270938

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

STATE OF TEXAS §

COUNTY OF KLEBERG §

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE ("Assignment"), is dated effective as of 7:00 a.m., local time at the location of the properties and interests herein conveyed and assigned, on April 1, 2007 (the "Effective Time"), and is from Locin Oil Corporation, a Texas corporation ("Locin"), Lyons Petroleum Reserves, Inc., a Texas corporation ("Lyons"), MC Reserves, Inc., a Texas corporation ("MC") and Michael J. Nicol, an individual ("Nicol"), each of which has a business address at 25231 Grogans Mill Road, Suite 500, The Woodlands, Texas 77380 (all of the foregoing parties are sometimes collectively referred to in this Assignment as the "Assignors"), to BNP Oil & Gas Properties, Ltd., a Texas limited partnership ("Assignee"), having an address at Post Oak Blvd., Suite 5300, Houston, Texas 77056.

PART ONE – ASSIGNMENT OF INTERESTS

Assignors, for and in consideration of $10.00 and other good and valuable consideration, severally paid to each Assignor, the receipt and sufficiency of which are severally acknowledged and confessed by Assignors, do each hereby SELL, ASSIGN, CONVEY, TRANSFER, SET OVER and DELIVER, without warranties or covenants of title, express, statutory or implied, except as set forth below, and subject to the exceptions and reservations herein made, unto Assignee and Assignee's successors in title and assigns, effective as the Effective Time, the following properties and rights:

1. The oil, gas and mineral leases described on Exhibit A attached hereto and the estates created thereby (the "Leases") and the lands and rights covered thereby (the "Lands"), as to all formations and depths.

2. All right, title and interest of Assignors in, to or under any overriding royalty interests in and the oil, gas and other minerals produced from the Leases.

3. All right, title and interest of Assignors in, to or under or by virtue of the presently existing and valid unitization, communitization and pooling agreements and the properties covered and the units and pooled and communitized areas created thereby.

4. All right, title and interest of Assignors in or to all improvements, easements, surface leases, permits, rights-of-way, servitudes and other similar interests necessary, useful to, appurtenant to or used in connection with the exploration, development or operation of the Leases or the Lands (all such improvements, easements, surface leases, permits, rights-of-way, servitudes and other similar interests, subject to the Existing Burdens (as hereinafter defined), are referred to as the "Easements").

5. All right, title and interest of Assignors in and to all product purchase and sale contracts, processing, transportation, gathering and exchange agreements, unit agreements, pooling agreements, areas of mutual interest, farmout agreements, farmin agreements, saltwater disposal agreements, water injection agreements, line well

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

injection agreements, drilling contracts, joint operating agreements, well service contracts, gas balancing agreements, supplier contracts, service contracts, division orders and transfer orders, only insofar as the same relate to the Leases (collectively, the "Mineral Agreements").

6. All right, title and interest of Assignors in and to all personal property, surface and subsurface machinery, goods, facilities, fixtures, inventory, located on the Lands or the Easements, including, without limitation, well bores, casings, fixtures, water wells, injection wells, saltwater disposal wells, casing, tubing, tubular goods, rods, pumping units and engines, well equipment (surface and subsurface), Christmas trees, offshore platforms, derricks, separators, gun barrels, flow lines, gas systems, pumps and gas plants (for gathering and treating), pipelines (including, without limitation, pipeline gathering lines, flow lines, trunklines and transportation lines (including long lines and laterals)), chemicals, solutions, water systems (for treating, disposal and injection), dehydration facilities, treating facilities, power plants, poles, lines and facilities, sulfur recovery facilities, transformers, starters and controllers, tools, valves, meters, separators, tanks, tank batteries, roads, loading docks, loading racks and shipping facilities, safety equipment, welding equipment and any other material and equipment in, on or appertaining to the wells located on the Lands or the Easements (collectively, the "Operating Equipment").

7. The oil, gas and other liquid or gaseous hydrocarbons which are in, under, to be produced from or which are attributable to the Lands or the Leases ("Hydrocarbons"), including, without limitation, Hydrocarbons in storage or pipelines after the Effective Time.

8. All files and records, to the extent the same exist and only to the extent the same relate to the interests being assigned hereby, including, but not limited to, maps, drawings, geological surveys, plats, title opinions, title abstracts, title materials and information, well files, land files, division order files, engineering files, geological files, litigation files, environmental compliance plans, environmental permits and audits, formation tests and results, logs, well cores, fluid samples, production data and reports, well testing data, maps and seismic, geophysical and geological reports (collectively, the "Records"), but only to the extent that the same may be assigned or delivered without violation of any license or confidentiality agreement governing the same.

PART TWO – ASSIGNMENT IS SUBJECT TO THE FOLLOWING

The assignment and conveyance of Assignors to Assignee is expressly made subject to the following:

(A) The covenants, provisions, royalties and terms of the Leases;

(B) The terms and conditions of all existing orders, rules and regulations and ordinances of federal, state and other governmental agencies having jurisdiction;

(C) The terms and conditions of all Easements;

(D) The terms and conditions of all valid and subsisting Mineral Agreements, insofar and only insofar as the same are appurtenant or relate to the Leases;

(E) The terms and conditions of all overriding royalty interests, restrictions, exceptions, reservations, burdens, encumbrances, conditions, limitations, interests, instruments, agreements and other matters, if any, which are of record and which burden or affect the properties, rights or interests herein assigned; and

(F) A letter agreement dated contemporaneously with the execution date of this Assignment as shown for the execution hereof by Locin Oil Corporation, which letter agreement is among the parties executing this Assignment.

All of the covenants, provisions, royalties, terms and conditions listed above in paragraphs (A) through (E), inclusive, of this Part Two, to the extent the same and apply to the Lands being conveyed in Part One of this Assignment are referred to in this Assignment as "Existing Burdens."

PART THREE – HABENDUM CLAUSE AND WARRANTIES OF ASSIGNORS

Assignors make the following warranties:

I. With respect to the Leases and the Lands assigned to Assignee, TO HAVE and TO HOLD, together with any fixtures and improvements appurtenant thereto, unto Assignee and its successors and assigns, forever and Assignors agree to WARRANT and FOREVER DEFEND the title to the same unto Assignee and Assignee's successors and assigns forever, against any person whomsoever lawfully claiming or to claim the same or any part thereof, subject to the Existing Burdens, by, through and under Assignors, but not otherwise.

II. With respect to the Operating Equipment and the Hydrocarbons, this Assignment is made without any other representation, covenant or warranty of any type whatsoever, either express, statutory or implied, including but not limited to warranties or covenants of title, warranty of fitness for any purpose, conditions or merchantability, freedom from redhibitory vices or defects and without warranty of any kind or nature whatsoever relating to the physical, operational or environmental condition of the interests assigned hereunder. Without limiting the foregoing in any way, all personal property, fixtures, equipment, improvements and appurtenances assigned herein are transferred by Assignors and accepted by Assignee "as is, where is and with all faults," and with respect to the Operating Equipment and the Hydrocarbons, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND CONFORMANCE TO MODELS ARE HEREBY EXPRESSLY NEGATED.

III. With respect to the Easements, the Mineral Agreements and the Records, this Assignment is made without any representation, covenant or warranty of any type whatsoever, either express, statutory or implied.

PART FOUR – RESERVATION OF OVERRIDING ROYALTY INTERESTS

Lyons, MC and Nicol, in the proportions of 45%, Lyons, 10%, MC and 45%, Nicol, EXCEPT and RESERVE from rights, titles and interests hereinabove conveyed unto Assignee, unto Lyons, MC and Nicol, in the proportions above set forth, and their respective successors in title and assigns, an overriding royalty interest in the production from or allocable to the Lands covered by the Leases equal to an undivided 0.03055555 of 8/8^{ths} of the Hydrocarbons produced and saved or produced and allocable to and sold from the Lands and the Leases under the terms of any of the Leases or any renewal or extension thereof taken within six months of the expiration of the Leases and any Hydrocarbons that may accrue to Assignee's interest after being processed in any plant. The overriding royalty interests

herein EXCEPTED and RESERVED by Lyons, MC and Nicol are each subject to the following terms, provisions and conditions:

(a) Each overriding royalty interest shall be computed on the same basis as the lessor's royalties are computed in respect of each of the Leases, but Lyons, MC and Nicol shall bear and pay all taxes which may now or hereafter be applicable to or in any manner connected with such overriding royalty interest or a lien upon such overriding royalty interest or the production of Hydrocarbons attributable thereto, including, without limitation, all production, severance or other taxes attributable to or levied upon such overriding royalty interest or the production of Hydrocarbons attributable thereto..

(b) Each overriding royalty interest of Lyons, MC and Nicol in the Leases may be pooled and unitized in the same manner and under the same and identical terms, conditions and provisions as the lessors' royalty may be pooled and unitized under the terms of the Leases.

(c) The reservation and exception of the overriding royalty interests herein by Lyons, MC and Nicol is based upon the assumption that the Leases cover and affect the entire fee simple estate and the entirety of the Lands described in Exhibit A. If the Leases cover less than the entire fee simple estate described therein, or if there is a loss or failure of title so that such Leases do not cover a particular tract or parcel described in Exhibit A hereof in connection with the Leases, or if such Leases do not cover the entire mineral interest in the entirety of the Lands described in Exhibit A, then the overriding royalty interest herein excepted and reserved shall be proportionately reduced as to each such partial interest or as to each of such Lands as to which title shall have failed or is less than the entire mineral interest.

(d) No obligations, either express or implied, shall arise by reason of this exception and reservation by Lyons, MC and Nicol which shall obligate Assignee to keep and to maintain the Leases in force and effect either by the payment of rentals, compensatory royalty or other payments, or by the drilling of any wells, it being expressly understood that Lyons, MC and Nicol are to receive their respective overriding royalty interests only out of the Hydrocarbons if, as and when produced, saved and sold at the will of Assignee from the Lands under the terms and provisions of the Leases, and Assignee may release the Leases, or any part thereof, or permit the Leases or any part thereof, to revert or to terminate at will and without liability to Lyons, MC and Nicol.

PART FIVE – AGREEMENTS OF ASSIGNEE

Assignee releases and discharges Assignors, and each of their respective shareholders, members, managers, owners, officers, directors, employees, agents, consultants, and servants (collectively, the "Indemnified Parties") from each and every claim or loss relating to the rights, titles and interests conveyed to Assignee hereunder or this transaction, regardless of when or how the claim or loss arose or arises or whether the claim or loss is or was foreseeable or unforeseeable. The term "claim" means and includes all valid claims, regardless of how such claim may be characterized, including demands of all kinds and descriptions, liens, privileges and other encumbrances of all kinds and descriptions, whether arising in rem, in personam, at law, in equity or in admiralty, and whether arising under, or created by, law, contract, tort, voluntary settlement, arbitration, mediation or otherwise, including claims which might be brought by spouses, heirs, survivors or legal representatives, successors and assigns. The term "loss" means and includes losses or damages of all kinds and descriptions (excluding only punitive or exemplary damages as well as fines or penalties), including attorneys fees, costs and costs of suit,

liabilities of all kinds and descriptions, losses of all kinds and descriptions, obligations of any kind or description, costs of any kind or description, judgments of any kind or description, interest of any kind or description, and awards of any kind or description, whether created by law, contract, tort, voluntary settlement, arbitration, mediation or otherwise, including losses suffered by spouses, heirs, survivors or legal representatives, successors and assigns. Assignee's obligations to protect, indemnify, defend and hold the Indemnified Parties harmless do not apply, however, to claims or losses that result from a judgment rendered or settlement reached in a lawsuit filed before the Effective Time.

ASSIGNEE'S RELEASE AND DISCHARGE OF THE INDEMNIFIED PARTIES INCLUDE CLAIMS AND LOSSES RESULTING IN ANY WAY FROM THE NEGLIGENCE OR STRICT LIABILITY OF THE INDEMNIFIED PARTIES, WHETHER THE NEGLIGENCE OR STRICT LIABILITY IS SOLE, JOINT, CONCURRENT, COMPARATIVE, CONTRIBUTORY, ACTIVE, PASSIVE, GROSS OR OTHERWISE, STRICT LIABILITY, WILLFUL MISCONDUCT OR OTHER FAULT.

ASSIGNEE FURTHER AGREES TO RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD THE INDEMNIFIED PARTIES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS AND LOSSES, THAT RESULT FROM POLLUTION, CONTROL, REMOVAL, RESTORATION AND CLEANUP OF POLLUTION OR CONTAMINATION, PENALTIES, FINES, COSTS AND EXPENSES (INCLUDING LITIGATION COSTS AND REASONABLE ATTORNEYS FEES) ARISING FROM OR RELATED TO (I) THE FAILURE, OR ALLEGED FAILURE OF THE INDEMNIFIED PARTIES, TO PROPERLY DRILL, COMPLETE, OPERATE AND PLUG AND ABANDON THE WELLBORES OR COMPLETE ANY CLEANUP, RECLAMATION OR RESTORATION OF THE SURFACE AND WELLSITE AS MAY BE REQUIRED WITH RESPECT TO THE LEASES AND THE LANDS ASSIGNED HEREBY, AND (II) THE INDEMNIFIED PARTIES' OPERATIONS AND ACTIVITIES CONDUCTED ON THE LEASES, THE LANDS AND THE EASEMENTS PRIOR TO THE EFFECTIVE TIME. ASSIGNEE'S FOREGOING OBLIGATIONS SHALL APPLY REGARDLESS OF WHETHER SUCH LIABILITIES ARISE UNDER CONTRACT, TORT, STATUTE, OR OTHERWISE. ASSIGNEE ACKNOWLEDGES THAT THE PROPERTY INTERESTS MAY HAVE BEEN UTILIZED FOR THE PURPOSE OF EXPLORATION FOR OR PRODUCTION AND DEVELOPMENT OF OIL AND GAS AND THAT ASSIGNEE HAS BEEN INFORMED AND IS AWARE THAT OIL AND GAS PRODUCING FORMATIONS MAY CONTAIN NATURALLY OCCURRING RADIOACTIVE MATERIAL ("NORM") AND THAT SOME OIL FIELD PRODUCTION EQUIPMENT OR FACILITIES MAY CONTAIN ASBESTOS OR NORM. ASSIGNEE WAIVES ITS RIGHT TO RECOVER FROM ASSIGNOR AND HEREBY ASSUMES AND AGREES TO FOREVER RELEASE, DISCHARGE, FULLY DEFEND, PROTECT, INDEMNIFY AND HOLD HARMLESS ASSIGNOR, ITS AFFILIATES, AND THE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS OF ASSIGNOR AND ITS AFFILIATES, FROM AND AGAINST EACH AND EVERY CLAIM, DEMAND, PENALTY, FINE, LIEN, JUDGMENT, ACTION, CAUSE OF ACTION, OR LAWSUIT, AND ANY LIABILITY, COST, EXPENSE, DAMAGE OR LOSS, INCLUDING COURT COSTS AND ATTORNEYS' FEES, WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT MAY ARISE ON ACCOUNT OF OR IN ANY WAY IN CONNECTION WITH THE PAST, PRESENT OR FUTURE PHYSICAL OR ENVIRONMENTAL CONDITION OF THE LEASES, LANDS, EASEMENTS, OPERATING EQUIPMENT, WELLS, AND PERSONAL PROPERTY OR ANY FEDERAL, STATE, TRIBAL OR LOCAL LAW OR REGULATION

APPLICABLE THERETO, INCLUDING BUT NOT LIMITED TO THOSE ARISING IN CONNECTION WITH ASSIGNOR'S OPERATIONS PRIOR TO THE EFFECTIVE TIME OF THIS ASSIGNMENT AND THOSE ATTRIBUTABLE TO ASSIGNOR'S NEGLIGENCE OR LIABILITY WITHOUT FAULT.

Prior to execution of this instrument, Assignee has had the opportunity to inspect the property interests and premises and satisfy itself as to their physical and environmental conditions, both surface and subsurface, and to examine the records of Assignors pertaining to the rights assigned herein at Assignors' offices and has had access to the information in Assignors' possession with respect thereto. Assignee acknowledges that neither Assignors nor any shareholders, members, managers, owners, officers, directors, employees, agents, consultants, and servants of Assignors have made representations or warranties, verbal or otherwise, as to the accuracy or completeness of such information, or as to Assignors' title to the Leases, the Lands, the Operating Equipment or the rights and obligations assigned hereby. Assignee has relied and will rely solely on its independent investigation and judgment with respect to the interests and rights sought to be transferred by this Assignment, their value, and Assignors' title thereto.

Assignee will assume all plugging liability, including remediation and restoration liability under Padre Island National Seashore rules and regulations. ASSIGNEE SPECIFICALLY AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD THE INDEMNIFIED PARTIES HARMLESS FROM AND AGAINST EACH AND EVERY CLAIM OR LOSS, WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, IN CONNECTION WITH THE PLUGGING OF ANY WELL CONVEYED HEREBY, WHETHER OR NOT PREVIOUSLY PLUGGED, AND ANY ABANDONMENT OPERATIONS INCLUDING, WHERE REQUIRED BY LAW OR APPLICABLE LEASES OR CONTRACTS, RESTORATION OF THE SURFACE OF THE LANDS INCLUDING, BUT NOT LIMITED TO, CLEAN-UP OF ANY OILFIELD OR OTHER WASTE AND RESTORATION OF THE LANDS AS NEARLY AS PRACTICABLE TO THEIR PRE-LEASE CONDITION.

TO THE EXTENT APPLICABLE TO ALL OR ANY PORTION OF THE LEASES, LANDS, WELLS, OPERATING EQUIPMENT, RECORDS AND PERSONAL PROPERTY, ASSIGNEE WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES — CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ. VERNON'S TEXAS CODE ANNOTATED, BUSINESS & COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTION. AFTER CONSULTATION WITH AN ATTORNEY OF ASSIGNEE'S OWN SELECTION, ASSIGNEE VOLUNTARILY CONSENTS TO THIS WAIVER.

WITH RESPECT TO THIS ASSIGNMENT, ALL PARTIES AGREE THAT THIS STATEMENT COMPLIES WITH THE REQUIREMENT, KNOWN AS THE EXPRESS NEGLIGENCE RULE, TO EXPRESSLY STATE IN A CONSPICUOUS MANNER TO AFFORD FAIR AND ADEQUATE NOTICE THAT THIS CONTRACT HAS PROVISIONS REQUIRING ONE PARTY (THE INDEMNITOR) TO BE RESPONSIBLE FOR THE NEGLIGENCE, STRICT LIABILITY, OR OTHER FAULT OF ANOTHER PARTY (THE INDEMNITEE). ASSIGNORS AND ASSIGNEE EACH UNDERSTAND AND AGREE THAT IN THIS ASSIGNMENT ANY PORTION OF THIS ASSIGNMENT WHICH HAS PROVISIONS IN TYPEFACE AS IN THIS PARAGRAPH, THE SAME ARE SET FORTH IN A CONSPICOUS MANNER.

EACH INDEMNIFYING PARTY REPRESENTS TO THE INDEMNIFIED PARTY (1) THAT IT, THE INDEMNIFYING PARTY, HAS CONSULTED AN ATTORNEY CONCERNING THIS ASSIGNMENT, OR, IF IT HAS NOT CONSULTED AN ATTORNEY, THAT IT WAS PROVIDED THE OPPORTUNITY AND HAD THE ABILITY TO SO CONSULT, BUT MADE AN INFORMED DECISION NOT TO DO SO, AND (2) THAT IT, THE INDEMNIFYING PARTY FULLY UNDERSTAND ITS OBLIGATIONS UNDER THIS ASSIGNMENT.

PART SIX – MISCELLANEOUS MATTERS

All of the terms, provisions, covenants and agreements herein contained shall extend to and be binding upon the parties hereto, and their respective successors in title and assigns.

Assignor agrees to execute, to acknowledge and to deliver to Assignee any additional instruments, notices, division orders, transfer orders and other documents and to do any other acts and things which may be necessary to more fully and effectively assign and convey to Assignee and Assignee's successors in title and assigns the Interests intended to be assigned hereby.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Assignor has executed this Assignment on the date of the acknowledgment annexed hereto, but this Assignment shall be effective as of the Effective Time hereinabove recited.

LOCIN OIL CORPORATION

By: _____
Michael J. Nicol, President

LYONS PETROLEUM RESERVES, INC.

By: _____
Michael L. Lord, President

MC RESERVES, INC.

By: _____
Mark D. Clavenna, President

_____
Michael J. Nicol

BNP OIL & GAS PROPERTIES, LTD.
By: PAGEENERGY COMPANY, LLC,
General Partner

By: _____
Paul P. Black, Member

VOL 0368 PAGE 388

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this ~~8th~~ 7th day of June, 2007, by Michael J. Nicol, as President of Locin Oil Corporation, a Texas corporation.

KRISTIN HALPHEN
Notary Public, State of Texas
My Commission Expires
September 03, 2008

Kristin Halphen
Kristin Halphen
Notary Public for the State of Texas

My commission expires: September 3, 2008

STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this ~~8th~~ 7th day of June, 2007, by Michael L. Lord, as President of Lyons Petroleum Reserves, Inc., a Texas corporation.

KRISTIN HALPHEN
Notary Public, State of Texas
My Commission Expires
September 03, 2008

Kristin Halphen
Kristin Halphen
Notary Public for the State of Texas

My commission expires: September 3, 2008

:

STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this 8th day of June, 2007, by Mark. D. Clavenna, as President of MC Reserves, Inc., a Texas corporation.

KRISTIN HALPHEN
Notary Public, State of Texas
My Commission Expires
September 03, 2008

Kristin Halphen
Kristin Halphen
Notary Public for the State of Texas

My commission expires: September 3, 2008

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me this 20 day of June, 2007, by Paul P. Black, Member of PageEnergy Company, LLC, a Texas limited liability company, General Partner of BNP Oil & Gas Properties, Ltd., a Texas limited partnership.

Notary Public for the State of Texas

My commission expires:

JESSICA LEE BRISTER
Notary Public, State of Texas
My Commission Expires
December 21, 2008

EXHIBIT A
TO
ASSIGNMENT, BILL OF SALE AND CONVEYANCE
FROM
LOCIN OIL CORPORATION, LYONS PETROLEUM RESERVES, INC., MC RESERVES, INC. AND MICHAEL J. NICOL
TO
BNP OIL & GAS PROPERTIES, LTD.

Oil and Gas Leases:

State of Texas Lease No.	83819
Lands covered:	Tract 984-S, Mustang Island Area, as subdivided for mineral development by the General Land Office of the State of Texas
Lessor:	State of Texas
Lessee:	Amoco Production Company
Date:	October 7, 1980
Recorded:	Volume 387, Page 260, Deed Records, Kleberg County, Texas

State of Texas Lease No.	90598
Lands covered:	Tract 983-S, Mustang Island Area, as subdivided for mineral development by the General Land Office of the State of Texas
Lessor:	State of Texas
Lessee:	Amoco Production Company
Date:	October 2, 1984
Recorded:	Volume 462, Page 99, Deed Records, Kleberg County, Texas

State of Texas Lease No.	59480
Lands covered:	Tract 979-S, Mustang Island Area, as subdivided for mineral development by the General Land Office of the State of Texas
Lessor:	State of Texas
Lessee:	Pan American Petroleum Corporation
Date:	May 3, 1966

Recorded:	Volume 205, Page 51, Deed Records, Kleberg County, Texas
State of Texas Lease No.	61874
Lands covered:	Tract 980-S, Mustang Island Area, as subdivided for mineral development by the General Land Office of the State of Texas
Lessor:	State of Texas
Lessee:	Pan American Petroleum Corporation
Date:	November 7, 1967
Recorded:	Volume 215, Page 373, Deed Records, Kleberg County, Texas

State of Texas Lease No.	59481
Lands covered:	Tract 981-S, Mustang Island Area, as subdivided for mineral development by the General Land Office of the State of Texas
Lessor:	State of Texas
Lessee:	Pan American Petroleum Corporation
Date:	May 3, 1966
Recorded:	Volume 205, Page 55, Deed Records, Kleberg County, Texas

State of Texas Lease No.	61875
Lands covered:	Tract 984-S, Mustang Island Area, as subdivided for mineral development by the General Land Office of the State of Texas
Lessor:	State of Texas
Lessee:	Pan American Petroleum Corporation
Date:	November 7, 1967
Recorded:	Volume 215, Page 378, Deed Records, Kleberg County, Texas

Gas Units and Field Wide Gas Unit:

The above leases were pooled into three separate Gas Units, the South Sprint Gas Unit No. 1 (Leases 59480 and 61874), the South Sprint Gas Unit No. 2 (Leases 59481 and 61875) and the South Sprint Gas Unit No. 3 (Leases 83819 and 90598), each comprising 704 acres. The three

South Sprint Gas Units were thereafter pooled and unitized into the South Sprint Temporary Fieldwide Gas Unit, as established under and pursuant to a Pooling Agreement between the Commissioner of the General Land Office of the State of Texas and Amoco Production Company, effective as therein provided, and recorded in Volume 500, Page 7 of the Deed Records of Kleberg County, Texas.

FILE# 270938

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FILED FOR RECORD

2007 JUL 18 AM 11: 39

LEO ALARCON
COUNTY CLERK KLEBERG COUNTY
BY Clarissa M. Moreno
DEPUTY

CLARISSA M. MORENO

Indexed

Compared

THE STATE OF TEXAS, COUNTY OF KLEBERG, I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED ON THE DATE AND TIME STAMPED HEREON BY ME AND WAS DULY RECORDED IN THE OFFICIAL RECORDS OF KLEBERG COUNTY, TEXAS

VOL 368 PAGE 380

JUL 20 2007

RECORDING DATE

COUNTY COURT KLEBERG COUNTY, TEXAS

Leo Alarcon

LEO ALARCON
COUNTY CLERK, KLEBERG COUNTY

ANY PROVISIONS HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE INVALID AND ENFORCEABLE UNDER FEDERAL LAW

RETURN TO:

* BNP
Williams Tower
2800 Post Oak Blvd, Suite 5300
Houston Tx 77056

RECORDERS MEMORANDUM:
ALL OR PART OF A SOCIAL SECURITY NUMBER, IF CONTAINED IN THIS DOCUMENT, MAY HAVE BEEN REDACTED. TEX. GOV'T CODE SEC. 552.147 (b) THE COUNTY CLERK MAY REDACT A LIVING PERSON'S SOCIAL SECURITY NUMBER FROM ANY OR ALL DOCUMENTS CONTAINED FOR DISCLORE BY KLEBERG COUNTY.

FILE# 270938

VOL 0368 PAGE 393

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2007 JUL 18 AM 11: 39

Indexed

Compared

LEO ALARCON
COUNTY CLERK KLEBERG COUNTY
BY Clarissa M. Moreno
DEPUTY

CLARISSA M. MORENO

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VOL 368 PAGE 380

COUNTY COURT KLEBERG COUNTY, TEXAS

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