

(SEAL) F W Arrington Notary Public in and for Brazoria County, Texas.

Filed For Record At 11:30 O'clock A M Apr 7 1941 J. R. Monarch Clerk County Court, Brazoria County, Texas By Alice Sanders Deputy

- - - - 0 0 0 - - - -

9777

THE STATE OF TEXAS,)

COUNTY OF BRAZORIA)

FOR and in consideration of the sum of Twenty-nine & 50/100 Dollars (\$29.50) to the undersigned owners paid, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby grant to The Dow Chemical Company, a Michigan corporation, duly licensed to do business in Texas, its successors and assigns the right-of-way to lay, maintain, operate, replace, change and remove a pipe line, with the privilege of laying parallel with and adjacent to said pipe line a second line upon the payment of a like consideration, for the transportation of oil, gas and water and their products (or any of them) on, over and through the following described lands situated in Brazoria County and State of Texas to-wit:

A tract of 20 acres, being Lot No. 29 in the I. T. Tinsley Survey, Abstract No. 375, which is described in a deed recorded in Volume 320, at page 378 of the Deed Records of Brazoria County, Texas, to which reference is here made, together with the right of ingress and egress for all purposes incident to said grant.

To have and to hold the said easements unto said The Dow Chemical Company, its successors and assigns, so long as such structures are maintained.

The said undersigned owners retain for themselves and their heirs or assigns, the right fully to use and enjoy said premises, except as the same may be necessary for the purposes herein granted to said The Dow Chemical Company, its successors and assigns.

Said The Dow Chemical Company hereby agrees to pay any damages to grass, timber, growing crops and improvements which may result from its acts or omissions in laying, maintaining, operating, replacing, changing or removing said ^{pipe} line, said damage, if any, if not mutually agreed upon to be ascertained and determined by three disinterested persons, one of whom shall be appointed by the owners of said lands, their heirs, or assigns, one by The Dow Chemical Company, its successors and assigns, and the third by the two so appointed, as aforesaid; and the award of such three persons shall be final and conclusive.

Said The Dow Chemical Company further agrees to bury and maintain all pipe lines so as not to interfere with the cultivation of said land.

It is understood and acknowledged by the grantor or grantors that the person securing this grant is without authority to make any agreement in regard to the subject matter hereof which is not expressed herein and that the aforesaid agreement contains and includes all of the terms, conditions and understandings between the parties hereto.

In Testimony Whereof, witness my hand this the 16th day of January, 1941.

Signed, sealed and delivered
in the presence of

Richard J Higgins

F. M. Harvin

THE STATE OF TEXAS,)

COUNTY OF BRAZORIA)

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

Given under my hand and seal of office this the 16th day of January, A. D. 1941.

(SEAL) Richard J Higgins Notary Public in and for Brazoria County, Texas.

Filed For Record At 11:30 O'clock A M Apr 7 1941 J. R. Monarch Clerk County Court, Brazoria County, Texas By Alice Sanders Deputy

- - - 0 0 0 - - -

9778

THE STATE OF TEXAS,)

COUNTY OF _____)

FOR and in consideration of the sum of Twenty-Nine Dollars (\$29.00) to the undersigned owners paid, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby grant to The Dow Chemical Company, a Michigan corporation, duly licensed to do business in Texas, its successors and assigns the right-of-way to lay, maintain, operate, replace, change and remove a pipe line, with the privilege of laying parallel with and adjacent to said pipe line a second line upon the payment of a like consideration, for the transportation of oil, gas and water and their products (or any of them) on, over and through the following described lands situated in Brazoria County and State of Texas to-wit:

A tract of 14.9 acres, being that part of Lot No43, of the I. T. Tinsley Survey, Abstract No. 375, northwest of the St. L. B. & M. Railroad right-of-way, which is described in a deed recorded in Volume 28, at page 117 of the Deed Records of Brazoria County, Texas, to which reference is here made,

together with the right in ingress and egress for all purposes incident to said grant.

To have and to hold the said easements unto said The Dow Chemical Company, its successors and assigns, so long as such structures are maintained.

The said undersigned owners retain for themselves and their heirs or assigns, the right fully to use and enjoy said premises, except as the same may be necessary for the purposes herein granted to said The Dow Chemical Company, its successors and assigns.

Said The Dow Chemical Company hereby agrees to pay any damages to grass, timber, growing crops and improvements which may result from its acts or omissions in laying, maintaining, operating, replacing, changing or removing said pipe line, said damage, if any, if not mutually agreed upon to be ascertained and determined by three disinterested persons, one of whom shall be appointed by the owners of said lands, their heirs, or assigns, one by The Dow Chemical Company, its successors and assigns, and the third by the two so appointed, as aforesaid; and the award of such three persons shall be final and conclusive.

Said The Dow Chemical Company further agrees to bury and maintain all pipe lines so as not to interfere with the cultivation of said land.

It is understood and acknowledged by the grantor or grantors that the person securing this grant is without authority to make any agreement in regard to the subject matter hereof which is not expressed herein and that the aforesaid agreement contains and includes all of the terms, conditions and understandings between the parties hereto.

In Testimony Whereof, witness _ hand this the _ day of __, 19__.

Mrs Alice Stull

THE STATE OF TEXAS,)

COUNTY OF BRAZORIA)

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

it is agreed that if Lessor owns an interest in said land less than the entire fee simple estate, then the royalties and rentals to be paid Lessor shall be reduced proportionately.

11. If the oil, gas and minerals in any of the above described lands have been reserved by and belong to the State of Texas, then as to such lands the lessor named executes this lease as agent for the State of Texas as well as individually, whether or not so stated in connection with the signature or signatures hereto; and as to such land any and all bonuses paid and rentals and royalties herein provided for shall be payable to and divided between the State and the lessor named, in accordance with the law now or hereafter in force, so that the aggregate bonuses, rentals and royalties shall neither be increased nor diminished on account of the State's interest therein.

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

Martin Pavletich
 Mary Pavletich her
 X
 mark
 Walter L. Morrison

THE STATE OF NEW MEXICO)
 COUNTY OF COLFAX)

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

GIVEN under my hand and seal of office this the 10th day of October A. D. 1944
 (SEAL) Fred C. Stringfellow Notary Public in and for Colfax New Mexico My Comm.
 Expires July 29, 1947.

55¢ Int. Rev. Stamps Cancelled: M. P. 11-8-44

Filed for Record at 10:15 o'clock A. M. Nov 9 1944 J. R. Monarch Clerk County
 Court, Brazoria County, Texas By Alice Sanders Deputy

- - - 0 0 0 - - -

5696

THE STATE OF TEXAS)
 COUNTY OF BRAZORIA)

KNOW ALL MEN BY THESE PRESENTS: That we, Richard J. Higgins and Ethyl H. Williams, joined pro forma by her husband, Jno. A. Williams, all of Brazoria County, Texas, for and in consideration of the sum of Ten Dollars and other good and valuable consideration to us in hand paid by Dan Cico, the receipt of all which is hereby acknowledged, have Granted, Sold and Conveyed, and do by these presents Grant, Sell and Convey unto the said Dan Cico, of Brazoria County, Texas, the following described property situated in Brazoria County, Texas, to-wit:

Lot No. 29 of the Bryan & Kiber Subdivision of the I. T. Tinsley Survey, Abst. No. 375, containing 20 acres of land, more or less, LESS and EXCEPT however 2.88 acres of land heretofore conveyed to the State of Texas for highway purposes by Jake Copeland by deeds recorded in Vol. 273, page 230 and Vol. 299, page 171, Deed Records of Brazoria County, Texas, PROVIDED HOWEVER grantors reserve to themselves or their assigns an undivided one-fourth of the oil, gas and other minerals, together with the right of ingress and egress for the purpose

of exploring for, mining, and recovering said minerals;

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 E. C. Creel, 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 Dan Cico, his heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof. PROVIDED HOWEVER this warranty is subject to easements in favor of the Community Public Service Company and Dow Chemical Company which appears of record and is subject to a grass leave in favor of G. D. Burns which is oral and which expires the latter part of 1944 or early part of 1945. This warranty covers taxes due and payable through January 1, 1944.

WITNESS our hands this 28th day of October, 1944.

Richard J. Higgins.

Ethyl H. Williams.

Jno. A. Williams.

THE STATE OF TEXAS)
COUNTY OF BRAZORIA)

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

GIVEN under my hand and seal of office this the 28th day of October, 1944.

(SEAL) A Farrer Notary Public in and for Brazoria County, Texas.

THE STATE OF TEXAS)
COUNTY OF BRAZORIA)

BEFORE ME, the undersigned authority, on this day personally appeared Jno. A. Williams and Ethyl H. Williams, husband and wife, both well known to me to be the persons whose names are subscribed to the above and foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, and the said Ethyl H. Williams, wife of the said Jno. A. Williams, having been examined by me privily and apart from her husband and having the same fully explained to her, she, the said Ethyl H. Williams, declared such instrument to be her act and deed and acknowledged that she had willingly signed the same for the purposes and consideration therein expressed and that she did not wish to retract it.

GIVEN under my hand and seal of office this the 28th day of October, 1944.

(SEAL) A Farrer Notary Public in and for Brazoria County, Texas

Filed for Record at 10:30 o'clock A. M. Nov 9 1944 J. R. Monarch Clerk County Court, Brazoria County, Texas

By Alice Sanders Deputy

- - - 0 0 0 - - -

5699

THIS AGREEMENT made this 21st. day of October, 1944, but effective as of the effective date set forth in the attached rider, between James Kimbrew, Sr., and wife, Louise Kimbrew, and Mrs. Leslie M. Arrington and husband, J. Gray Arrington of Sweeny, Brazoria County, Texas herein called lessor (whether one or more), and Magnolia Petroleum Company & J. S. Abercrombie Company, lessee:

1. Lessor in consideration of Ten and No/100 Dollars (\$10.00) in hand paid, receipt of which is here acknowledged, and of the royalties herein provided and of the agreements

But it is expressly agreed and stipulated that the Vendor's Lien is retained against the above described property, premises and improvements, until the above described note, and all interest thereon are fully paid according to its face and tenor, effect and reading, when this deed shall become absolute.

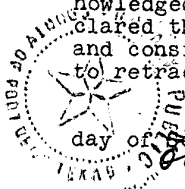
WITNESS OUR HANDS this the 1st day of September, A. D. 1949.

W. J. Woytek
W. J. Woytek

Theresa Woytek
Theresa Woytek

THE STATE OF TEXAS
COUNTY OF FORT BEND

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared W. J. Woytek and Theresa Woytek, 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 Theresa Woytek, wife of the said W. J. Woytek, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Theresa Woytek acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.



GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 1st day of September, A. D. 1949.

Ed. Roykendall
Notary Public in and for
Fort Bend County, Texas
ED. ROYKENDALL
Notary Public, Fort Bend County, Texas

Filed for Record at 12:20 o'clock P. M., Oct 25, 1949, H. R. Stevens, Jr.,
Clerk County Court, Brazoria County, Texas By HELEN LAFLEUR Deputy.

8688

PRODUCERS 88 (4-48) WITH 640 ACRES POOLING FOUNDED PRINTING CO., HOUSTON, TEXAS

TEXAS STANDARD

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 2nd day of November 19 49, between
Dan Cico and wife Stella Cico

Lessor (whether one or more) whose address is: Angleton, Texas

and T. M. Gupton, Angleton, Brazoria County, Texas Lessee, WITNESSETH:

1. Lessor in consideration of Ten & No/100 Dollars
(\$10.00), in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building roads, tanks, powerstations, telephone lines and other structures thereon to produce, save take care of, treat, transport and own said products, and housing its employees, the following described land in Brazoria County, Texas, to-wit:

13.348 acres of land out of Tract No. 29 of the Bryan & Kiber Subdivision of the I.T. Tinsley Survey Abst. No. 375, being all of said Tract No. 29, Save and Except 2.88 acres heretofore conveyed to the State of Texas for Highway purposes; and 3.772 acres heretofore conveyed to Leon Cico by deed of record in Vol. 421 page 341, Deed Records, Brazoria County, Texas, containing 13.348 acres.

4.824 acres, being the South 1/2 of Tract No. 28 of Bryan & Kiber Subdivision of the I.T. Tinsley Survey, Abst. No. 375, being all of the South 1/2 of said Tract No. 28, Save and Except 1.05 acres heretofore conveyed for Highway purposes; and 4.126 acres heretofore conveyed to Leon Cico by deed of record in Vol. 421 page 341, Deed Records, Brazoria County, Texas.

PA DEED OF RECORD IN VOL. 421 PAGE 341, DEED RECORDS, BRAZORIA COUNTY, TEXAS, CONTAINING 13.348 ACRES. THIS LEASE ALSO COVERS AND INCLUDES ALL LAND OWNED OR CLAIMED BY LESSOR ADJACENT OR CONTIGUOUS TO THE LAND PARTICULARLY DESCRIBED ABOVE, WHETHER THE SAME BE IN SAID SURVEY OR SURVEYS OR IN ADJACENT SURVEYS, ALTHOUGH NOT INCLUDED WITHIN THE BOUNDARIES OF THE LAND PARTICULARLY DESCRIBED ABOVE. FOR THE PURPOSE OF CALCULATING THE RENTAL PAYMENTS HEREINAFTER PROVIDED FOR, SAID LAND IS ESTIMATED TO COMPRISE

18.172 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of ten years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipe line to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) on gas, including casinghead gas or other gaseous substance, produced from said land and sold or used off the premises or for the extraction of gasoline or other product therefrom, the market value at the well of one-eighth of the gas so sold or used, provided that on gas sold at the wells the royalty shall be one-eighth of the amount realized from such sale; while there is a gas well on this lease, or on acreage pooled therewith, but gas is not being sold or used, Lessee may pay as royalty at monthly intervals a sum equal to one-twelfth (1/12) of the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed the royalty shall be one cent per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used. Lessor shall have the privilege at his risk and expense of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon out of any surplus gas not needed for operations hereunder.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease, or any portion thereof as to oil and gas, or either of them, with other land, lease or leases in the immediate vicinity thereof to the extent, hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres in area, and units pooled for gas hereunder shall not substantially exceed in area 640 acres plus a tolerance of 10% thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, units thereafter created may conform substantially in size with those prescribed by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease, or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall execute in writing an instrument or instruments identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated for all purposes except the payment of royalties as if it were included in this lease, and drilling or reworking operations thereon and production of oil and gas, or either of them, from any stratum or strata so pooled shall be considered for all purposes except the payment of royalties as if the operations were on and production were from the land covered by this lease, whether or not the well or wells be located on the premises covered by this lease. In lieu of the royalties elsewhere herein specified, Lessor shall receive, on pooled production from a stratum or strata unitized under the provisions hereof, only such portion of the royalties attributable herein as the amount of the acreage (surface acres) covered by this lease and included in the unit as to the unitized stratum or strata, or Lessor's royalty interest therein on an acreage basis, bears to the total acreage (surface acres) so pooled in the particular unit involved; provided, however, no reduction of shut-in gas royalties shall be made under this provision. The production from an oil well will be considered production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the credit of Lessor in The First National Bank at Angleton, Texas, Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of Thirty-six and 34/100 Dollars

(\$36.34), (herein called rental), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessee mailed or delivered to Lessor or to said bank on or before the date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument, naming another bank as agent to receive such payments or tenders. The down cash payment is consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

6. If prior to discovery of oil, gas or other mineral on said land or on acreage pooled therewith Lessee should drill a dry hole or holes thereon, or if after discovery of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within (60) days thereafter or if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operations are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

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

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain under shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder 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. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall reasonably develop the acreage retained hereunder, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 640 acres plus an acreage tolerance not to exceed 10% of 640 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under land less than the entire fee simple estate, then the royalties and rentals to be paid Lessor shall be reduced proportionately. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

Witnesses TO Mrs. Stella Cico's MARK.

Stella Cico
C. H. Bernick

Don Cico
STELLA (MEX) CICO

JOINT ACKNOWLEDGMENT

THE STATE OF TEXAS

COUNTY OF Brazoria

BEFORE ME, the undersigned authority, on this day personally

appeared Don Cico

and wife Stella Cico

known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they

executed the same for the purposes and consideration therein expressed; and the said Stella Cico

wife of said Don Cico

, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Stella Cico, acknowledged said instrument to be her act and deed and declared that she had willingly signed the same for the purposes and consideration therein expressed; and that she did not wish to retract it.

Given under my hand and seal of office this the 2nd day of Nov. A. D. 19 49

C. H. Bernick / *C. H. Bernick*

Notary Public in and for Brazoria County, Texas.

Filed for Record at 10:45 o'clock A. M., Nov. 25, 1949, H. R. Stevens, Jr.,

Clerk County Court, Brazoria County, Texas By Helen LaFleur Deputy.

8689

THE STATE OF TEXAS

COUNTY OF BRAZORIA

KNOW ALL MEN BY THESE PRESENTS, that we, E. H.

Hanahan and wife, Mary Pauline Gilbert Hanahan, of Brazoria

County, Texas, for and in consideration of the sum of Ten

Dollars (\$10.00) cash and other good and valuable considera-

tion to us in hand paid by Charles R. Brown and wife, Emmalee

Brown, the receipt of which is hereby acknowledged, and the

further consideration of the assumption and agreement by the

said Charles R. Brown and Emmalee Brown to pay, as the same

matures, the unpaid balance due and owing on those two (2)

certain promissory notes as follows:

judgment it is necessary or advisable to do so in order properly to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas from said premises. Units pooled for oil hereunder shall not substantially exceed ~~25~~ ²⁰ acres each in area, and units pooled for gas hereunder shall not substantially exceed in area ~~25~~ ²⁰ acres each plus a tolerance of 10% thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, units thereafter created may conform substantially in size with those prescribed by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease, or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall execute in writing an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated for all purposes except the payment of royalties as if it were included in this lease, and drilling or reworking operations thereon and production of oil and gas, or either of them, from any stratum or strata so pooled shall be considered for all purposes except the payment of royalties as if the operations were on and production were from the land covered by this lease, whether or not the well or wells be located on the premises covered by this lease. In lieu of the royalties elsewhere herein specified, Lessor shall receive, on pooled production from a stratum or strata unitized under the provisions hereof, only such portion of the royalties stipulated herein as the amount of the acreage (surface acres) covered by this lease and included in the unit as to the unitized stratum or strata, or Lessor's royalty interest therein on an acreage basis, bears to the total acreage (surface acres) so pooled in the particular unit involved; provided, however, no reduction of shut-in gas royalties shall be made under this provision. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the credit of Lessor in _____ Bank at _____, Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of

said land or the rentals) the sum of _____ Twenty-Five and No/100 _____ Dollars (\$25.00 _____), (herein called rental), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessee mailed or delivered to Lessor or to said bank on or before the date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument, naming another bank as agent to receive such payments or tenders. The down cash payment is consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

6. If prior to discovery of oil, gas or other mineral on said land or on acreage pooled therewith Lessee should drill a dry hole or holes thereon, or if after discovery of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days thereafter or if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operations are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on

said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, the proportionate part of said rental to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder 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. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall reasonably develop the acreage retained hereunder, but in discharging this obligation it shall in no event be required to drill more than one well per ~~25~~ ²⁰ acres of the acre retained hereunder and capable of producing oil or gas in paying quantities and one well per ~~25~~ ²⁰ acres plus an acreage tolerance not to exceed 10% of ~~25~~ ²⁰ acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the oil, gas or other minerals on, in or under said land less than the entire fee simple estate, then the royalties and rentals to be paid Lessor shall be reduced proportionately. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

WITNESS:

THE STATE OF TEXAS

County of Brazoria

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

Richard J. Higgins and Ethyl H. Williams, a feme sole.

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

Given under my hand and seal of office this _____ day of _____ March A. D., 1955

Notary Public in and for _____ Brazoria County, Texas

Filed for Record at _____ o'clock _____ A. M., _____ 22, 1955 H. R. Stevens, Jr.,

Clerk County Court, Brazoria Co., Texas, BY _____ Deputy

5316

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on

said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned to any person or persons in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division of the estate, real, personal or mixed, or of the rentals and royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of either party hereunder, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing the same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, the proportionate part of said rental to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any of the covenants hereunder shall not work a forfeiture or termination of this lease nor cause a termination or revision of the acreage retained hereby nor grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall reasonably develop the acreage retained hereunder, but in discharging this obligation it shall in no event be required to drill more than one well per 160 acres of the ~~area~~ retained hereunder and capable of producing oil in paying quantities and one well per ~~80~~ 160 acres plus an acreage tolerance not to exceed 10% of ~~the~~ the acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. If Lessor hereby waives and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage, or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the oil, gas or other minerals on, in or under said land less than the entire fee simple estate, then the royalties and rentals to be paid Lessor shall be reduced proportionately. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

WITNESS:

Estate of William H. Harrison
 Lessor.

By _____ Lessee.
Agent.

By..... Agent.

THE STATE OF TEXAS

County.....of Brazoria

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

Richard J. Higgins and Ethyl H. Williams, a feme sole.

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

Given under my hand and seal of office this the 10th day of March A. D., 1955

Notary Public in and for Brazoria County, Texas

STATE OF TEXAS

COUNTY OF BRAZORIA

55

I, **H. R. Stevens, Jr.**, Clerk of the County Court in and for said County, do hereby certify that the foregoing instrument with the certificate of authentication was duly recorded on the 28th day of March, 1955, at 11:30 o'clock A.M. in Vol. 617 on page 615 of the Deed Records of said County.

Witness my hand and seal of office at Angleton, Texas, the day and year last above written.

H. R. STEVENS, JR.,

Clerk County Court, Brazoria County, Texas.

By J. H. Wenton, Deputy

Filed for Record at Five o'clock P.M., Jan 22 1935 H. R. Stevens, Jr.,
Clerk County Court, Brazoria Co., Texas. By E. J. Amick Deputy.

626

extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

WITNESS:

THE STATE OF TEXAS

County of Harris

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

George Meier

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

Given under my hand and seal of office this the 2nd day of March, A. D., 1955

Paul J. Myers Notary Public for Harris County, Texas

Filed for Record at 10 o'clock A.M., May 2, 1955 H. R. Stevens, Jr.,
Clerk County Court, Brazoria Co., Texas, By D. J. Jones Deputy.

6240

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this -- 3rd -- day of May, 1955, between
Dan Cico a widower

Lessor (whether one or more) whose address is: Angleton, Brazoria County, Texas

and A. L. BYRD of Harris County, Texas

Lessee, WITNESSETH:

1. Lessor in consideration of TEN & NO/100 Dollars
(\$ 10.00), in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Brazoria County, Texas, to-wit:

Eighteen and 045/1000 (18.045) Acres of land, more or less, out of the Bryan & Kiber Sub-division of the I. T. Tinsley Survey, Abstract 375, Brazoria County, Texas and being a part of the lands conveyed to Dan Cico by Sophie Cico, et al by deed recorded in Vol. 619, page 513 of the Deed Records of Brazoria County, Texas, to which reference is here made for all purposes, said 18.045 acres being more particularly described as follows:

Tract No. 1: Twenty (20) Acres, more or less, being all of Lot 29 according to the plat of the Bryan & Kiber Subdivision of record in the Deed Records of Brazoria County, Texas, SAVE & EXCEPT 3.772 acres heretofore conveyed to Leon Cico by Dan Cico by deed recorded in Vol. 421, page 341, dated September 22, 1947; said 20 acres being the same land conveyed to Dan Cico by Richard J. Higgins, et al by deed dated October 28, 1944, recorded in Vol. 386, page 598, all in the Deed Records of Brazoria County, Texas, to which reference is here made for all purposes, and being a three-fourths interest in and to 16.228 acres or a 12.171 acre interest in said 20 acre Lot 29.

Tract No. 2: Ten (10) Acres of land, more or less, being the South One-Half of Lot 28 according to the Plat of the Bryan & Kiber Subdivision of record in the Deed Records of Brazoria County, Texas, SAVE & EXCEPT 4.126 acres heretofore conveyed to Leon Cico by Dan Cico by deed recorded in Vol. 421, page 341, dated September 22, 1947; said 10 acres being the same land conveyed to Dan Cico by J. W. Kingswell by deed dated March 24, 1944 recorded in Volume 382 on page 395, all in the Deed Records of Brazoria County, Texas to which reference is here made for all purposes and being a full interest in and to 5.874 acres of 10 acres, the South One-Half of Lot 28.

Anything contained herein to the contrary notwithstanding, it is understood and agreed and expressly provided that Lessee, its successors and assigns, or heirs and legal representatives, as the case may be, shall never have the right to use the surface of the land covered hereby for any of the purposes expressed in this lease, and Lessor does hereby release Lessee from any obligation contained herein, either expressed or implied, ever to drill or otherwise use the surface of said land for any such purposes; there being contemplated that the development of said land can be accomplished by pooling the same with other land adjacent thereto as herein provided or by directional drilling.

It is further understood and agreed, and it is a condition of this lease, that the Lessee will not use the surface of the land covered hereby for any of the purposes expressed in this lease, and in the event the Lessee does use the surface of the land covered hereby for any of the purposes expressed in this lease, this lease will immediately terminate and the Lessor shall be entitled to maintain an action in forcible entry and detainer to recover possession of the property and shall be entitled to receive payment from Lessee for any damages done to the surface of the land covered hereby.

For Identification

Dan Cico
Dan Cico

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 18.045 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of ~~ten~~ ^{Five (5)} years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipe line to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) on gas, including casinghead gas or other gaseous substance, produced from said land and sold or used off the premises or for the extraction of gasoline or other product therefrom, the market value at the well of one-eighth of the gas so sold or used, provided that on gas sold at the wells the royalty shall be one-eighth of the amount realized from such sales; while there is a gas well on this lease, or an acreage pooled therewith, but gas is not being sold or used, Lessee may pay as royalty at monthly intervals a sum equal to one-twelfth (1/12) of the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals mined and marketed from said land, in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed the royalty shall be ~~one-eighth of the amount realized from such sales~~ ^{one-eighth of the amount realized from such sales} per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used. Lessor shall have the privilege at his risk and expense of using gas from any gas well on said land for stoves and inside lights in the principal dwelling thereon out of any surplus gas not needed for operations hereunder.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease, or any portion thereof as to oil and gas, or either of them, with other land, lease or leases in the immediate vicinity thereof to the extent, hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas from said premises. Units pooled for oil hereunder shall not substantially exceed 80 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 200 acres each plus a tolerance of 10% thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, units thereafter created may conform substantially in size with those prescribed by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease, or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall execute in writing an instrument or instruments identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated for all purposes except the payment of royalties as if it were included in this lease, and drilling or reworking operations thereon and production of oil and gas, or either of them, from any stratum or strata so pooled shall be considered for all purposes except the payment of royalties as if the operations were on and production were from the land covered by this lease, whether or not the well or wells be located on the premises covered by this lease. In lieu of the royalties elsewhere herein specified, Lessor shall receive, on pooled production from a stratum or strata unitized under the provisions hereof, only such portion of the royalties stipulated herein as the amount of the acreage (surface acres) covered by this lease and included in the unit as to the unitized stratum or strata, or Lessor's royalty interest therein on an acreage basis, bears to the total acreage (surface acres) so pooled in the particular unit involved; provided, however, no reduction of shut-in gas royalties shall be made under this provision. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the credit of Lessor in The First National Bank of Angleton Bank at Angleton, Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of Ninety and 23/100 Dollars

(S. 90. 23/100), (herein called rental), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessee mailed or delivered to Lessor or to said bank on or before the date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument, naming another bank as agent to receive such payments or tenders. The down cash payment is consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

6. If prior to discovery of oil, gas or other mineral on said land or on acreage pooled therewith Lessee should drill a dry hole or holes thereon, or if after discovery of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days thereafter or if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operations are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on

said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, the proportionate part of said rental to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder 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. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall reasonably develop the acreage retained hereunder, but in discharging this obligation it shall in no event be required to drill more than one well per ~~one hundred~~ ^{one hundred} acres of the acreage retained hereunder and capable of producing oil in paying quantities and one well per ~~one hundred~~ ^{one hundred} acres plus an acreage tolerance not to exceed 10% of ~~one hundred~~ ^{one hundred} acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the oil, gas or other minerals on, in or under said land less than the entire fee simple estate, then the royalties and rentals to be paid Lessor shall be reduced proportionately. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

WITNESS:

Dan Cico
Dan Cico

628

THE STATE OF TEXAS

County of Brazoria

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

Dan Cico

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

Given under my hand and seal of office this the 5th day of May A. D. 1955

Notary Public in and for Brazoria County, Texas

Mrs. Sue M. Wings

Filed for Record at 10 o'clock A.M., May 22, 1955 H. R. Stevens, F.R.O.

Clerk County Court, Brazoria Co., Texas, By S. Stevens Deputy

6241

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 3rd day of A MAY 1955 between Frank W. Stevens

Lessor (whether one or more) whose address is: Angleton, Brazoria County, Texas and A. L. BYRD of Harris County, Texas Lessee, WITNESSETH:

1. Lessor in consideration of TEN and NO/100 - - - - - Dollars (\$10.00 - - - - -), in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Brazoria County, Texas, to-wit:

Four and 67/100 (4.67) Acres of land, more or less, out of the New York & Texas Land Company Subdivision in the J. de J. Valderas Survey, Abstract 380, Brazoria County, Texas and being more particularly described as follows:

Tract 1: 1.375 acres, more or less, in the northeast corner of Tract 96 of said subdivision, said 1.375 acres being the same land conveyed to lessor herein by Mrs. D. Lorraine by deed recorded in Vol. 612 page 358 of the Deed Records of Brazoria County, Texas and being more particularly described as follows:

Beginning at the northeast corner of Tract 96 of said New York & Texas Land Company Subdivision, the same also being the northwest corner of Tract 101 of said subdivision;

Thence South along the east line of Tract 96, a distance of 300 feet to a point for the southeast corner of this tract;

Thence West 200 feet to a point for the southwest corner of this tract;

Thence North 300 feet to a point for the northwest corner of this tract in the North line of Tract 96;

Thence East along the north line of Tract 96, 200 feet to the place of beginning, containing 1.375 acres of land, more or less.

Tract 2: 3.295 acres of land, more or less, being an undivided one-half interest in 6.59 acres and being the same land conveyed to Lessor herein by Mrs. Helen Simkins Lawther, et al by deed recorded in Vol. 585 on page 500, Deed Records of Brazoria County, Texas, said 6.59 acres being all of the North One-Half of Tract 101 of said subdivision, LESS & EXCEPT from said North One-Half of Tract 101, containing a total of 10 acres, a 2.5 acre tract from the northeast corner thereof conveyed to G. A. Bartleson, January 19, 1897 by deed recorded in Vol. 38, page 245, of the Deed Records of Brazoria County, Texas AND ALSO LESS AND EXCEPT an 0.91 acre tract conveyed to The State of Texas, June 20, 1940, by deed recorded in Vol. 334, page 129, et seq, of the Deed Records of Brazoria County, Texas, to all of which deeds and the records thereof, reference is here made for all purposes.

Anything contained herein to the contrary notwithstanding, it is understood and agreed and expressly provided that Lessee, its successors and assigns, or heirs and legal representatives, as the case may be, shall never have the right to use the surface of the land covered hereby for any of the purposes expressed in this lease, and Lessor does hereby release Lessee from any obligation contained herein, either expressed or implied, ever to drill or otherwise use the surface of said land for any such purposes; there being contemplated that the development of said land can be accomplished by pooling the same with other land adjacent thereto as herein provided or by directional drilling.

It is further understood and agreed, and it is a condition of this lease, that the Lessee will not use the surface of the land covered hereby for any of the purposes expressed in this lease, and in the event the Lessee does use the surface of the land covered hereby for any of the purposes expressed in this lease, this lease will immediately terminate and the Lessor shall be entitled to maintain an action in forcible entry and detainer to recover possession of the property and shall be entitled to receive payment from Lessee for any damages done to the surface of the land covered hereby.

For Identification:

Frank W. Stevens Frank W. Stevens

(60) days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

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

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, the proportionate part of said rentals to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and, hereafter, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder 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. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder at a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. Acreage tolerance not to exceed 10% of 320 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the oil, gas or other minerals on, in or under said land less than the entire fee simple estate, whether or not this lease purports to cover the whole or a fractional interest, then the royalties and rentals to be paid Lessor shall be reduced in the proportion that his interest bears to the whole and undivided fee and in accordance with the nature of the estate of which Lessor is seized. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

WITNESS:

(RJH)

Richard J. Higgins

Lessor.

Lessee.

By

Agent.

THE STATE OF TEXAS,
County of Brazoria

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

Richard J. Higgins

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

Given under my hand and seal of office this the

15th

day of

September, A. D. 1960

Notary Public in and for

Brazoria

County, Texas.

Filed for Record at 2:00 o'clock A. M., Oct 29, 1960, H. R. Stevens, Jr.,
Clerk County Court, Brazoria Co., Texas, By M. Rollins Deputy.

X-308 PRODUCERS 88 REV.
WITH 40/640 ACRES POOLING PROVISION

11970

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 14th day of July, 1960, between
Richard J. Higgins and Ethyl H. Williams, a feme sole,

Lessee (whether one or more), whose address is: Angleton, Texas

and Broadus Honeycutt, 11012 Greenbay Drive, Houston 24, Tex. Lessee, WITNESSETH:

I, Lessor in consideration of Ten and no/100 Dollars

(\$ 10.00), in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Brazoria County, Texas, to-wit:

16.228 acres of land, more or less, being a part of Lot 29 of the Bryan & Kiber Subdivision of the I. T. Tinsley Survey, Abstract No. 375, Brazoria County, Texas, according to the duly recorded map and plat of said subdivision recorded in Volume 3, page 190, Plat Records of Brazoria County, Texas, and being the same land described in that certain deed dated October 28, 1944 from Richard J. Higgins, et al., to Dan Cico, recorded in Volume 386, page 598, Deed Records of Brazoria County, Texas, SAVE AND EXCEPT 3.772 acres described in that certain deed dated September 22, 1947 from Dan Cico, et ux. to Leon Cico, recorded in Volume 421, page 341, Deed Records of Brazoria County, Texas, to which reference is here made.

32-163-60 (21)

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise

16.28 acres, whether it actually comprises more or less. five (5)

2. Subject to the other provisions herein contained, this lease shall be for a term of ~~five~~ years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, ~~one-tenth~~ of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipe line to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) on gas, including casing head gas or other gaseous substance, produced from said land and sold or used off the premises or for the extraction of gasoline or other product therefrom, the market value at the well of ~~one-tenth~~ of the gas so sold or used, provided that on gas sold at the wells the royalty shall be ~~one-tenth~~ of the amount realized from such sale; while there is a gas well on this lease or on acreage pooled therewith but gas is not being sold or used, Lessee may pay as royalty, on or before ninety (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at monthly intervals, a sum equal to one-twelfth (1/12) of the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed the royalty shall be ~~one-tenth~~ per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed the number of acres such as to, and units pooled for gas hereunder shall not substantially exceed in acreage above such plus a tolerance of 10%; thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, units thereafter created may conform substantially in size with those prescribed by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessor hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit. Lessee may at its election exercise its pooling option after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. Operations for drilling on or production of oil or gas from any part of the pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, shall be considered as operations for drilling or production of oil or gas from land covered by this lease, whether or not the well or wells be located on the premises covered by this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parts, unless on or before such anniversary date Lessee shall pay tender to Lessor or to the credit of Lessor in FIRST NATIONAL Bank at Angleton, Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of Twenty and 28/100 Dollars

(\$20.28), (herein called rentals), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessee mailed or delivered to the parties entitled thereto or to said bank on or before the date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessee shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders. The down cash payment is consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

6. If prior to discovery and production of oil, gas or other mineral on said land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon, or if after discovery and production of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within sixty (60) days thereafter or if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty

D13556 (4-60)

(60) days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or on acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

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

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, the proportionate part of said rentals to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In the event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby and shall be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per ~~320~~ 320 acres plus an acreage tolerance not to exceed 10% of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the oil, gas or other minerals on, in or under said land less than the entire fee simple estate, whether or not this lease purports to cover the whole or a fractional interest, then the royalties and rentals to be paid Lessor shall be reduced in the proportion that his interest bears to the whole and undivided fee and in accordance with the nature of the estate of which Lessor is seized. Should any one or more of the parties named above as Lessor fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then, while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

WITNESS:

(RJH)

(BHW)

Lessor.

Lessee.

Agent.

THE STATE OF TEXAS
County of Brazoria

Before me, the undersigned authority, on this day personally appeared Richard J. Higgins and

Ethya H. Williams, a feme sole,

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

Given under my hand and seal of office this the

15th

day of

September, A.D. 1960

Notary Public in and for Brazoria County, Texas.

THE STATE OF TEXAS

Filed for Record at 2:02 o'clock A.M., Oct 29, 1960, H. R. Stevens, Jr.,

Clerk County Court, Brazoria Co., Texas, BY M. Rallins Deputy

X-308 PRODUCERS 88 REV.
WITH 40,540 ACRES POOLING PROVISION

11971 OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 6th day of September, 1960, between Catherine McNeese and husband, A. G. McNeese, Jr.,

Lessor (whether one or more), whose address is:

Houston, Texas

and Broadus Honeycutt, 11012 Greenbay Drive, Houston 24, Tex

Lessee, WITNESSETH:

1. Lessor in consideration of Ten and no/100 Dollars

(\$ 10.00), in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Brazoria County, Texas, to-wit:

Twenty (20) acres of land, more or less, being all of Lot 52 of the Bryan & Kiber Subdivision of the I. T. Tinsley Survey, Abstract No. 375, Brazoria County, Texas, according to the duly recorded map and plat of said subdivision recorded in Volume 3, page 190, Plat Records of Brazoria County, Texas and being part of the land described in that certain deed dated April 3, 1943 from Emma D. Kiber, a widow, to Catherine McNeese, recorded in Volume 368, page 329, Deed Records of Brazoria County, Texas; and including all strips, alleys, roadways, canals and similar parcels of land owned or claimed by lessor adjacent or contiguous to said 20 acres, whether in said survey or other surveys but not including any separate tracts owned by lessor other than as described herein.

This lease also covers and includes all land owned or claimed by lessor adjacent or contiguous to the land particularly described above, whether the same be in survey or in adjacent surveys, although not included within the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise 20 acres, whether it actually comprises more or less.

2. Subject to the other provisions herein contained, this lease shall be for a term of five (5) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of the pipe line to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) on gas, including casing-head gas or other gaseous substance, produced from said land and sold or used off the premises or for the extraction of gasoline or other product therefrom, the market value at the well of one-eighth of the gas so sold or used, provided that on gas sold at the wells the royalty shall be one-eighth of the amount realized from such sale; while there is a gas well on this lease or on acreage pooled therewith but gas is not being sold or used, Lessee may pay as royalty, on or before ninety (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at monthly intervals, a sum equal to one-eighth of the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur and mined and marketed the royalty shall be per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 80 acres each plus a tolerance of 10% thereof, provided that no governmental authority having jurisdiction over the production of oil or gas shall require a larger unit than those specified herein. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit, and Lessee may at its election exercise its pooling option after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. Operations for drilling on or production of oil or gas from any part of the pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease, and included in the pooled unit, bears to the total number of surface acres covered by all leases and included in the pooled unit.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the oil, gas or other minerals on, in or under said land less than the entire fee simple estate, whether or not this lease purports to cover the whole or a fractional interest, then the royalties and rentals to be paid Lessor shall be reduced in the proportion that his interest bears to the whole and undivided fee and in accordance with the nature of the estate of which Lessor is seized. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

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

WITNESS:

(MKMcB)

(REMcB)

Margaret K. McBride
R. E. McBride

Lessor.

Lessee.

Agent.

THE STATE OF TEXAS

County of Brazoria

By

R. E. McBride

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

and wife Margaret K. McBride

known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

And the said Margaret K. McBride wife of R. E. McBride

having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said

Margaret K. McBride acknowledged such instrument to be her act and deed and declared that

she had willingly signed the same for the purposes and consideration therein expressed and that she did not wish to retract it.

Given under my hand and seal of office this the 21st day of September A. D. 19 60

James S. Suggs
Notary Public in and for Brazoria County, Texas.

Filed for Record at Two o'clock A. M. on Sept. 22, 1960, H. R. Stevens, Jr.,
Clerk County Court, Brazoria Co., Texas, By M. Rollins Deputy.

X-306 PRODUCERS 88 REV.
WITH 40/640 ACRES POOLING PROVISION

11977

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 14th day of July, 19 60 between
Dan Cico

Lessor (whether one or more), whose address is: Angleton, Texas
and Broadus Honeycutt, 11012 Greenbay Drive, Houston 24, Tex Lessee. WITNESSETH:

1. Lessor in consideration of --- Ten and no/100 --- Dollars
(\$ 10.00), in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Brazoria County, Texas, to-wit:

22.102 acres of land out of Tracts 29 and 28, Bryan and Kiber Subdivision of the I. T. Tinsley Survey, Abstract No. 375, Brazoria County, Texas, according to the map or plat of said Bryan and Kiber Subdivision, as duly recorded in the Public Records of Brazoria County, Texas, to which reference is here made, said lands described herein being all of Lot 29 and the South one-half (1/2) of Lot 28, SAVE AND EXCEPT that certain 3.772 acre tract and that certain 4.126 acre tract, both being the same tracts or parcels of land described in deed dated September 22, 1947 from Dan Cico, et ux. to Leon Cico, and duly recorded in Volume 421, page 341 of the Deed Records of Brazoria County, Texas, to which reference is here made; and including all strips, alleys, roadways, canals and similar parcels of land owned or claimed by Lessor adjacent or contiguous to said 22.102 acres, whether in said survey or other surveys but not including any separate tracts owned by Lessor other than as described herein.

~~This lease also encompasses all land and minerals in the land portion of the above described survey, whether or not the same be in said survey or not, or in any other survey, whether or not described within the boundaries of the land portion of the above described survey.~~

For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise

22.102 acres, whether it actually comprises more or less. five (5)

2. Subject to the other provisions herein contained, this lease shall be for a term of 10 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, 1/6th of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipe line to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) on gas, including casing head gas or other gaseous substance, produced from said land and sold or used off the premises or for the extraction of gasoline or other product therefrom, the market value at the well or 1/6th of the gas so sold or used, provided that on gas sold at the wells the royalty shall be one-eighth of the amount realized from such sale; while there is a gas well on this lease or on acreage pooled therewith but gas is not being sold or used, Lessee may pay as royalty, on or before ninety (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at monthly intervals, a sum equal to one-twelfth (1/12) of the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed the royalty shall be 50.00% per long ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

1/6th

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 320 acres each plus a tolerance of 10% thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, units thereafter created may conform substantially in size with those prescribed by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The unit formed by pooling as to oil or gas shall conform in size or area with the unit or units into which the lease is pooled as to oil or gas combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit. Lessee may at its election exercise its pooling option after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. Operations for drilling on or production of oil or gas from any part of the pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the pooled unit just as though such production were made from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the

credit of Lessor in FIRST NATIONAL Bank at ANGLETON, Texas, (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of Seventy Six and 75/100 - - - - - Dollars.

(\$ 76.75), (herein called rentals), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments or tenders annually, the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental under this paragraph and of royalty under paragraph 3 on any gas well from which gas is not being sold or used may be made by the check or draft of Lessee mailed or delivered to the parties entitled thereto or to said bank on or before the date of payment. If such bank (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders. The down cash payment is consideration for this lease according to its terms and shall not be allocated as a mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

6. If prior to discovery and production of oil, gas or other mineral on said land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon, or if after discovery and production of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within sixty (60) days thereafter or if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty days from date of completion of dry hole or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, oil, gas or other mineral is not being produced on said land or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon within sixty

D13556 (4-60)

(60) days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas or other mineral is produced from said land or acreage pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within three hundred thirty (330) feet of and draining the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

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

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor or administrator of the estate, or if there be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, the proportionate part of said rentals to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment or tender to any participant of his portion of the rentals hereunder shall constitute the payment of such portion of the rentals to such participant. In the event of assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

9. The breach by Lessee of any obligation arising hereunder 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. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessee shall not be liable to Lessor for any breach of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 320 acres plus an acreage tolerance not to exceed 10% of 320 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessor owns an interest in the oil, gas or other minerals on, in or under said land less than the entire fee simple estate, whether or not this lease purports to cover the whole or a fractional interest, then the royalties and rentals to be paid Lessor shall be reduced in the proportion that his interest bears to the whole and undivided fee and in accordance with the nature of the estate of which Lessor is seized. Should any one or more of the parties named above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or therefrom by reason of action of any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding.

12. Anything contained herein to the contrary notwithstanding, it is understood and agreed and expressly provided that lessee, its successors and assigns, shall never have the right to use the surface of the land covered hereby for any of the purposes expressed in this lease and lessor does hereby release lessee from any obligation contained herein either expressed or implied ever to drill or otherwise use the surface of said land for any such purposes; it being contemplated that the development of said land can be accomplished by pooling the same with other land, lease or leases in the immediate vicinity thereof as herein provided or by directional well or wells drilled from surface location or locations in the vicinity of the leased premises.

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

WITNESS:

(DC)

Dan Cico

617

Lessor.

Lessee.

Agent.

By

THE STATE OF TEXAS

County of Brazoria

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

Dan Cico,

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

Given under my hand and seal of office this the

30

day of

August

A. D., 19 60

FRANK W. STEVENS

Frank W. Stevens

Notary Public in and for

Brazoria

County, Texas.

Filed for Record at 2:00 o'clock A. M., Oct 22, 1960, H. R. Stevens, Jr., Clerk County Court, Brazoria Co., Texas, By M. Rollins Deputy

X-308 PRODUCERS 88 REV. WITH 40/640 ACRES POOLING PROVISION

11978

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 14th day of July, 19 60 between Leon Cico and wife, Rose L. Cico,

Lessor (whether one or more), whose address is:

Angleton, Texas

and Broadus Honeycutt, 11012 Greenbay Drive, Houston 24, Tex.

Lessee. WITNESSETH:

1. Lessor in consideration of Ten and no/100 Dollars

(\$ 10.00), in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor adjacent and contiguous thereto, to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Brazoria County, Texas, to-wit:

7.898 acres, being a part of lots or Tracts 28 and 29, Bryan & Kiber Subdivision, of the I. T. Tinsley Survey, Abstract 375, Brazoria County, Texas, described as follows: 4.126 acres out of the Southwest part of Tract 28 and 3.772 acres out of the West end of Tract 29, and being the same land described in deed dated September 22, 1947 from Dan Cico, et ux. to Leon Cico, recorded in Volume 421, page 341, Deed Records of Brazoria County, Texas, to which reference is here made. And including all strips, alleys, roadways, canals and similar parcels of land owned or claimed by Lessors adjacent or contiguous to said 7.898 acres, whether in said survey or other surveys but not including any separate tracts owned by Lessors other than as described herein.

~~This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above whether the same be in said survey or surveys or in adjacent surveys although not included within the boundaries of the land particularly described above.~~ For the purpose of calculating the rental payments hereinafter provided for, said land is estimated to comprise

7.898

acres, whether it actually comprises more or less.

five (5)

2. Subject to the other provisions herein contained, this lease shall be for a term of 10 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. The royalties to be paid by Lessee are: (a) on oil, one (1) cent of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipe line to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase; (b) on gas, including casing-head gas or other gaseous substance, produced from said land and sold or used off the premises or for the extraction of gasoline or other product therefrom, the market value at the well of one (1) cent of the gas so sold or used, provided that on gas sold at the wells the royalty shall be one (1) cent of the amount realized from such sale; while there is a gas well on this lease or on acreage pooled therewith but gas is not being sold or used, Lessee may pay as royalty, on or before ninety (90) days after the date on which (1) said well is shut in, or (2) the land covered hereby or any portion thereof is included in a pooled unit on which a well is located, or (3) this lease ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at monthly intervals, a sum equal to one-twelfth (1/12) of the amount of the annual rental payable in lieu of drilling operations during the primary term on the number of acres subject to this lease at the time such payment is made, and if such payment is made or tendered, this lease shall not terminate, and it will be considered that gas is being produced from this lease in paying quantities; and (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessee's election, except that on sulphur mined and marketed the royalty shall be 10¢ per ton. Lessee shall have free use of oil, gas, coal, and water from said land, except water from Lessor's wells, for all operations hereunder, and the royalty on oil, gas and coal shall be computed after deducting any so used.

1/6th

4. Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof as to oil and gas, or either of them, with other land, lease or leases in the immediate vicinity thereof to the extent hereinafter stipulated, when in Lessee's judgment it is necessary or advisable to do so in order properly to explore, or to develop and operate said leased premises in compliance with the spacing rules of the Railroad Commission of Texas, or other lawful authority, or when to do so would, in the judgment of Lessee, promote the conservation of oil and gas in and under and that may be produced from said premises. Units pooled for oil hereunder shall not substantially exceed 40 acres each in area, and units pooled for gas hereunder shall not substantially exceed in area 320 acres plus a tolerance of 10% thereof, provided that should governmental authority having jurisdiction prescribe or permit the creation of units larger than those specified, units thereafter created may conform substantially in size with those prescribed by governmental regulations. Lessee under the provisions hereof may pool or combine acreage covered by this lease or any portion thereof as above provided as to oil in any one or more strata and as to gas in any one or more strata. The units formed by pooling as to any stratum or strata need not conform in size or area with the unit or units into which the lease is pooled or combined as to any other stratum or strata, and oil units need not conform as to area with gas units. The pooling in one or more instances shall not exhaust the rights of the Lessee hereunder to pool this lease or portions thereof into other units. Lessee shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit. Lessee may at its election exercise its pooling option after commencing operations for or completing an oil or gas well on the leased premises, and the pooled unit may include, but it is not required to include, land or leases upon which a well capable of producing oil or gas in paying quantities has theretofore been completed or upon which operations for the drilling of a well for oil or gas have theretofore been commenced. Operations for drilling on or production of oil or gas from any part of the pooled unit which includes all or a portion of the land covered by this lease, regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or wells located on the premises covered by this lease, and the entire acreage constituting such unit or units, as to oil and gas, or either of them, as herein provided, shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties and payments out of production and each of them shall be entitled on production of oil and gas, or either of them, from the pooled unit, there shall be allocated to the land covered by this lease and included in said unit a pro rata portion of the oil and gas, or either of them, produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis—that is to say, there shall be allocated to the acreage covered by this lease and included in the pooled unit that pro rata portion of the oil and gas, or either of them, produced from the pooled unit which the number of surface acres covered by this lease and included in the pooled unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production, whether it be oil and gas, or either of them, so allocated to the land covered by this lease and included in the unit just as though such production were from such land. The production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit; and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith as above provided on or before one year from this date, the lease shall then terminate as to both parties, unless on or before such anniversary date Lessee shall pay or tender to Lessor or to the

11313.

AMENDMENT OF RIGHT OF WAY

THE STATE OF TEXAS
COUNTY OF BRAZORIA

KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS, on the 16th day of January, 1941, F. M. Harvin granted to The Dow Chemical Company, a Michigan corporation, a pipeline right of way easement on and across that certain twenty (20) acre tract of land being known as Lot No. 29 in the I. T. Tinsley Survey, Abstract 375, which is described in a deed recorded in Volume 320, page 378, of the Deed Records of Brazoria County, Texas, to which reference is here made for all purposes; and

WHEREAS, J. Ray Gayle, Jr. has succeeded to the interest of F. M. Harvin in that portion of the land over which said original right of way easement was granted described as follows, to-wit:

That certain 14.082 acre tract being all of Tract 29 described in said original right of way lying East of State Highway 35, and specifically described as follows, to-wit:

Beginning at a 1/2" iron rod in the West line of County Road #428, being the Northeast corner of said Tract 29 above referred to and the Northeast corner of the herein described tract;
Thence South 660 feet along the West line of County Road #428 to a 1/2" iron rod for the Southeast corner of the herein described tract;
Thence West 1,126.49 feet along the South line of Tract 29 to a 1/2" iron rod for the Southwest corner of the herein described tract;
Thence North 30° 51' East, 768.77 feet along the Southeast right of way line of said State Highway 35 to a 1/2" iron rod for corner.
Thence East 732.27 feet along the North line of Tract 29 to the place of beginning, containing 14.082 acres of land.

and

WHEREAS, The Dow Chemical Company, a Delaware corporation, has succeeded to all of the rights and interests of The Dow Chemical

D E E D
VOL 1938 PAGE 677

Company, a Michigan corporation, in and to said original right of way across said twenty (20) acre tract of land; and

WHEREAS, J. Ray Gayle, Jr. has requested The Dow Chemical Company, the present owner and holder of said right of way easement, to limit and restrict the width of said right of way where it crosses said 14.082 acre tract of land now owned by J. Ray Gayle, Jr. to a strip of land twenty (20) feet in width across said tract with the present existing pipeline lying within said 20-foot strip with five (5) feet thereof lying on the Northeast side of said pipeline and fifteen (15) feet thereof lying on the Southwest side so that said right of way easement will accommodate a second line in the event The Dow Chemical Company desires to exercise the privilege of laying parallel with and adjacent to said existing pipeline a second line in the manner provided for in said pipeline right of way easement; and

WHEREAS, The Dow Chemical Company, the present owner and holder of said pipeline right of way easement, is willing to limit and restrict its right of way easement across said 14.082 acre tract of land above described, subject to the terms hereinafter set out.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements of the parties hereinafter provided, it is agreed that said original right of way grant hereinabove described with respect to that portion thereof which crosses the above described 14.082 acre tract of land shall be amended as follows:

1. The Dow Chemical Company agrees to and does hereby limit and restrict its right of way easement across said 14.082 acre tract of land to the following described exclusive 20-foot right of way strip, to-wit:

The center of the presently existing pipeline of The Dow Chemical Company now crossing said 14.082 acre tract of land is described as follows, to-wit:

Beginning at a point in the Easterly right of way line of State Highway 35, said point bears South 30°51' West 151.4 feet from the intersection with the North line of Tract 29 and the East line of State Highway 35; Thence South 59°29' East 940.14 feet to a point in the West line of County Road #428 to the point of exit, said point bears North 52.63 feet from the Southeast corner of Tract 29.

The Northeasterly and Southwesterly boundaries of said strip of land which The Dow Chemical Company hereby agrees to use to cross said 14.082 acre tract is described as follows:

The Northeast boundary thereof lies five (5) feet from and parallel to said centerline of said pipeline and across said tract, and the Southwest boundary thereof lies fifteen (15) feet from and parallel to the centerline of said pipeline and across said tract.

There is attached hereto, marked Exhibit "A" and made a part hereof for all purposes, a plat showing the location of said pipeline and said strip of land which is twenty feet (20') in width.

The remainder of said original right of way easement shall not be affected hereby.

2. By the acceptance hereof J. Ray Gayle, Jr. covenants and agrees that the aforesaid original right of way easement with respect to said 14.082 acre tract of land above described shall remain in full force and effect except as expressly amended hereby, and further agrees not to erect any buildings or other permanent structures (except as provided below) or plant any trees or drill or excavate or place fill material on or remove earth from within the boundaries of said 20-foot right of way strip without the prior written consent of The Dow Chemical Company. It is agreed that J. Ray Gayle, Jr. may at his own cost, risk and expense construct public utilities, sidewalks and roadways across said 20-foot right of way strip, but if J. Ray Gayle, Jr. elects to construct such roadways, any and all existing or future pipelines belonging to The Dow Chemical

DEED
VOL 1038 PAGE 679

Company, its successors and assigns, underlying said road crossing shall be cased and, at the option of The Dow Chemical Company, lowered, all as directed by The Dow Chemical Company at the cost, risk and expense of J. Ray Gayle, Jr.

3. The agreements herein contained shall be covenants running with the land.

Except as amended hereby, said original right of way easement referred to above shall remain in full force and effect according to all of the terms and provisions thereof and as amended hereby.

WITNESS THE EXECUTION HEREOF, this the 9th day of June, 1969.

THE DOW CHEMICAL COMPANY

By Luther Evans
Luther Evans, Attorney in Fact

J. Ray Gayle, Jr.
J. Ray Gayle, Jr.

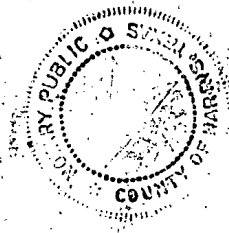
STATE OF TEXAS }

COUNTY OF HARRIS }

BEFORE ME, the undersigned authority, on this day personally appeared LUTHER EVANS, known to me to be the person whose name is subscribed to the foregoing instrument as Attorney in Fact for THE DOW CHEMICAL COMPANY, a Delaware corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated and as the act and deed of THE DOW CHEMICAL COMPANY.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 3rd day of July, 1969.

June Baker
Notary Public in and for Harris County, Texas.



JUNE BAKER
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1971

RECORDED

VOL 1038 PAGE 680

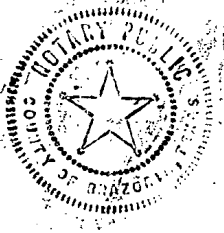
THE STATE OF TEXAS

COUNTY OF *Dallas*

X
X
X

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this *26th*
day of *June*, 1969.



Ann Hays
Notary Public in and for
Dallas County, Texas.

DEED

VOL 1038 PAGE 681

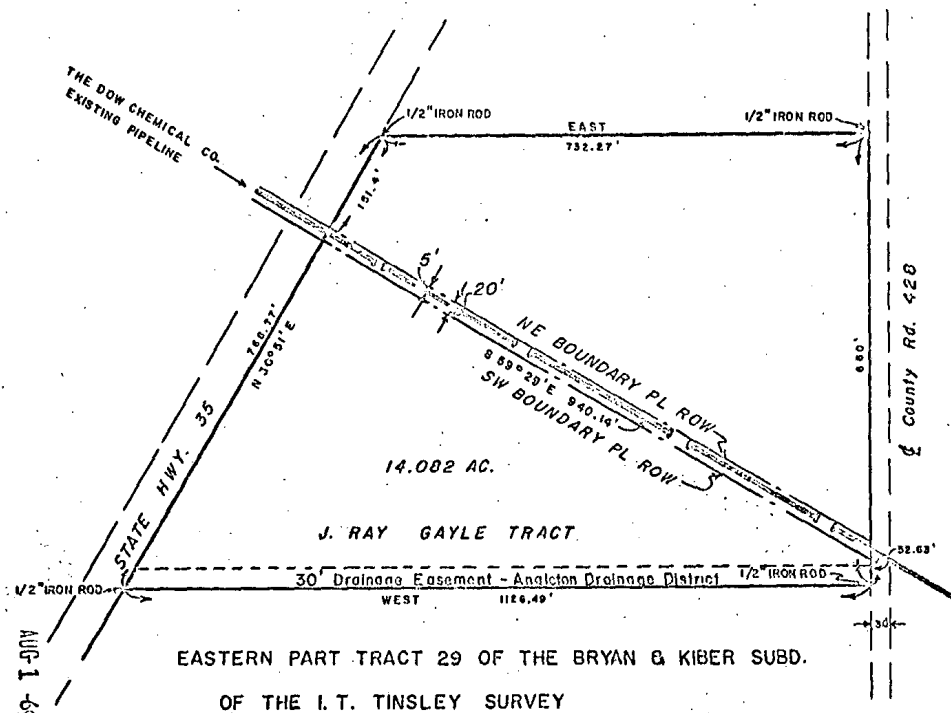


EXHIBIT A

PLAT SHOWING THE DOW CHEMICAL COMPANY
20' R.O.W. STRIP CROSSING THE J. RAY GAYLE
14.082 ACRE TRACT.

SCALE: 1" = 200'

AUG 1 1969

H. R. STEVENS, JR.
CLERK COUNTY COURT, BRAZORIA CO., TEXAS
BY J. D. Jones DEPUTY

AUG 1 - 69 16569 20 211313 - RCD -

6.50

DEED
VOL 1296 PAGE 575

15738

THE STATE OF TEXAS X
COUNTY OF BRAZORIA X KNOW ALL MEN BY THESE PRESENTS:

That JERRY A. ARGOVITZ, TRUSTEE, of the County of Harris and State of Texas, hereinafter called "Grantor", for and in consideration of the sum of ONE DOLLAR (\$1.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, has GRANTED, and by these presents does hereby GRANT unto the ANGLETON DRAINAGE DISTRICT, a political subdivision of the State of Texas, with offices in the City of Angleton, Brazoria County, Texas, hereinafter called "Grantee", its successors and assigns, the free and uninterrupted use, liberty, privilege, easement and right-of-way for the construction and maintenance of a drainage ditch on an easement described as follows:

This is an easement for the construction and maintenance of a drainage ditch across Tracts 29B, 29 and 28A, I. T. Tinsley Survey, Abstract 375, Brazoria County, Texas. The dirt removed from the ditch will be placed on the property outside of and adjacent to the easement. The right of ingress and egress is conveyed.

The 20 foot, 30 foot and 45 foot wide easements are occupied by a ditch at present.

A description follows:

Beginning at the Southeast corner of Tract 29B;

THENCE West 1126.49 feet along the South line of Tract 29B and the South line of the 30 foot and 20 foot wide easements to a point in the East right-of-way of State Highway 35;

THENCE North 30° 51' East 23.30 feet along the Highway 35 right-of-way;

THENCE East 315.06 feet along the North side of a 20 foot wide easement;

THENCE North 29° 46' West 310.42 feet along the West side of a 45 foot wide easement to a point on the Highway 35 right-of-way;

ARG

DEED

VOL. 1298 PAGE 576

THENCE North 30° 51' East 51.64 feet along the Highway 35 right-of-way;

THENCE South 29° 46' East 349.98 feet along the East side of the 45 foot wide easement to a point in the North line of the 30 foot wide easement;

THENCE East 733.30 feet along the North side of the 30 foot wide easement to a point in the West line of the 21 foot wide easement;

THENCE North 796.47 feet along the West line of the 21 foot wide easement across the East side of Tracts 29B, 29 and 28A to a point;

THENCE East 21 feet to a point on the West right-of-way of County Road 428;

THENCE South 826.47 feet along the East side of the 21 foot wide easement and the West right-of-way of County Road 428 to the Southeast corner of Tract 29B, the point of Beginning.

The Angleton Drainage District is granted the right to clear the easement, to construct the ditch thereon, and to spread the spoil removed from the easement outside and adjacent to the easement. Grantee agrees that all trees and brush removed from the ditch easement and the spoil area will be stacked and burned.

The right of ingress and egress is hereby and hereafter granted to the Angleton Drainage District upon, over and across the above described easement for the purposes and uses aforesaid.

In consideration of the rights herein granted, the Angleton Drainage District further agrees that in consideration of the execution of this easement, that upon completion of the work contemplated to be done under the terms of this easement, it will:

- (1) Install a crossing into the subject property* at a point approximately three hundred (300') feet from the southeast corner of the subject property, where it touches the right-of-way line of County Road 428. The crossing will consist of two (2) railroad tank cars, with the necessary dirt fill thereon; compacted shell

*along the Eastern boundary line thereof

DEED

VOL. 1296 PAGE 577

or limestone will be placed on top of said dirt fill. The installation will be of such strength that it will handle normal vehicular traffic making a business or commercial use of the property, and which will accommodate cars and light-truck traffic. After said crossing has been completed, the District will have no further obligation to maintain same.

- (2) Further, the Angleton Drainage District will install, if one is necessary, an additional forty-two (42") inch I. D. tile adjacent and parallel to the two (2) existing forty-two (42") inch tiles which run down the ditch located on the south side of Grantor's property, for a distance of one hundred (100') feet (or the same distance as the two (2) existing tile pipes extend down said ditch), from a point adjacent to the East right-of-way line of State Highway 35 as said ditch extends into the subject property. Said forty-two (42") inch tile pipe will be covered up with soil to the extent that the ground elevation where said pipe is installed will be same or similar to the elevation to the level area on said tile pipe.

Provided, however, that if Angleton Drainage District, its successors or assigns, should ever abandon this easement or cease to maintain same for drainage purposes, then, in either such event the easement granted hereby shall terminate and title shall revert to Grantor, his successors or assigns. In this connection, Grantee, its successors or assigns shall upon request execute such instruments as may be reasonably requested by Grantor, his successors or assigns, to document the reversion of title contemplated hereby.

TO HAVE AND TO HOLD the above described easement, together with all and singular the appurtenances thereto in anywise blonging



DEED
VOL 1296 PAGE 578

unto the Angleton Drainage District, its successors and assigns,
for the purposes and uses aforesaid.

EXECUTED, this the 17 day of June, 1976.

Jerry A. Argovitz
JERRY A. ARGOVITZ, TRUSTEE

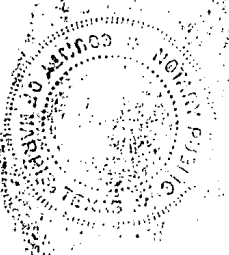
for

DEED
VOL 1296 PAGE 579

THE STATE OF TEXAS X
COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, on this day personally appeared JERRY A. ARGOVITZ, known to me to be the person whose name is subscribed to the annexed and foregoing instrument as Trustee, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, This the 17th day of June, A. D. 1976.



B. K. Watson III
Notary Public In and For
Harris County, Texas.

B. K. WATSON III
Notary Public in and for
Harris County, Texas
My Commission Expires June 1, 1977

FILED FOR RECORD
AT 8:15 O'CLOCK PM

JUN 25 1976

H. R. STEVENS, JR.
CLERK COUNTY COURT, BRAXTON CO., TEXAS
BY T. H. Stevens DEPUTY