

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

October 16, 2007

Ms. Debra Holt
BNP Corporation
P. O. Box 871
Wharton, Texas 77488-0871

RE: Extension of Oil and Gas Leases
State Leases M-102099, M-102100, M-102101, M-102102, M-102103, M-102104,
M-102105, and M-102106
Lemon Unit/Lemon Seed Unit
Gulf of Mexico
Kenedy County, Texas

Dear Ms. Holt:

Enclosed are the original Extensions of State Oil and Gas Lease for each of the referenced leases that have been executed by Jerry E. Patterson, Commissioner of the General Land Office. We have retained a copy of each extension for our files.

Your remittances totaling \$27,000.00, which were received in our office on September 19, 2007, have been applied to extend the leases for a thirty-day period beginning October 6, 2007, and ending November 4, 2007. The extensions will serve as receipt for the payments. If additional extensions are required, the same procedure should be followed, with the new applications and payments due in our office prior to the expiration of the current extension period and an affidavit to follow documenting the activities during the extension period.

Thank you for your assistance with this matter please let me know if you have any questions, or need anything further.

Sincerely,

J. Daryl Morgan, CPL
Energy Resources
(512) 305-9106

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

Post Office Box 12873 • Austin, Texas 78711-2873

512-463-5001 • 800-998-4GLO

www.glo.state.tx.us

EXTENSION OF STATE OIL AND GAS LEASE
STATE LEASE M-102099
KENEDY COUNTY, TEXAS

WHEREAS, State Lease No. M-102099 was issued to **BNP OIL & GAS PROPERTIES, LTD.** on the 10th day of July, 2001, covering the tract of land described as: **North One-Half (N/2) of Tract 998-S, Gulf of Mexico, Kenedy County, Texas**, containing approximately 320 acres; and

WHEREAS, the primary term of said lease was suspended on two occasions resulting in a new end of the primary term for said lease, being October 5, 2007; and

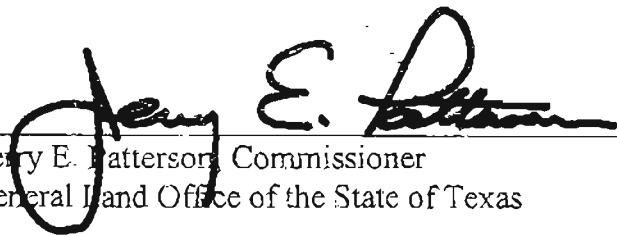
WHEREAS, Section 52.031 of the Natural Resources Code (originally enacted as Article 5382e, Section 2, V.A.C.S.) provides for extensions of valid and subsisting leases issued pursuant to what is now codified as part of Subchapter B, Chapter 52 of the Natural Resources Code (formerly Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947), and other applicable laws, rules and regulations; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for an extension in accordance with said Act, and timely paid the sum of **\$3,000.00**, as consideration therefor:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease for a period of thirty (30) days beginning the 6th day of **October, 2007**, said term extends to and includes the 4th day of **November, 2007**, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the Texas General Land Office, under the seal thereof, this the 3 day of October, 2007.



Jerry E. Patterson, Commissioner
General Land Office of the State of Texas

APPROVED:

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EXTENSION OF STATE OIL AND GAS LEASE
STATE LEASE M-102100
KENEDY COUNTY, TEXAS

WHEREAS, State Lease No. **M-102100** was issued to **BNP OIL & GAS PROPERTIES, LTD.** on the **10th** day of **July, 2001**, covering the tract of land described as: **All of Tract 999-S, Gulf of Mexico, Kenedy County, Texas**, containing approximately **855** acres; and

WHEREAS, the primary term of said lease was suspended on two occasions resulting in a new end of the primary term for said lease, being **October 5, 2007**; and

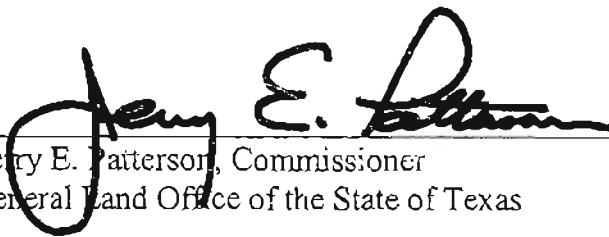
WHEREAS, Section 52.031 of the Natural Resources Code (originally enacted as Article 5382e, Section 2, V.A.C.S.) provides for extensions of valid and subsisting leases issued pursuant to what is now codified as part of Subchapter B, Chapter 52 of the Natural Resources Code (formerly Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947), and other applicable laws, rules and regulations; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for an extension in accordance with said Act, and timely paid the sum of **\$6,000.00**, as consideration therefor:

NOW, THEREFORE, I, **Jerry E. Patterson**, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease for a period of thirty (30) days beginning the **6th** day of **October, 2007**, said term extends to and includes the **4th** day of **November, 2007**, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the Texas General Land Office, under the seal thereof, this the **3rd** day of **October**, 2007.



Jerry E. Patterson, Commissioner
General Land Office of the State of Texas

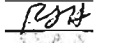
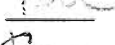
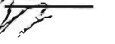
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EXTENSION OF STATE OIL AND GAS LEASE
STATE LEASE M-102101
KENEDY COUNTY, TEXAS

WHEREAS, State Lease No. M-102101 was issued to **BNP OIL & GAS PROPERTIES, LTD.** on the 10th day of July, 2001, covering the tract of land described as: **North One-Half of the East 640 Acres (N/2 of E/640 Ac.) of Tract 1000-S, Gulf of Mexico, Kenedy County, Texas**, containing approximately 320 acres; and

WHEREAS, the primary term of said lease was suspended on two occasions resulting in a new end of the primary term for said lease, being October 5, 2007; and

WHEREAS, Section 52.031 of the Natural Resources Code (originally enacted as Article 5382e, Section 2, V.A.C.S.) provides for extensions of valid and subsisting leases issued pursuant to what is now codified as part of Subchapter B, Chapter 52 of the Natural Resources Code (formerly Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947), and other applicable laws, rules and regulations; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for an extension in accordance with said Act, and timely paid the sum of **\$3,000.00**, as consideration therefor:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease for a period of thirty (30) days beginning the 6th day of **October**, 2007, said term extends to and includes the 4th day of **November**, 2007, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the Texas General Land Office, under the seal thereof, this the 3 day of October, 2007.



Jerry E. Patterson, Commissioner
General Land Office of the State of Texas

APPROVED:

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EXTENSION OF STATE OIL AND GAS LEASE
STATE LEASE M-102102
KENEDY COUNTY, TEXAS

WHEREAS, State Lease No. M-102102 was issued to BNP OIL & GAS PROPERTIES, LTD. on the 10th day of July, 2001, covering the tract of land described as: South One-Half of the East 640 Acres (S/2 of E/640 Ac.) of Tract 1000-S, Gulf of Mexico, Kenedy County, Texas, containing approximately 320 acres; and

WHEREAS, the primary term of said lease was suspended on two occasions resulting in a new end of the primary term for said lease, being October 5, 2007; and

WHEREAS, Section 52.031 of the Natural Resources Code (originally enacted as Article 5382e, Section 2, V.A.C.S.) provides for extensions of valid and subsisting leases issued pursuant to what is now codified as part of Subchapter B, Chapter 52 of the Natural Resources Code (formerly Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947), and other applicable laws, rules and regulations; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for an extension in accordance with said Act, and timely paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease for a period of thirty (30) days beginning the 6th day of October, 2007, said term extends to and includes the 4th day of November, 2007, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the Texas General Land Office, under the seal thereof, this the 3 day of October, 2007.



Jerry E. Patterson, Commissioner
General Land Office of the State of Texas

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EXTENSION OF STATE OIL AND GAS LEASE

STATE LEASE M-102103

KENEDY COUNTY, TEXAS

WHEREAS, State Lease No. M-102103 was issued to **BNP OIL & GAS PROPERTIES, LTD.** on the **10th** day of **July, 2001**, covering the tract of land described as: **All of Tract 1000-S, Gulf of Mexico, Kenedy County, Texas, Save and Except the East 640 Acres Thereof**, said land containing approximately 340 acres; and

WHEREAS, the primary term of said lease was suspended on two occasions resulting in a new end of the primary term for said lease, being October 5, 2007; and

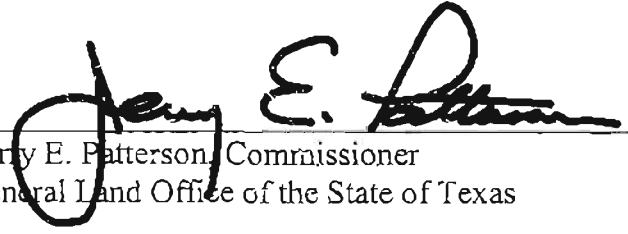
WHEREAS, Section 52.031 of the Natural Resources Code (originally enacted as Article 5382e, Section 2, V.A.C.S.) provides for extensions of valid and subsisting leases issued pursuant to what is now codified as part of Subchapter B, Chapter 52 of the Natural Resources Code (formerly Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947), and other applicable laws, rules and regulations; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for an extension in accordance with said Act, and timely paid the sum of \$3,000.00, as consideration therefor:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease for a period of thirty (30) days beginning the 6th day of **October, 2007**, said term extends to and includes the 4th day of **November, 2007**, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the Texas General Land Office, under the seal thereof, this the 3 day of October, 2007.


Jerry E. Patterson, Commissioner
General Land Office of the State of Texas

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EXTENSION OF STATE OIL AND GAS LEASE
STATE LEASE M-102104
KENEDY COUNTY, TEXAS

WHEREAS, State Lease No. M-102104 was issued to **BNP OIL & GAS PROPERTIES, LTD.** on the **10th** day of **July, 2001**, covering the tract of land described as: **North One-Half (N/2) of Tract 1007-S, Gulf of Mexico, Kenedy County, Texas**, containing approximately 320 acres; and

WHEREAS, the primary term of said lease was suspended on two occasions resulting in a new end of the primary term for said lease, being October 5, 2007; and

WHEREAS, Section 52.031 of the Natural Resources Code (originally enacted as Article 5382e, Section 2, V.A.C.S.) provides for extensions of valid and subsisting leases issued pursuant to what is now codified as part of Subchapter B, Chapter 52 of the Natural Resources Code (formerly Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947), and other applicable laws, rules and regulations; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for an extension in accordance with said Act, and timely paid the sum of **\$3,000.00**, as consideration therefor:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease for a period of thirty (30) days beginning the 6th day of **October, 2007**, said term extends to and includes the 4th day of **November, 2007**, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the Texas General Land Office, under the seal thereof, this the 3 day of October, 2007.



Jerry E. Patterson, Commissioner
General Land Office of the State of Texas

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EXTENSION OF STATE OIL AND GAS LEASE
STATE LEASE M-102105
KENEDY COUNTY, TEXAS

WHEREAS, State Lease No. M-102105 was issued to **BNP OIL & GAS PROPERTIES, LTD.** on the **10th** day of **July, 2001**, covering the tract of land described as: **South One-Half (S/2) of Tract 1007-S, Gulf of Mexico, Kenedy County, Texas**, containing approximately **320** acres; and

WHEREAS, the primary term of said lease was suspended on two occasions resulting in a new end of the primary term for said lease, being **October 5, 2007**; and

WHEREAS, Section 52.031 of the Natural Resources Code (originally enacted as Article 5382e, Section 2, V.A.C.S.) provides for extensions of valid and subsisting leases issued pursuant to what is now codified as part of Subchapter B, Chapter 52 of the Natural Resources Code (formerly Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947), and other applicable laws, rules and regulations; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for an extension in accordance with said Act, and timely paid the sum of **\$3,000.00**, as consideration therefor:

NOW, THEREFORE, I, **Jerry E. Patterson**, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease for a period of thirty (30) days beginning the **6th** day of **October, 2007**, said term extends to and includes the **4th** day of **November, 2007**, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the Texas General Land Office, under the seal thereof, this the **3** day of **October** , 2007.



Jerry E. Patterson, Commissioner
General Land Office of the State of Texas

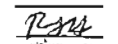
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**EXTENSION OF STATE OIL AND GAS LEASE
STATE LEASE M-102106
KENEDY COUNTY, TEXAS**

WHEREAS, State Lease No. M-102106 was issued to **BNP OIL & GAS PROPERTIES, LTD.** on the 10th day of **July, 2001**, covering the tract of land described as: **All of Tract 1008-S, Gulf of Mexico, Kenedy County, Texas**, containing approximately **465** acres; and

WHEREAS, the primary term of said lease was suspended on two occasions resulting in a new end of the primary term for said lease, being October 5, 2007; and

WHEREAS, Section 52.031 of the Natural Resources Code (originally enacted as Article 5382e, Section 2, V.A.C.S.) provides for extensions of valid and subsisting leases issued pursuant to what is now codified as part of Subchapter B, Chapter 52 of the Natural Resources Code (formerly Chapter 271, Acts of the 42nd Legislature, 1931, as amended by House Bill No. 9, Acts of the 46th Legislature, 1939, Chapter 82, Acts of the 50th Legislature, 1947), and other applicable laws, rules and regulations; and

WHEREAS, drilling operations are being conducted thereon in good faith and workmanlike manner; and

WHEREAS, the owner of said lease has made written application for an extension in accordance with said Act, and timely paid the sum of **\$3,000.00**, as consideration therefor:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, by virtue of the authority vested in me, and in accordance with the provisions of said Act, do by these presents hereby extend said lease for a period of thirty (30) days beginning the 6th day of **October, 2007**, said term extends to and includes the 4th day of **November, 2007**, and so long thereafter as oil or gas is being produced in paying quantities.

IN TESTIMONY WHEREOF, witness the signature of the Commissioner of the Texas General Land Office, under the seal thereof, this the 3 day of October, 2007.



Jerry E. Patterson, Commissioner
General Land Office of the State of Texas

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