section 29: All

Section 32: All

County : CULBERSON

Lease Number: TX299-109-253-002-00

State Number: M-100170

Lessor Name : State of Texas, acting by and through its agent, Carolyn Clark Oatman Trust, Carolyn Clark Oatman, Trustee

Lessee Name : Clay Johnson

Lease Date : 08/14/1998

Recording : CULBERSON: 78/225/51170

Gross Acres : 1280.0000

Description : Block 53, Public School Land Survey

Section 29: All

Section 32: All

County : CULBERSON

Lease Number: TX299-109-253-003-00

State Number: M-100170

Lessor Name : State of Texas, acting by and through its agent, W. W. Oatman, dealing in his sole and separate property

Lessee Name : Clay Johnson

Lease Date : 08/14/1998

Recording : CULBERSON: 78/216/51169

Gross Acres : 1280.0000

Description : Block 53, Public School Land Survey

Section 29: All

Section 32: All

County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-253-004-00
 State Number: M-100170
 Lessor Name : State of Texas, acting by and through its agent, Warren Malcolm Clark, Trustee of the Warren Malcolm Clark Trust
 Lessee Name : Clay Johnson
 Lease Date : 08/14/1998
 Recording : CULBERSON: 78/746/51306
 Gross Acres : 1280.0000
 Description : Block 53, Public School Land Survey
 Section 29: All
 Section 32: All
 County : CULBERSON

Lease Number: TX299-109-262-001-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Wayne Moore, a widower
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/539/51249
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

Lease Number: TX299-109-262-002-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Lee Wayne Moore, Trustee for Pearl Moore Carter
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/503/51245
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

Lease Number: TX299-109-262-003-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Montebev, Inc.
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/467/51241
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-262-004-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Montgomery-Walker
 1974 Trust, by Charlotte Walker Furman Trustee
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/440/51238
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

Lease Number: TX299-109-262-005-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Joe Montgomery
 Brooks, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/584/51254
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

Lease Number: TX299-109-262-006-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Charlotte Walker
 Furman, dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/638/51260
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

Lease Number: TX299-109-262-007-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Daniel L. Laird,
 dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/602/51256
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-262-008-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Jograce Laird
 Flood, dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/386/51232
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

Lease Number: TX299-109-262-009-00
 State Number: M-100187
 Lessor Name : State of Texas, acting by and through its agent, Dorothy F.
 Richardson, a widow of C. E. Richardson, deceased
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/665/51263
 Gross Acres : 2560.0000
 Description : Block 99, Public School Land Survey
 Section 3: S/2
 Section 10: W/2
 Section 15: W/2
 Section 22: N/2
 Section 23: All
 Section 24: All
 County : CULBERSON

Lease Number: TX299-109-263-001-00
 State Number: M-100186
 Lessor Name : State of Texas, acting by and through its agent, Wayne Moore, a
 widower
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/548/51250
 Gross Acres : 2560.0000
 Description : Block 100, Public School Land Survey
 Section 8: All
 Section 9: All
 Section 16: All
 Section 17: All
 County : CULBERSON

Lease Number: TX299-109-263-002-00
 State Number: M-100186
 Lessor Name : State of Texas, acting by and through its agent, Lee Wayne Moore,
 Trustee for Pearl Moore Carter
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/512/51246
 Gross Acres : 2560.0000
 Description : Block 100, Public School Land Survey
 Section 8: All
 Section 9: All
 Section 16: All
 Section 17: All
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-263-003-00
 State Number: M-100186
 Lessor Name : State of Texas, acting by and through its agent, Montebev, Inc.
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/476/51242
 Gross Acres : 2560.0000
 Description : Block 100, Public School Land Survey
 Section 8: All
 Section 9: All
 Section 16: All
 Section 17: All
 County : CULBERSON

Lease Number: TX299-109-263-004-00
 State Number: M-100186
 Lessor Name : State of Texas, acting by and through its agent, Montgomery-Walker
 1974 Trust, by Charlotte Walker Furman Trustee
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/422/51236
 Gross Acres : 2560.0000
 Description : Block 100, Public School Land Survey
 Section 8: All
 Section 9: All
 Section 16: All
 Section 17: All
 County : CULBERSON

Lease Number: TX299-109-263-005-00
 State Number: M-100186
 Lessor Name : State of Texas, acting by and through its agent, Joe Montgomery
 Brooks, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/557/51251
 Gross Acres : 2560.0000
 Description : Block 100, Public School Land Survey
 Section 8: All
 Section 9: All
 Section 16: All
 Section 17: All
 County : CULBERSON

Lease Number: TX299-109-263-006-00
 State Number: M-100186
 Lessor Name : State of Texas, acting by and through its agent, Charlotte Walker
 Furman, dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/629/51259
 Gross Acres : 2560.0000
 Description : Block 100, Public School Land Survey
 Section 8: All
 Section 9: All
 Section 16: All
 Section 17: All
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-263-007-00
State Number: M-100186
Lessor Name : State of Texas, acting by and through its agent, Jograce Laird
Flood in her sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/404/51234
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 8: All
Section 9: All
Section 16: All
Section 17: All
County : CULBERSON

Lease Number: TX299-109-263-008-00
State Number: M-100186
Lessor Name : State of Texas, acting by and through its agent, Daniel L. Laird,
dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/593/51255
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 8: All
Section 9: All
Section 16: All
Section 17: All
County : CULBERSON

Lease Number: TX299-109-263-009-00
State Number: M-100186
Lessor Name : State of Texas, acting by and through its agent, Dorothy F.
Richardson, a widow of C. E. Richardson, deceased
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/692/51266
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 8: All
Section 9: All
Section 16: All
Section 17: All
County : CULBERSON

Lease Number: TX299-109-264-001-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Wayne Moore, a
widower
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/530/51248
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-264-002-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Lee Wayne Moore, Trustee for Pearl Moore Carter
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/485/51243
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

Lease Number: TX299-109-264-003-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Montebev, Inc.
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/458/51240
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

Lease Number: TX299-109-264-004-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Montgomery-Walker 1974 Trust, by Charlotte Walker Furman Trustee
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/413/51235
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

Lease Number: TX299-109-264-005-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Joe Montgomery Brooks, dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/575/51253
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-264-006-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Charlotte Walker
Furman, dealing in her sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/656/51262
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

Lease Number: TX299-109-264-007-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Jograce Laird
Flood in her sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/377/51231
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

Lease Number: TX299-109-264-008-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Daniel L. Laird,
dealing in his sole and separate property
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/620/51258
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

Lease Number: TX299-109-264-009-00
State Number: M-100185
Lessor Name : State of Texas, acting by and through its agent, Dorothy F.
Richardson, a widow of C. E. Richardson, deceased
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/683/51265
Gross Acres : 2560.0000
Description : Block 100, Public School Land Survey
Section 18: All
Section 19: All
Section 20: All
Section 21: All
County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-265-001-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Wayne Moore, a widower
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/521/51247
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-002-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Lee Wayne Moore, Trustee for Pearl Moore Carter
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/494/51244
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-003-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Montebev, Inc.
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/449/51239
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-004-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Montgomery-Walker 1974 Trust, by Charlotte Walker Furman Trustee
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/431/51257
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-265-005-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Joe Montgomery
 Brooks, dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/566/51252
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-006-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Charlotte Walker
 Furman, dealing in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/647/51261
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-007-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Jograce Laird
 Flood in her sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/395/51233
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

Lease Number: TX299-109-265-008-00
 State Number: M-100184
 Lessor Name : State of Texas, acting by and through its agent, Daniel L. Laird,
 dealing in his sole and separate property
 Lessee Name : Clay Johnson
 Lease Date : 07/17/1998
 Recording : CULBERSON: 78/611/51257
 Gross Acres : 3200.0000
 Description : Block 100, Public School Land Survey
 Section 4: All
 Section 5: All
 Section 6: All
 Section 7: All
 Block 104, Public School Land Survey
 Section 21: All
 County : CULBERSON

EXHIBIT "A", Continued

Lease Number: TX299-109-265-009-00
State Number: M-100184
Lessor Name : State of Texas, acting by and through its agent, Dorothy F.
Richardson, a widow of C. E. Richardson, deceased
Lessee Name : Clay Johnson
Lease Date : 07/17/1998
Recording : CULBERSON: 78/674/51264
Gross Acres : 3200.0000
Description : Block 100, Public School Land Survey
Section 4: All
Section 5: All
Section 6: All
Section 7: All
Block 104, Public School Land Survey
Section 21: All
County : CULBERSON

END OF EXHIBIT "A".



1

Check #101851

Property Id / MMS	Eff. Date	Recording Information	State	County/Parish		
TX299-109-014-000-00 M-99026	01/01/1998	02/18/98 BK 76 PG 613 ENTRY 50408	Texas	Culberson		
Property Name / Lessor						
State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.						
Property Legal Description						
BLOCK 107, PUBLIC SCHOOL LAND SURVEY SECTION 14: N/2 Culberson: Amendment Recordation: 02-18-1998/76/772/50473						
Payee Name & Address			SSN/Tax Id Number			
State of Texas, acting by and through the Commissioner of the General Land Office 1700 N. Congress Avenue Austin, TX 78701 X 160.00			Federal Tax Withheld			
			0.00			
			Account Number			
			Total Bank Charges			
			0.00			
Payment Due Date	Period (in months)	Payment Description	Amount Due	Bank Service Charges	Property Sub-Type	Property Sub-Id
01/01/2001	12	DELAY RENTAL	160.00	0.00		
LEASE NO. 50370						
/ /			0.00	0.00		
/ /			0.00	0.00		
/ /			0.00	0.00		
/ /			0.00	0.00		

Instructions to depository: you have been designated as depository for the above described payment(s). Please credit the proceeds thereof to the parties named and in the amounts indicated. Should any difficulty arise, make the deposit in a special account, and contact us immediately.

No 101851

File No. MF099026

Rental Payment

Date Filed: 12/18/00

David Dewhurst, Commissioner

By [Signature]

15.19.00

11.

Check # 9900495

Property Id / MMS	Eff. Date	Recording Information	State	County/Parish		
TX299-109-014-000-00 M-99026	01/01/1998	02/18/98 BK 76 PG 613 ENTRY 50408	Texas	Culberson		
Property Name / Lessor						
State of Texas, acting by and through its agent, Irene Cupples, a married woman dealing in her sole and separate property, and Irene Cupples, Independent Executrix of the Estate of Joe T. Rounsaville, dec'd.						
Property Legal Description						
BLOCK 107, PUBLIC SCHOOL LAND SURVEY SECTION 14: N/2 Culberson: Amendment Recordation: 02-18-1998/76/772/50473						
Payee Name & Address			SSN/Tax Id Number			
State of Texas, acting by and through the Commissioner of the General Land Office 1700 N. Congress Avenue Austin, TX 78701						
			Federal Tax Withheld			
			0.00			
			Account Number			
			Total Bank Charges			
			0.00			
Payment Due Date	Period (in months)	Payment Description	Amount Due	Bank Service Charges	Property Sub-Type	Property Sub-Id
01/01/2002	12	DELAY RENTAL	160.00	0.00		
LEASE NO. 50370						
/ /			0.00	0.00		
/ /			0.00	0.00		
/ /			0.00	0.00		
/ /			0.00	0.00		

Instructions to depository: you have been designated as depository for the above described payment(s). Please credit the proceeds thereof to the parties named and in the amounts indicated. Should any difficulty arise, make the deposit in a special account, and contact us immediately.

✓ Pure Resources LP X 160.00
02014232 121

RECEIVED
01 DEC 17 PM 2:39
ENERGY RESOURCES

9900495

File No.

17F099026 12.

Rental Payment

Date Filed:

12/17/01

David Dewhurst, Commissioner

By

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