

~~# 3058~~ # 3058

TERMINATION
DATE ~~10/1/14~~ 10/1/14TM
LEASING ~~5/29/18~~
MAPS ~~JK~~
GIS ~~X~~

Rentals: *MT.*
Lease Admin: *DK.*
Mineral
Maps:

STATE LEASE MF099293

CONTROL	BASEFILE	COUNTY
56-029214 65-902394	000	WASHINGTON /239
SURVEY	: HIGHWAYS & PUBLIC TRANSPORTATI	
BLOCK	:	
TOWNSHIP	: 00	
SECTION/TRACT:		
PART	:	
ACRES	: 2.31	
DEPTH LIMITS	: NO	
LESSEE	: UNION PACIFIC RESOURCES COMPAN	
LEASE DATE	: Jun 16 1998	
PRIMARY TERM	: 3 yrs	
BONUS (\$)	: 621.30	
RENTAL (\$)	: 0.00	
ROYALTY	: 0.20000000	
VAR ROYALTY	:	

8/1/14



CAUTION

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

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

Thank you for your assistance.

Archives and Records Staff



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- 1. Lease 8/21/98
- 2. Letter 5/19/98 8/21/98
- 3. Memo 6/10/98 8/21/98
- 4. Letter 7/27/98 1-22-99
- 5. Billing to KME 2-5-02

Scanned sm 10/10/13

- 6. TERMINATION LETTER 9/25/17

scanned AT 9-26-2018

See MF 094949 #29 Assign #10876

EnerVest (Co) Magnolia 7-26-19

scanned AT 8-12-2019

See MF 094949 #30 Assign #10883

EV Prop (Co) Harvey Gidker 8-16-19

Scanned sm 10/01/2019

The State of Texas



Austin, Texas

PAID-UP
OIL AND GAS LEASE NO. M-99293
GENERAL LAND OFFICE
AUSTIN, TEXAS

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

1. Lessor, in consideration of **Six Hundred Twenty One and 30/100 Dollars (\$621.30)**, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of **Washington**, State of Texas, and is described as follows:

4.142 gross acres/2.313 net acres of land, more or less, situated in said **Washington** County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof together with a plat, attached hereto as Exhibit "B", depicting said right-of-way and surrounding area for purposes of illustration only.

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **4.142 gross acres/2.313 net acres**, whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. **PRIMARY TERM:** This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of **three (3) years** from **June 16, 1998**, hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. ROYALTIES: As royalty Lessee covenants and agrees:

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

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

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

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

(e) If at any time or times after the expiration of the primary term, all such wells are shut in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of **\$25.00**. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

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

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

interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value. The State shall have first lien upon all oil and gas produced from the area covered by this lease to secure the payment of all unpaid royalty and other sums of money that may become due to the State hereunder.

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance of ten percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, as operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) the proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof, except that Lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. At any time while this lease is in force Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force for so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

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

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

5. RELEASE: Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy

of same in the General Land Office within ninety (90) days after its execution accompanied by the prescribed filing fee. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

6. REWORK: If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate at the end of the primary term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) Lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 9 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas, or production of oil or gas in paying quantities.

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

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

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

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

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

12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by


lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

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

14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall be no less than an amount equal to \$50.00, and shall maintain this lease in effect for so long as such payments are made as provided herein.

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

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the General Land Office of the State of Texas under the seal of the General Land Office.



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

Approved:
Energy: RH
Executive: SR

Exhibit "A"

Acreage to be Leased from the State of Texas in Washington County, Texas, being part of Industrial Blvd. and Pickle Circle

4.142 acres of land, more or less, situated in the P.H. Coe League, A-31 in Washington County, Texas and being the same land described in the following two (2) tracts to wit:

TRACT ONE:

0.484 acre of land, more or less, being described as 3.7 acres of land more or less, being a portion of the land described in that certain Deed dated June 29, 1925 from Paul Wehmeyer and T. F. Matchett to J. H. Chapell, County Judge of Washington County, Texas, recorded in Volume 85, Page 216 of the Deed Records of Washington County, Texas

LESS AND EXCEPT

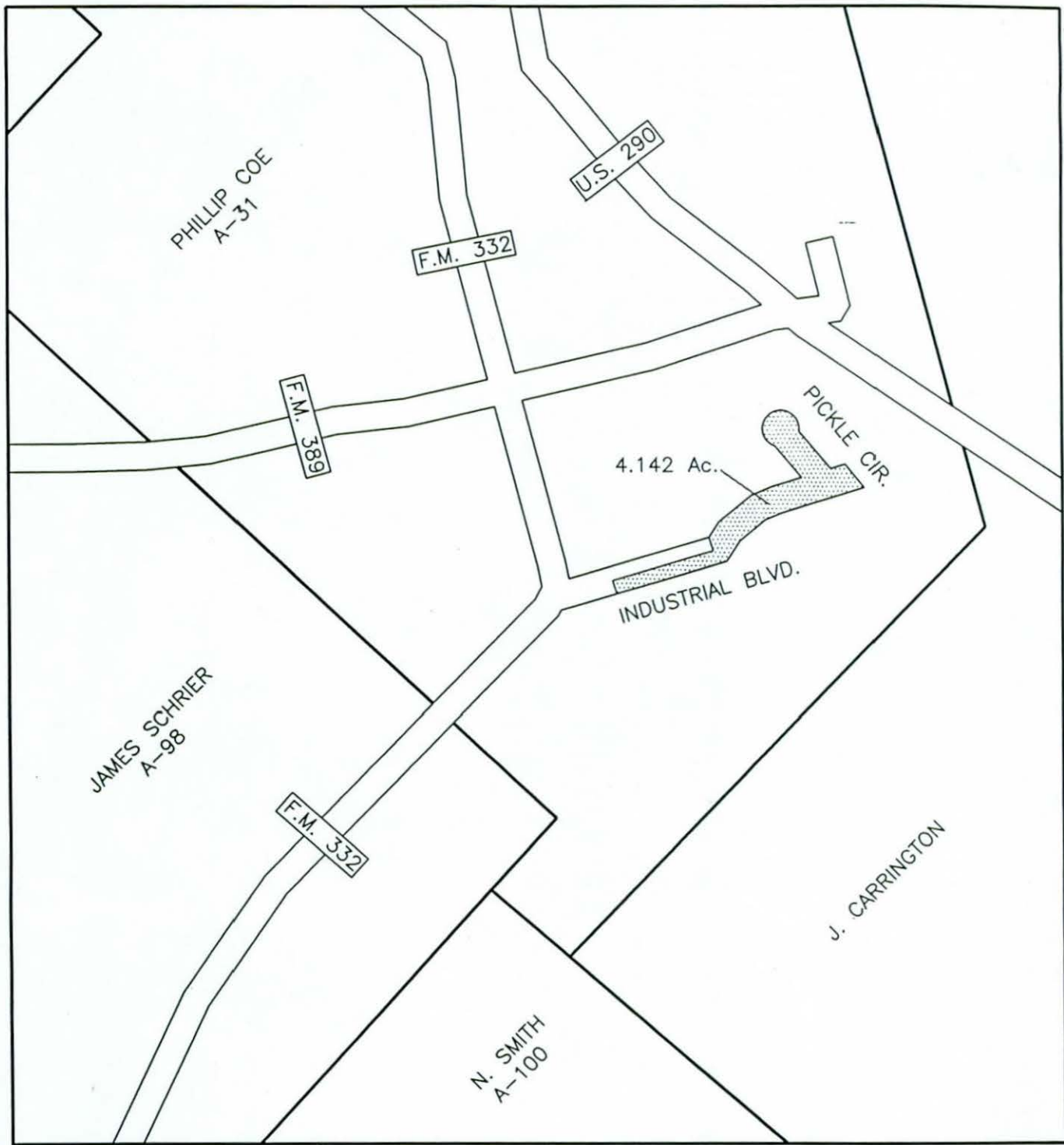
That portion of the 2.937 acres of land described in that certain Deed dated November 20, 1963, from Fred Rodeck et ux, to the Brenham Industrial Foundation, Inc. recorded in Volume 250 Page 276 of the Deed Records of Washington County, Texas, lying within the boundaries of the 3.7 acre road tract described above (called 1.181 acres)

AND LESS AND EXCEPT

That portion of the 2.917 acres of land, described in that certain Deed dated February 9, 1981 from Gus F. Mutscher, County Judge of Washington County, Texas to Brenham Industrial Foundation, Inc., recorded in Volume 410, Page 872, of the Deed Records of Washington County, Texas, lying within the boundaries of the 3.7 acre road tract describe above (calculated as 2.035 acres).

TRACT TWO:

3.658 acres of land, more or less, out of the P.H. Coe League, Abstract No. 31, Washington County, Texas and being the same land described as 2.653 acres of land and as 1.005 acres of land, in that certain deed dated April 14, 1980 from the Brenham Industrial Foundation, Inc. to the City of Brenham, recorded in Volume 597 of the Deed Records of Washington County, Texas.



Industrial Blvd/EM/6-98

MAP SHOWING
A PORTION OF INDUSTRIAL BLVD. & PICKLE CIRCLE
4.142 GROSS ACRES / 2.313 NET ACRES
APPROXIMATELY 1 MILE SOUTHWEST OF BRENHAM
WASHINGTON COUNTY

7

MF 99393
ITEM ~~none~~ lease
TO _____
FROM _____
DATE 8/21/98

DENNIS MAHLMANN
Petroleum Land Services
208 W. Alamo
Brenham, Texas 77833
409/836-3260

* 4.142 Gross Ac.
2.313 Net Ac.

May 19, 1998

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

150.00
Y5
3yr Paid-up 98048464
\$25.00 flat / shut in

Attn.: Mr. Drew Reid

RE: Oil and Gas Lease, 4.142 acres of land,
Industrial Boulevard and Pickle Circle,
Washington County, Texas

170

Dear Mr. Reid:

X100.00

Attached please find the following items relating to the leasing of the above highway or right-of-way tract:

- 1) Check for \$100.00 to cover the processing fee;
- 2) Application to lease right-of-way, with attachments;
- 3) Waiver of notice by Union Pacific Resources Company;
- 4) Affidavit re: horizontal drilling;
- 5) Affidavit re: consideration paid for adjacent leases;
- 6) Map indicating ownership of adjacent tract;
- 7) Copies of leases on adjacent lands.
- 8) Title opinion letter covering subject tracts.

Thank you for this opportunity to develop these minerals. Please call on me if you have questions.

Sincerely yours,

Dennis Mahlmann
Landman and Agent,
Union Pacific Resources Company

RECEIVED
98 MAY 22 PM 2:24
ENERGY RESOURCES



DENNIS MAHLMANN
Petroleum Land Services
208 W. Alamo
Brenham, Texas 77833
409/836-3260

May 19, 1998

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

Attn.: Mr. Drew Reid

RE: Oil and Gas Lease, 4.142 acres of land,
Industrial Boulevard and Pickle Circle,
Washington County, Texas

Dear Mr. Reid:

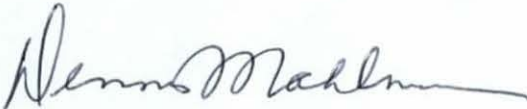
Union Pacific Resources Company hereby makes application to lease a 4.142 acre right-of-way tract located in Washington County, Texas. Union Pacific Resources Company is an "adjacent mineral owner" to the tract as a result of currently existing oil and gas leases.

Attached to this application are the following:

- 1) Plat or map of the right-of-way tract showing the boundaries of said tract;
- 2) Vicinity map indicating the location of the 4.142 acres to be leased;
- 3) Copies of source deeds into the Washington County and the City of Brenham.

Please call me if you have any questions or if I can be of assistance.

Sincerely yours,



Dennis Mahlmann
Landman and Agent,
Union Pacific Resources Company

Enclosures

DENNIS MAHLMANN
Petroleum Land Services
208 W. Alamo
Brenham, Texas 77833
409/836-3260

May 19, 1998

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

Attn.: Mr. Drew Reid

RE: 4.142 acres of land, more or less,
 Philip Coe League, A-31, Washington County, Texas

Dear Mr. Reid:

We have examined title to **4.142 acres of land**, more or less, out of the Philip Coe League, Abstract No. 31, Washington County, Texas, being the same land described as the following two (2) tracts of land, to-wit:

TRACT ONE:

0.484 acre of land, more or less, being described as 3.7 acres of land, more or less, being a portion of the land described in that certain Deed dated June 29, 1925 from Paul Wehmeyer and T. F. Matchett to J. H. Chappell, County Judge of Washington County, Texas, recorded in Volume 85, Page 216 of the Deed Records of Washington County, Texas

LESS AND EXCEPT

that portion of the 2.937 acres of land described in that certain Deed dated November 20, 1963, from Fred Rodeck and wife, Clara Rodeck to the Brenham Industrial Foundation, Inc., recorded in Volume 250, Page 276, of the Deed Records of Washington County, Texas, lying within the boundaries of the 3.7 acre road tract described above(called 1.181 acres)

AND LESS AND EXCEPT

that portion of the 2.917 acres of land, described in that certain Deed dated February 9, 1981 from Gus F. Mutscher, County Judge of Washington County, Texas to Brenham Industrial Foundation, Inc., recorded in Volume 410, Page 872, of the Deed Records of Washington County, Texas, lying within the boundaries of the 3.7 acre road tract described above (calculated as 2.035 acres).

TRACT TWO:

3.658 acres of land, more or less, out of the P. H. Coe League, Abstract No. 31, Washington County, Texas and being the same land described as 2.653 acres of land and as 1.005 acres of land, in that certain deed dated April 14, 1980 from the Brenham Industrial Foundation, Inc. to the City of Brenham, recorded in Volume 392, page 597 of the Deed Records of Washington County, Texas.

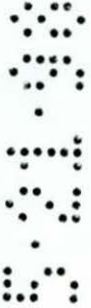
We find title to the captioned property is vested as follows:

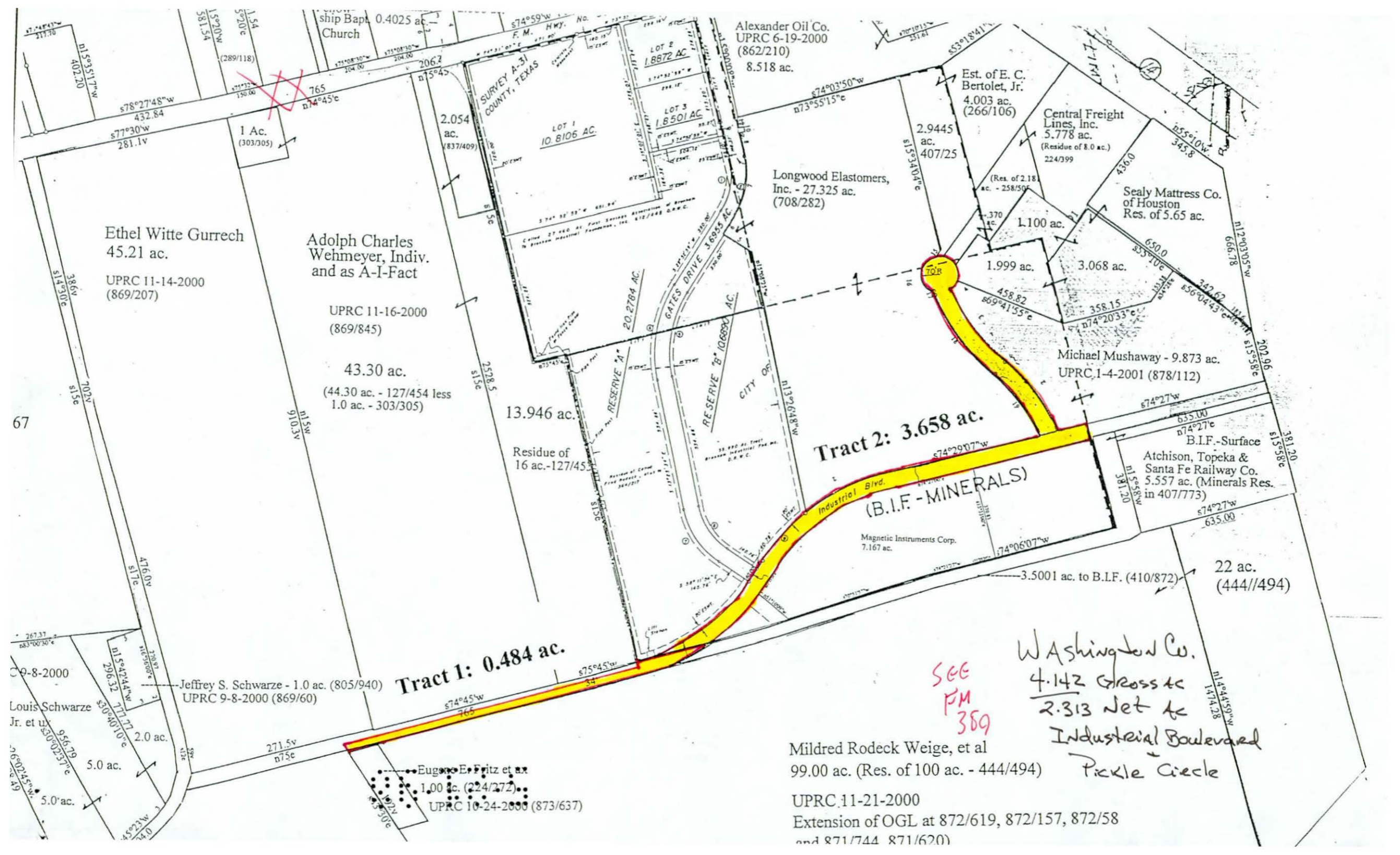
	SURFACE ESTATE	EXECUTIVE RIGHTS & MINERAL FEE	
<u>TRACT ONE:</u> 0.484 acre of land	Washington County, Texas 1.000	State of Texas	1.000
<u>TRACT TWO:</u> 3.658 acres of land	City of Brenham, Texas 1.000	State of Texas Clara Rodeck	0.500 0.500

Please feel free to call on me if you have any questions or comments.

Respectfully Submitted,

Dennis Mahlmann
Landman and Agent
Union Pacific Resources Company





Alexander Oil Co.
UPRC 6-19-2000
(862/210)
8.518 ac.

Ethel Witte Gurrech
45.21 ac.
UPRC 11-14-2000
(869/207)

Adolph Charles
Wehmeyer, Individ.
and as A-I-Fact
UPRC 11-16-2000
(869/845)

43.30 ac.
(44.30 ac. - 127/454 less
1.0 ac. - 303/305)

13.946 ac.
Residue of
16 ac. - 127/45

Longwood Elastomers,
Inc. - 27.325 ac.
(708/282)

Est. of E. C.
Bertolet, Jr.
4.003 ac.
(266/106)

Central Freight
Lines, Inc.
5.778 ac.
(Residue of 8.0 ac.)
224/399

Sealy Mattress Co.
of Houston
Res. of 5.65 ac.

Michael Mushaway - 9.873 ac.
UPRC 1-4-2001 (878/112)

Tract 2: 3.658 ac.

(B.I.F - MINERALS)

B.I.F. - Surface
Atchison, Topeka &
Santa Fe Railway Co.
5.557 ac. (Minerals Res.
in 407/773)

22 ac.
(444//494)

Tract 1: 0.484 ac.

Jeffrey S. Schwarze - 1.0 ac. (805/940)
UPRC 9-8-2000 (869/60)

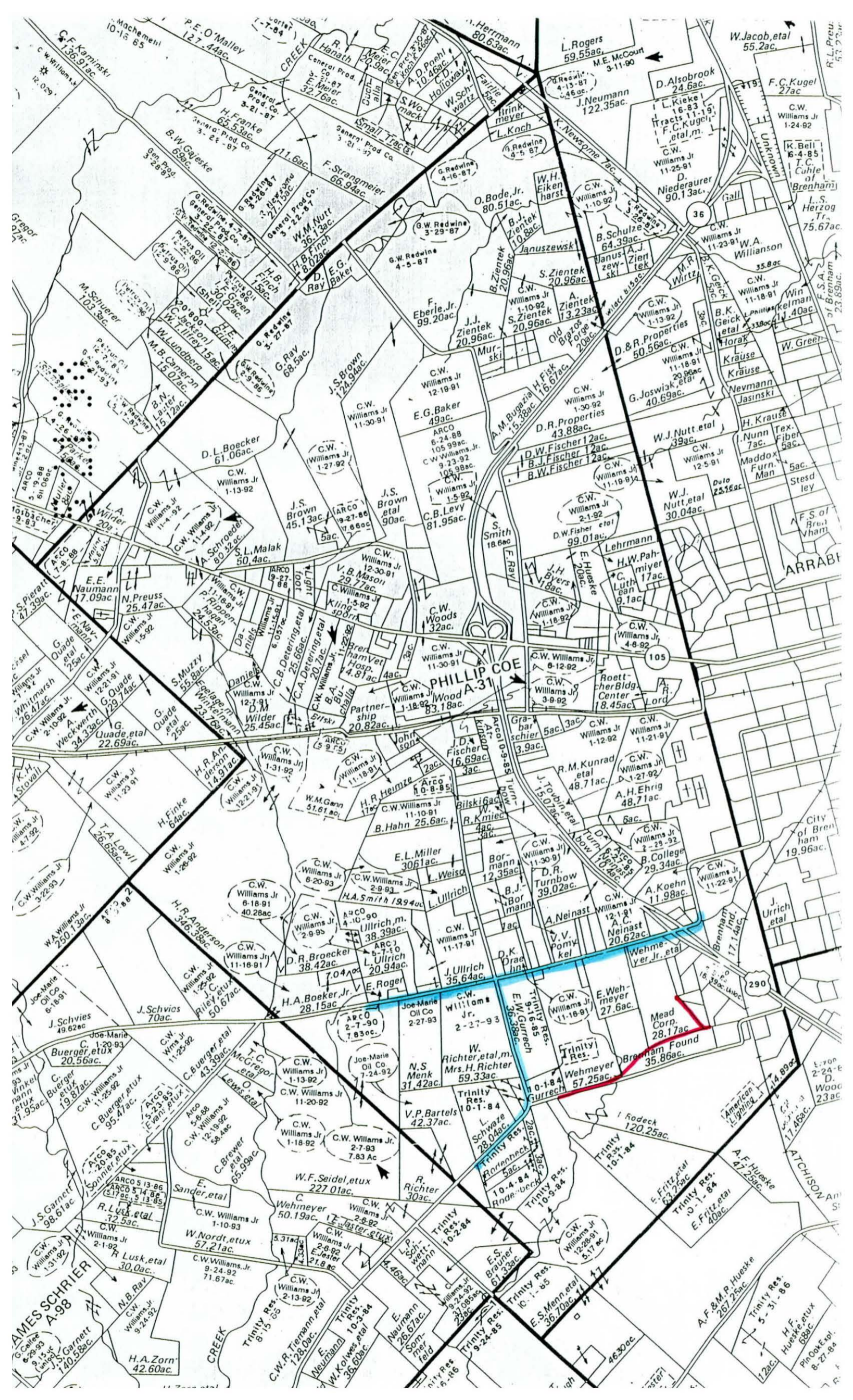
Eugene E. Fritz et al
1.00 ac. (224/272)
UPRC 10-24-2000 (873/637)

SEE
FM
389

Washington Co.
4.142 Gross ac
2.313 Net ac
Industrial Boulevard
Pickle Circle

Mildred Rodeck Weige, et al
99.00 ac. (Res. of 100 ac. - 444/494)

UPRC 11-21-2000
Extension of OGL at 872/619, 872/157, 872/58
and 871/744 871/620)



C.F. Kaminiski
136.9 ac.
12.039'

Machement
10-15 85
P.E. O'Malley
127.44 ac.

CREEK
R. Hanath
20.3 ac.

General Prod. Co.
3-21-87
E. Meyer
32.76 ac.

Herrmann
80.63 ac.

L. Rogers
59.55 ac.

M.E. McCourt
3-11-90

J. Neumann
122.35 ac.

D. Alsbrook
24.6 ac.

W. Jacob, et al
55.2 ac.

B.W. Gaijeske
69 ac.

H. Franke
65.53 ac.

General Prod. Co.
3-21-87

F. Strangmeier
66.94 ac.

W.H. Eikenharst
80.51 ac.

W.H. Eikenharst
80.51 ac.

J. Neumann
122.35 ac.

L. Kiekel
16.83 ac.

F.C. Kugel, et al, m.

C.W. Williams Jr
1-24-92

M. Schuerer
103.3 ac.

H.B. Finch
1.5 ac.

W.M. Nurr
36.13 ac.

W.H. Eikenharst
80.51 ac.

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H.B. Finch
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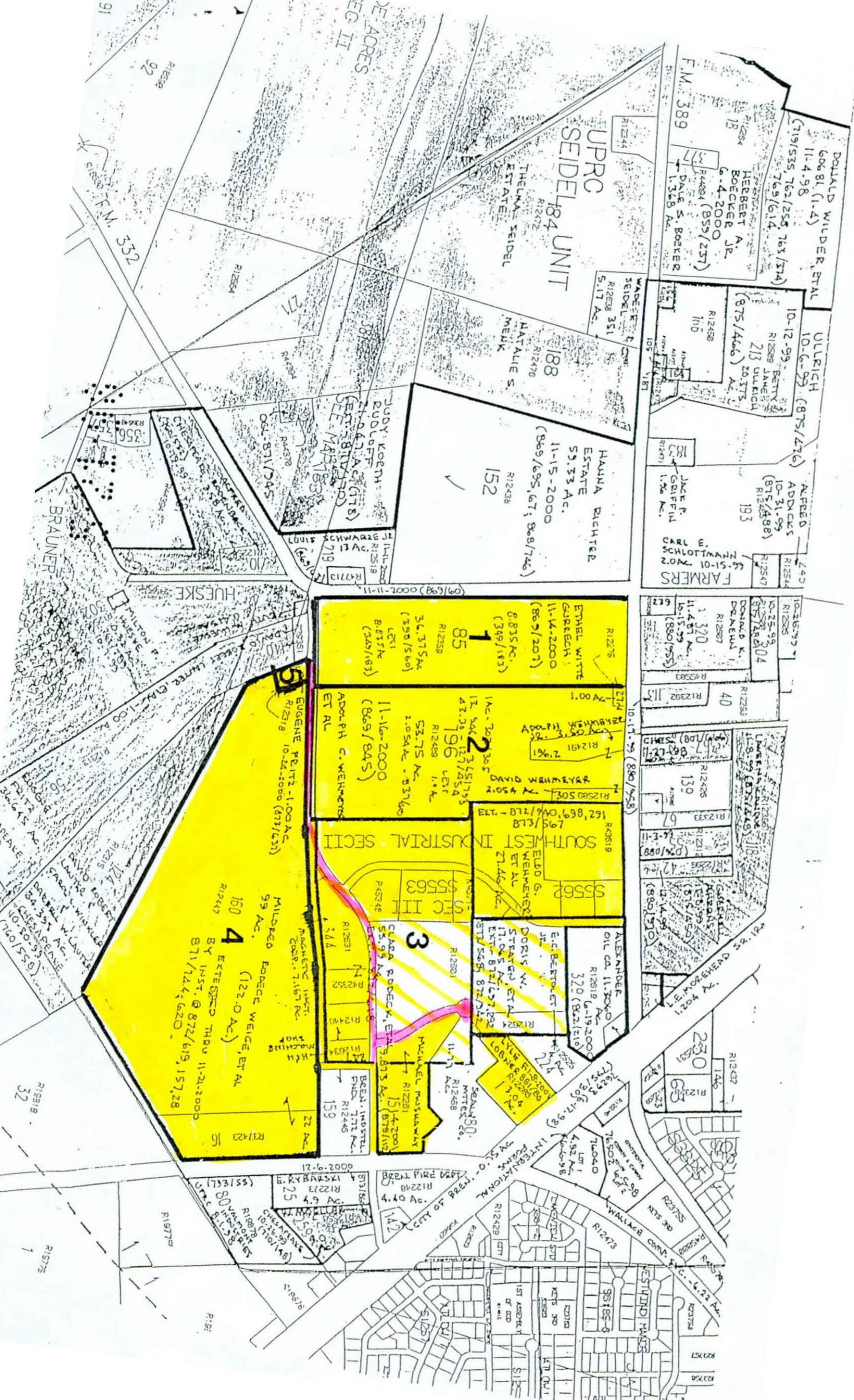
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W.H. Eikenharst
80.51 ac.



DALLARD WILDER, ETAL
606 BL. (11.4)
11-4-98
(719/535, 762/255, 765/374)
769/614

HERBERT A. BOECKER JR.
6-4-2000
P4484 (859/237)
DALE S. BOECKER
1.368 Ac.

10-12-99
BETTY J. BOECKER
JAMES BOECKER
213 ULRICH
AC.
(875/466)

ALBERT ADDICKS
10-31-99
(875/488)
193

FARMERS
6-51-01
202
JACK P. GOLFFIL
1.36 Ac.

10-16-99
DONALD K. DRAHEM
11-4-97
10-15-99
(880/955)

40
R12392

18
LAWRENCE R. RAY
10-29-99
(875/449)

67
R12333

118
GUYENNE
12-14-99
(859/590)

230
R12321

145
R12320

146
R12319

147
R12318

148
R12317

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R12316

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R12315

151
R12314

152
R12313

UPRC
SEIDEL
184 UNIT

THELMA SEIDEL
ESTATE

188
LATA LIE S.
MEUK
R12476

HAINA RICHTER
ESTATE
59.73 Ac.
11-15-2000
(869/695, 67; 868/746)

152
R12438

JUDY KOEHN
RUOLOFF
11-04-97
(875/418)
SEE MAP 153

151
LOUIS SCHWARZ
11-11-2000
(875/418)

150
OEL 81/1745

149
R12437

148
R12436

147
R12435

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R12422

1
EMEL WITTE
GURBECH
11-14-2000
(869/207)

2
EUGENE PRITZ
11-04-97
(875/418)

3
CARA RODECK, ETAL
5.95 Ac.
(878/192)

4
MILDEPO BOECKE WENGE, ETAL
122.0 Ac.
BY INST. @ 872/619, 157,28

5
R12421

85
34.375 Ac.
(390/560)
LCTI
B.537K
(349/183)

196
53.75 Ac.
2.054 Ac. 83760

197
11-16-2000
(869/845)

198
ADOLPH C. WEHNER
ET AL

199
R12420

160
R12417

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AFFIDAVIT

STATE OF TEXAS

COUNTY OF WASHINGTON

BEFORE ME, the undersigned authority, on this day personally appeared DENNIS MAHLMANN, known to me to be a credible person above the age of twenty-one (21) years, not incapacitated in any way, who after being first duly sworn, deposes and says, to-wit:

Affiant state that as an independent landman currently engaged by Union Pacific Resources Company, he is aware that the consideration paid for the oil and gas leases adjacent to the right-of-way tracts listed below.

RIGHT-OF-WAY TRACTS TO BE LEASED IN WASHINGTON COUNTY, BEING A PART OF INDUSTRIAL BOULEVARD (FORMERLY WASHINGTON COUNTY ROAD NO. 40) AND PICKLE CIRCLE

4.142 acres of land, more or less, out of the P. H. Coe League, Abstract No. 31, Washington County, Texas and being the same land described in the following two (2) tracts, to-wit:

TRACT ONE:

0.484 acre of land, more or less, being described as 3.7 acres of land, more or less, being a portion of the land described in that certain Deed dated June 29, 1925 from Paul Wehmeyer and T. F. Matchett to J. H. Chappell, County Judge of Washington County, Texas, recorded in Volume 85, Page 216 of the Deed Records of Washington County, Texas

LESS AND EXCEPT

that portion of the 2.937 acres of land described in that certain Deed dated November 20, 1963, from Fred Rodeck and wife, Clara Rodeck to the Brenham Industrial Foundation, Inc., recorded in Volume 250, Page 276, of the Deed Records of Washington County, Texas, lying within the boundaries of the 3.7 acre road tract described above(called 1.181 acres)

AND LESS AND EXCEPT

that portion of the 2.917 acres of land, described in that certain Deed dated February 9, 1981 from Gus F. Mutscher, County Judge of Washington County, Texas to Brenham Industrial Foundation, Inc., recorded in Volume 410, Page 872, of the Deed Records of Washington County, Texas, lying within the boundaries of the 3.7 acre road tract described above (calculated as 2.035 acres).

TRACT TWO:

3.658 acres of land, more or less, out of the P. H. Coe League, Abstract No. 31, Washington County, Texas and being the same land described as 2.653 acres of land and as 1.005 acres of land, in that certain deed dated April 14, 1980 from the Brenham Industrial Foundation, Inc. to the City of Brenham, recorded in Volume 392, page 597 of the Deed Records of Washington County, Texas.

Affiant further states that the consideration paid for these leases are as follows, to-wit:

LESSORS	REF.	ROYALTY	BONUS	RENTAL
TRACT 1: 45.21 Acres Ethel Witte Gurrech Lease amended, 870/788.	869/207	1/6	\$100/Ac	Pd Up
TRACT 2: 60.30 Acres Adolph Charles Wehmeyer	869/845	1/6	\$100/Ac	Pd Up
TRACT 3: 55.99 Acres (1/2 interest) Clara Rodeck Primary term of lease extended from 3 years to six years for additional bonus of \$100/Ac.; ref. 872/618.	762/667	1/6	\$100/Ac	Pd Up
TRACT 3a: 65.2447 Acres Economic Development Foundation of Brenham, Inc.	890/904	1/5	\$150/Ac.	Pd Up
TRACT 3b: 27.325 Acres (1/2 interest) Longwood Elastomers, Inc.	UNLEASED			
TRACT 3c: 5.778 Acres Central Freight Lines, Inc.	Not recorded	1/6	\$100/Ac	Pd Up

TRACT 3d: 1.999 Acres (1/2 interest) UNLEASED
Sealy Mattress Company of Houston

TRACT 3e: 9.873 Acres
Michael Mushaway 766/271 1/6 \$118/Ac Pd Up
Primary term of lease extended from 3 years to six years for additional bonus of \$100/Ac; ref. 872/112.

TRACT 4: 122.00 Acres
Myrna Denise Loesch 761/276 1/6 \$75/Ac Pd Up
Primary term of lease extended from 3 years to six years for additional bonus of \$100/Ac; ref. 872/157.

Mark Rodeck Ehrlund 759/446 1/6 \$75/Ac Pd Up
Primary term of lease extended from 3 years to six years for additional bonus of \$100/Ac; ref. 871/744.

Kimberly Ann Ehrlund 759/448 1/6 \$75/Ac Pd Up
Primary term of lease extended from 3 years to six years for additional bonus of \$100/Ac; ref. 871/620.

Donna Jean Weige 759/454 1/6 \$75/Ac Pd Up
Primary term of lease extended from 3 years to six years for additional bonus of \$100/Ac; ref. 872/028.

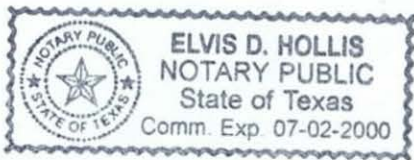
TRACT 5: 1.00 acre
Eugene E. Fritz, et ux 873/637 1/6 \$100/Ac Pd Up


Affiant further states that said lands listed as TRACT 1 through TRACT 5, herein, correspond to the lands listed as same on the attached map, labeled Exhibit "A".

Dated this 20th day of May, 1998.


DENNIS MAHLMANN

SUBSCRIBED AND SWORN TO BEFORE ME this 20th day of May, 1998.




Notary Public, State of Texas

AFFIDAVIT

STATE OF TEXAS

COUNTY OF WASHINGTON

BEFORE ME, the undersigned authority, on this day personally appeared DENNIS MAHLMANN, known to me to be a credible person above the age of twenty-one (21) years, not incapacitated in any way, who after being first duly sworn, deposes and says, to-wit:

Affiant states that he is an independent landman currently engaged by Union Pacific Resources Company, and that he is aware that the proposed leasing of the following described right-of-way tracts is for the specific purpose of drilling a horizontal oil and gas well.

RIGHT-OF-WAY TRACTS TO BE LEASED IN WASHINGTON COUNTY, BEING A PART OF INDUSTRIAL BOULEVARD (FORMERLY WASHINGTON COUNTY ROAD NO. 40) AND PICKLE CIRCLE

4.142 acres of land, more or less, out of the P. H. Coe League, Abstract No. 31, Washington County, Texas and being the same land described in the following two (2) tracts, to- wit:

TRACT ONE:

0.484 acre of land, more or less, being described as 3.7 acres of land, more or less, being a portion of the land described in that certain Deed dated June 29, 1925 from Paul Wehmeyer and T. F. Matchett to J. H. Chappell, County Judge of Washington County, Texas, recorded in Volume 85, Page 216 of the Deed Records of Washington County, Texas

LESS AND EXCEPT

that portion of the 2.937 acres of land described in that certain Deed dated November 20, 1963, from Fred Rodeck and wife, Clara Rodeck to the Brenham Industrial Foundation, Inc., recorded in Volume 250, Page 276, of the Deed Records of Washington County, Texas, lying within the boundaries of the 3.7 acre road tract described above(called 1.181 acres)

AND LESS AND EXCEPT

that portion of the 2.917 acres of land, described in that certain Deed dated February 9, 1981 from Gus F. Mutscher, County Judge of Washington County, Texas to Brenham Industrial Foundation, Inc., recorded in Volume 410, Page 872, of the Deed Records of Washington County, Texas, lying within the boundaries of the 3.7 acre road tract described above (calculated as 2.035 acres).

TRACT TWO:

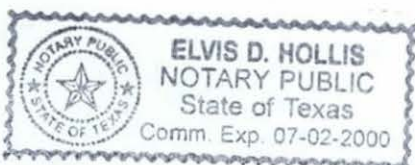
3.658 acres of land, more or less, out of the P. H. Coe League, Abstract No. 31, Washington County, Texas and being the same land described as 2.653 acres of land and as 1.005 acres of land, in that certain deed dated April 14, 1980 from the Brenham Industrial Foundation, Inc. to the City of Brenham, recorded in Volume 392, page 597 of the Deed Records of Washington County, Texas.

Further affiant sayeth not.

Dated this 20th day of May, 1998.


DENNIS MAHLMANN

SUBSCRIBED AND SWORN TO BEFORE ME this 20th day of May, 1998.




Notary Public, State of Texas

ADJACENT MINERAL OWNER STATUS OF LANDS SURROUNDING PROPOSED LEASE OF 6.159 ACRE RIGHT-OF-WAY (A PART OF FARM-TO-MARKET HIGHWAY 332, WASHINGTON COUNTY, TEXAS) FROM THE STATE OF TEXAS TO UNION PACIFIC RESOURCES COMPANY. SEE ATTACHED PLAT LABELED EXHIBIT "A".

<u>TRACT NO.</u>	<u>ACRES</u>	<u>WORKING INTEREST OWNERSHIP</u>
1	45.21	Union Pacific Resources Company P. O. Box 7 Fort Worth, Texas 76101
2	60.30	Union Pacific Resources Company P. O. Box 7 Fort Worth, Texas 76101
3	55.99 (1/2 int)	Union Pacific Resources Company P. O. Box 7 Fort Worth, Texas 76101
3a	65.2447	Union Pacific Resources Company P. O. Box 7 Fort Worth, Texas 76101
3b	27.325 (1/2 int)	Longwood Elastomers, Inc. %Longwood Industries 1901 Longwood Drive Brenham, Texas 77833-5230
3c	5.778 (1/2 int)	Union Pacific Resources Company P. O. Box 7 Fort Worth, Texas 76101
3d	1.999 (1/2 int)	Sealy Mattress Company of Houston P. O. Box 593 Houston, Texas 77834
3e	9.873	Union Pacific Resources Company P. O. Box 7 Fort Worth, Texas 76101
4	122.00	Union Pacific Resources Company P. O. Box 7 Fort Worth, Texas 76101
5	1.00	Union Pacific Resources Company P. O. Box 7 Fort Worth, Texas 76101



②

MF 99293
ITEM letter
TO _____
FROM _____
DATE 5/19/98



OIL, GAS & MINERAL LEASE

PROD 88 (REV 8/93)

PAID UP

5317

19 97

THIS LEASE AGREEMENT is made effective the 10th day of September

between Ethel Witte Gurrech

as Lessor (whether one or more), whose address is 3020 Industrial Blvd., Brenham, TX 77833

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102

All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

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

Dollars (\$ 10.00)

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

WASHINGTON County, Texas, to-wit:

SEE EXHIBIT 'A' ATTACHED HERETO AND MADE A PART OF THIS LEASE FOR ADDED CLAUSE 12.

SEE EXHIBIT 'B' ATTACHED HERETO AND MADE A PART OF THIS LEASE FOR DESCRIPTION OF LANDS.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 45.2100 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three years see paragraph 12, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's held separator facilities, the royalty shall be 1/6 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other

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

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

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

10/10/97

Attached hereto and made a part hereof that certain Oil and Gas Lease dated September 10, 1997 by and between Ethel Witte Gurrech, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

TOP LEASE

12. Lessor and Lessee understand that the lands covered hereby are also covered by a prior oil and gas lease (the "Prior Lease") dated November 14, 1994 (recorded in Volume 788, Page 266, of the Records of Washington County, Texas) whose primary term has not yet expired. The parties agree that the term of this Lease shall commence and the estate created hereby shall vest immediately when said Prior Lease terminates. In regard to any obligations, covenants or conditions contained in this Lease which may relate to the date of this Lease, for the purposes of any such provisions, that date shall be the date this Lease commences and the estates created hereby vests. Lessor represents and warrants that Lessor has not entered into any extension, modification, ratification, renewal, amendment or agreement to renew or amend, so as to extend the primary term set forth therein and Lessor covenants and agrees not to extend, modify, ratify, renew, amend or agree to renew or amend said Prior Lease so as to extend the primary term set forth therein. Further, Lessor will require the Lessee under the Prior Lease to meet all obligations and requirements.

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LESSOR INITIALS

Attached hereto and made a part hereof that certain Oil and Gas Lease dated September 10, 1997 by and between Ethel Witte Gurrech, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit B

DESCRIPTION OF LANDS

45.21 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, and being the same land described in two tracts as follows:

TRACT 1: 8.835 acres of land, more or less, more fully described in Warranty Deed dated October 13, 1976 from W. C. Beerwinkel to Ethel Witte Gurrech, recorded in Volume 349, Page 183, Deed Records, Washington County, Texas.

TRACT 2: 36.375 acres of land, more or less, more fully described as 45.21 acres in Deed dated July 30, 1980 from Harry K. Lesser and Ethel Witte Gurrech, Independent Executors of the Estate of W. C. Beerwinkel, Deceased to Ethel Witte Gurrech, recorded in Volume 398, Page 560, Deed Records, Washington County, Texas, LESS AND EXCEPT: 8.835 acres, more or less, as conveyed and described in Warranty Deed dated October 13, 1976 from W. C. Beerwinkel to Ethel Witte Gurrech, recorded in Volume 349, Page 183, Deed Records, Washington County, Texas.



STATE OF TEXAS
COUNTY OF WASHINGTON

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

SEP 12 1997



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

FILED FOR RECORD
WASHINGTON COUNTY, TX
SEP 11 PM 12 29
Beth A. Rothammel
WASHINGTON CO. CLERK

EWG

LESSOR INITIALS

STATE OF TEXAS }
COUNTY OF WASHINGTON } KNOW ALL MEN BY THESE PRESENTS:

5721

CONFIRMATION OF AND AMENDMENT TO OIL, GAS AND MINERAL LEASE

WHEREAS, on September 10, 1997, Ethel Witte Gurrech, as Lessor, entered into an Oil, Gas and Mineral Lease with Union Pacific Resources Company, as Lessee, which lease was recorded in Volume 869, Page 207, Official Records, Washington County, Texas, (the above-described lease being herein referred to as the "Lease"); and

WHEREAS, the Lease covered 45.21 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, and being the same lands described in two tracts as follows:

TRACT 1: 8.835 acres of land, more or less, more fully described in Warranty Deed dated October 13, 1976 from W. C. Beerwinkel to Ethel Witte Gurrech, recorded in Volume 349, Page 183, Deed Records, Washington County, Texas.

TRACT 2: 36.375 acres of land, more or less, more fully described as 45.21 acres in Deed dated July 30, 1980 from Harry K. Lesser and Ethel Witte Gurrech, Independent Executors of the Estate of W. C. Beerwinkel, Deceased to Ethel Witte Gurrech, recorded in Volume 398, Page 560, Deed Records, Washington County, Texas, LESS AND EXCEPT: 8.835 acres, more or less, as conveyed and described in Warranty Deed dated October 13, 1976 from W. C. Beerwinkel to Ethel Witte Gurrech, recorded in Volume 349, Page 183, Deed Records, Washington County, Texas.

WHEREAS, Ethel Witte Gurrech (herein "Lessor") is the present owner of a leasing right to the above-described lands and the rights of the Lessor in the above-described Lease and Union Pacific Resources Company (herein "Lessee") is the present owner of the rights of the Lessee in the above-described Lease; and

WHEREAS, it is the desire of both Lessor and Lessee to confirm, reform and amend the Lease in the manner provided below.

NOW, THEREFORE, for a good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Lessor and Lessee do hereby confirm, reform and amend the Lease, as follows:

- (1) The above-described Lease is hereby amended to delete, in its entirety, Paragraph No. 12 which states: "Lessor and Lessee understand that the lands covered hereby are also covered by a prior oil and gas lease (the "Prior Lease") dated November 14, 1994 (recorded in Volume 788, Page 266, of the Records of Washington County, Texas) whose primary term has not yet expired. The parties agree that the term of this Lease shall commence and the estate created hereby shall vest immediately when said Prior Lease terminates. In regard to any obligations, covenants or conditions contained in this Lease which may relate to the date of this Lease, for the purposes of any such provisions, that date shall be the date this Lease commences and the estates created hereby vests. Lessor represents and warrants that Lessor has not entered into any extension, modification, ratification, renewal, amendment or agreement to renew or amend, so as to extend the primary term set forth therein and Lessor covenants and agrees not to extend, modify, ratify, renew, amend or agree to renew or amend said Prior Lease so as to extend the primary term set forth therein. Further, Lessor will require the Lessee under the Prior Lease to meet all obligations and requirements."

TX-190780

(2) The above-described Lease is hereby amended to add Paragraph 12 as follows: "Lessor and Lessee understand that the lands covered hereby are also covered by a prior oil and gas lease (the "Prior Lease") dated November 14, 1994 (recorded in Volume 759, Page 451, Official Records, Washington County, Texas) whose primary term has not yet expired. The parties agree that the term of this Lease shall commence and the estate created hereby shall vest when said Prior Lease terminates, but in no event shall the term commence nor the estate vest after the expiration of one (1) year from the date of this Lease. In regard to any obligations, covenants or conditions contained in this Lease which may relate to the date of this Lease, for the purposes of any such provisions, that date shall be the date this Lease commences and the estates created hereby vests. Lessor represents and warrants that Lessor has not entered into any extension, modification, ratification, renewal, amendment or agreement to renew or amend, so as to extend the primary term set forth therein and Lessor covenants and agrees not to extend, modify, ratify, renew, amend or agree to renew or amend said Prior Lease so as to extend the primary term set forth therein. Further, Lessor will require the Lessee under the Prior Lease to meet all obligations and requirements."

As specifically confirmed, reformed and amended above, the undersigned Lessor does hereby grant, lease and let the above-described lands to Lessee, Union Pacific Resources Company, subject to and under the terms and provisions of the above described Lease, as confirmed and amended herein; and Lessor hereby adopts, ratifies and confirms the Lease, as reformed and amended herein, and declares the same to be effective and binding upon Lessor for all purposes.

The provisions of this document shall extend to and be binding upon the Lessor, her heirs, successors, legal representatives and assigns.

This Amendment is hereby accepted by Lessee upon Lessee duly recording this instrument in the Official Records of Washington County, Texas.

EXECUTED this 25th day of September, 1997.

LESSOR:

Ethel Witte Gurrech
ETHEL WITTE GURRECH

FILED FOR RECORD
WASHINGTON COUNTY, TX
1997 SEP 26 AM 8 31
Beth A. Rottnermel
WASHINGTON CO. CLERK

THE STATE OF TEXAS }
COUNTY OF WASHINGTON }

This instrument was acknowledged before me this 25th day of September, 1997 by Ethel Witte Gurrech.



M. E. Nice
NOTARY PUBLIC
STATE OF TEXAS
STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on SEP 29 1997



Beth A. Rottnermel

THIS LEASE AGREEMENT is made effective the 10 th day of September, 19 97,
between Adolph Charles Wehmeyer (aka Adolph C. Wehmeyer), Individually and as Attorney-in-Fact for Dorothy J. Wehmeyer

as Lessor (whether one or more), whose address is 2103 F.M. 389, Brenham, TX 77833

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102

All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

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

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

WASHINGTON County, Texas, to-wit:

SEE EXHIBIT 'A' ATTACHED HERETO AND MADE A PART OF THIS LEASE FOR ADDED CLAUSE 12.

SEE EXHIBIT 'B' ATTACHED HERETO AND MADE A PART OF THIS LEASE FOR DESCRIPTION OF LANDS.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 60.3000 acres, whether it actually comprises more or less.

2. Term of Lease. This lease shall be in force for a primary term of three years ^{see paragraph 12,} and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

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

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

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

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may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

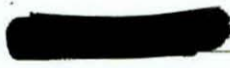
9. **Release of Lease.** Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations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

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

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

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

SS# AND/OR TAX ID #



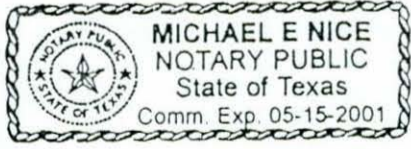
LESSOR:

Adolph Charles Wehmeyer
Adolph Charles Wehmeyer (aka Adolph C. Wehmeyer),
Individually and as Attorney-in-Fact for
Dorothy J. Wehmeyer

STATE OF TEXAS)
) ss.
COUNTY OF WASHINGTON)

This instrument was acknowledged before me this 17th day of September, 1997, by Adolph Charles Wehmeyer (aka Adolph C. Wehmeyer), Individually and as Attorney-in-Fact for Dorothy J. Wehmeyer.

Michael E. Nice
Notary Public



- Attached hereto and made a part hereof that certain Oil and Gas Lease dated September 10, 1997 by and between Adolph Charles Wehmeyer (aka Adolph C. Wehmeyer), Individually and as Attorney-in-Fact for Dorothy J, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit A

TOP LEASE

Lessor and Lessee understand that the lands covered hereby are also covered by a prior oil and gas lease (the "Prior Lease") dated November 16, 1994 (recorded in Volume 759, Page 442, Official Records, Washington County, Texas) whose primary term has not yet expired. The parties agree that the term of this Lease shall commence and the estate created hereby shall vest when said Prior Lease terminates, but in no event shall the term commence nor the estate vest after the expiration of five (5) years from the date of this Lease. In regard to any obligations, covenants or conditions contained in this Lease which may relate to the date of this Lease, for the purposes of any such provisions, that date shall be the date this Lease commences and the estates created hereby vests. Lessor represents and warrants that Lessor has not entered into any extension, modification, ratification, renewal, amendment or agreement to renew or amend, so as to extend the primary term set forth therein and Lessor covenants and agrees not to extend, modify, ratify, renew, amend or agree to renew or amend said Prior Lease so as to extend the primary term set forth therein. Further, Lessor will require the Lessee under the Prior Lease to meet all obligations and requirements.

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A.C.W.

Attached hereto and made a part hereof that certain, Oil and Gas Lease dated September 10, 1997 by and between Adolph Charles Wehmeyer (aka Adolph C. Wehmeyer), Individually and as Attorney-in-Fact for Dorothy J, as Lessor, and UNION PACIFIC RESOURCES COMPANY as Lessee.

Exhibit B

DESCRIPTION OF LANDS

60.30 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, and being the same land described in four tracts as follows:

TRACT 1: 1.00 acre of land, more or less, more fully described in Warranty Deed dated January 28, 1971 from Adolph Wehmeyer and wife, Lillian G. Wehmeyer to Adolph C. Wehmeyer, recorded in Volume 303, Page 305, Deed Records, Washington County, Texas.

TRACT 2: 13.946 acres of land, more or less, more fully described as 16.00 acres in Deed dated June 26, 1941 from Sophie Wehmeyer to Lillian Wehmeyer, recorded in Volume 127, Page 453, Deed Records, Washington County, Texas, LESS AND EXCEPT: 2.054 acres of land, more or less, more fully described in Warranty Deed dated June 8, 1978 from Adolph Wehmeyer and wife, Lillian Wehmeyer to David Wehmeyer, recorded in Volume 365, Page 793, Deed Records, Washington County, Texas.

TRACT 3: 43.30 acres of land, more or less, more fully described as 44.30 acres in Deed dated June 26, 1941 from Sophie Wehmeyer to Adolph Wehmeyer, recorded in Volume 127, Page 454, Deed Records, Washington County, Texas, LESS AND EXCEPT: 1.00 acre of land, more or less, more fully described in Warranty Deed dated January 28, 1971 from Adolph Wehmeyer and wife, Lillian G. Wehmeyer to Adolph C. Wehmeyer, recorded in Volume 303, Page 305, Deed Records, Washington County, Texas.

TRACT 4: 2.054 acres of land, more or less, more fully described in Warranty Deed dated September 20, 1996 from David Wehmeyer and wife, Pamela Lee Wehmeyer to Adolph Wehmeyer, Jr., recorded in Volume 837, Page 409, Official Records, Washington County, Texas.

Official Records, Washington County, Texas.

STATE OF TEXAS
COUNTY OF WASHINGTON

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

SEP 19 1997



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

FILED FOR RECORD
WASHINGTON COUNTY, TX
1997 SEP 18 AM 9 16
Beth A. Rothermel
WASHINGTON CO. CLERK

A.C.W.

THIS LEASE AGREEMENT is made effective the 30th day of November, 1994
 between CLARA RODECK, a widow

as Lessor (whether one or more), whose address is 1705 Church, Brenham, Texas 77833
 and UNION PACIFIC RESOURCES COMPANY, as Lessee,
 whose address is 801 Cherry Street, Ft. Worth, Texas 76102. All printed
 portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of TEN AND NO/100 AND OTHER GOOD AND VALUABLE CONSIDERATION

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

WASHINGTON County, Texas, to-wit:

55.99 acres, more or less out of the Phillip Coe Survey A-31, being more fully described in that certain Warranty Deed from Fred J. Rodeck and wife, Clara Rodeck to The Brenham Industrial Foundation, dated April 26, 1978 and recorded in Volume 364, at Page 217 of the Deed Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals

and oil-in royalties hereunder, said land shall be deemed to be comprised of 55.99 acres, whether it actually comprises more or less.

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

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

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

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

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

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

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

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose.

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

SS # AND/OR TAX ID #

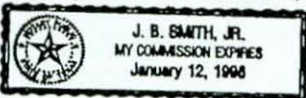
LESSOR:

Clara Rodeck

CLARA RODECK

STATE OF TEXAS)
COUNTY OF WASHINGTON) ss.

This instrument was acknowledged before me this 30th day of November, 1994, by CLARA RODECK, a widow



Notary Public

My Commission Expires:

FILED
AT 8:40 A.M.
JAN - 9 1995
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on JAN 10 1995



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

EXTENSION OF OIL, GAS AND MINERAL LEASE

6095

STATE OF TEXAS }
COUNTY OF WASHINGTON } KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, UNION PACIFIC RESOURCES COMPANY, whose address is 801 Cherry Street, Fort Worth, Texas 76102, hereinafter referred to as "Lessee", is the present owner of all right, title and interest under that certain Oil, Gas and Mineral Lease, dated November 30, 1994, executed by CLARA RODECK, as Lessor, recorded in Volume 762, Page 667, Official Records, Washington County, Texas, hereinafter referred to as "Lease", covering the following described tract:

55.99 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, more fully described in Warranty Deed dated April 26, 1978 from Fred J. Rodeck and wife, Clara Rodeck to The Brenham Industrial Foundation, Inc., recorded in Volume 364, Page 217, Deed Records, Washington County, Texas.

WHEREAS, the owner of the rights of the Lessor under said lease, hereinafter referred to as "Lessor", and Lessee desire to amend said Lease and extend the term thereof in the manner set out below:

NOW, THEREFORE, in consideration of Ten Dollars and No Cents, (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned as Lessor, hereby agrees with Lessee that said Lease shall be and the same is hereby amended and extended as follows:

The primary term set out in Paragraph 2 of said lease is hereby changed from three (3) years from the date of said lease to six (6) years from the date of said lease.

Lessor hereby in all things adopts, ratifies and confirms said Lease as the same is hereby amended and extended, and hereby grants, leases and lets all of the acreage above-described and referred to unto Union Pacific Resources Company, subject to and under all the terms and provisions of said Lease; and such Lease is expressly affirmed, ratified and declared to be effective and binding for all purposes as of the date hereof.

In the event of conflict between the terms of the original Lease and the terms of this Extension, the terms of this extension shall control.

EXECUTED this the 10 day of October, 1997.

STATE OF TEXAS
COUNTY OF WASHINGTON

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

OCT 16 1997



Beth Rotharral
Beth Rotharral, County Clerk
Washington County, Texas

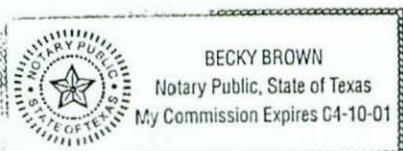
LESSOR:

Clara Rodeck
CLARA RODECK

FILED FOR RECORD
WASHINGTON COUNTY, TX
OCT 15 PM 2:40
Beth Rotharral
WASHINGTON CO. CLERK

STATE OF TEXAS }
COUNTY OF WASHINGTON }

This instrument was acknowledged before me this 10 day of October, 1997 by CLARA RODECK, a widow.



Becky Brown
NOTARY PUBLIC, STATE OF TEXAS

TX 1-73345/001

MEMORANDUM OF OIL AND GAS LEASE

2764

THIS AGREEMENT, made and entered into this 23rd day of March, 1998 by and between ECONOMIC DEVELOPMENT FOUNDATION OF BRENHAM, INC. hereinafter called "LESSOR" whose address is 314 South Austin, Brenham, Texas 77833 and UNION PACIFIC RESOURCES COMPANY, hereinafter called "LESSEE" whose address is 801 Cherry Street, Fort Worth, Texas 76102;

WITNESSETH:

That Lessor, for a valuable consideration and in consideration of the covenants of the Lessee set forth in that certain oil and gas lease covering 65.2447 acres, more or less, out of the Phillip Coe Survey, A-31, Washington County, Texas, SEE EXHIBIT 'A' ATTACHED HERETO AND MADE A PART HEREOF FOR DESCRIPTION OF LANDS, ("Leased Premises"), made and entered into this day by and between the parties hereto does hereby grant, lease and let exclusively unto said Lessee for the purposes of exploring, drilling, operating for and producing oil, gas and associated hydrocarbon substances from the Leased Premises ("Lease").

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

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

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

LESSOR: Economic Development Foundation of Brenham, Inc.

BY: Lois Kolkhorst
LOIS KOLKHORST, President, Economic Development Foundation of Brenham, Inc.

ATTEST: Leon Toubin
LEON TOUBIN, Secretary, Economic Development Foundation of Brenham, Inc.

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF WASHINGTON

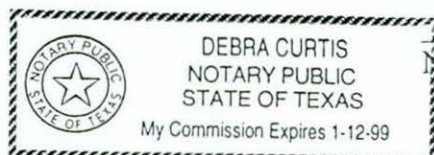
This instrument was acknowledged before me this 27th day of April, 1998 by LOIS KOLKHORST, President, Economic Development Foundation of Brenham, Inc., in the capacity stated herein.


STATE OF TEXAS

Debra Curtis
Notary Public, State of Texas

COUNTY OF WASHINGTON

This instrument was acknowledged before me this 27th day of April, 1998 by LEON TOUBIN, Secretary, Economic Development Foundation of Brenham, Inc., in the capacity stated herein.


STATE OF TEXAS

Debra Curtis
Notary Public, State of Texas

Attached hereto and made a part hereof that certain Memorandum of Oil and Gas Lease dated March 23, 1998 by and between Economic Development Foundation of Brenham, Inc., as Lessor and Union Pacific Resources Company as Lessee.

EXHIBIT A

65.2447 acres of land, more or less, out of the Phillip Coe Survey, A-31, Washington County, Texas, more fully described in two (2) tracts as follows:

TRACT ONE: 50.2316 acres of land, more or less, being the same land called and totaling 101.584 acres, more or less, more fully described in four (4) tracts as follows:

(1) 55.99 acres of land, more or less, more fully described in Warranty Deed dated April 26, 1978 from Fred J. Rodeck and wife, Clara Rodeck to The Brenham Industrial Foundation, Inc., recorded in Volume 364, Page 217, Deed Records, Washington County, Texas.

(2) 27.46 acres of land, more or less, more fully described in Warranty Deed dated September 20, 1989 from First Savings Association of Brenham to The Brenham Industrial Foundation, Inc., recorded in Volume 612, Page 445, Official Records, Washington County, Texas.

(3) 17.065 acres of land, more or less, more fully described as Tract One and Tract Two in Warranty Deed dated September 20, 1978 from Carl Galipp and wife, Lula A. Galipp, Herbert E. Staten and wife, Doris Staten, Eldo G. Wehmeyer and wife, Joyce Wehmeyer, and Edwin F. Wehmeyer, Jr. and wife, Katie Wehmeyer to The Brenham Industrial Foundation, Inc., recorded in Volume 371, Page 355, Deed Records, Washington County, Texas.

(4) 1.069 acres of land, more or less, more fully described as two tracts in Warranty Deed dated November 30, 1990 from The Gates Rubber Company to The Brenham Industrial Foundation, Inc., recorded in Volume 637, Page 540, Official Records, Washington County, Texas.

SAVE AND EXCEPT THE FOLLOWING NINE (9) TRACTS:

(1) 3.658 acres of land, more or less, more fully described as two tracts in Warranty Deed dated April 14, 1980 from The Brenham Industrial Foundation, Inc. to City of Brenham, Texas, recorded in Volume 392, Page 597, Deed Records, Washington County, Texas.

(2) 0.370 acres of land, more or less, more fully described in Warranty Deed dated December 5, 1979 from The Brenham Industrial Foundation, Inc. to Central Freight Lines, Inc., recorded in Volume 391, Page 545, Deed Records, Washington County, Texas.

(3) 1.999 acres of land, more or less, more fully described as Tract One in Correction Warranty Deed dated October 2, 1980 from The Brenham Industrial Foundation, Inc. to Sealy Mattress Company of Houston, recorded in Volume 401, Page 741, Deed Records, Washington County, Texas.

(4) .1175 acres of land, more or less, being that part of a .1577 acre tract, more or less, more fully described as Tract Two in Warranty Deed dated September 18, 1984 from Brenham Industrial Foundation, Inc. to Wilton Weige, Mildred Weige, Myrna Weige Loesch, Donna Weige and Lorna Weige Sommerfield, recorded in Volume 486, Page 430, Official Records, Washington County, Texas; said .1175 acres being all that portion of the said .1577 acres lying inside the boundaries of the 55.99 acre tract described above, recorded in Volume 364, Page 217, Deed Records, Washington County, Texas.

(5) 0.2168 acres of land, more or less, more fully described in Special Warranty Deed dated November 29, 1990 from The Brenham Industrial Foundation, Inc. to Gates Rubber Company, recorded in Volume 637, Page 537, Official Records, Washington County, Texas.

(6) 10.8106 acres of land, more or less, more fully described in General Warranty Deed dated June 27, 1991 from The Brenham Industrial Foundation, Inc. to Wallace Computer Services, Inc., recorded in Volume 651, Page 286, Official Records, Washington County, Texas.

(7) 2.9445 acres of land, more or less, more fully described in Warranty Deed dated January 6, 1981 from The Brenham Industrial Foundation, Inc. to E. C. Bertolet, Jr., recorded in Volume 407, Page 25, Deed Records, Washington County, Texas.

(8) 3.068 acres of land, more or less, more fully described in Warranty Deed dated December 5, 1979 from The Brenham Industrial Foundation, Inc. to Hi-Line Industries, Inc., recorded in Volume 391, Page 527, Deed Records, Washington County, Texas.

(9) 28.168 acres of land, more or less, more fully described as Parcel 1 and Parcel 2 in Warranty Deed dated April 9, 1980 from The Brenham Industrial Foundation, Inc. to The Mead Corporation, recorded in Volume 392, Page 875, Deed Records, Washington County, Texas.

TRACT TWO: 15.0131 acres of land, more or less, being the same land called and totaling 58.4091 acres, more or less, more fully described in eight (8) tracts as follows:

(1) 0.113 acres of land, more or less, more fully described in Warranty Deed dated November 2, 1990 from Jud G. Alexander to The Brenham Industrial Foundation, Inc., recorded in Volume 649, Page 620, Official Records, Washington County, Texas.

(2) 2.937 acres of land, more or less, more fully described in Deed dated November 20, 1963 from Fred Rodeck and wife, Clara Rodeck to Brenham Industrial Foundation, Inc., recorded in Volume 250, Page 276, Deed Records, Washington County, Texas.

(3) 15.004 acres of land, more or less, more fully described in Deed dated March 15, 1954 from Ed Wehmeyer and wife, Lena Wehmeyer to The Brenham Industrial Foundation, Inc., recorded in Volume 198, Page 56, Deed Records, Washington County, Texas.

(4) 14.504 acres of land, more or less, more fully described in Deed dated March 15, 1954 from Fred Rodeck and wife, Clara Rodeck to The Brenham Industrial Foundation, Inc., recorded in Volume 198, Page 50, Deed Records, Washington County, Texas.

(5) 15.962 acres of land, more or less, more fully described in Deed dated March 15, 1954 from Louis Kiecke and wife, Annie Kiecke to The Brenham Industrial Foundation, Inc., recorded in Volume 198, Page 43, Deed Records, Washington County, Texas.

(6) 3.870 acres of land, more or less, more fully described in Deed dated August 13, 1963 from Ed Wehmeyer and wife, Lena G. Wehmeyer to The Brenham Industrial Foundation, Inc., recorded in Volume 248, Page 498, Deed Records, Washington County, Texas.

(7) 2.519 acres of land, more or less, more fully described in Warranty Deed dated December 16, 1969 from Louis Kiecke, Deloris Burnham and husband, Herbert Burnham, Bernice Kaechele and husband, Bruno Kaechele, and Edgar Lee Kiecke and wife, Lottie Kiecke to The Brenham Industrial Foundation, Inc., recorded in Volume 296, Page 492, Deed Records, Washington County, Texas.

(8) 3.5001 acres of land, more or less, more fully described as two tracts in Quitclaim Deed dated February 9, 1981 from Washington County to Brenham Industrial Foundation, Inc., recorded in Volume 410, Page 872, Deed Records, Washington County, Texas.

SAVE AND EXCEPT THE FOLLOWING TWELVE (12) TRACTS:

- (1) 5.557 acres of land, more or less, more fully described in Warranty Deed dated May 5, 1964 from The Brenham Industrial Foundation, Inc. to Gulf, Colorado and Santa Fe Railway Company, recorded in Volume 252, Page 546, Deed Records, Washington County, Texas.
- (2) 1.095 acres of land, more or less, more fully described in Deed dated November 5, 1958 from The Brenham Industrial Foundation, Inc. to Jack Ireland, recorded in Volume 220, Page 388, Deed Records, Washington County, Texas.
- (3) 5.65 acres of land, more or less, more fully described in Deed dated January 13, 1958 from The Brenham Industrial Foundation, Inc. to E. M. W. Realty Company, recorded in Volume 221, Page 115, Deed Records, Washington County, Texas.
- (4) 8.00 acres of land, more or less, more fully described in Deed dated December 3, 1959 from The Brenham Industrial Foundation, Inc. to Central Freight Line, Inc., recorded in Volume 224, Page 399, Deed Records, Washington County, Texas.
- (5) 0.146 acres of land, more or less, more fully described in Deed dated August 12, 1963 from The Brenham Industrial Foundation, Inc. to Ed Wehmeyer and wife, Lena G. Wehmeyer, recorded in Volume 248, Page 441, Deed Records, Washington County, Texas.
- (6) 2.181 acres of land, more or less, more fully described in General Warranty Deed dated February 20, 1965 from Brenham Industrial Foundation, Inc. to Central Freight Lines, Inc., recorded in Volume 258, Page 505, Deed Records, Washington County, Texas.
- (7) 5.238 acres of land, more or less, more fully described in Warranty Deed dated January 11, 1965 from Brenham Industrial Foundation, Inc. to Grover L. Mushaway, recorded in Volume 260, Page 523, Deed Records, Washington County, Texas.
- (8) 4.003 acres of land, more or less, more fully described in Warranty Deed dated June 7, 1966 from The Brenham Industrial Foundation, Inc. to Elmer C. Bertolet, Jr., (D/B/A TFE Company), recorded in Volume 266, Page 106, Deed Records, Washington County, Texas.
- (9) 0.287 acres of land, more or less, more fully described as Tract One and Tract Two in Warranty Deed dated July 27, 1970 from The Brenham Industrial Foundation, Inc. to John S. Garnett, recorded in Volume 300, Page 508, Deed Records, Washington County, Texas.
- (10) 11.162 acres of land, more or less, more fully described in Warranty Deed dated November 9, 1972 from The Brenham Industrial Foundation, Inc. to Curtis W. Weeks, recorded in Volume 316, Page 330, Deed Records, Washington County, Texas.
- (11) .0402 acres of land, more or less, being that part of a .1577 acre tract, more or less, more fully described as Tract Two in Warranty Deed dated September 18, 1984 from Brenham Industrial Foundation, Inc. to Wilton Weige, Mildred Weige, Myrna Weige Loesch, Donna Weige and Lorna Weige Sommerfield, recorded in Volume 486, Page 430, Official Records, Washington County, Texas; said .0402 acres being all that portion of the said .1577 acres lying inside the boundaries of the 3.5001 acre tract described above, recorded in Volume 410, Page 872, Deed Records, Washington County, Texas.
- (12) .0368 acres of land, more or less, being that part of a .3868 acre tract, more or less, more fully described as Tract One in Warranty Deed dated September 18, 1984 from Brenham Industrial Foundation, Inc. to Wilton Weige, Mildred Weige, Myrna Weige Loesch, Donna Weige and Lorna Weige Sommerfield, recorded in Volume 486, Page 430, Official Records, Washington County, Texas; said .0368 acres being all that portion of the said .3868 acres lying inside the boundaries of the 3.5001 acre tract described above, recorded in Volume 410, Page 872, Deed Records, Washington County, Texas.

FILED FOR RECORD
WASHINGTON COUNTY, TX

'98 APR 29 AM 9 51

Beth A. Rotharmel
WASHINGTON CO. CLERK

nr

STATE OF TEXAS
COUNTY OF WASHINGTON

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

APR 30 1998



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

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Page 1 of 1

THIS LEASE AGREEMENT is made effective the 1 st day of April, 19 98,
between Central Freight Lines, Inc.

as Lessor (whether one or more), whose address is POB 2638, Waco, TX 76702

and UNION PACIFIC RESOURCES COMPANY, as Lessee,

whose address is 801 CHERRY STREET, FORT WORTH, TX 76102.

All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

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

Dollars (\$ 10.00

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

WASHINGTON County, Texas, to-wit:

See Exhibit A for legal description.

See Exhibit B for additional provisions.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to be comprised of 5.7780 acres, whether it actually comprises more or less.

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

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

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

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

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

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

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

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent relationship between Lessor and Lessee for any purpose.

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

SS# AND/OR TAX ID #

[Redacted]

LESSOR:

Douglas E. Quicksall
Central Freight Lines, Inc. by Douglas E. Quicksall, Vice-President

CE

STATE OF Texas)
COUNTY McLennan) ss.

This instrument was acknowledged before me this 30th day of April, 1998, for Central Freight Lines Inc., by Douglas E. Quicksall, Vice-President.

Patricia Chism
Notary Public

My Commission Expires:

4-29-99

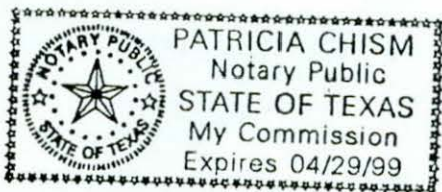


Exhibit A

LEGAL DESCRIPTION

5.778 acres, more or less, part of the P. H. Coe League A-31 Washington County, Texas described more particularly in two tracts:

FIRST TRACT: 0.370 acres, more or less, described in deed from The Brenham Industrial Foundation, Inc. to Central Freight Lines, Inc. dated December 5, 1979 filed at Volume 391 Page 545 Deed Records of Washington County, Texas.

SECOND TRACT: 5.408 acres, more or less, part of the P. H. Coe League A-31 Washington County, Texas, part of 2.181 acres, more or less, described in deed from The Brenham Industrial Foundation, Inc. to Central Freight Lines, Inc. dated February 20, 1965 filed at Volume 258 Page 505 Deed Records of Washington County, Texas, and part of 8.000 acres, more or less, described in deed from the Brenham Industrial Foundation, Inc. to Central Freight Lines, Inc. dated December 3, 1959 filed at Volume 224 Page 399 Deed Records of Washington County, Texas, LESS AND EXCEPT, 1.100 acres, more or less, described in deed dated January 28, 1980 from Central Freight Lines, Inc. to Sealy Mattress Company of Houston recorded at Volume 391 Page 541 Deed Records of Washington County, Texas, and LESS AND EXCEPT, 3.673 more or less, described in deed from Central Freight Lines, Inc. to Brenham Industrial Foundation, Inc. dated February 20, 1965 filed at Volume 258 Page 502 Deed Records of Washington County, Texas.



Handwritten initials, possibly 'JL', in black ink.

Exhibit B

NO USE OF SURFACE WITHOUT LESSOR'S CONSENT

Notwithstanding anything to the contrary contained herein, Lessor does not grant Lessee any rights to the use of the surface of the leased premises during the term of the lease without the consent of Lessor.

PUGH

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

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THIS LEASE AGREEMENT is made effective the 4th day of January, 1995between MICHAEL MUSHAWAY, married dealing in his own separate property.as Lessor (whether one or more), whose address is P.O. Box 673, Brenham, Texas 77833and UNION PACIFIC RESOURCES COMPANY, as Lessee,whose address is 801 Cherry Street, Ft. Worth, Texas 76102. All printed

portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of TEN AND NO/100 AND OTHER GOOD AND VALUABLE CONSIDERATIONDollars (\$ 10.00 & OGVC), in hand paid,

of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial

gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

WASHINGTON County, Texas, to-wit:

9.873 acres of land, more or less, out of the Phillip Coe Survey A-31 Washington County, Texas and being more particularly described in a certain deed dated July 12, 1994 from Sharon K. Mushaway, Executrix to Michael Mushaway, and recorded in Volume 743 at Page 556 of the Official Records of Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and royalties hereunder, said land shall be deemed to be comprised of 9.873 acres, whether it actually comprises more or less.

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

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be One-Sixth (1/6) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other

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

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

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

may be produced from the leased premises. In making such a revision, the lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

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

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

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not constitute a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal-agent relationship between Lessor and Lessee for any purpose.

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

SS # AND/OR TAX ID #

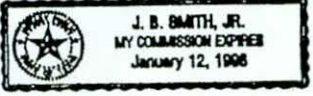
LESSOR:

[Redacted]

Michael Mushaway
MICHAEL MUSHAWAY

STATE OF TEXAS)
COUNTY OF WASHINGTON) ss.

This instrument was acknowledged before me this 19th day of January, 1995, by MICHAEL MUSHAWAY



Notary Public *J. B. Smith, Jr.*

My Commission Expires:

STATE OF _____)
COUNTY OF _____) ss.

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

Notary Public

My Commission Expires:

ADDENDUM

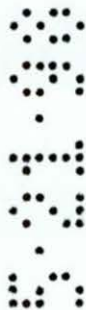
Attached to and made a part of that certain Oil, Gas and Mineral Lease dated January 4, 1995, by and between, MICHAEL MUSHAWAY, as Lessor, and UNION PACIFIC RESOURCES COMPANY, as Lessee.

12. It is understood and agreed that Lessee hereby waives the right to conduct drilling operations upon the surface of the herein leased premises without the prior written consent of lessor.

13. Notwithstanding anything contained herein to the contrary, it is expressly agreed and understood that in the event that Lessee elects to pool or unitize and unitizes any of the Leased premises, then all of leased premises will be included in such pool or unit.

SIGNED FOR IDENTIFICATION:

Michael M. MUSHAWAY
MICHAEL MUSHAWAY



FILED
AT 3:00 P.M.
JAN 23 1995
Beth A. Rothermel
BETH ROTHERMEL
COUNTY CLERK, WASHINGTON COUNTY, TX

STATE OF TEXAS
COUNTY OF WASHINGTON

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

JAN 25 1995



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

EXTENSION OF OIL, GAS AND MINERAL LEASE

7389

STATE OF TEXAS }
COUNTY OF WASHINGTON } KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, UNION PACIFIC RESOURCES COMPANY, whose address is 801 Cherry Street, Fort Worth, Texas 76102, hereinafter referred to as "Lessee", is the present owner of all right, title and interest under that certain Oil, Gas and Mineral Lease, dated January 4, 1995, executed by MICHAEL MUSHAWAY, married dealing in his own separate property, as Lessor, recorded in Volume 766, Page 271, Official Records, Washington County, Texas, hereinafter referred to as "Lease", covering the following described tract:

9.873 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, more fully described in Deed dated July 12, 1994 from Sharon K. Mushaway, Executrix to Michael Mushaway, recorded in Volume 743, Page 556, Official Records, Washington County, Texas.

WHEREAS, the owner of the rights of the Lessor under said lease, hereinafter referred to as "Lessor", and Lessee desire to amend said Lease and extend the term thereof in the manner set out below:

NOW, THEREFORE, in consideration of Ten Dollars and No Cents, (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned as Lessor, hereby agrees with Lessee that said Lease shall be and the same is hereby amended and extended as follows:

The primary term set out in Paragraph 2 of said lease is hereby changed from three (3) years from the date of said lease to six (6) years from the date of said lease.

Lessor hereby in all things adopts, ratifies and confirms said Lease as the same is hereby amended and extended, and hereby grants, leases and lets all of the acreage above-described and referred to unto Union Pacific Resources Company, subject to and under all the terms and provisions of said Lease; and such Lease is expressly affirmed, ratified and declared to be effective and binding for all purposes as of the date hereof.

In the event of conflict between the terms of the original Lease and the terms of this Extension, the terms of this extension shall control.

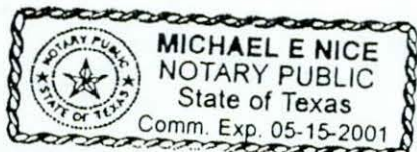
EXECUTED this the 12th day of December, 1997.

LESSOR:

[Signature] MICHAEL MUSHAWAY

STATE OF TEXAS }
COUNTY OF WASHINGTON }

This instrument was acknowledged before me this 12th day of December, 1997 by MICHAEL MUSHAWAY, married dealing in his own separate property.



[Signature] NOTARY PUBLIC, STATE OF TEXAS

TX-73219 (3)

THIS LEASE AGREEMENT is made effective the 22nd day of November 1994,
Mark Rodeck Ehrlund, dealing in his sole and separate property

Lessor (whether one or more), whose address is 16218 Rudgewick, Spring, Texas 77379
UNION PACIFIC RESOURCES COMPANY, as Lessee.

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

1. Description, Lessor, in consideration of Ten Dollars (\$10.00) And Other Valuable Considerations

Dollars (\$ 10.00*****), in hand paid,

the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing
 marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial

minerals as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in _____

Washington County, Texas, to-wit:

122.0 acres of land, more or less, located in the Phillip Coe
League, A-31, Washington County, Texas. Described in a Mineral
Deed, dated October 14, 1982, from Fred and Clara Rodeck to Ruby
Ehrlund, as Trustee for Mark Rodeck Ehrlund, recorded in Volume
444, Page 498, Deed Records, Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased
 premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any
 additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals
 shut-in royalties hereunder, said land shall be deemed to comprise of 122 acres, whether it actually comprises more or less.

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

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

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

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

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

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

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

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal-agent relationship between Lessor and Lessee for any purpose.

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

11-30 pd. J. Burgen

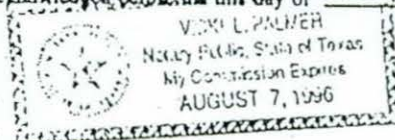
SS # AND/OR TAX ID #

LESSOR:

x Mark Rodeck Ehrlund
Mark Rodeck Ehrlund SS# [redacted]

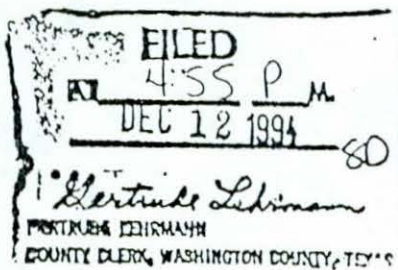
STATE OF TEXAS)
COUNTY OF HARRIS) SS.

This instrument was acknowledged before me this day of 26 NOVEMBER, 19 94 by Mark Rodeck Ehrlund



x Vicki L. Palmer
Notary Public

My Commission Expires: X 8/7/96



STATE OF TEXAS
COUNTY OF WASHINGTON

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



DEC 21 1994
Gertrude Lehmann
County Clerk
Washington County, Texas

EXTENSION OF OIL, GAS AND MINERAL LEASE

5892

STATE OF TEXAS }
COUNTY OF WASHINGTON }

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, UNION PACIFIC RESOURCES COMPANY, whose address is 801 Cherry Street, Fort Worth, Texas 76102, hereinafter referred to as "Lessee", is the present owner of all right, title and interest under that certain Oil, Gas and Mineral Lease, dated November 22, 1994, executed by MARK RODECK EHRLUND, dealing in his sole and separate property, as Lessor, recorded in Volume 759, Page 446, Official Records, Washington County, Texas, hereinafter referred to as "Lease", covering the following described tract:

122.00 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, more fully described in Mineral Deed dated October 14, 1982 from Fred Rodeck and wife, Clara Rodeck to Ruby Ehrlund, as Trustee for Mark Rodeck Ehrlund, recorded in Volume 444, Page 498, Deed Records, Washington County, Texas.

WHEREAS, the owner of the rights of the Lessor under said lease, hereinafter referred to as "Lessor", and Lessee desire to amend said Lease and extend the term thereof in the manner set out below:

NOW, THEREFORE, in consideration of Ten Dollars and No Cents, (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned as Lessor, hereby agrees with Lessee that said Lease shall be and the same is hereby amended and extended as follows:

The primary term set out in Paragraph 2 of said lease is hereby changed from three (3) years from the date of said lease to six (6) years from the date of said lease.

Lessor hereby in all things adopts, ratifies and confirms said Lease as the same is hereby amended and extended, and hereby grants, leases and lets all of the acreage above-described and referred to unto Union Pacific Resources Company, subject to and under all the terms and provisions of said Lease; and such Lease is expressly affirmed, ratified and declared to be effective and binding for all purposes as of the date hereof.

In the event of conflict between the terms of the original Lease and the terms of this Extension, the terms of this extension shall control.

EXECUTED this the 2nd day of October ~~September~~, 1997.

LESSOR:

Mark Rodeck Ehrlund
MARK RODECK EHRLUND

STATE OF TEXAS }
COUNTY OF Harris }

This instrument was acknowledged before me this 2nd day of October ~~September~~, 1997 by MARK RODECK EHRLUND, dealing in his sole and separate property



Doreen M. Stephens
NOTARY PUBLIC, STATE OF TEXAS

TX-72125/4

THIS LEASE AGREEMENT is made effective the 22nd day of November 1992, between Kimberly Ann Ehrlund, dealing in her sole and separate property

9218, 94

Lessor (whether one or more), whose address is 10035 Larston, Houston, Texas 77055

UNION PACIFIC RESOURCES COMPANY, as Lessee,

address is P.O. BOX 7, Ft. Worth, Texas 76101-0007

All printed provisions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

Description, Lessor, in consideration of Ten Dollars (\$10.00) And Other Valuable Considerations

Dollars (\$ 10.00), in hand paid, royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial

as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

Washington County, Texas, to-wit:

122.0 acres of land, more or less, located in the Phillip Coe League, A-31, Washington County, Texas. Described in a Mineral Deed, dated October 14, 1982, from Fred and Clara Rodeck to Ruby Ehrlund, as Trustee for Kimberly Ann Ehrlund, recorded in Volume 444, Page 489, Deed Records, Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any original or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals or shut-in royalties hereunder, said land shall be deemed to comprise of 122 acres, whether it actually comprises more or less.

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

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

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

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

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

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

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

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal-agent relationship between Lessor and Lessee for any purpose.

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

11:00 pd. J. Burgen

SS # AND/OR TAX ID #

LESSOR:

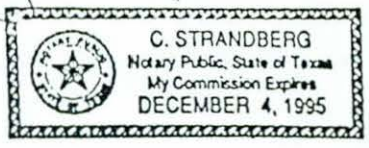
X Kimberly Ann Ehrlund
Kimberly Ann Ehrlund SS# [redacted]

STATE OF TEXAS)
COUNTY OF HARRIS) ss.

This instrument was acknowledged before me this day of Nov 26th, 1994, by Kimberly Ann Ehrlund

X Notary Public

My Commission Expires:
X 12/4/95



STATE OF _____)
COUNTY OF _____) ss.

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

My Commission Expires:

Notary Public

FILED
 AT 4:55 P.M.
 DEC 12 1994
 Gertrude Lehmann
 COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WASHINGTON

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



DEC 21 1994
 Gertrude Lehmann
 Gertrude Lehmann, County Clerk
 Washington County, Texas



EXTENSION OF OIL, GAS AND MINERAL LEASE

STATE OF TEXAS }
COUNTY OF WASHINGTON } KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, UNION PACIFIC RESOURCES COMPANY, whose address is 801 Cherry Street, Fort Worth, Texas 76102, hereinafter referred to as "Lessee", is the present owner of all right, title and interest under that certain Oil, Gas and Mineral Lease, dated November 22, 1994, executed by KIMBERLY ANN EHRLUND, dealing in her sole and separate property, as Lessor, recorded in Volume 759, Page 448, Official Records, Washington County, Texas, hereinafter referred to as "Lease", covering the following described tract:

122.00 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, more fully described in Mineral Deed dated October 14, 1982 from Fred Rodeck and wife, Clara Rodeck to Ruby Ehlund, as Trustee for Kimberly Ann Ehlund, recorded in Volume 444, Page 489, Deed Records, Washington County, Texas.

WHEREAS, the owner of the rights of the Lessor under said lease, hereinafter referred to as "Lessor", and Lessee desire to amend said Lease and extend the term thereof in the manner set out below:

NOW, THEREFORE, in consideration of Ten Dollars and No Cents, (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned as Lessor, hereby agrees with Lessee that said Lease shall be and the same is hereby amended and extended as follows:

The primary term set out in Paragraph 2 of said lease is hereby changed from three (3) years from the date of said lease to six (6) years from the date of said lease.

Lessor hereby in all things adopts, ratifies and confirms said Lease as the same is hereby amended and extended, and hereby grants, leases and lets all of the acreage above-described and referred to unto Union Pacific Resources Company, subject to and under all the terms and provisions of said Lease; and such Lease is expressly affirmed, ratified and declared to be effective and binding for all purposes as of the date hereof.

In the event of conflict between the terms of the original Lease and the terms of this Extension, the terms of this extension shall control.

EXECUTED this the 29th day of September, 1997.

STATE OF TEXAS
COUNTY OF WASHINGTON

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

OCT 06 1997

LESSOR:

Kimberly Ann Ehlund
KIMBERLY ANN EHRLUND

FILED FOR RECORD
WASHINGTON COUNTY, TX
OCT 3 PM 12 1
BETH A. ROTHERMEL
WASHINGTON CO. CLERK



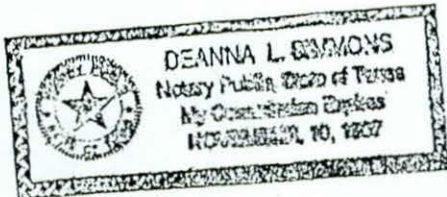
Beth A. Rothermel

Both Rothermel, County Clerk
Washington County, Texas

STATE OF TEXAS

COUNTY OF Harris

This instrument was acknowledged before me this 29th day of September, 1997 by KIMBERLY ANN EHRLUND, dealing in her sole and separate property.



Deanna L. Simmons
NOTARY PUBLIC, STATE OF TEXAS
expires Nov 10, 1997

TX - 72125/3

9698

THIS LEASE AGREEMENT is made effective the 22nd day of November, 1994, between Myrna Denise Loesch, dealing in her sole and separate property

as Lessor (whether one or more), whose address is P.O. BOX 1477, Pflugerville, Texas 78660 and UNION PACIFIC RESOURCES COMPANY, as Lessee, whose address is P.O. BOX 7, Ft. Worth, Texas 76101-0007. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

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

122.0 acres of land, more or less, located in the Phillip Coe League, A-31, Washington County, Texas. Described in a Mineral Deed, dated October 14, 1982, from Fred and Clara Rodeck to Myrna Denise Loesch, recorded in Volume 444, at Page 485, Deed Records, Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to comprise of 122 acres, whether it actually comprises more or less.

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

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

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

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

TX-72125/5

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

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

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

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal-agent relationship between Lessor and Lessee for any purpose.

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

SS # AND/OR TAX ID #

LESSOR:

Myrna Denise Loesch
Myrna Denise Loesch SS # [REDACTED]

STATE OF TEXAS)
COUNTY OF Tarrant) ss.

This instrument was acknowledged before me this day of X NOV 28, 19 94, by Myrna Denise Loesch

Sherrie Anderson
Notary Public

My Commission Expires:
X 26 OCT 1997

11.00 pd
STATE OF TEXAS)
COUNTY OF Tarrant) ss.
SHERRIE ANDERSON
Notary Public, State of Texas
My Commission Expires
OCT 26, 1997

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

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

Notary Public

FILED
 AT 9:50 A.M.
 DEC 17 1994
 [Signature]
 COUNTY CLERK, WASHINGTON COUNTY, TEXAS

STATE OF TEXAS
 COUNTY OF WASHINGTON

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

JAN 04 1995



[Signature]
 Gertrude Lehmann, County Clerk
 Washington County, Texas



EXTENSION OF OIL, GAS AND MINERAL LEASE

5980

STATE OF TEXAS }
COUNTY OF WASHINGTON }

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, UNION PACIFIC RESOURCES COMPANY, whose address is 801 Cherry Street, Fort Worth, Texas 76102, hereinafter referred to as "Lessee", is the present owner of all right, title and interest under that certain Oil, Gas and Mineral Lease, dated November 22, 1994, executed by MYRNA DENISE LOESCH, dealing in her sole and separate property, as Lessor, recorded in Volume 761, Page 276, Official Records, Washington County, Texas, hereinafter referred to as "Lease", covering the following described tract:

122.00 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, more fully described in Mineral Deed dated October 14, 1982 from Fred Rodeck and wife, Clara Rodeck to Myrna Denise Loesch, recorded in Volume 444, Page 485, Deed Records, Washington County, Texas.

WHEREAS, the owner of the rights of the Lessor under said lease, hereinafter referred to as "Lessor", and Lessee desire to amend said Lease and extend the term thereof in the manner set out below:

NOW, THEREFORE, in consideration of Ten Dollars and No Cents, (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned as Lessor, hereby agrees with Lessee that said Lease shall be and the same is hereby amended and extended as follows:

The primary term set out in Paragraph 2 of said lease is hereby changed from three (3) years from the date of said lease to six (6) years from the date of said lease.

Lessor hereby in all things adopts, ratifies and confirms said Lease as the same is hereby amended and extended, and hereby grants, leases and lets all of the acreage above-described and referred to unto Union Pacific Resources Company, subject to and under all the terms and provisions of said Lease; and such Lease is expressly affirmed, ratified and declared to be effective and binding for all purposes as of the date hereof.

In the event of conflict between the terms of the original Lease and the terms of this Extension, the terms of this extension shall control.

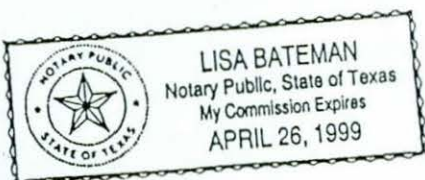
EXECUTED this the 09 day of October, 1997.

LESSOR:

Myrna Denise Loesch
MYRNA DENISE LOESCH

STATE OF TEXAS }
COUNTY OF Travis }

This instrument was acknowledged before me this 09 day of October, 1997 by MYRNA DENISE LOESCH, dealing in her sole and separate property.



Lisa Bateman
NOTARY PUBLIC, STATE OF TEXAS

TX-72125/5

THIS LEASE AGREEMENT is made effective the 22nd day of November 1994between Donna Jean Weige, dealing in her sole and separate propertyLessor (whether one or more), whose address is 7122 Wood Hollow Drive, Austin, Texas 78731UNION PACIFIC RESOURCES COMPANY

, as Lessee,

whose address is P.O. BOX 7, Ft. Worth, Texas 76101-0007

. All printed

provisions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of Ten Dollars (\$10.00) And Other Valuable ConsiderationsDollars (\$ 10.00 *****), in hand paid,

the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and nonhydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial

minerals as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in

Washington County, Texas, to-wit:

122.0 acres of land, more or less, located in the Phillip Coe League, A-31, Washington County, Texas. Described in a Mineral Deed, dated October 14, 1982, from Fred and Clara Rodeck to Donna Jean Weige, recorded in Volume 444, at Page 481, Deed Records, Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to comprise of 122 acres, whether it actually comprises more or less.

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

3. Royalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be 1/6 of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other

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

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

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

may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

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

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

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal-agent relationship between Lessor and Lessee for any purpose.

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

11-60 pd. J. Burger

SS # AND/OR TAX ID #

LESSOR:

X Donna Jean Weige
Donna Jean Weige SS# [redacted]

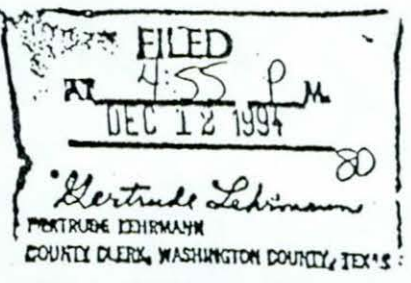
STATE OF TEXAS)
COUNTY OF TRAVIS) ss.



This instrument was acknowledged before me this day of X 28th Nov. 19 94, by Donna Jean Weige

X Stephanie L. Jones
Notary Public

My Commission Expires:
X 12-2-97



STATE OF TEXAS
COUNTY OF WASHINGTON

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



DEC 21 1994
Gertrude Lehmann, County Clerk
Washington County, Texas

EXTENSION OF OIL, GAS AND MINERAL LEASE

STATE OF TEXAS }
COUNTY OF WASHINGTON } KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, UNION PACIFIC RESOURCES COMPANY, whose address is 801 Cherry Street, Fort Worth, Texas 76102, hereinafter referred to as "Lessee", is the present owner of all right, title and interest under that certain Oil, Gas and Mineral Lease, dated November 22, 1994, executed by DONNA JEAN WEIGE, dealing in her sole and separate property, as Lessor, recorded in Volume 759, Page 454, Official Records, Washington County, Texas, hereinafter referred to as "Lease", covering the following described tract:

122.00 acres of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, more fully described in Mineral Deed dated October 14, 1982 from Fred Rodeck and wife, Clara Rodeck to Donna Jean Weige, recorded in Volume 444, Page 481, Deed Records, Washington County, Texas.

WHEREAS, the owner of the rights of the Lessor under said lease, hereinafter referred to as "Lessor", and Lessee desire to amend said Lease and extend the term thereof in the manner set out below:

NOW, THEREFORE, in consideration of Ten Dollars and No Cents, (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned as Lessor, hereby agrees with Lessee that said Lease shall be and the same is hereby amended and extended as follows:

The primary term set out in Paragraph 2 of said lease is hereby changed from three (3) years from the date of said lease to six (6) years from the date of said lease.

Lessor hereby in all things adopts, ratifies and confirms said Lease as the same is hereby amended and extended, and hereby grants, leases and lets all of the acreage above-described and referred to unto Union Pacific Resources Company, subject to and under all the terms and provisions of said Lease; and such Lease is expressly affirmed, ratified and declared to be effective and binding for all purposes as of the date hereof.

In the event of conflict between the terms of the original Lease and the terms of this Extension, the terms of this extension shall control.

STATE OF TEXAS EXECUTED this the 8th day of October, 1997.
COUNTY OF WASHINGTON

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

OCT 10 1997

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

LESSOR:

Donna Jean Weige
DONNA JEAN WEIGE

FILED FOR RECORD
WASHINGTON COUNTY, TX
OCT 9 PM 1 53
WASHINGTON CO. CLERK

STATE OF TEXAS }
COUNTY OF TRAVIS }

This instrument was acknowledged before me this 8th day of October, 1997 by DONNA JEAN WEIGE, dealing in her sole and separate property.

MARY ANN PROVANCE
Notary Public, State of Texas
My Commission Expires
JULY 11, 1999

Mary Ann Provance
NOTARY PUBLIC, STATE OF TEXAS

TX-72125/2

THIS LEASE AGREEMENT is made effective the 24 th day of October 6368, 19 97,
between Eugene E. Fritz and wife, Ruth Carol Fritz

Lessor (whether one or more), whose address is 3003 Industrial Blvd., Brenham, TX 77833
and UNION PACIFIC RESOURCES COMPANY, as Lessee,
whose address is 801 CHERRY STREET, FORT WORTH, TX 76102. All printed
portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

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

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

WASHINGTON County, Texas, to-wit:

1.00 acre of land, more or less, out of the PHILLIP COE SURVEY, A-31, Washington County, Texas, more fully described in Warranty
Deed dated November 7, 1959 from Fred Rodeck and wife, Clara Rodeck to Eugene E. Fritz and Ruth Carol Fritz, recorded in Volume
224, Page 272, Deed Records, Washington County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased
premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any
additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals
and shut-in royalties hereunder, said land shall be deemed to be comprised of 1.0000 acres, whether it actually comprises more or less.

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

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

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

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

may be produced from the leased premises. In making a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

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

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

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

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

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

11. Breach or Default. An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle-agent relationship between Lessor and Lessee for any purpose.

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

SS# AND/OR TAX ID #

[Redacted signature area]

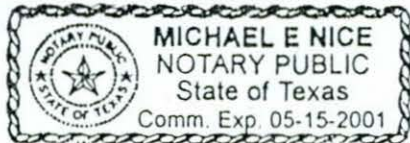
LESSOR:

Eugene E. Fritz
Ruth Carol Fritz

STATE OF TEXAS)
COUNTY OF WASHINGTON) ss.

This instrument was acknowledged before me this 24th day of October, 1997, by Eugene E. Fritz and wife, Ruth Carol Fritz.

[Signature]
Notary Public



STATE OF TEXAS
COUNTY OF WASHINGTON

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

OCT 28 1997



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

FILED FOR RECORD
WASHINGTON COUNTY, TX
97 OCT 27 PM 1 19
WASHINGTON CO. CLERK

corner of same in S. bdy line of Frank Hubert tract a cedar marked "X" brs N 54 E. 4 vrs. and a cedar marked "X" brs. S. 51 W. 8 vrs. Thence with S. bdy line of last named tract E. 527 vrs to S.E. corner of same in dividing line between Sam Miller League and Adam Lawrence one-quarter League an ash brs N 74 W. 4 vrs and an ash brs N 5 E 7 vrs dist. Thence with said League line N. 440 vrs to the S.W. corner of the 29 acre tract deeded by J. H. Balckburn to the late John S. Smith and contained in this survey an ash 15" in dia marked "S" brs N 50 E 9 vrs and an ash 14" in dia brs N 6-1/2 vrs. dist. This is also the N.W. corner of the Jas. H. Losk tract. Thence with N bdy line of same E. 129 vrs to the S. E. corner of the aforesaid 29 acre tract an ash brs S 85 W. 4-1/2 vrs and an ash brs. S. 57 W. 7 vrs. dist. Thence with E. bdy line of same N. 1262 vrs to N. E. corner of same in N. bdy line of Sam Miller League an ash brs S. 34 W. 3 vrs and an ash brs. S. 83 E. 5-1/2 vrs dist. Thence with said League line E. 718 vrs to centre of New Year's Creek for corner. Thence up New Year's Creek in the centre thereof with all his meanders to the place of beginning containing an area of four hundred and sixteen (416) acres of land. TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said J. S. Smith, his heirs and assigns forever; and we do hereby bind ourselves, our heirs, executors and administrators to warrant and forever defend, all and singular, the said premises unto the said J. S. Smith, his heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof. Witness our hands, this 10th day of January A.D. 1927.

Lillian Womack
Frank Womack

THE STATE OF TEXAS)
COUNTY OF WASHINGTON) Before me, the undersigned authority, of the County of Washington, in the State of Texas, on this day personally appeared Frank Womack and Lillian Womack, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said Lillian Womack, wife of the said Frank Womack, having been examined by me privily and apart from her husband, and having the same fully explained to her, she the said Lillian Womack, acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it. Given under my hand and seal of office this 10th day of January A.D. 1927.

Carl J. Rector
Notary Public in and for
Washington County, Texas.

(SEAL)

Filed for record 4:00 o'clock P. M. January 19th, 1927, by C. B. Thompson, C. C. C.W.C.
Recorded at 4:35 o'clock P. M. February 14th, 1927, by *C. B. Thompson* Deputy.

WARRANTY DEED: T. F. MATCHETT AND PAUL WEHMEYER TO WASHINGTON COUNTY.

THE STATE OF TEXAS)
COUNTY OF WASHINGTON) KNOW ALL MEN BY THESE PRESENTS: That we, T.F. Matchett & Paul Wehmeyer, of the County of Washington, State of Texas for and in consideration of the sum of One & 00/100 (\$1.00) DOLLARS to us in hand paid by Washington County, and the further consideration of 150 posts to Matchett and 196 posts to Paul Wehmeyer, have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey, unto the said J. H. Chappell, County Judge, of the County of Washington State of Texas, all that certain tract or parcel of land, situated in Washington County Texas, and a part of the Phil Coe League. Beginning at Matchett's N.E. corner of his 22 acre tract bought of C. J. Michow (Vol. 78, p. 210) in the middle of the road and in the West line of the right-of-way of the C.C. & S.F.R.R. Thence with the middle of the road, S. 74° W 52 vrs. to corner taking 22-1/2 feet from T.F. Matchett's land along said line. Thence S 33 1/2° W across a curve 45 ft. to point in the middle of the road and S. 11-1/3° E 360 feet to a curve, Matchett furnishes the full 45 feet for the road along the last two lines. Thence with the curve S 27-2/3° W 59 feet to corner in the line between T.F. Matchett & Paul Wehmeyer lands. Thence with the middle of the new road as before S. 74° W 1211 feet to a slight turn in said

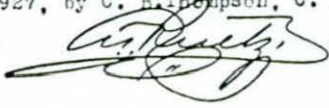
road, Paul Wehmeyer furnishing the full 45 feet for the road along the last above line. Thence along the middle of said new road S 70° 50' W. 700 feet to another slight turn in said road. Thence S 7350 W at 558 feet leave Paul Wehmeyer's land at 800 feet on bank of the branch. Thence S 75½° W at 1071 feet to Matchett's corner. Thence S. 75 W. at 103 vrs. pass the G. Fritz and Otto Lehmann corners at 194 vrs in all to corner at intersection of the Wesley road, the acreage taken from said Matchett and Paul Wehmeyer, being 3.7 acres of land, as surveyed by W. B. Francis on the 10th day of June, 1925. TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said J. H. Chappell, County Judge, of Washington County, and his successors in office, and we do hereby bind ourselves, our heirs, executors and administrators, to Warrant and Forever Defend, all and singular the said premises unto the said J. H. Chappell, County Judge, of Washington County, and his successors in office, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof. Witness our hands at Brenham, this 29 day of June A.D. 1925.

Paul Wehmeyer
T. P. Matchett

THE STATE OF TEXAS
COUNTY OF WASHINGTON | BEFORE ME, the undersigned authority, in and for Washington County, Texas, on this day personally appeared T. E. Matchett and Paul Wehmeyer, 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 20 day of Jan. A.D. 1927.

(SEAL)

C. B. Thompson
Co. Clerk Washington Co. Texas.

Filed for record at 9:00 o'clock A. M. January 20th, 1927, by C. B. Thompson, C. C. W. C.
Recorded at 5:00 o'clock P. M. February 14th, 1927, by  Deputy.

GOVERNMENT OF MEXICO TO ISAAC K. HAWKINS.----LAND GRANT.

THIRD SEAL: TWO REALS. Established by the State of Coahuila and Texas for the Biennial Term of 1828 and 29. Hon. Commissioner:-

Town of San Felipe de Austin, June 18, 1832.

To the Agent of Citizen Empresario Stephen F. Austin in order that he may be pleased to report concerning this petition, adding whether the land is vacant and outside of the ten littoral leagues.

Arciniera
(rubric)

I, Isaac K. Hawkins, a native of the United States of the North and one of the colonists introduced by Hon. Empresario Austin, in your presence with the greatest respect make known: That my station is that of a single man; that, with my chattels, I have entered the country with the object of acquiring lands and of settling myself permanently; and having received permission from said Hon. Empresario to select a tract of land, I have selected a quarter league of land which is situated adjoining and northwest of the League No. 1 belonging to James F. Perry on the waters of Yegua Creek. For which reason,

I present myself to you so that you may be pleased to admit me and put me in possession of said land, it being understood that I offer to settle and cultivate it in conformity with the provisions of the law. Therefore, I beg you to be pleased to do as I have asked, wherein I shall receive favor. Town of Austin, June 18, 1832. Isaac K Hawkins.

Mr. Commissioner:- In obedience to your foregoing decree, I must say that set forth by the petitioner is true; he is one of the colonists introduced by Hon. Empresario Austin, a single man and a man of very good conduct and proven industry; and I consider him entitled, by law, to the favor which he solicits. The land is vacant and outside of the ten littoral leagues. Town of Austin, June 19, 1832. Samuel M. Williams
(rubric)

In view of that set forth by Citizen Agent Samuel M. Williams in the preceding report, I admit this petition in conformity with the law and I order that the land indicated by surveyed

each executed the same for the purposes and consideration therein expressed, and the said Betty Sue Brown, wife of the said Stewart L. Brown, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Betty Sue Brown, acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and considerations therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office, this the 23rd day of November A.D. 1963.



Marie Wigand
Notary Public in and for
Washington County, Texas.

Filed for Record on the 26 day of Nov. A. D. 1963, at 9:40 o'clock A. M.

Duly Recorded this the 29 day of Nov. A. D. 1963, at 9 o'clock A. M.

Instrument No. 1929

CHAS. E. WIEDE, County Clerk
Washington County, Texas

By Minnie Schreiner Deputy

DEED: FRED RODECK TO BRENHAM INDUSTRIAL FOUNDATION, Inc.

THE STATE OF TEXAS,
County of Washington.

1000
KNOW ALL MEN BY THESE PRESENTS:

That we, Fred Rodeck and Clara Rodeck, husband and wife, of Washington County, Texas, for and in consideration of TEN DOLLARS, and other good and valuable considerations to us in hand paid by BRENHAM INDUSTRIAL FOUNDATION, Inc., of Brenham, Washington County, Texas, the receipt of which is hereby acknowledged in full, and without the reservation of a lien, either expressed or implied, have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey unto BRENHAM INDUSTRIAL FOUNDATION, Inc., all that certain tract or parcel of land, lying, being and situated in Washington County, Texas, part of the Philip Coe League, and being part of the same lands deeded by T.F. Matchett and wife to Fred Rodeck, by deed dated Nov. 5, 1937, as the deed is recorded in Book 117, pages 271-273, of the Washington County Deed Records, and has metes and bounds as follows, to-wit:

BEGINNING at an iron pin in the West Right of way line

of the G.C. & S.F. Railroad, at its intersection with the North line of a public road, said point being the Southeast corner of the 15.962 acres tract deeded to Brenham Industrial Foundation, Inc., by Louis Kieke. THENCE with said railroad R.O.W. S 15° 58' E. 486.66 feet to an iron pin. THENCE S. 74° 27' W. 739.25 feet along the South line of the public road. THENCE N. 15° 33' W. 50 feet to the Southwest corner of the 14.504 acres tract deeded to Brenham Industrial Foundation, Inc., by Fred Rodeck. THENCE with the South line of said tract and the North line of a public road N. 74° 27' E. 530.56 feet to the Southeast corner of said tract. THENCE N. 15° 58' W. 436.67 feet to a point in the South line of the tract conveyed by Kieke. THENCE with said line N. 74° 27' E. 208.33 feet to the place of beginning and contains 2.937 acres of land, of which 1.181 acres are in the public road, leaving 1.756 acres not included in the road.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said BRENHAM INDUSTRIAL FOUNDATION, Inc., its successor and assigns forever; and we do hereby bind ourselves, our heirs, executors and administrators to WARRANT AND FOREVER DEFEND, all and singular the said premises unto BRENHAM INDUSTRIAL FOUNDATION, Inc., its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.

Witness our hands at Brenham, Texas, November 20, A.D. 1963.

Fred Rodeck
Clara Rodeck



THE STATE OF TEXAS,)
County of Washington.)

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

Given under my hand and seal of office on this the 20th day of November, A. D. 1963.



A.W. Hodde, Jr.
A.W. Hodde, Jr.

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Notary Public in and for
Washington County, Texas.

Filed for Record on the 26 day of Nov A. D. 1963, at 3:45 o'clock P. M.

Duly Recorded this the 29 day of Nov A. D. 1963, at 9:05 o'clock A. M.

Instrument No. 1930

CHAS. E. WIEDE, County Clerk
Washington County, Texas

By *Minnie Schreiner* Deputy

C-11-RELEASE OF VENDOR'S LIEN

Marlin Stationery Co., Dallas, Texas

QUITCLAIM DEED: WASHINGTON COUNTY, TEXAS TO BRENHAM INDUSTRIAL FOUNDATION, INC.

THE STATE OF TEXAS)
) KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF WASHINGTON)

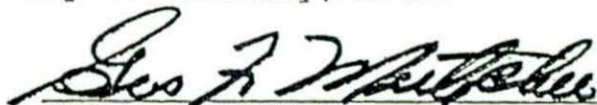
1284

That, Washington County, Texas, for and in consideration of the sum of ONE AND NO/100 (\$1.00) DOLLAR, to us in hand paid by BRENHAM INDUSTRIAL FOUNDATION, INC. of the County of Washington and State of Texas the receipt of which is hereby acknowledged, do by these presents Bargain, Sell, Release and Forever Quitclaim unto the said BRENHAM INDUSTRIAL FOUNDATION, INC, its successors and assigns, all our right, title and interest in and unto that certain portion of a County Road located in Precinct 2 in Washington County, Texas, which land is described by metes and bounds and shown on the attached plat and field notes labeled Exhibit A, as surveyed by JOHN E. PLEDGER, III, Registered Public Surveyor, to which reference is made for more complete description.

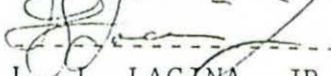
This conveyance is made in accordance with order of the Commissioners' Court of Washington County, Texas as shown in Exhibit B.

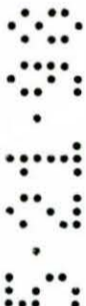
TO HAVE AND TO HOLD the said premises, together with all and singular the rights, privileges, and appurtenances thereto in any manner belonging unto the said BRENHAM INDUSTRIAL FOUNDATION INC., its successors and assigns, forever, so that neither the said Washington County, Texas, not its successors or assigns, nor any person or persons claiming under it shall at any time hereafter, have, claim, or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

IN TESTIMONY WHEREOF, Washington County has caused these presents to be executed by the Commissioners' Court of Washington County, Texas, this the 9th day of February, 1981.


GUS F. MUTSCHER
County Judge
Washington County, Texas

Approved as to Form


L. J. LACINA, JR.
County Attorney
Washington County



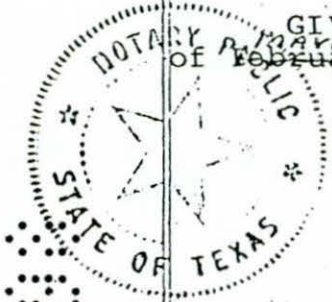
THE STATE OF TEXAS)
)
COUNTY OF WASHINGTON)

BEFORE ME, the undersigned authority, on this day personally appeared GUS F. MUTSCHER, County Judge of Washington County, Texas, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity set forth herein.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 4th day of February, 1981.

Milton Y. Tate, Jr.
NOTARY PUBLIC - State of Texas
My Commission Expires: 4-30-85

MILTON Y. TATE, JR.
(Printed Name of Notary)



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ALL THAT TRACT OR PARCEL OF LAND situate in Washington County, Texas out of the Philip H. Coe Survey A-31, and being a portion of the County Road extending from U. S. Highway 290 - State Highway 36 Loop to FM Highway 332, more particularly described as follows:

BEGINNING at an old iron pin marking the Eastmost corner of a called 55,990 acre tract of land conveyed from Fred J. Rodeck, et ux to the Brenham Industrial Foundation by deed as recorded in Volume 364, Page 217 of the Washington County Deed Records;

THENCE N 15° 39' 27" W, 377.98 ft. with the Southwest line of the County Road, same being the Northeast line of the 55,990 acre tract, to a set iron pin;

THENCE N 74° 27' E, 88.01 ft. to a set iron pin for Northmost corner of the tract of land herein described;

THENCE S 15° 58' E, 421.20 ft. with the Northeast line of the County Road to a set iron pin in the Northwest line of the Rodeck Tract, said point also being the Southmost corner of the Santa Fe Tract called 5,557 acres;

THENCE with the Southeast line of the County Road, same being the Northwest line of the Rodeck Tract S 57° 01' 28" W, 50.30 ft. to a gate post;
 S 74° 47' 12" W, 622.49 ft. to a fence line angle;
 S 74° 21' 27" W, 175.39 ft. to a fence line angle;
 S 70° 51' 57" W, 663.34 ft. to a fence line angle;
 S 73° 35' W, 358.06 ft. to a fence line angle;
 S 73° 30' 40" W, 91.01 ft. to an iron pin set at a point marking the intersection of the fence line with the East line of a proposed 60 ft. wide road (the curve is not tangent with the fence line at this point);
 THENCE in a Northerly direction with said proposed road line in a curve to the left, having a radius of 830.00 ft., a distance of 193.77 ft. (chord N 59° 36' 09" E, 193.33 ft.) to a set iron pin in the Northwest line of the County Road;

421
 - 378

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THENCE with said County Road line N 73° 53' 24" E, 218.50 ft. to an iron pin
and fence line angle;
N 70° 40' 31" E, 714.76 ft. to an iron pin and fence line angle;
N 74° 06' 07" E, 748.00 ft. to the PLACE OF BEGINNING and containing
2.917 acres of land.

January 15, 1981

John E. Pledger, III
John E. Pledger, III
Registered Public Surveyor #2183



$1680 \times 40 = 1.444$
 $1680 \times 50 = 1.928$

EXHIBIT "A"

Muzzy - Pledger & Associates, Inc. - Land Surveying
 J.E. Pledger & Associates - Consulting Engineering

WASHINGTON COUNTY

0.5831 ACRE COUNTY ROAD ABANDONMENT

ALL THAT TRACT OR PARCEL OF LAND situate in Washington County, Texas out of the Philip H. Coe Survey A-31, and being a portion of the County Road extending from U. S. Highway 290 - State Highway 36 Loop to FM Highway 332, more particularly described as follows:

BEGINNING at a set iron pin lying in the Southwest line of the G. C. & S. F.

Railroad right-of-way at the Northmost corner of the 5.557 acre tract conveyed from the Brenham Industrial Foundation, Inc. to Gulf, Colorado and Santa Fe Railroad Company as recorded in Volume 252, Page 546 of the Washington County Deed Records;

THENCE S 74° 27' W, 635.00 ft. with the Northwest line of the tract called 5.557 acres, same being the Southeast line of the County Road to a point for Westmost corner of the 5.557 acre tract;

THENCE N 15° 58' W, 40.00 ft. to a set iron pin for Westmost corner of the tract of land herein described;

THENCE N 74° 27' E, 635.00 ft. to an iron pin set, in the Southwest line of the G. C. & S. F. Railroad right-of-way;

THENCE S 15° 58' E, 40.00 ft. with said line to the PLACE OF BEGINNING and containing 0.5831 acres of land.

January 15, 1981
 W. O. #7160

John E. Pledger, III
 John E. Pledger, III
 Registered Public Surveyor #2183



1900 W. Main St. - P.O. Box 1736 - Brenham, Texas 77833 - 713/836-6631

Exhibit A

-----o-----

Milton Tate of the Brenham Industrial Foundation presented a map to the court explaining the crossing and re-routing of County Road 40. Mr. Tate pointed out that the property owners have entered into a letter agreement with the Foundation. Commissioner Matthies moved, seconded by Commissioner Kelm, and carried to accept the proposal. The necessary papers are to be prepared by the Foundation and filed with the County Clerk.

STATE OF TEXAS §
COUNTY OF WASHINGTON §

NOW COMES THE BRENHAM INDUSTRIAL FOUNDATION, INC. acting by and through its duly authorized officers and PAUL F. LAROCHE, a freeholder of Precinct Number 2 in Washington County, State of Texas, and makes this their application for the alteration and change of County Road Number 40 by changing the route of said road and providing that the portion to be abandoned shall be closed and the new route be dedicated for public use. The applicants hereby request that the County Commissioners' Court of Washington County, Texas, hereby alter and change County Road Number 40 by changing and altering the route of said road as to a portion of said right-of-way by abandoning and closing the property, or a portion of said road described in Exhibit "A" which is made a part hereof as though copied herein verbatim; with a plat of same being shown in Exhibit "B" showing the exact

Exhibit B

location of the portion to be abandoned. The applicants would further show that the new location of said road should be located on the property described in Exhibit "C", being 2.653 acres of land through the Brenham Southwest Industrial Park which has been dedicated to the public use for a roadway and Exhibit "B" being a plat showing the exact location of the proposed new portion of County Road Number 40, all of which exhibits are made a part hereof as though copied herein verbatim; the applicants hereby request that the County Road Number 40 be altered and changed to allow the property described in Exhibit "A" to be abandoned and closed and conveyed to THE BRENHAM INDUSTRIAL FOUNDATION, INC. and that the new altered or changed route of County Road Number 40 shall be across the property described in Exhibit "C" and THE BRENHAM INDUSTRIAL FOUNDATION, INC. hereby requests the permission of the County Commissioners' Court once the order is entered allowing the change or alteration of County Road Number 40, THE BRENHAM INDUSTRIAL FOUNDATION, INC. be authorized

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to proceed to construct and place street improvements, including curb, gutter and road surface on the new proposed route of County Road Number 40 described in Exhibit "C".

THE BRENHAM INDUSTRIAL FOUNDATION, INC. has caused to be posted a written advertisement of their intended application twenty (20) days prior to the meeting of this County Commissioners' Court which was posted at the Courthouse door and two (2) other public places in the vicinity of the route of said road.

The applicants herein respectfully request that the County Commissioners' Court grant an order altering and changing the route of County Road Number 40 as hereinabove provided for and allow the construction of improvements to be located on the new altered route and that the portion of County Road Number 40 being abandoned shall be declared closed and conveyed to THE BRENHAM INDUSTRIAL FOUNDATION, INC. in exchange for the new proposed right-of-way.

EXECUTED this the 19th day of January, 1981.

THE BRENHAM INDUSTRIAL
FOUNDATION, INC.

BY: Charles R. Moser
CHARLES R. MOSER, President

ATTEST:

Odell Lueckemeyer
ODELL LUECKEMEYER, Secretary

Paul F. La Roche
PAUL F. LAROCHE, Freeholder

ALL THAT TRACT OR PARCEL OF LAND situate in Washington County, Texas out of the Philip H. Coe Survey A-31, and being a portion of the County Road extending from U. S. Highway 290 - State Highway 36 Loop to FM Highway 332, more particularly described as follows:

BEGINNING at an old iron pin marking the Eastmost corner of a called 55,990 acre tract of land conveyed from Fred J. Rodeck, et ux to the Brenham Industrial Foundation by deed as recorded in Volume 364, Page 217 of the Washington County Deed Records;

THENCE N 15° 39' 27" W, 377.98 ft. with the Southwest line of the County Road, same being the Northeast line of the 55,990 acre tract, to a set iron pin;

THENCE N 74° 27' E, 88.01 ft. to a set iron pin for Northmost corner of the tract of land herein described;

THENCE S 15° 58' E, 421.20 ft. with the Northeast line of the County Road to a set iron pin in the Northwest line of the Rodeck Tract, said point also being the Southmost corner of the Santa Fe Tract called 5,557 acres;

THENCE with the Southeast line of the County Road, same being the Northwest line of the Rodeck Tract S 57° 01' 28" W, 50.30 ft. to a gate post;

S 74° 47' 12" W, 622.49 ft. to a fence line angle;

S 74° 21' 27" W, 175.39 ft. to a fence line angle;

S 70° 51' 57" W, 663.34 ft. to a fence line angle;

S 73° 35' W, 358.06 ft. to a fence line angle;

S 73° 30' 40" W, 91.01 ft. to an iron pin set at a point marking the intersection of the fence line with the East line of a proposed 60 ft. wide road (the curve is not tangent with the fence line at this point);

THENCE in a Northerly direction with said proposed road line in a curve to the left, having a radius of 830.00 ft., a distance of 193.77 ft.

(chord N 59° 36' 09" E, 193.33 ft.) to a set iron pin in the Northwest line of the County Road;

500



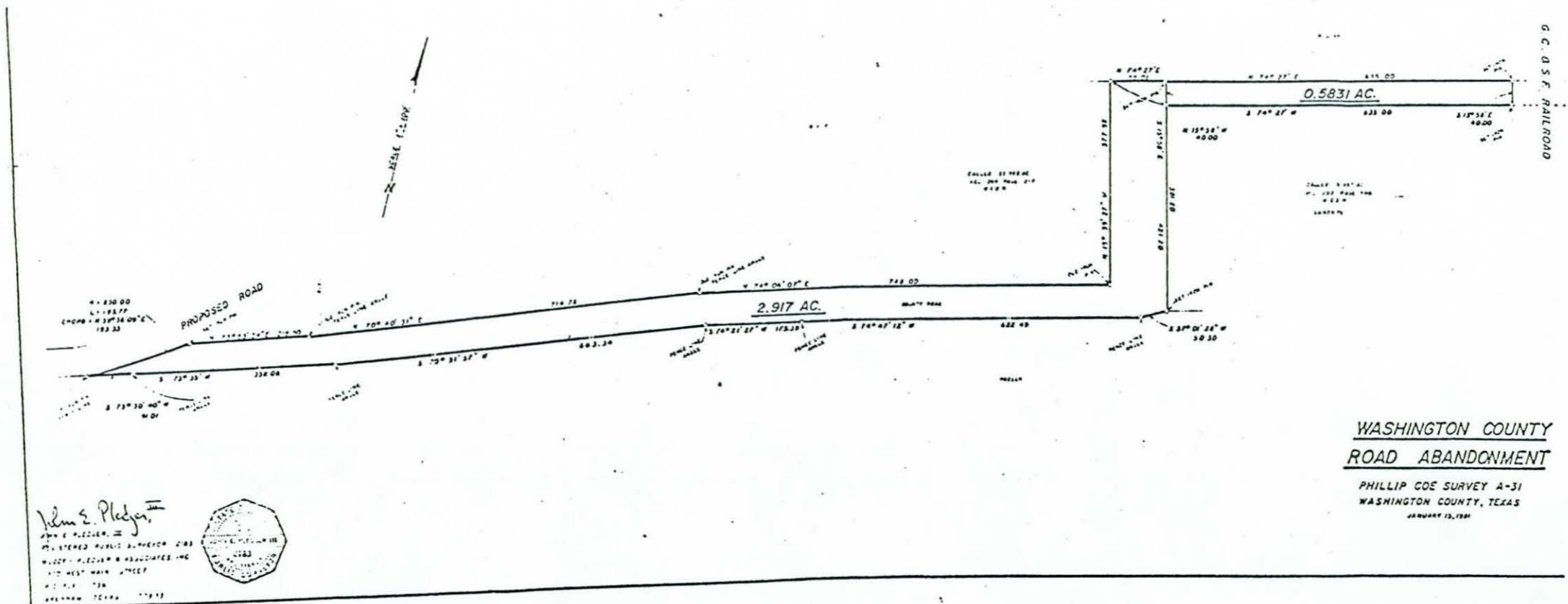
FENCE with said County Road line N 73° 53' 24" E, 218.50 ft. to an iron pin
 and fence line angle;
 N 70° 40' 31" E, 714.76 ft. to an iron pin and fence line angle;
 N 74° 06' 07" E, 748.00 ft. to the PLACE OF BEGINNING and containing
 2.917 acres of land.

January 15, 1981

John E. Pledger, III
 John E. Pledger, III
 Registered Public Surveyor #2183



EXHIBIT .. |



WASHINGTON COUNTY
ROAD ABANDONMENT
 PHILLIP COE SURVEY A-31
 WASHINGTON COUNTY, TEXAS
 JANUARY 13, 1981

John E. Pledge
 JOHN E. PLEDGE, III
 PUBLIC SURVEYOR
 WILCOX - PLEDGE & ASSOCIATES, INC.
 110 WEST MAIN STREET
 WILCOX, TEXAS 75791

05-13-81

501

502

All that tract or parcel of land located in the City of Brenham, Washington County, Texas, out of the Philip Coe Survey, Abstract No. A-31 and being a portion of the 55.990 acre tract of land conveyed to the Brenham Industrial Foundation, Inc. by Fred J. Rodeck, et ux, by deed recorded in Volume 364 at Page 217 of the Washington County Deed Records (W.C.D.R.), and being more particularly described as follows:

BEGINNING at an iron pin at the southwest corner of the original G. L. Mushaway tract, said point also being the southeast corner of the tract conveyed to Hi-Line Industries, Inc. by the Brenham Industrial Foundation by deed recorded in Volume 391 at Page 527 of the W.C.D.R., said point also being a corner of present Washington County Road No. 40 right-of-way;

THENCE, S 74° 27' W a total distance of 827.10 feet, having passed at 124.51 feet the common property line between Hi-Line Industries, Inc. and the right-of-way for a proposed street; and at 185.50 feet the common boundary line between the right-of-way line of said proposed street and the east line of the Murray Rubber Company Tract;

THENCE, along a curve to the left having a radius of 830.00 feet for a total distance 616.53 feet and through a central angle of 42° 33' 36", the chord of which bears S 53° 10' 12" W, 602.47 feet; having passed at 361.61 feet the common property line between Murray Rubber Company and the Brenham Industrial Foundation;

THENCE, S 31° 53' 24" W, 100.72 feet;

THENCE, along a curve to the right having a radius of 770.15 feet for a distance of 564.48 feet and through a central angle of 41° 59' 41", the chord of which bears S 52° 53' 14" W, 551.93 feet to a point in the west line of the above mentioned tract conveyed to the Brenham Industrial Foundation, Inc. by Fred Rodeck;

THENCE, S 15° 16' 21" E, 5.00 feet with the west line of said property to the southwest corner of said tract;

THENCE, N 73° 53' 24" E, 297.14 feet with the south line of the original tract;

THENCE, along a curve to the left having a radius of 830.15 feet for a distance of 304.66 feet and through a central angle of 21° 01' 37", the chord of which bears N 42° 24' 12" E, 302.95 feet;

THENCE, N 31° 53' 24" E, 100.72 feet;

THENCE, along a curve to the right having a radius of 770.00 feet for a distance of 571.97 feet and through a central angle of 42° 33' 36", the chord of which bears N 53° 10' 12" E, 558.91 feet;

THENCE, N 74° 27' E, 827.10 feet to a point in the east line of the tract conveyed by Rodeck to the Brenham Industrial Foundation, said point also lying in the west right-of-way line of the existing County Road No. 40;

THENCE, N 15° 39' 27" W, 60.00 feet with said east line of the original Rodeck tract to the point or place of beginning containing 2.653 acres of land, more or less.

April, 1980

O'MALLEY & CLAY, INC.
BRENNHAM, TEXAS

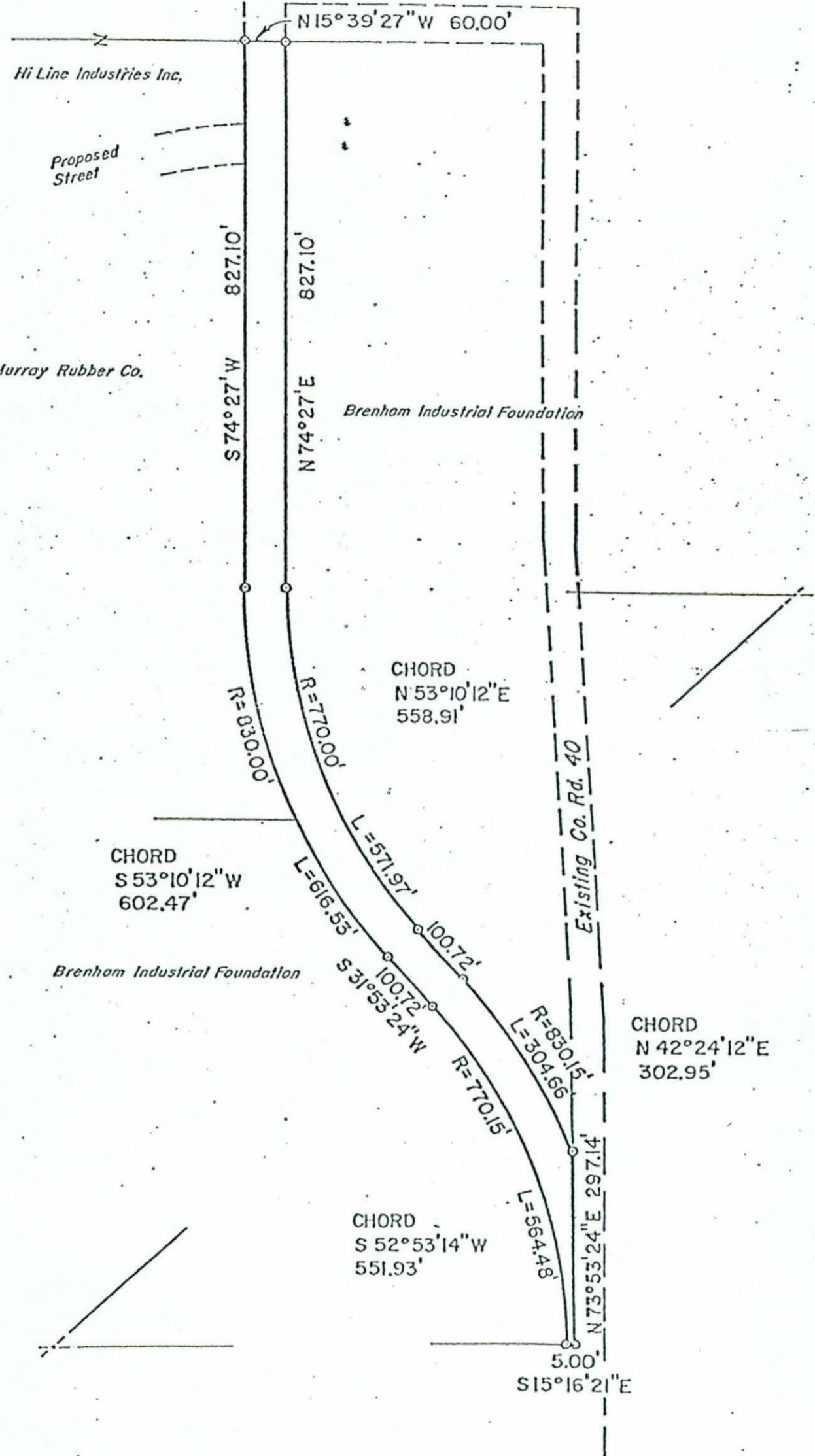
Wm. R. Krueger

Wm. R. Krueger
Registered Professional Engineer



EXHIBIT "C"

Co. Rd. 40

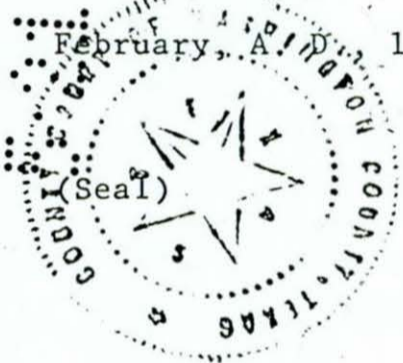


53198

THE STATE OF TEXAS X
COUNTY OF WASHINGTON X

I, Gertrude Lehrmann, County Clerk of Washington County, Texas, do hereby certify that the foregoing is a true and correct copy of a portion of the Commissioner's Court Minutes, as heretofore stated, as recorded in Volume M, Page 496, of the Commissioners' Court Minutes of Washington County, Texas.

Given under my hand and seal of office this the 20th day of February, A. D. 1981.



Gertrude Lehrmann
County Clerk in and for
Washington County, Texas

Judy K. Haenschel
Deputy ~~Judy K. Haenschel~~



FILED FOR RECORD ON THE 5th DAY OF March A.D. 1981, AT 4:20 O'CLOCK P M
DULY RECORDED THIS THE 12th DAY OF March A.D. 1981, AT 11:50 O'CLOCK A M

GERTRUDE LEHRMANN, COUNTY CLERK,
WASHINGTON COUNTY, TEXAS

INSTRUMENT NO. 1284

BY Gale Huff DEPUTY
Gale Huff

392/597

WARRANTY DEED: THE BRENHAM INDUSTRIAL FOUNDATION, INC. TO THE CITY OF BRENHAM, TEXAS

THE STATE OF TEXAS § 2053
COUNTY OF WASHINGTON § KNOW ALL MEN BY THESE PRESENTS:

That THE BRENHAM INDUSTRIAL FOUNDATION, INC., a corporation duly organized and existing under the laws of the State of Texas, acting herein by and through its duly authorized officers, of the County of Washington, State of Texas, hereinafter called Grantor, for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS, cash and other good and valuable considerations and the dedication to the use of the public for street purposes and for placement of utilities therein, to the CITY OF BRENHAM, TEXAS, hereinafter called Grantee, receipt of which is hereby acknowledged, and for which no lien, express or implied, is retained or shall exist;

HAVE GRANTED, SOLD AND CONVEYED, and by these presents DO GRANT, SELL AND CONVEY unto the said CITY OF BRENHAM, TEXAS, of the County of Washington, State of Texas, for use of the public for street purposes and for place of utilities therein, the property property described in the field notes and plats described in Exhibit "A", attached hereto and made a part hereof for all purposes pertinent.

Provided, however, Grantor retains the right to cross said above described properties with railroad crossings to be used by industries in the area.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said CITY OF BRENHAM, TEXAS, its successors and assigns, forever; and it does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the said premises unto the said CITY OF BRENHAM, TEXAS, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS HAND, this the 14th day of April, 1980.

THE BRENHAM INDUSTRIAL FOUNDATION, INC.

BY: *L. E. Van Dyke*
L. E. VAN DYKE, President

ATTEST:

Charles R. Moser
CHARLES R. MOSER, Secretary

THE STATE OF TEXAS

COUNTY OF WASHINGTON

BEFORE ME, the undersigned authority, on this day personally appeared L. E. VAN DYKE, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 27th day of April, 1980.

Milton Y. Tate, Jr.
NOTARY PUBLIC in and for
Washington County, Texas
My Commission Expires: _____

MILTON Y. TATE, JR.
Notary Public In And For
Washington County, Texas
My Commission Expires: 4-30-81

(Printed Name of Notary)

BRENHAM INDUSTRIAL FOUNDATION, INC.
TO
CITY OF BRENHAM, TEXAS

All that tract or parcel of land located in the City of Brenham, Washington County, Texas, out of the Philip Coe Survey, Abstract No. A-31 and being a portion of the 55.990 acre tract of land conveyed to the Brenham Industrial Foundation, Inc. by Fred J. Rodeck, et ux, by deed recorded in Volume 364 at Page 217 of the Washington County Deed Records (W.C.D.R.), and being more particularly described as follows:

BEGINNING at an iron pin at the southwest corner of the original G. L. Mushaway tract, said point also being the southeast corner of the tract conveyed to Hi-Line Industries, Inc. by the Brenham Industrial Foundation by deed recorded in Volume 391 at Page 527 of the W.C.D.R., said point also being a corner of present Washington County Road No. 40 right-of-way;

THENCE, S 74° 27' W a total distance of 827.10 feet, having passed at 124.51 feet the common property line between Hi-Line Industries, Inc. and the right-of-way for a proposed street; and at 185.50 feet the common boundary line between the right-of-way line of said proposed street and the east line of the Murray Rubber Company Tract;

THENCE, along a curve to the left having a radius of 830.00 feet for a total distance 616.53 feet and through a central angle of 42° 33' 36", the chord of which bears S 53° 10' 12" W, 602.47 feet; having passed at 361.61 feet the common property line between Murray Rubber Company and the Brenham Industrial Foundation;

THENCE, S 31° 53' 24" W, 100.72 feet;

THENCE, along a curve to the right having a radius of 770.15 feet for a distance of 564.48 feet and through a central angle of 41° 59' 41", the chord of which bears S 52° 53' 14" W, 551.93 feet to a point in the west line of the above mentioned tract conveyed to the Brenham Industrial Foundation, Inc. by Fred Rodeck;

THENCE, S 15° 16' 21" E, 5.00 feet with the west line of said property to the southwest corner of said tract;

THENCE, N 73° 53' 24" E, 297.14 feet with the south line of the original tract;

THENCE, along a curve to the left having a radius of 830.15 feet for a distance of 304.66 feet and through a central angle of 21° 01' 37", the chord of which bears N 42° 24' 12" E, 302.95 feet;

THENCE, N 31° 53' 24" E, 100.72 feet;

THENCE, along a curve to the right having a radius of 770.00 feet for a distance of 571.97 feet and through a central angle of 42° 33' 36", the chord of which bears N 53° 10' 12" E, 558.91 feet;

THENCE, N 74° 27' E, 827.10 feet to a point in the east line of the tract conveyed by Rodeck to the Brenham Industrial Foundation, said point also lying in the west right-of-way line of the existing County Road No. 40;

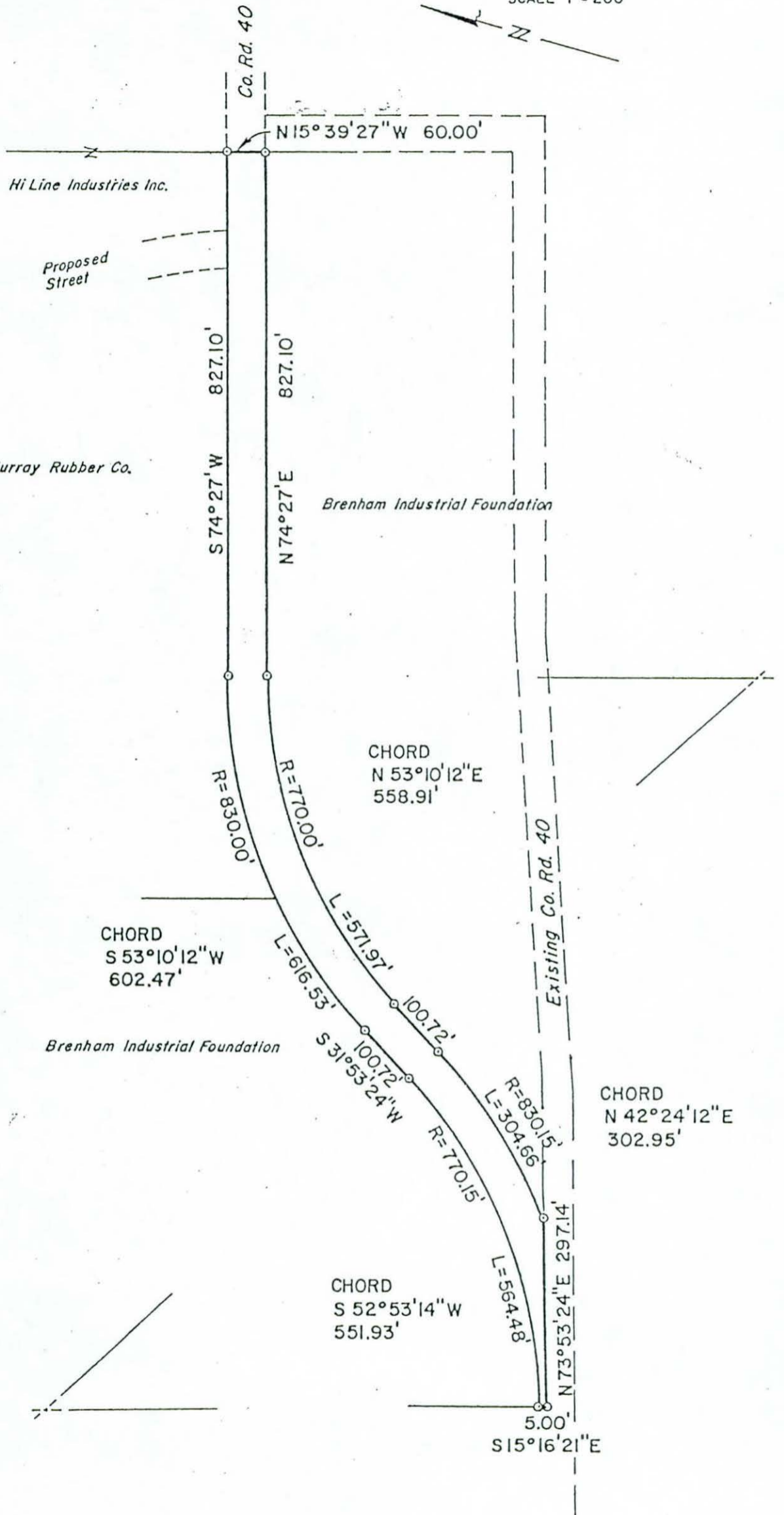
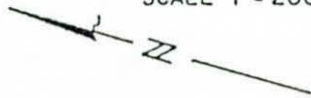
THENCE, N 15° 39' 27" W, 60.00 feet with said east line of the original Rodeck tract to the point or place of beginning containing 2.653 acres of land, more or less.

April, 1980

O'MALLEY & CLAY, INC.
BRENHAM, TEXAS

Wm. R. Krueger
Registered Professional Engineer

SCALE 1" = 200'



5318

BRENHAM INDUSTRIAL FOUNDATION, INC.
TO
CITY OF BRENHAM, TEXAS

All that tract or parcel of land located in the City of Brenham, Washington County, Texas, out of the Philip Coe Survey, Abstract No. A-31 and being a portion of the 55.990 acre tract conveyed to the Brenham Industrial Foundation, Inc. by Fred J. Rodeck, et ux, by deed recorded in Volume 364 at Page 217 of the Washington County Deed Records (W.C.D.R.) and the 16.386 acre tract conveyed to the Brenham Industrial Foundation by Carl Galipp, et al, by deed recorded in Volume 371 at Page 355 of the W.C.D.R., and being more particularly described as follows:

BEGINNING at an iron pin at the southwest corner of a tract of land conveyed to Hi-Line Industries, Inc. by the Brenham Industrial Foundation, Inc. in a deed recorded in Volume 391 at Page 527 of the W.C.D.R., said point also lying in the north line of the relocated segment of County Road No. 40 at a point S 74° 27' W, 124.51 feet from an original corner in the right-of-way of said County Road No. 40;

THENCE, along a curve to the left having a radius of 800.00 feet for a distance of 361.96 feet and through a central angle of 25° 55' 25", the chord of which bears N 38° 27' 16" W, 358.88 feet;

THENCE, along a curve to the right having a radius of 800.00 feet for a distance of 361.96 feet and through a central angle of 25° 55' 25", the chord of which bears N 38° 27' 16" W, 358.88 feet;

THENCE, along a curve to the left having a radius of 70.00 feet for a total distance of 375.51 feet and through a central angle of 52° 38' 19", the chord of which bears S 79° 21' 36" W, 62.07 feet; having passed at 40.00 feet the common property line between Hi-Line Industries, Inc. and Sealy Mattress Company; at 101.64 feet the common property line between Sealy Mattress Company and Central Freight Lines; at 163.64 feet the common property line between Central Freight Lines and Brenham Industrial Foundation, Inc.; and at 193.76 feet the common property line between Brenham Industrial Foundation, Inc. and Murray Rubber Company;

THENCE, S 25° 29' 34" E, 15.91 feet along the eastern border of the Murray Rubber Company tract;

THENCE, along a curve to the left having a radius of 860.00 feet for a distance of 389.10 feet and through a central angle of 25° 55' 25", the chord of which bears S 38° 27' 16" E, 385.80 feet;

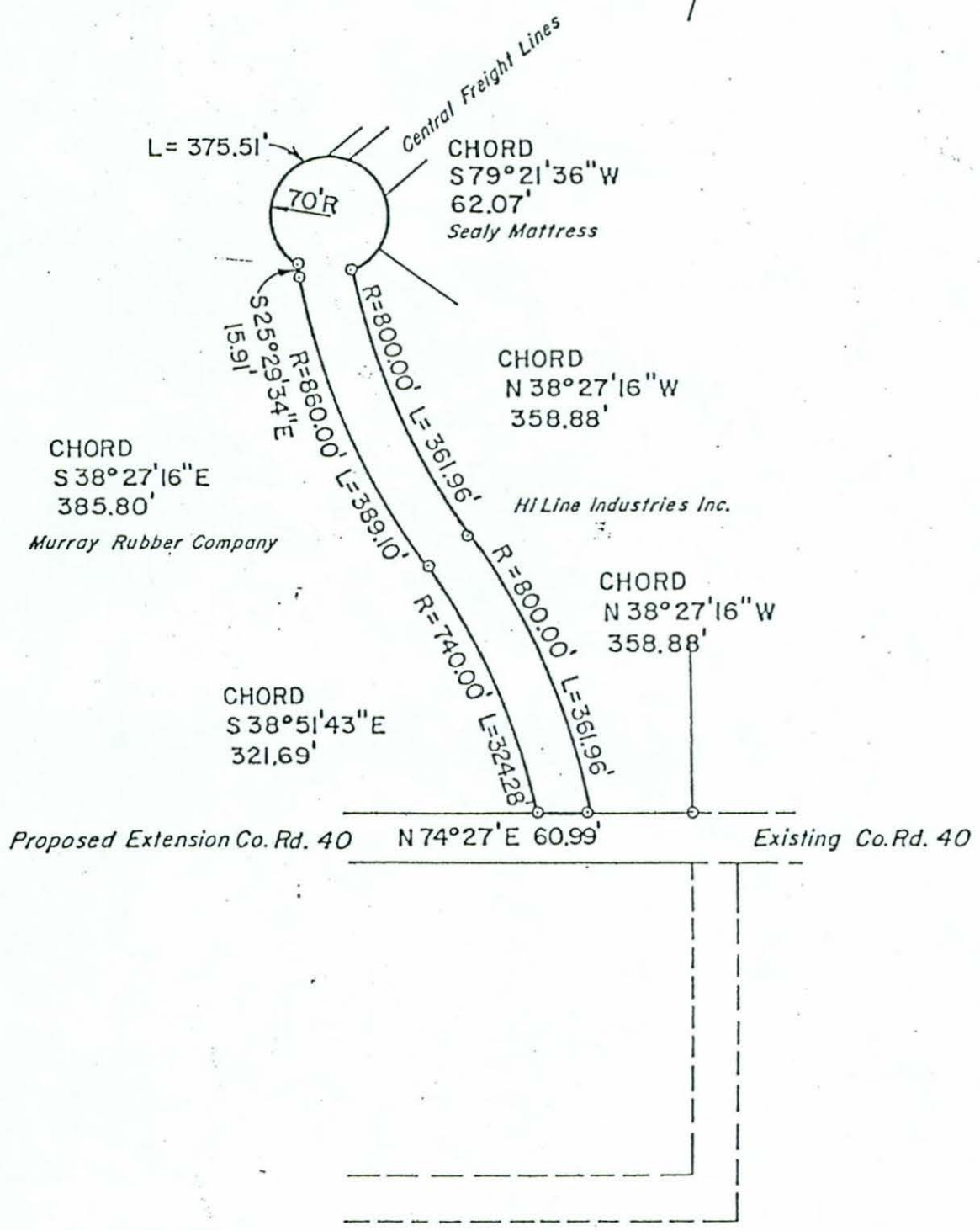
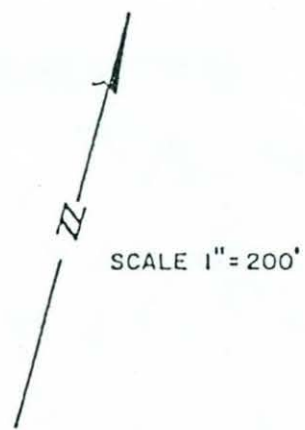
THENCE, along a curve to the right having a radius of 740.00 feet for a distance of 324.28 feet and through a central angle of 25° 06' 28", the chord of which bears S 38° 51' 43" E, 321.69 feet, to a point in the north line of the relocated segment of County Road No. 40.

THENCE, N 74° 27' E, 60.99 feet with the north line of said relocated segment of County Road No. 40 to the point or place of beginning, containing 1.005 acres of land, more or less.

April, 1980

O'MALLEY & CLAY, INC.
BRENHAM, TEXAS

Wm. R. Krueger
Registered Professional Engineer



R E S O L U T I O N

BE IT REMEMBERED that, at a meeting of THE BRENHAM INDUSTRIAL FOUNDATION, INC., held at the office of said corporation at Brenham, Texas, on the 2nd day of April, 1980, a quorum being present, the following Resolution was introduced, seconded and unanimously passed, to-wit:

WHEREAS, said corporation is the owner of and holds title to all those tracts or parcels of land situate in the City of Brenham, out of the Phillip Coe League, and being a portion of the 55.990 acres of land and 16.386 acres of land, more or less, conveyed to the The Brenham Industrial Foundation, Inc. by Fred J. Rodeck, et ux, containing 2.653 acres of land and 1.005 acres of land, more or less, and desires to convey the same to the CITY OF BRENHAM, TEXAS, for street purposes and for placement of utilities therein, who has agreed to accept the same; therefore;

BE IT RESOLVED that THE BRENHAM INDUSTRIAL FOUNDATION, INC. convey to the said CITY OF BRENHAM, TEXAS for street purposes and placement of utilities therein, said above described property; and that the President is hereby empowered to make, execute, acknowledge and deliver a General Warranty Deed of conveyance covering the above described property for the above consideration, in the name of the corporation, and affix the corporate seal, the same to be attested by the Secretary, and a copy of this Resolution to be attached to the deed; hereby ratifying and confirming any and all acts and things done by said President, L. E. VAN DYKE, pursuant thereto.

I, CHARLES R. MOSER, Secretary of THE BRENHAM INDUSTRIAL FOUNDATION, INC., do hereby certify that the above and foregoing Resolution was duly passed at a meeting of the Board of Directors of said Corporation, held on the 2nd day of April, 1980, a quorum being present, as the same appears of record in Volume _____, Page _____, Minutes of said Board of Corporation.

To Certify Which Witness my Hand and Seal of said Corporation, on this the 22nd day of April, 1980:

Charles R. Moser

CHARLES R. MOSER, Secretary
THE BRENHAM INDUSTRIAL
FOUNDATION, INC.

SWORN TO AND SUBSCRIBED BEFORE ME, by the said CHARLES R. MOSER, on this the 22nd day of April, 1980.

MILTON Y. TATE, JR.
Notary Public In And For
Washington County, Texas

My Commission Expires: 4-30-81

Milton Y. Tate Jr.
NOTARY PUBLIC In and for
Washington County, Texas
My Commission Expires: _____

(Printed Name of Notary)

2

MF 99293
ITEM ~~99293~~ letters 5/19/98
TO _____
FROM _____
DATE ~~5/21/98~~ 5/21/98

9
5
2

6.16.98

GENERAL LAND OFFICE

GARRY MAURO
COMMISSIONER

MEMORANDUM

Docket # 200

DATE: June 10, 1998

TO: Linda Fisher / School Land Board

From: Drew Reid / Minerals Leasing

RE: Applications To Lease Highway Right-of-Way

56-029214

~~99292~~ A) Applicant - UPRC
~~653.10~~ Description - 18.66 ac. along St. Hwy. 21, situated in the J.H. Bostick Sur., A-13
~~9.80~~ And A. Culling Sur., A-120 in Bastrop Co.
Terms - \$35.00/Ac. Bonus, 1/6 Royalty, 3 Years Paid-up

99293 B) Applicant - UPRC
621.30 Description - 4.142 Gross ac./2.313 Net ac. along Industrial Boulevard and Pickle
9.32 Circle, situated in the Philip Coe League, A-31 in Washington Co.
Terms - \$150.00/Ac. Bonus, 1/5 Royalty, 3 Years Paid-up

99294 C) Applicant - UPRC
615.90 Description - 6.159 ac. along F.M. Rd. 332, situated in the Philip Coe League,
9.24 A-31 in Washington Co.
Terms - \$100.00/Ac. Bonus, 1/6 Royalty, 3 Years Paid-up

99295 D) Applicant - UPRC
2127.4 Description - 10.637 ac. along F.M. 389, situated in the Philip Coe League,
31.91 A-31 in Washington Co.
Terms - \$200.00/Ac. Bonus, 1/5 Royalty, 3 Years Paid-up

99296 E) Applicant - UPRC
265.00 Description - 1.5519 ac. along F.M. 109, situated in the J. Hodge Sur., A-61
3.84 in Washington Co.
Terms - \$165.00/Ac. Bonus, 1/6 Royalty, 3 Years Paid-up

- 79297 F) Applicant – Shaca Ventures, Inc.
 824.00 Description – 8.25 ac. along St. Hwy. 124, situated in the T.&N.O. Sur., G.J.
 12.37 Mayes Sec. 98, A-438 in Chambers Co.
 Terms - \$100.00/Ac. Bonus, 1/4 Royalty, 18 Months Paid-up
- 79298 G) Applicant – Clayton Williams Energy, Inc.
 6294.00 Description – 20.98 ac. along F.M. 50, situated in the G.A. Nixon League, A-31
 in Robertson Co.
 94.41 Terms - \$300.00/Ac. Bonus, 1/4 Royalty, 3 Years Paid-up
- 79299 H) Applicant – Marshall & Winston, Inc.
 2952.00 Description – 39.36 ac. along St. Hwy. 55, situated in Sec. 19, A-734; Sec. 24, A-
 2149; Sec. 41, A-737 and Sec. 46, A-2103 in Edwards Co.
 44.28 Terms - \$75.00/Ac. Bonus, 1/5 Royalty, 3 Years Paid-up
- 79300 I) Applicant - Ceniza Pet., Inc.
 293.70 Description – 2.67 ac. along F.M. 630, situated in the James McIntyre Sur. A-196
 in San Patricio Co.
 4.41 Terms - \$110.00/Ac. Bonus, 1/4 Royalty, 2 Years Paid-up
- 79301 J) Applicant – J. Charles Hollimon, Inc.
 2672.00 Description – 6.68 ac. along St. Hwy. 71, situated in the I.&G.N.R.R. Co. Sur.
 No. 1, A-215 in Wharton Co.
 40.08 Terms - \$400.00/Ac. Bonus, 1/5 Royalty, 3 Years Paid-up
- 79302 K) Applicant – Chesapeake Operating, Inc.
 927.30 Description – 5.62 ac. along Salem Rd. and Hall Rd., situated in the N. Smith Sur.
 13.91 A-100 in Washington Co.
 Terms - \$165.00/Ac. Bonus, ~~1/6~~ 1/6 Royalty, 1 Year
- 99303 L) Applicant – Burk Royalty Company
 1285.55 Description – 25.711 ac. along St. Hwy. 4, situated in the Sam Martin Sur., A-6 in
 19.28 Cameron County.
 Terms - \$50.00/Ac. Bonus, 3/16 Royalty, 1 Year Paid-up
- 99304 M) Applicant – Indexgeo and Assoc., Inc.
 900.00 Description – 7.5 ac. along US Hwy 77, situated in the OH Stapp Sur. A-397, in
 13.50 Lavaca Co.
 Terms - \$120.00/Ac. Bonus, 1/6 Royalty, 3 years Paid-up
- 99305 N) Applicant – Hallwood Petroleum, Inc.
 97.00 Description – 3.88 ac., along a Co. Rd. with no name situated in the T & P RR Sur.,
 1.44 in Taylor Co.
 Terms - \$25.00/Ac. Bonus, 17% Royalty, 3 Years Paid-up

19306

- O) Applicant – Brigham Oil & Gas, L.P.
724.79 Description – 5.798 gross ac. and .83 net ac. along F.M. 178, situated in the T & P
10.87 RR Sur., in Dawson Co.
Terms - \$125.00/Ac. Bonus, 3/16 Royalty, 3 Years Paid-up

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

3

MF 99293
ITEM Memo
TO _____
FROM _____
DATE 6/10/98

[Faint, illegible text, possibly bleed-through from the reverse side of the page]

DENNIS MAHLMANN
Petroleum Land Services
208 W. Alamo
Brenham, Texas 77833
409/836-3260

July 27, 1998

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

Attn.: Mr. Drew Reid

RE: Bonus Checks, Oil and Gas Leases,
Right-of-way tracts,
Washington County, Texas

Dear Mr. Reid:

Enclosed please find three checks from Union Pacific Resources Company covering the bonuses and sales fees for the following three Oil and Gas Leases recently received from your office.

mineral file no.	acreage	check no.	amount
M-99293	4.142	10307915	\$630.62
M-99294	6.159	10307914	\$625.14
M-99295	10.637	10307913	\$2,159.31

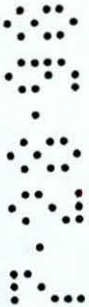
Thank you for your assistance in acquiring these leases.

Sincerely yours,



Dennis Mahlmann
Landman
Union Pacific Resources Company

Enclosure



SEND INQUIRIES TO P.O BOX 7
FORT WORTH, TX 76101

VENDOR NO. 456782

✓ UNION PACIFIC RESOURCES COMPANY

CHECK NO. 10307913

Any questions, please call UPR's Automated AP Inquiry System 1-800-370-9867

VOUCHER NUMBER	INVOICE NUMBER	PURCHASE ORDER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
07-AP-14915 X6370 C MCD	CR456782G1 ANIEL		07/21/98	2,159.31	0.00	2,159.31
				170		
						RE 98 JUL ENERGY 98059530 9840
		TOTALS		2,159.31	0.00	X 2,159.31

SEND INQUIRIES TO P.O BOX 7
FORT WORTH, TX 76101

VENDOR NO. 456782

✓ UNION PACIFIC RESOURCES COMPANY

CHECK NO. 10307915

Any questions, please call UPR's Automated AP Inquiry System 1-800-370-9867

VOUCHER NUMBER	INVOICE NUMBER	PURCHASE ORDER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
07-AP-14900 X6370 C MC	CR456782G3		07/21/98	630.62	0.00	630.62
		170				
		TOTALS		630.62	0.00	X 630.62

98059528

RECEIVED
98 JUL 28 PM 2:40
ENERGY RESOURCES

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

- Sender: Please print your name, address, and ZIP+4 in this box •

Chou

RECEIVED

FEB 19 AM 10:38

ENERGY RESOURCES

TEXAS GENERAL LAND OFFICE
P.O. BOX 12873
AUSTIN, TEXAS 78711-2873

03111

RECEIVED
FEB 19 2002
GENERAL LAND OFFICE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RME Petro Co
Charmain Martin
P.O. Box 1330MSA7
657
Houston TX 77251-1330

2. Article Number (Copy from service label)

7000 0520 0021 89 401249

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

GEE FEB 11 2002

C. Signature

X

- Agent
- Addressee

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail 099293
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

**Texas General
Land Office**



**David Dewhurst
Commissioner**

February 5, 2002

CERTIFIED MAIL 70000520002189401249

RME Petroleum Company
Attention: Charmain Martin
P.O. Box 1330, Ms Atl 657
Houston, Texas 77251-1330

RE: Notice of underpayment on state leases M-099293, 099294, 099295

Dear Ms. Martin:

The Royalty Management Division of the Texas General Land Office has completed a limited review of the above-referenced lease operated by RME Petroleum Company. Through this review, it was determined that \$306.33 has been underpaid to the State for the reporting period of February 1999 through August 1999. This amount comprises \$119.53 in additional royalty, \$150.00 in penalty, and \$36.80 in interest, which has been computed through March 1, 2002, in accordance with Section 52.131 of the Texas Natural Resources Code.

The following documents are attached in support of our findings:

- A brief summary of our review (Attachment I);
- Schedule supporting our royalty, penalty, and interest calculations (Attachment II); and
- Procedures used for assessment of penalties and interest (Attachment III).

To ensure your company remains in good standing with the General Land Office, please respond to this notice within 25 days of the above date. If your records reflect this royalty has been paid, please provide us with documentation of payments made and remittance dates. Payment of this notice should be submitted separately from monthly royalty payments you may be remitting. In order to ensure proper credit, your payment should be mailed to my attention along with a copy of this letter.

Mailing

Post Office Box 12873
Austin, Texas
78711-2873

Street

Stephen F. Austin Building
1700 North Congress Avenue
Austin, Texas 78701-1495

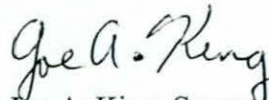
512.463.5001
1.800.998.4GLO
www.glo.state.tx.us

RME Petroleum Company
February 5, 2002
Page 2

This notice in no way precludes the General Land Office from pursuing any claim or remedy related to this royalty payment. Additionally, this notice does not constitute an Audit Billing Notice as defined in Section 52.135 of the Natural Resources Code and, consequently, does not preclude the General Land Office from conducting further examinations of this or other leases operated and/or reported by RME Petroleum Company or from examining these or other issues and time periods in a future inspection of your books, accounts, reports, or other records.

If you have any questions, please call Shirley Chou at (512) 463-5408.

Sincerely,



Joe A. King, Supervisor
Royalty Management / Energy Resources

JK/sc

Attachments

ATTACHMENT I

REVIEW SUMMARY

State Leases M-099293, 099294, 099295

We have reviewed our records for the period of September 1998 through August 1999 to determine whether or not royalty for condensate and gas has been reported and paid correctly with respect to volume and price. Volumes reported to the Texas General Land Office (TGLO) were compared to volumes reported to the Texas Railroad Commission (TRRC) with any differences being noted.

As a result of this review, it was determined that gas royalty were underpaid on Wehmeyer Unit No. 1 for February 1999 through August 1999.

Therefore, we have concluded that additional royalty revenue is due in the following amount.

Royalty	Penalty	Interest	Total
\$119.53	\$150.00	\$36.80	\$306.33

(See Attachment II for supporting calculations)

ATTACHMENT II

RME PETROLEUM COMPANY
 STATE LEASE M-099293,099294,099295
 FIELD NAME: GIDDINGS AUSTIN CHALK
 LEASE NAME: WEHMEYER UNIT NO 1
 WASHINGTON COUNTY, TEXAS
 RRC GAS WELL 03-172663
 STATE'S ROYALTY DECIMAL .00262685

AUDITOR: S CHOU
 FILE NAME: M-099293
 DATE: 2/5/2002

PENALTY/
 INTEREST DATE:

03/01/02

	(2)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
MONTH/ YEAR	RRC VOLUME (A)	PRICE (B)	BTU (B)	GROSS VALUE (1) X (2)	UNIT ROYALTY DUE (4) X (.00262685) (C)	ROYALTY PAID	ADDITIONAL ROYALTY DUE	NUMBER OF DAYS LATE	PENALTY DUE (C)	INTEREST DUE (C)	TOTAL DUE (7) + (9) + (10)
Feb-99	33,783	1.3800	1.000	46,620.54	122.47	88.29	34.18	1051	25.00	11.15	70.33
Mar-99	26,770	1.2800	1.000	34,265.60	90.01	64.91	25.10	1021	25.00	7.94	58.04
Apr-99	18,716	1.4600	1.000	27,325.36	71.78	51.59	20.19	990	25.00	6.18	51.37
May-99	13,938	1.8100	1.000	25,227.78	66.27	47.51	18.76	960	25.00	5.56	49.32
Jun-99	11,419	1.7800	1.000	20,325.82	53.39	38.39	15.00	929	25.00	4.29	44.29
Aug-99	4,025	2.1300	1.000	8,573.25	22.52	16.22	6.30	868	25.00	1.68	32.98
	108,651			162,338.35	426.44	306.91	119.53		150.00	36.80	306.33

COMMENTS:

- (A) RRC VOLUME - REPRESENTS GAS DISPOSITIONS FROM RRC WELL ID# 03-172663.
- (B) PRICE - REPRESENTS SALES PRICES NOTED ON GLO-2 GAS REPORTS.
- (C) UNIT ROYALTY DECIMAL - MF099293=.00195242 (TRACT PARTICIPATION)*.20000 (LEASE ROYALTY)=.00039048
 MF099294=.00403096 (TRACT PARTICIPATION)*.166667 (LEASE ROYALTY)=.00067182.
 MF099295=.00782275 (TRACT PARTICIPATION)*.20000 (LEASE ROYALTY)=.00156455.
 TOTAL UNIT ROYALTY DECIMAL =.00039048+.00067182+.00156455=.00262685.
- (C) SEE ATTACHMENT III, "SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES", FOR EXPLANATION OF PENALTY AND INTEREST CALCULATION.

ATTACHMENT III

**SUMMARY OF PENALTY/INTEREST ASSESSMENT RULES
FOR DELINQUENT ROYALTIES AND DELINQUENT
REQUIRED REPORTS OR DOCUMENTS**

	DUE BEFORE 10-1-75 (Production Prior to 8-1-75)	DUE AFTER 10-1-75 AND BEFORE 9-1-85 (Production 8-1-75 thru 6-30-85)	DUE AFTER 9-1-85 (Production 7-1-85 Forward)
<u>PENALTY (3)</u> • For delinquent royalty	NONE	The greater of 1% of the delinquent amount or \$5.00 for each 30-day delinquency	For delinquencies of 30 days or less, the greater of 5% of the delinquent amount or \$25.00 For delinquencies of more than 30 days, the greater of 10% of the delinquent amount or \$25.00
• For delinquent report, affidavit, or other document	NONE	\$5.00 per document for each 30-day period of delinquency	\$10.00 per document for each 30-day period of delinquency
<u>INTEREST</u> • For delinquent royalty	6% per year, compounded annually; accrual begins 30 days after due date (1)	6% per year, compounded annually; accrual begins 30 days after due date (1)	12% per year, simple; accrual begins 60 days after due date (2)

(1) Tex. Rev. Civ. Stat. Ann., Article 5069-1.03 and related case law.

(2) Tex. Nat. Res. Code Ann., § 52.131 (g).

(3) Penalties are not assessed in cases of title dispute as to the state's portion of the royalty or to royalty in dispute as to fair market value except when fraud is involved, in which case the fraud penalty is applicable. Penalty provisions are found at Tex. Nat. Res. Code Ann., § 52.131 (e), (f), & (h).

A royalty payment that is not accompanied by the required royalty affidavit identifying the GLO lease number is delinquent.

The State's power to forfeit a lease shall not be affected by the assessment or payment of any delinquency, penalty, or interest.

M-99293 (5)
Billing to RME
2-5-02

File No. MF-99293
Billing to RME
Date Filed: 2/5/02
Jerry E. Patterson, Commissioner
By _____

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Sent To

Street and A

City, State, ZIP+4®

Enervest Operating LLC
Attn: Land Department
1001 Fannin Street Ste. 800
Houston, Texas 77002

7016 2070 0000 7391 8724

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- Restricted delivery service, which provides delivery to the addressee specified by name, or to the addressee's authorized agent.
- Adult signature service, which requires the signee to be at least 21 years of age (not available at retail).
- Adult signature restricted delivery service, which requires the signee to be at least 21 years of age and provides delivery to the addressee specified by name, or to the addressee's authorized agent (not available at retail).
- To ensure that your Certified Mail receipt is accepted as legal proof of mailing, it should bear a USPS postmark. If you would like a postmark on this Certified Mail receipt, please present your Certified Mail item at a Post Office™ for postmarking. If you don't need a postmark on this Certified Mail receipt, detach the barcoded portion of this label, affix it to the mailpiece, apply appropriate postage, and deposit the mailpiece.

IMPORTANT: Save this receipt for your records.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Enervest Operating LLC
 Attn: Land Department
 1001 Fannin Street Ste. 800
 Houston, Texas 77002

2. 7016 2070 0000 7391 8724**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

B. Received by (Printed Name)

 Agent
 Addressee

C. Date of Delivery

 D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

RECEIVED

SEP 28 2011

9-28-11

3. Service Type

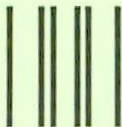
- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes

UNITED STATES POSTAL SERVICE

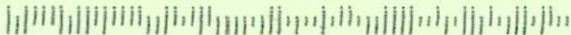
HOUSTON
TX 770
29 SEP '17
BN 11



First-Class Mail
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USPS
Permit No. G-10

- Sender: Please print your name, address, and ZIP+4 in this box •

MF 099293,099294,099295
TRAVIS MATTHEWS
TEXAS GENERAL LAND OFFICE
PO BOX 12873
AUSTIN, TX 78711-2873





TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

Certified USPS 7016 2070 0000 7391 8724

September 25, 2017

Enervest Operating LLC
Attn: Land Department
1001 Fannin Street Ste. 800
Houston, Texas 77002

Re: State Lease **MF 099293** being 2.31 acres, (Highways & Public Transportation) in Washington County Texas. ⁴
Re: State Lease **MF 099295** being 6.16 acres, (Highways & Public Transportation) in Washington County Texas.
Re: State Lease **MF 099295** being 10.37 acres, (Highways & Public Transportation) in Washington County Texas.

Dear Land Department:

Our records indicate that the leases above have terminated effective October 1, 2014 due to non production. The Texas Administrative Code dealing with Shut-In Royalty is Title 31, Part 1, Chapter 9, Subchapter C, Rule §9.36.

You have thirty days from the receipt of this letter in which to present evidence to the General Land Office that this termination has not occurred. If such evidence has not been presented at the expiration of the 30 day period, the lease shall be endorsed "terminated" with no further communication from this office prior to the endorsement.

Pursuant to the Texas Administrative Code, we request that you file with this office a certified, recorded copy of a Release of State Oil and Gas Lease, effective as of the termination date and recorded in the county in which the lease tract is located. After recording the release, mail a certified copy of the release, along with the filing fee of \$25.00, to my attention at the GLO.

We look forward to hearing from you.

Yours truly,

Travis Matthews
Landman, Energy Resources
512-463-5118
512-475-1543 (fax)
travis.matthews@glo.texas.gov

(6)

File No. 099293, 099294, 099295

WASHINGTON County

TERM LETTER

Date Filed: 9/25/17

By TW George P. Bush, Commissioner