



NOTICE FOR BIDS Oil, Gas and Other Minerals

Bids to be received no later than 10:00 a.m. on January 17, 2006,
as authorized by the School Land Board on November 15, 2005.

Texas General Land Office • Jerry Patterson, Commissioner

Minerals Leasing, Energy Division 512-475-1512



State Lease Number
M-
For GLO Use Only



JANUARY 17, 2006

MINERAL LEASE BID APPLICATION

APPLICANT AGREEMENT

I agree, if awarded a lease on the referenced tract, to comply with all terms and conditions of said lease and with all applicable laws that so govern said lease, and as those laws may be amended.

APPLICANT IDENTIFICATION TO APPEAR ON LEASE (type/print)

Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 (Include +4 Code)
 Telephone: (_____) _____

AREA DESCRIPTION

County(ies): _____ Survey/Area: _____
 (If Applicable)
 Block/Tsp.: _____ Section/Tract: _____ Acres: _____
 (If Applicable)

BID SUBMISSION

(A) Bonus Amount (\$ _____)

 (type/print above)
 (B) Sales Fee Amount (\$ _____)

 (type/print above)

This Sales Fee is 1½% of the cash bonus as provided in Section 32.110 of the Natural Resources Code as amended.

MGL. NO.

APPLICANT NAME

BONUS AMOUNT ONLY (A)
 (**Do Not** include sales fee)

_____ (\$ _____)
 (same as above)

STATE OF TEXAS TAX I.D. #

 (must be an 11-digit number)

SIGNATURE OF AGENT

 (signature)

 (type/print name)

JANUARY 17, 2006 SEALED BID OIL & GAS LEASE SALE

TABLE OF CONTENTS

	<u>Page</u>
I. Preface.....	1
II. Terms & Conditions - Permanent School Fund Tracts.....	1
III. Terms & Conditions - Texas Department of Criminal Justice Tract.....	2
IV. Terms & Conditions – Texas Parks & Wildlife Tracts.....	2
V. Terms & Conditions – Texas Dept. of Mental Health & Mental Retardation Tract.....	2
VI. Abbreviations & Definitions.....	2
VII. State Fee Oil & Gas Lease Form (Sample).....	3
VIII. Surveyed School Lands Tracts.....	9
IX. Rivers, Creeks, and Bayous Tracts.....	11
X. Bays, Lakes, Islands and Bayous Tracts.....	14
XI. Gulf Of Mexico Tracts.....	18
XII. Texas Department of Criminal Justice Tract.....	36
XIII. Texas Parks & Wildlife Tracts.....	37
XIV. Texas Dept. of Mental Health & Mental Retardation Tract.....	38
XV. Resource Management Codes - Definitions, Explanations & Listing.....	39

Under the applicable provisions of Chapters 32, 34 and 52 of the Natural Resources Code, the tracts in this Notice for Bids will be leased by competitive sealed bid for the production of oil, gas and other minerals. The School Land Board will receive sealed bids until 10:00 a.m. on January 17, 2006, at the General Land Office in Austin, Texas. Bids received after 10:00 a.m. will not be considered.

Separate bids must be submitted on the enclosed bid form for each tract identified by a separate MGL. NO. Bids should include:

- 1) The tract description as given in this Notice for Bids
- 2) Bidder's name and address
- 3) Bidder's Tax I.D. Number

All bids must be sealed and addressed to the COMMISSIONER OF THE TEXAS GENERAL LAND OFFICE, 1700 N. CONGRESS AVE., STEPHEN F. AUSTIN STATE OFFICE BUILDING, AUSTIN, TEXAS, 78701-1495. Each envelope containing a bid should be endorsed "SEALED BID FOR MINERAL LEASE, January 17, 2006." Each bid must include a check for the cash bonus, which is being offered on the tract. In addition, a bid must include a separate check in the amount of 1½% of the bid as a sales fee. All checks should be payable to the Commissioner of the Texas General Land Office.

Bids on School Land Board tracts offered for lease will be opened at the School Land Board meeting at 10:00 a.m. in the General Land Office, Austin, Texas. Subject to the right to reject any bid, the board will lease advertised tracts to the bidder offering the best bid meeting or exceeding the minimum bid. If identical bids for a tract are submitted by more than one bidder, and if those bids are the high bids received, all bids on that tract will be rejected. Bids received from unsuccessful bidders will be returned along with the 1½% sales fee. A sample of the oil and gas lease form for School Land Board tracts is included in this Notice for Bids.

By order of the School Land Board in its regular meeting on November 15, 2005:

Secretary

Commissioner, Texas General Land Office
and Chairman, School Land Board

The tracts are listed by geographical area with a minimum bid shown for each tract. For Gulf of Mexico acreage, the tracts are listed by offshore area with large or "L" tracts listed first, followed by small or "S" tracts. If you have any questions, please call the Mineral Leasing Division at either (512) 475-1512 or (512) 475-1542.

SURVEYED SCHOOL LAND

TERMS AND CONDITIONS

The royalty on all surveyed school land is 25% of the gross production of oil and/or gas, but can be reduced to:

- 20% if production, in paying quantities, is established, brought on line and sales thereof are commenced within the initial eighteen (18) months of the primary term of the lease.
- 22.5% if production, in paying quantities, is established, brought on line and sales thereof are commenced between the 19th and 24th month of the primary term of the lease.

If the initial well drilled is a dry hole, the lessee may receive the lower royalty rate as follows:

- 20% if a second well is commenced and production, in paying quantities, can be established, brought on line and sales thereof are commenced by the end of the 21st month, as provided for in the lease.
- 22.5% if a second well is commenced and production, in paying quantities, can be established, brought on line and sales thereof are commenced by the end of the 27th month, as provided for in the lease.

The primary term of the lease shall be five (5) years. The annual rental is \$5.00 per acre for the second and third year of the lease. For the fourth and fifth year of the lease, the annual rental will increase to \$25.00 per acre.

RIVERS, CREEKS, AND BAYOUS

TERMS AND CONDITIONS

The royalty on all rivers, creeks, lakes and bayous is 25% of the gross production of oil and/or gas, but can be reduced to:

- 20% if production, in paying quantities, is established, brought on line and sales thereof are commenced within the initial twelve (12) months of the primary term of the lease.
- 22.5% if production, in paying quantities, is established, brought on line and sales thereof are commenced between the 13th and 24th month of the primary term of the lease.

If the initial well drilled is a dry hole, the lessee may receive the lower royalty rate as follows:

- 20% if a second well is commenced and production, in paying quantities, can be established, brought on line and sales thereof are commenced by the end of the 15th month, as provided for in the lease.
- 22.5% if a second well is commenced and production, in paying quantities, can be established, brought on line and sales thereof are commenced by the end of the 27th month, as provided for in the lease.

The primary term of the lease shall be three (3) years. The annual rental thereon is fixed at \$5.00 per acre beginning with the second year of the lease.

SUBMERGED AREAS BAYS, LAKES, ISLANDS AND BAYOUS & GULF OF MEXICO

PERMANENT SCHOOL FUND OIL AND GAS TRACTS

TERMS AND CONDITIONS

The royalty on bays, lakes, islands, bayous (influenced by the tides), and the Gulf of Mexico is 25% of the gross production of oil and/or gas, but can be reduced to:

- 20% if production, in paying quantities, is established, brought on line and sales thereof are commenced within the initial twenty-four (24) months of the primary term of the lease.
- 22.5% if production, in paying quantities, is established, brought on line and sales thereof are commenced between the 25th and 48th month of the primary term of the lease.

If the initial well drilled is a dry hole, the lessee may receive the lower royalty rates as follows:

- 20% if a second well is commenced and production, in paying quantities, can be established, brought on line and sales thereof are commenced by the end of the 30th month, as provided for in the lease.
- 22.5% if a second well is commenced and production, in paying quantities, can be established, brought on line and sales thereof are commenced by the end of the 54th month as provided for in the lease.

The primary term of the leases shall be five (5) years. The annual rental thereon is fixed at \$10.00 per acre beginning with the second year of the lease.

TEXAS DEPARTMENT OF CRIMINAL JUSTICE TRACT

TERMS AND CONDITIONS

The royalty on all Texas Department of Criminal Justice (TDCJ) tracts is 25% of the gross production of oil and/or gas, but can be reduced to:

- 20% if production, in paying quantities, is established, brought on line and sales thereof are commenced within the initial twelve (12) months of the primary term of the lease.
- 22.5% if production, in paying quantities, is established, brought on line and sales thereof are commenced between the 13th and 24th month of the primary term of the lease.

If the initial well drilled is a dry hole, the lessee may receive the lower royalty rate as follows:

- 20% if a second well is commenced and production, in paying quantities, can be established, brought on line and sales thereof are commenced by the end of the 15th month, as provided for in the lease.
- 22.5% if a second well is commenced and production, in paying quantities, can be established, brought on line and sales thereof are commenced by the end of the 27th month as provided for in the lease.

The primary term of the leases shall be three (3) years. The annual rental thereon is fixed at \$12.00 per net mineral acre beginning with the second year of the lease. Subject to the right to reject any bid, the TDCJ Board for Lease will lease advertised tracts to the highest bidder meeting or exceeding the minimum bid. All leases issued for TDCJ tracts shall be subject to the following surface use restrictions:

- No well location shall be made nor operations of any nature conducted within 300 feet from any building or detention fence located on the area leased without express permission of the Program Administrator for Land and Minerals Operations, and no operations of any kind are to be conducted on the remainder of the areas without first notifying the Program Administrator for Land and Minerals Operations.
- If lessee obtains a title examination of the land, a copy of the title opinion shall be furnished to the Program Admin. for Land and Minerals Operations within sixty (60) days after receipt of same by lessee.
- If lessee has a survey of the land made, lessee shall furnish the Program Administrator for Land and Minerals Operations with a copy of the field notes of the survey and map, if any, prior to commencement of drilling operations.
- All oil and gas leases must be recorded within sixty (60) days of issuance in the county where the property covered by such leases is situated. Additionally, upon release of any part of such oil and gas lease or termination thereof, a release describing same must be recorded in the county noted above. Copies of the recorded instruments are to be sent to the Program Administrator for Land and Minerals Operations and the Texas General Land Office.
- All vehicles entering TDCJ property are subject to search.
- No guns, no alcohol, no drugs, and no tobacco are allowed on TDCJ property.

For a copy of the lease form to be used for the TDCJ tracts or for additional information concerning TDCJ tracts, contact the Mineral Leasing Division at either (512) 475-1499 or (512) 475-1512 or Michael Corley with TDCJ at (936) 437-5418.

TEXAS PARKS AND WILDLIFE DEPARTMENT TRACTS

TERMS AND CONDITIONS

The royalty on the Texas Parks and Wildlife Department (TPWD) tracts is fixed at 25% of the gross production of oil and/or gas. The primary term of the leases shall be three (3) years. The annual rental is fixed at \$10.00 per net mineral acre beginning with the second year of the lease. Subject to the right to reject any bid, the TPWD Board for Lease will lease advertised tracts to the highest bidder meeting or exceeding the minimum bid.

For MGL. NOs. 732, 733, and 734, the TPWD tracts shall be subject to the following surface use restrictions:

- Any provision herein to the contrary notwithstanding, it is agreed and understood that no entry shall be permitted on the surface of the leased lands. Any development of the land shall be by means of directional wells located off the leased land, or by pooling of said land with other land or leases as provided by Subchapter E, Chapter 52, Natural Resources Code.

For MGL. NO. 735, the TPWD tract shall be subject to the following surface use restrictions:

- Any provision herein to the contrary notwithstanding, it is agreed and understood that no entry shall be permitted on the surface of the leased land except in areas and along routes approved by TPWD and with written permission from TPWD granting access to specific limited areas. Otherwise, any development of the land shall be by means of directional wells located off the leased land, or by pooling of said land with other land or leases as provided by Subchapter E, Chapter 52, Natural Resources Code.

For a copy of the lease form to be used for TPWD tracts or for additional information concerning TPWD tracts, contact the Mineral Leasing Division at either (512) 475-1499 or (512) 475-1512 or TPWD at (512) 389-4911.

M.H.M.R. TRACT

TERMS AND CONDITIONS

The royalty on the Texas Department of Mental Health and Mental Retardation (MHMR) tract is fixed at 25% of the gross production of oil and/or gas. The primary term of the lease shall be three (3) years. The annual rental is fixed at \$10.00 per net mineral acre beginning with the second year of the lease. Subject to the right to reject any bid, the School Land Board will lease the advertised tract to the highest bidder meeting or exceeding the minimum bid. The MHMR tract shall be subject to the following surface use restrictions:

- Any provision herein to the contrary notwithstanding, it is agreed and understood that no entry shall be permitted on the surface of the leased land. Any development of the land shall be by means of directional wells located off the leased land, or by pooling of said land with other land or leases as provided by Subchapter E, Chapter 52, Natural Resources Code.

For a copy of the lease form to be used for MHMR tracts or for additional information concerning MHMR tracts, contact the Mineral Leasing Division at either (512) 475-1499 or (512) 475-1512.

ABBREVIATIONS AND DEFINITIONS

AC - Acre(s)

NAVI DIST - NAVIGATION DISTRICT: Indicates that all or a portion of the tract lies within the boundaries of a navigation district. Bidders should contact the applicable governing authority for the navigation district and the General Land Office for surface use restrictions.

POL - PORTION OUTSIDE LEASE: Indicates that the acreage within the boundaries of the tract is available for lease save and except any portion included in a valid oil and/or gas lease. Lease information is available in the mineral file located in the Archives and Records Division of the General Land Office.

POU - PORTION OUTSIDE UNIT: Indicates that the acreage within the boundaries of the tract is available for lease save and except any portion included in a valid oil and/or gas unit. Unit information is available in the mineral file located in the Archives and Records Division of the General Land Office.

PT - PART: Bidders should contact the General Land Office for further information.

TMLL -THREE MARINE LEAGUE LINE: Denotes tracts that are adjacent to the Three Marine League Line. These tracts have been submitted to the MMS for the coordination of acreage.

WFAL - Denotes tracts that are WEST of the FEDERAL ADMINISTRATION LINE.

NOTE: Information printed in this Notice for Bids is provided in summary form for the purpose of soliciting bids to lease the subject tracts and should not be relied upon as the sole source of information regarding the tracts. Prospective bidders are advised to contact all governmental authorities with jurisdiction over a tract in order to ascertain its status and suitability for the bidder's intended use. No representation or warranty is made with regard to the information set forth, or referenced, herein. In particular, even if bids are calculated on a per acre basis, no portion of a bid will be refunded should the actual acreage in a tract later be determined to be less than the acreage reflected herein.

The following is a sample lease form for bay and Gulf of Mexico tracts. For a sample copy of the lease form to be used for other land types, call (512) 475-1512. Area/Location maps shall be provided upon request. Please call (512) 475-1512 or (512) 475-1499 for additional information.

**SAMPLE
OIL AND GAS LEASE
NO. M-_____**

WHEREAS, pursuant to the Texas Natural Resources Code Chapters 32, 33, 51, and Chapter 52, Subchapters A-D and H, (said Code being hereinafter referred to as N.R.C.), and subject to all rules and regulations promulgated by the Commissioner of the General Land Office and/or the School Land Board pursuant thereto, and all other applicable statutes and amendments to said N.R.C., the following area, to-wit:

was, after being duly advertised, offered for lease on the **17th day of January, 2006**, at 10:00 o'clock a.m., by the Commissioner of the General Land Office of the State of Texas and the School Land Board of the State of Texas, for the sole and only purpose of prospecting and drilling for, and producing oil and/or gas that may be found and produced from the above described area; and

WHEREAS, after all bids and remittances which were received up to said time have been duly considered by the Commissioner of the General Land Office and the School Land Board at a regular meeting thereof in the General Land Office, on the **17th day of January, 2006**, hereinafter the "effective date" and it was found and determined that _____ whose address is _____, _____ had offered the highest and best bid for a lease of the area above described and is, therefore, entitled to receive a lease thereon:

NOW, THEREFORE, I, Jerry E. Patterson, Commissioner of the General Land Office of the State of Texas, hereinafter sometimes referred to as "Lessor," whose address is Austin, Texas, by virtue of the authority vested in me and in consideration of the payment by the hereinafter designated Lessee, the sum of _____ Dollars (\$ _____), receipt of which is hereby acknowledged and of the royalties, covenants, stipulations and conditions contained and hereby agreed to be paid, observed and performed by Lessee, do hereby demise, grant, lease and let unto the above mentioned bidder the exclusive right to prospect for, produce and take oil and/or gas from the aforesaid area upon the following terms and conditions, to-wit:

1. RESERVATION: There is hereby excepted and reserved to Lessor the full use of the property covered hereby and all rights with respect to the surface and subsurface thereof for any and all purposes except those granted and to the extent herein granted to Lessee, together with the rights of ingress and egress and use of said lands by Lessor and its mineral lessees, for purposes of exploring for and producing the minerals which are not covered, or which may not be covered in the future, under the terms of this lease, but which may be located within the surface boundaries of the leased area. All of the rights in and to the leased premises retained by Lessor and all of the rights in and to the leased premises granted to Lessee herein shall be exercised in such a manner that neither shall unduly interfere with the operations of the other.

2. TERM: Subject to the other provisions hereof, this lease shall be for a term of **five (5)** years from the effective date hereof (herein called "primary term") and as long thereafter as oil or gas is produced in paying quantities from said area.

3. DELAY RENTALS: If no well be commenced on the land hereby leased on or before the anniversary date of this lease, this lease shall terminate as to both parties unless the Lessee on or before said date shall pay or tender to the Commissioner of the General Land Office of the State of Texas at Austin, Texas, the sum of **Ten Dollars (\$10.00), per acre**, which shall operate as rental and cover the privilege of deferring the commencement of a well for twelve (12) months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively during the primary term hereof.

4. PRODUCTION ROYALTIES: Subject to the provisions for royalty reductions set out in subparagraph (E) of this paragraph 4, upon production of oil and/or gas, the Lessee agrees to pay or cause to be paid to the Commissioner of the General Land Office in Austin, Texas, for the use and benefit of the State of Texas, during the term hereof:

(A) OIL: As a royalty on oil, which is defined as including all hydrocarbons produced in a liquid form at the mouth of the well and also all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas run through a separator or other equipment, as hereinafter provided, **1/4** part of the gross production or the market value thereof, at the option of the Lessor, such value to be determined by 1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity in the general area where produced and when run, or 2) the highest market price thereof offered or paid in the general area where produced and when run, or 3) the gross proceeds of the sale thereof, whichever is the greater. Lessee agrees that before any gas produced from the land hereby leased is sold, used or processed in a plant, it will be run free of cost to Lessor through an adequate oil and gas separator of conventional type or other equipment at least as efficient to the end that all liquid hydrocarbons recoverable from the gas by such means will be recovered. Upon written consent of Lessor, the requirement that such gas be run through such a separator or other equipment may be waived upon such terms and conditions as prescribed by Lessor.

(B) NON-PROCESSED GAS: As a royalty on any gas (including flared gas), which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (A) above, produced from any well on said land (except as provided herein with respect to gas processed in a plant for the extraction of gasoline, liquid hydrocarbons or other products) **1/4** part of the gross production or the market value thereof, at the option of the Lessor, such value to be based on the highest market price paid or offered for gas of comparable quality in the general area where produced and when run, or the gross price paid or offered to the producer, whichever is greater provided that the maximum pressure base in measuring the gas under this lease contract shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to test made by the Balance Method or by the most approved method of testing being used by the industry at the time of testing.

(C) PROCESSED GAS: As a royalty on any gas processed in a gasoline plant or other plant for the recovery of gasoline or other liquid hydrocarbons, **1/4** part of the residue gas and the liquid hydrocarbons extracted or the market value thereof, at the option of the Lessor. All royalties due herein shall be based on one hundred percent (100%) of the total plant production of residue gas attributable to gas produced from this lease, and on fifty percent (50%) or that percent accruing to Lessee, whichever is the greater, of the total plant production of liquid hydrocarbons, attributable to the gas produced from this lease; provided that if liquid hydrocarbons are recovered from gas processed in a plant in which Lessee (or its parent, subsidiary or affiliate) owns an interest, then the percentage applicable to liquid hydrocarbons shall be fifty percent (50%) or the highest percent accruing to a third party processing gas through such plant under a processing agreement negotiated at arms' length (or if there is no such third party, the highest percent then being specified in processing agreements or contracts in the industry), whichever is the greater. The respective royalties on residue gas and on liquid hydrocarbons shall be determined by 1) the highest market price paid or offered for any gas (or liquid hydrocarbons) of comparable quality in the general area or 2) the gross price paid or offered for such residue gas (or the weighted average gross selling price for the respective grades of liquid hydrocarbons), whichever is the greater. In no event, however, shall the royalties payable under this paragraph be less than the royalties which would have been due had the gas not been processed.

(D) OTHER PRODUCTS: As a royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead," "dry" or any other gas, by fractionating, burning or any other processing, 1/4 part of gross production of such products, or the market value thereof, at the option of Lessor, such market value to be determined as follows:

(1) On the basis of the highest market price of each product, during the same month in which such product is produced, or

(2) On the basis of the average gross sale price of each product for the same month in which such products are produced; whichever is the greater.

(E) VARIABLE ROYALTY: (i) Subject to the other provisions of this lease, it is hereby provided that in the event production in paying quantities is established pursuant to the terms of this lease and such production is brought on line and sales thereof are commenced within twenty-four (24) months of the effective date hereof, the royalty rate provided herein shall be reduced to 20%, and shall apply to each subsequent well drilled and produced on the land covered by this lease. Provided that, if during such twenty-four (24) month term during which Lessee may earn a reduced royalty rate of 20% as herein provided, Lessee should drill in good faith and complete the first well as a dry hole on the land covered by this lease, Lessee may receive a six (6) month extension of the term in which to earn a reduced royalty rate by giving notice to the Commissioner of the General Land Office, commencing drilling operations on an additional well prior to the expiration of such six (6) month period and prosecuting diligently and in good faith the drilling of such additional well and completing same so that production in paying quantities is established and so that such production is brought on line and sales thereof are commenced prior to the expiration of such six (6) month extension period.

(ii) In the event production in paying quantities is established pursuant to the terms of this lease and such production is brought on line and sales thereof are commenced after the expiration of twenty-four (24) months from the effective date hereof but prior to the expiration of forty-eight (48) months from the effective date hereof, the royalty rate provided herein shall be reduced to 22.5% and shall apply to each subsequent well drilled and produced on the land covered by this lease. Provided that, if during such twenty-four (24) month term during which Lessee may earn a reduced royalty rate of 22.5% as herein provided, Lessee should drill in good faith and complete the first well as a dry hole on the land covered by this lease, Lessee may receive a six (6) month extension of the term in which to earn a reduced royalty rate by giving notice to the Commissioner of the General Land Office, commencing drilling operations on an additional well prior to the expiration of such six (6) month period and prosecuting diligently and in good faith the drilling of such additional well and completing same so that production in paying quantities is established and so that such production is brought on line and sales thereof are commenced prior to the expiration of such six (6) month extension period.

(F) NO DEDUCTIONS: Lessee agrees that all royalties accruing to Lessor under this lease shall be without deduction for the cost of producing, transporting, and otherwise making the oil, gas and other products produced hereunder ready for sale or use.

(G) ROYALTY IN KIND: Notwithstanding anything contained herein to the contrary, Lessor may, at its option, upon not less than 60 days notice to Lessee, require at any time or from time to time that payment of all or any royalties accruing to Lessor under this lease be made in kind without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting and otherwise making the oil, gas and other products produced hereunder ready for sale or use. Lessor's right to take its royalty in kind shall not diminish or negate Lessor's rights or Lessee's obligations, whether express or implied, under this lease.

(H) PLANT FUEL AND RECYCLED GAS: No royalty shall be payable on any gas as may represent this lease's proportionate share of any fuel used to process gas produced hereunder in any processing plant. Notwithstanding anything contained herein to the contrary, and subject to the consent in writing of the Commissioner of the General Land Office, Lessee may recycle gas for gas lift purposes on the leased premises after the liquid hydrocarbons contained in the gas have been removed, and no royalties shall be payable on the gas so recycled until such time as the same may thereafter be produced and sold or used by Lessee in such manner as to entitle Lessor to a royalty thereon under the royalty provisions of this lease.

(I) MINIMUM ROYALTY: During any year after the expiration of the primary term of this lease, if this lease is maintained by production, the royalties paid to Lessor in no event shall be less than an amount equal to the total annual delay rental herein provided; otherwise, there shall be due and payable on or before the last day of the month succeeding the anniversary date of this lease a sum equal to the total annual rental less the amount of royalties paid during the preceding year.

(J) MARGINAL PRODUCTION ROYALTY: Upon Lessee's written application, the School Land Board may reduce the royalty rate set out in this paragraph and/or the minimum royalty set out in subparagraph 4 (I) to extend the economic life of this lease and encourage recovery of oil or gas that might otherwise remain unrecovered. Any such royalty reduction must conform to the requirements of any School Land Board Administrative rules on this subject. Royalty may not be reduced below the applicable statutory minimum.

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

Payment of royalty on production of oil and gas shall be as provided in the rules set forth in the Texas Register. Rules currently provide that royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, then Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00 whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin accruing when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value.

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

(B) DRILLING RECORDS: Written notice of all operations on this lease shall be submitted to the Commissioner of the General Land Office by Lessee or operator five (5) days before spud date, workover, re-entry, temporary abandonment or plug and abandonment of any well or wells. Such written notice to the General Land Office shall include copies of Railroad Commission forms for application to drill. Copies of

well tests, completion reports and plugging reports shall be supplied to the General Land Office at the time they are filed with the Texas Railroad Commission. Lessee shall supply the General Land Office with any records, memoranda, accounts, reports, cuttings and cores, or other information relative to the operation of the above-described premises, which may be requested by the General Land Office, in addition to those herein expressly provided for. Lessee shall have an electrical and/or radioactivity survey made on the bore-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after the making of said survey.

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

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

(A) VERTICAL: In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall then terminate as to all of the leased premises, EXCEPT (1) 40 acres surrounding each oil well capable of producing in paying quantities and 320 acres surrounding each gas well capable of producing in paying quantities (including a shut-in oil or gas well as provided in Paragraph 11 hereof), or a well upon which Lessee is then engaged in continuous drilling or reworking operations, or (2) the number of acres included in a producing pooled unit pursuant to Natural Resources Code Sections 52.151-52.153, or (3) such greater or lesser number of acres as may then be allocated for production purposes to a proration unit for each such producing well under the rules and regulations of the Railroad Commission of Texas, or any successor agency, or other governmental authority having jurisdiction. Within 90 days of a partial termination of this lease in accordance with this subparagraph and upon payment of the minimum filing fee set by General Land Office rules in effect at the time of the partial termination, Lessee shall have the right to obtain a surface lease for ingress and egress on and across the terminated portion of the leased premises as may be reasonably necessary for the continued operation of the portions of the lease remaining in force and effect. If Lessee fails to apply for a surface lease within the 90 day period specified above, Lessee may apply for a surface lease from the Land Office, but the Land Commissioner has the discretion to grant or deny such application and to set the fee for such surface lease.

(B) HORIZONTAL: In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall further terminate as to all depths below 100 feet below the total depth drilled (hereinafter "deeper depths") in each well located on acreage retained in Paragraph 7 (A) above, unless on or before two (2) years after the primary or extended term Lessee pays an amount equal to one-half (1/2) of the bonus originally paid as consideration for this lease (as specified on page 1 hereof). If such amount is paid, this lease shall be in force and effect as to such deeper depths, and said termination shall be delayed for an additional period of two (2) years and so long thereafter as oil or gas is produced in paying quantities from such deeper depths covered by this lease.

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

thereafter allocated to said well or wells for production purposes, this lease shall thereupon terminate as to all acreage not thereafter allocated to said well or wells for production purposes.

8. OFFSET WELLS: If oil and/or gas should be produced in commercial quantities from a well located on land privately owned or on State land leased at a lesser royalty, which well is within one thousand (1,000) feet of the area included herein, or which well is draining the area covered by this lease, the Lessee shall, within sixty (60) days after such initial production from the draining well or the well located within one thousand (1,000) feet from the area covered by this lease begin in good faith and prosecute diligently the drilling of an offset well on the area covered by this lease, and such offset well shall be drilled to such depth as may be necessary to prevent the undue drainage of the area covered by this lease, and the Lessee, manager or driller shall use all means necessary in a good faith effort to make such offset well produce oil and/or gas in commercial quantities. Only upon the determination of the Commissioner and with his written approval, may the payment of a compensatory royalty satisfy the obligation to drill an offset well or wells required under this Paragraph.

9. DRY HOLE/CESSATION OF PRODUCTION DURING PRIMARY TERM: If, during the primary term hereof and prior to discovery and production of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if during the primary term hereof and after the discovery and actual production of oil or gas from the leased premises such production thereof should cease from any cause, this lease shall not terminate if on or before the expiration of sixty (60) days from date of completion of said dry hole or cessation of production Lessee commences additional drilling or reworking operations thereon, or pays or tenders the next annual delay rental in the same manner as provided in this lease. If, during the last year of the primary term or within sixty (60) days prior thereto, a dry hole be completed and abandoned, or the production of oil or gas should cease for any cause, Lessee's rights shall remain in full force and effect without further operations until the expiration of the primary term; and if Lessee has not resumed production in paying quantities at the expiration of the primary term, Lessee may maintain this lease by conducting additional drilling or reworking operations pursuant to Paragraph 10, using the expiration of the primary term as the date of cessation of production under Paragraph 10. Should the first well or any subsequent well drilled on the above described land be completed as a shut-in oil or gas well within the primary term hereof, Lessee may resume payment of the annual rental in the same manner as provided herein on or before the rental paying date following the expiration of sixty (60) days from the date of completion of such shut-in oil or gas well and upon the failure to make such payment, this lease shall ipso facto terminate. If at the expiration of the primary term or any time thereafter a shut-in oil or gas well is located on the leased premises payments may be made in accordance with the shut-in provisions hereof.

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

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

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

12. COMPENSATORY ROYALTIES: If, during the period the lease is kept in effect by payment of the shut-in oil or gas royalty, oil or gas is sold and delivered in paying quantities from a well located within one thousand (1,000) feet of the leased premises and completed in the same producing reservoir, or in any case in which drainage is occurring, the right to continue to maintain the lease by paying the shut-in oil or gas royalty shall cease, but the lease shall remain effective for the remainder of the year for which the royalty has been paid. The Lessee may maintain the lease for four more successive years by Lessee paying compensatory royalty at the royalty rate provided in the lease of the market value of production from the well causing the drainage or which is completed in the same producing reservoir and within one thousand (1,000) feet of the leased premises. The compensatory royalty is to be paid monthly to the Commissioner beginning on or before the last day of the month following the month in which the oil or gas is produced from the well causing the drainage or that is completed in the same producing reservoir and located within one thousand (1,000) feet of the leased premises; if the compensatory royalty paid in any 12-month period is in an amount less than the annual shut-in oil or gas royalty, Lessee shall pay an amount equal to the difference within thirty (30) days from the end of the 12-month period; and none of these provisions will relieve Lessee of the obligation of reasonable development nor the obligation to drill offset wells as provided in N.R.C. Section 52.034; however, at the determination of the Commissioner, and with the Commissioner's written approval, the payment of compensatory royalties shall satisfy the obligation to drill offset wells. Compensatory royalty payments which are not timely paid will accrue penalty and interest in accordance with Paragraph 5 of this lease.

13. EXTENSIONS: If, at the expiration of the primary term of this lease, production of oil or gas has not been obtained on the leased premises but drilling operations are being conducted thereon in good faith and in a good and workmanlike manner, Lessee may, on or before the expiration of the primary term, file in the General Land Office written application to the Commissioner of the General Land Office for a thirty (30) day extension of this lease, accompanied by payment of Three Thousand Dollars (\$3,000.00) if this lease covers six hundred forty (640) acres or less and Six Thousand Dollars (\$6,000.00) if this lease covers more than six hundred forty (640) acres and the Commissioner shall, in writing, extend this lease for a thirty (30) day period from and after the expiration of the primary term and so long thereafter as oil or gas is produced in paying quantities; provided further, that Lessee may, so long as such drilling operations are being conducted make like application and payment during any thirty (30) day extended period for an additional extension of thirty (30) days and, upon receipt of such application and payment, the Commissioner shall, in writing, again extend this lease so that same shall remain in force for such additional thirty (30) day period and so long thereafter as oil or gas is produced in paying quantities; provided, however, that this lease shall not be extended for more than a total of three hundred ninety (390) days from and after the expiration of the primary term unless production in paying quantities has been obtained.

14. USE OF WATER; SURFACE: Lessee shall have the right to use water produced on said land necessary for operations hereunder and solely upon the leased premises; provided, however, Lessee shall not use potable water or water suitable for livestock or irrigation purposes for water flood operations without the prior written consent of Lessor. Subject to its obligation to pay surface damages, Lessee shall have the right to use so much of the surface of the land that may be reasonably necessary for drilling and operating wells and transporting and marketing the production therefrom, such use to be conducted under conditions of least injury to the surface of the land. Lessee shall pay surface damages in an amount set by the General Land Office fee schedule which is effective on the date when the activity requiring the payment of surface damages occurs.

15. POLLUTION: In developing this area, Lessee shall use the highest degree of care and all proper safeguards to prevent pollution. Without limiting the foregoing, pollution of coastal wetlands, natural waterways, rivers and impounded water shall be prevented by the use of containment facilities sufficient to prevent spillage, seepage or ground water contamination. In the event of pollution, Lessee shall use all means

at its disposal to recapture all escaped hydrocarbons or other pollutant and shall be responsible for all damage to public and private properties.

(A) UPLANDS: Lessee shall build and maintain fences around its slush, sump, and drainage pits and tank batteries so as to protect livestock against loss, damage or injury; and upon completion or abandonment of any well or wells, Lessee shall fill and level all slush pits and cellars and completely clean up the drilling site of all rubbish thereon.

(B) SUBMERGED LANDS: No discharge of solid waste or garbage shall be allowed into State waters from any drilling or support vessels, production platform, crew or supply boat, barge, jack-up rig or other equipment located on the leased area. Solid waste shall include but shall not be limited to containers, equipment, rubbish, plastic, glass, and any other man-made non-biodegradable items. A sign must be displayed in a high traffic area on all vessels and manned platforms stating, "Discharge of any solid waste or garbage into State Waters from vessels or platforms is strictly prohibited and may subject a State of Texas lease to forfeiture." Such statement shall be in lettering of at least 1" in size.

(C) RIVERS: To the extent necessary to prevent pollution, the provisions found in subsections (a) and (b) of this paragraph shall also apply to rivers and riverbeds.

(D) PENALTY: Failure to comply with the requirements of this provision may result in the maximum penalty allowed by law including forfeiture of the lease. Lessee shall be liable for the damages caused by such failure and any costs and expenses incurred in cleaning areas affected by the discharged waste.

16. IDENTIFICATION MARKERS: Lessee shall erect, at a distance not to exceed twenty-five (25) feet from each well on the premises covered by this lease, a legible sign on which shall be stated the name of the operator, the lease designation and the well number. Where two or more wells on the same lease or where wells on two or more leases are connected to the same tank battery, whether by individual flow line connections direct to the tank or tanks or by use of a multiple header system, each line between each well and such tank or header shall be legibly identified at all times, either by a firmly attached tag or plate or an identification properly painted on such line at a distance not to exceed three (3) feet from such tank or header connection. Said signs, tags, plates or other identification markers shall be maintained in a legible condition throughout the term of this lease.

17. ASSIGNMENTS: The lease may be transferred at any time; provided, however, that the liability of the transferor to properly discharge its obligation under the lease, including properly plugging abandoned wells, removing platforms or pipelines, or remediation of contamination at drill sites shall pass to the transferee upon the prior written consent of the Commissioner of the General Land Office. The Commissioner may require the transferee to demonstrate financial responsibility and may require a bond or other security. All transfers must reference the lease by the file number and must be recorded in the county where the area is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be filed in the General Land Office within ninety (90) days of the execution date, as provided by N.R.C. Section 52.026, accompanied by the filing fee prescribed by the General Land Office rules in effect on the date of receipt by the General Land Office of such transfer or certified copy thereof. Every transferee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original lessee or any prior transferee of the lease, including any liabilities to the state for unpaid royalties.

18. RELEASES: Lessee may relinquish the rights granted hereunder to the State at any time by recording the relinquishment in the county where this area is situated and filing the recorded relinquishment or certified copy of same in the General Land Office within ninety (90) days after its execution accompanied by the filing fee prescribed by the General Land Office rules in effect on the date of receipt by the General Land Office of such relinquishment or certified copy thereof. Such relinquishment will not have the effect of releasing Lessee from any liability theretofore accrued in favor of the State.

19. LIEN: In accordance with N.R.C. Section 52.136, the State shall have a first lien upon all oil and gas produced from the area covered by this lease to secure payment of all unpaid royalty and other sums of money that may become due under this lease. By acceptance of this lease, Lessee grants the State, in addition to the lien provided by N.R.C. Section 52.136 and any other applicable statutory lien, an express contractual lien on

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

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

21. RIVERBED TRACTS: In the event this lease covers a riverbed, Lessee is hereby specifically granted the right of eminent domain and condemnation as provided for in N.R.C. Sections 52.092-52.093, as a part of the consideration moving to Lessor for the covenants herein made by Lessee.

22. APPLICABLE LAWS AND DRILLING RESTRICTIONS: This lease shall be subject to all rules and regulations, and amendments thereto, promulgated by the Commissioner of the General Land Office governing drilling and producing operations on Permanent Free School Land (specifically including any rules promulgated that relate to plans of operations), payment of royalties, and auditing procedures, and shall be subject to all other valid statutes, rules, regulations, orders and ordinances that may affect operations under the provisions of this lease. Without limiting the generality of the foregoing, Lessee hereby agrees, by the acceptance of this lease, to be bound by and subject to all statutory and regulatory provisions relating to the General Land Office's audit billing notice and audit hearings procedures. Said provisions are currently found at 31 Texas Administrative Code, Chapter 4, and Texas Natural Resources Code Sections 52.135 and 52.137 through 52.140. In the event this lease covers land franchised or leased or otherwise used by a navigation district or by the United States for the purpose of navigation or other purpose incident to the operation of a port, then Lessee shall not be entitled to enter or possess such land without prior approval as provided under Section 61.117 of the Texas Water Code, but Lessee shall be entitled to develop such land for oil and gas by directional drilling; provided, however, that no surface drilling location may be nearer than 660 feet and special permission from the Commissioner of the General Land Office is necessary to make any surface location nearer than 2,160 feet measured at right angles from the nearest bulkhead line or from the nearest dredged bottom edge of any channel, slip, or turning basin which has been authorized by the United States as a federal project for future construction, whichever is nearer.

23. REMOVAL OF EQUIPMENT: Upon the termination of this lease for any cause, Lessee shall not, in any event, be permitted to remove the casing or any part of the equipment from any producing, dry, or abandoned well or wells without the written consent of the Commissioner of the General Land Office or his authorized representative; nor shall Lessee, without the written consent of said Commissioner or his authorized representative remove from the leased premises the casing or any other equipment, material, machinery, appliances or property owned by Lessee and used by Lessee in the development and production of oil or gas therefrom until all dry or abandoned wells have been plugged and until all slush or refuse pits have been properly filled and all broken or discarded lumber, machinery, or debris shall have been removed from the premises to the satisfaction of said Commissioner or his authorized representative.

24. FORCE MAJEURE: Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling operations thereon, or from producing oil and/or gas therefrom, after effort made in good faith, by reason of war, rebellion, riots, strikes, fires, acts of God or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended upon proper and satisfactory proof presented to the Commissioner of the General Land Office in support of Lessee's contention and Lessee shall not be liable for damages for failure to comply therewith (except in the event of lease operations suspended as provided in the rules and regulations adopted by the School Land Board); and this lease shall be extended while and so long as Lessee is prevented, by any such cause, from drilling, reworking operations or producing oil and/or gas from the leased premises; provided, however, that nothing herein shall be construed to suspend the payment of rentals during the primary or extended term, nor to abridge Lessee's right to a suspension under any applicable statute of this State.

25. LEASE SECURITY: Lessee shall take the highest degree of care and all proper safeguards to protect said premises and to prevent theft of oil, gas, and other hydrocarbons produced from said lease. This includes, but is not limited to, the installation of all necessary equipment, seals, locks, or other appropriate protective devices on or at all access points at the lease's production, gathering and storage systems where theft of hydrocarbons can occur. Lessee shall be liable for the loss of any hydrocarbons resulting from theft and shall pay the State of Texas royalties thereon as provided herein on all oil, gas or other hydrocarbons lost by reason of theft.

26. REDUCTION OF PAYMENTS: If, during the primary term, a portion of the land covered by this lease is included within the boundaries of a pooled unit that has been approved by the School Land Board in accordance with Natural Resources Code Sections 52.151-52.153, or if, at any time after the expiration of the primary term or the extended term, this lease covers a lesser number of acres than the total amount described herein, payments that are made on a per acre basis hereunder shall be reduced according to the number of acres pooled, released, surrendered, or otherwise severed, so that payments determined on a per acre basis under the terms of this lease during the primary term shall be calculated based upon the number of acres outside the boundaries of a pooled unit, or, if after the expiration of the primary term, the number of acres actually retained and covered by this lease.

27. SUCCESSORS AND ASSIGNS: The covenants, conditions and agreements contained herein shall extend to and be binding upon the heirs, executors, administrators, successors or assigns of Lessee herein.

28. ANTIQUITIES CODE: In the event that any feature of archeological or historical interest on Permanent School Fund Land is encountered during the activities authorized by this lease, Lessee will immediately cease activities and will immediately notify the General Land Office (ATTN: Archaeologist, Asset Management Division, 1700 N. Congress Ave., Austin, Texas 78701) and the Texas Historical Commission (P.O. Box 12276, Austin, TX 78711) so that adequate measures may be undertaken to protect or recover such discoveries or findings, as appropriate. Lessee is expressly placed on notice of the National Historical Preservation Act of 1966 (PB-89-66, 80 Statute 915; 16 U.S.C.A. 470) and the Antiquities Code of Texas, Chapter 191, Tex. Nat. Code Ann. (Vernon 1993 & Supp. 1998). On state-owned land not dedicated to the Permanent School Fund, lessee shall notify the Texas Historical Commission before breaking ground at a project location. An archaeological survey might be required by the commission before construction of the project can commence. Further, in the event that any site, object, location, artifact or other feature of archaeological, scientific, educational, cultural or historic interest is encountered during the activities authorize

by this lease, lessee will immediately notify lessor and the Texas Historical Commission so that adequate measures may be undertaken to protect or recover such discoveries or findings, as appropriate.

29. VENUE: Lessor and lessee, including lessee's successors and assigns, hereby agree that venue for any dispute arising out of a provision of this lease, whether express or implied, regarding interpretation of this lease, or relating in any way to this lease or to applicable case law, statutes, or administrative rules, shall be in a court of competent jurisdiction located in Travis County, State of Texas.

30. LEASE FILING: Pursuant to Chapter 9 of the Tex. Bus. & Com. Code, this lease must be filed of record in the office of the County Clerk in any county in which all or any part of the leased premises is located, and certified copies thereof must be filed in the General Land Office.

31. EXECUTION: This oil and gas lease must be signed and acknowledged by the Lessee before it is filed of record in the county records and in the General Land Office of the State of Texas.

LESSEE
BY: _____
TITLE: _____
DATE: _____

(INDIVIDUAL ACKNOWLEDGMENT)

STATE OF _____

COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared _____ known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this the _____ day of _____, 2006

Notary Public in and for _____

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

JERRY E. PATTERSON
COMMISSIONER, GENERAL LAND OFFICE

APPROVED
Contents _____
Legal _____
DC _____
Exec _____

(CORPORATION ACKNOWLEDGMENT)

STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument, as _____ of _____ 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 said corporation.

Given under my hand and seal of office this the _____ day of _____, 2006.

Notary Public in and for _____

SURVEYED SCHOOL LAND

MGL. NO.	COUNTY	DIST./DIR. FROM COUNTY SEAT	SEC. / TRACT	BLOCK	TSP	SURVEY	ACRES	PART / COMMENTS	MINIMUM BID
1	ANGELINA	10N71E	5			W. J. TOWNSEND	126.50	TX FOREST SERVICE	\$18,975.00
2	BEE	22N05W				W. A. MARTIN	35.80	FIXED 1/4 ROYALTY	\$17,900.00
3	BREWSTER	46S03W	8	214		T. & ST. L. RY. CO.	640.00		\$9,600.00
4	BREWSTER	49S00	26	214		T. & ST. L. RY. CO.	640.00		\$9,600.00
5	CHEROKEE	8S15E				M. A. MCCLAIN	18.50		\$1,850.00
6	CHEROKEE	8S15E				T. F. MCCLAIN	7.80		\$780.00
7	CULBERSON	57N35E	4	110		PUBLIC SCHOOL LAND	320.00	N/2	\$64,000.00
8	CULBERSON	56N34E	5	110		PUBLIC SCHOOL LAND	320.00	N/2	\$64,000.00
9	CULBERSON	64N39E	4	113		PUBLIC SCHOOL LAND	640.00		\$128,000.00
10	CULBERSON	61N38E	18	113		PUBLIC SCHOOL LAND	640.00		\$128,000.00
11	CULBERSON	59N35E	16	114		PUBLIC SCHOOL LAND	640.00		\$128,000.00
12	CULBERSON	58N36E	21	114		PUBLIC SCHOOL LAND	640.00		\$128,000.00
13	CULBERSON	59N30E	48	61	02	T. & P. RY. CO.	685.00		\$137,000.00
14	LOVING	5S25E	72	33		H. & T. C. RY. CO.	440.00	POU	\$176,000.00
15	LOVING	3S15E	76	33		H. & T. C. RY. CO.	185.00	POU	\$74,000.00
16	LOVING	15N45W	8	55	02S	T. & P. RY. CO.	560.00	W/2, SE/4, & N/2 OF NE/4	\$224,000.00
17	PALO PINTO	18N40W				WILSON UNKART	8.55		\$1,282.50
18	PECOS	21N10W	16	143		T. & ST. L. RY. CO.	166.00	S PT	\$16,600.00
19	POLK	12N41E	12			H. & T. C. RY. CO.	160.00	SW/4 TX FOREST SERVICE	\$24,000.00
20	POLK	14N42E	16			H. & T. C. RY. CO.	80.00	S MID PT TX FOREST SERVICE	\$12,000.00
21	REEVES	18N38W	67			G. A. FRANKLIN	640.00		\$256,000.00
22	REEVES	19N41W	71			G. A. FRANKLIN	567.00		\$226,800.00
23	REEVES	19N30W	32	2		H. & G. N. RY. CO.	633.00		\$253,200.00
24	REEVES	9N15W	2	3		H. & G. N. RY. CO.	279.98	NE PT	\$111,992.00
25	REEVES	14N24W	6	3		H. & G. N. RY. CO.	640.00		\$256,000.00
26	REEVES	14N22W	8	3		H. & G. N. RY. CO.	80.00	W/4 OF E/2	\$32,000.00
27	REEVES		12	5		H. & G. N. RY. CO.	70.00	S/2 OF SW/4 (87.5% UNLEASED UNDIVIDED INTEREST - RELINQUISHMENT ACT TRACT - INCLUDES HIGHWAY R.O.W.)	\$5,250.00
28	REEVES		12	5		H. & G. N. RY. CO.	60.00	N/2 OF SW/4 (75% UNLEASED UNDIVIDED INTEREST - RELINQUISHMENT ACT TRACT - INCLUDES HIGHWAY R.O.W.)	\$4,500.00
29	REEVES		12	5		H. & G. N. RY. CO.	40.00	W/2 OF NE/4 (50% UNLEASED UNDIVIDED INTEREST - RELINQUISHMENT ACT TRACT)	\$3,000.00
30	REEVES	15N29W	69			R. S. JOHNSON	368.00	E & W PART	\$147,200.00

SURVEYED SCHOOL LAND

MGL. NO.	COUNTY	DIST./DIR. FROM COUNTY SEAT	SEC. / TRACT	BLOCK	TSP	SURVEY	ACRES	PART / COMMENTS	MINIMUM BID
31	REEVES	28N75W	33	56		PUBLIC SCHOOL LAND	640.00		\$160,000.00
32	REEVES	29N77W	41	56		PUBLIC SCHOOL LAND	640.00		\$160,000.00
33	REEVES	12S86W	23	C17		PUBLIC SCHOOL LAND	160.00	NE/4	\$64,000.00
34	REEVES	7N38W	12	C19		PUBLIC SCHOOL LAND	300.00	SE & SW PT	\$120,000.00
35	REEVES	10N22W	15	C19		PUBLIC SCHOOL LAND	160.00	NW/4	\$64,000.00
36	REEVES	10N26W	16	C19		PUBLIC SCHOOL LAND	600.00	N/2 & SW/4 & N/2 & SE/4 OF SE/4	\$240,000.00
37	REEVES	12N14W	20	C19		PUBLIC SCHOOL LAND	508.00		\$203,200.00
38	REEVES	12N18W	21	C19		PUBLIC SCHOOL LAND	640.00		\$256,000.00
39	REEVES	13S45E	4	50	07S	T. & P. RY. CO.	640.00	SURFACE TO 7,000 FEET ONLY	\$32,000.00
40	REEVES	12N28W	6	53	04S	T. & P. RY. CO.	400.00	NE/4, SW/4, & S/2 OF SE/4	\$160,000.00
41	REEVES	15N34W	8	54	04S	T. & P. RY. CO.	640.00		\$256,000.00
42	REEVES	14N27W	10	54	04S	T. & P. RY. CO.	600.00		\$240,000.00
43	REEVES	39N48W	30	57	02S	T. & P. RY. CO.	640.00		\$256,000.00

RIVERS, CREEKS, AND BAYOUS

MGL. NO.	COUNTY	AREA	TRACT	ACRES	DESCRIPTION	MINIMUM BID
44	NACOGDOCHES	ANGELINA RIVER	2	120.00	TRACT 2 IS BOUND ON ITS UPSTREAM END BY A LINE BEARING N 39 E (GRID) AND PASSING THROUGH A POINT HAVING COORDINATES OF X=3,770,650 FEET AND Y=693,280 FEET, TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, NAD 27, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHERLY EXTENSION OF THE WEST LINE OF THE R.I. DRIVER SURVEY, A-839	\$18,000.00
45	HARDIN	BEECH CREEK	1	2.00	TRACT 1 IS THAT PORTION OF BEECH CREEK WITHIN THE A.A. BURREL SURVEY, A-5.	\$300.00
46	MILAM/ROBERTSON	BRAZOS RIVER	7 -A	142.00	BEING THAT PORTION OF TRACT 7-A OF THE BRAZOS RIVER WITHIN THE MOORE UNIT NO. 1, SAID UNIT BEING MORE PARTICULARLY DESCRIBED IN MINERAL FILE M-99118, CURRENTLY ON FILE IN THE ARCHIVES & RECORDS DIVISION OF THE TEXAS GENERAL LAND OFFICE, AUSTIN, TEXAS; SAID LEASE TRACT COVERING ONLY THOSE DEPTHS BELOW 5,644 FEET (TVD) ONLY.	\$21,300.00
47	MILAM/ROBERTSON	BRAZOS RIVER	8 -A	130.00	TRACT 8-A IS BOUND ON ITS UPSTREAM END BY A NORTHEASTERLY EXTENSION OF THE NORTHWEST LINE OF THE LEWIS B. CHILES SURVEY, A-9, MILAM COUNTY, AND IS BOUND ON ITS DOWNSTREAM END BY THE MOORE UNIT NO. 1, SAID UNIT BEING MORE PARTICULARLY DESCRIBED IN MINERAL FILE M-99118, CURRENTLY ON FILE IN THE ARCHIVES & RECORDS DIVISION OF THE TEXAS GENERAL LAND OFFICE, AUSTIN, TEXAS.	\$19,500.00
48	PALO PINTO	BRAZOS RIVER	5	120.00	TRACT 5 IS BOUND ON ITS UPSTREAM END BY AN EASTERLY EXTENSION OF THE SOUTH LINE OF THE J. MOORE SURVEY, A-314, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHERLY EXTENSION OF THE EAST LINE OF THE T.H. ADAMS SURVEY, A-1810.	\$18,000.00
49	PALO PINTO	BRAZOS RIVER	5 -A	205.00	TRACT 5-A IS BOUND ON ITS UPSTREAM END BY A SOUTHERLY EXTENSION OF THE EAST LINE OF THE T.H. ADAMS SURVEY, A-1810, AND IS BOUND ON ITS DOWNSTREAM END BY THE NO. 1 WASENICK GAS UNIT, SAID UNIT BEING MORE PARTICULARLY DESCRIBED IN MINERAL FILE M-74698, CURRENTLY ON FILE IN THE ARCHIVES & RECORDS DIVISION OF THE TEXAS GENERAL LAND OFFICE, AUSTIN, TEXAS.	\$30,750.00
50	PALO PINTO	BRAZOS RIVER	6	250.00	TRACT 6 IS BOUND ON ITS UPSTREAM END BY A SOUTHERLY EXTENSION OF THE MOST SOUTHERLY EAST LINE OF THE S.S. TAYLOR SURVEY, A-875, AND IS BOUND ON ITS DOWNSTREAM END BY A NORTHERLY EXTENSION OF THE EAST LINE OF THE J.L. CRAWFORD SURVEY, A-1843.	\$37,500.00
51	PALO PINTO	BRAZOS RIVER	7 -B	155.00	TRACT 7-B IS BOUND ON ITS UPSTREAM END BY A SOUTHWESTERLY EXTENSION OF THE NORTHWEST LINE THE WM. WEST SURVEY, A-890, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHEASTERLY EXTENSION OF THE NORTHEAST LINE OF THE J.J. METCALF SURVEY, A-342.	\$23,250.00

RIVERS, CREEKS, AND BAYOUS

MGL. NO.	COUNTY	AREA	TRACT	ACRES	DESCRIPTION	MINIMUM BID
52	PALO PINTO	BRAZOS RIVER	8	95.00	TRACT 8 IS BOUND ON ITS UPSTREAM END BY A SOUTHEASTERLY EXTENSION OF THE NORTHEAST LINE OF THE J.J. METCALF SURVEY, A-342, AND IS BOUND ON ITS DOWNSTREAM END BY AN EASTERLY EXTENSION OF THE SOUTH LINE OF THE J. MOORE SURVEY, A-314.	\$14,250.00
53	PALO PINTO	BRAZOS RIVER	10	190.00	TRACT 10 IS BOUND ON ITS UPSTREAM END BY A NORTHERLY EXTENSION OF THE EAST LINE OF THE J.L. CRAWFORD SURVEY, A-1843, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHWESTERLY EXTENSION OF THE NORTHWEST LINE OF THE WM. WEST SURVEY, A-890.	\$28,500.00
54	PALO PINTO	BRAZOS RIVER	14 -B	90.00	TRACT 14-B IS BOUND ON ITS UPSTREAM END BY THE NO. 1 WASENICK GAS UNIT, SAID UNIT BEING MORE PARTICULARLY DESCRIBED IN MINERAL FILE M-74698, CURRENTLY ON FILE IN THE ARCHIVES & RECORDS DIVISION OF THE TEXAS GENERAL LAND OFFICE, AUSTIN, TEXAS, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHERLY EXTENSION OF THE WEST LINE OF THE JOHN T. STINSON SURVEY, A-973.	\$13,500.00
55	PALO PINTO	BRAZOS RIVER	16 -B	110.00	TRACT 16-B IS BOUND ON ITS UPSTREAM END BY A NORTHERLY EXTENSION OF THE WEST LINE OF THE E.W. WILSON SURVEY, A-1590, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHERLY EXTENSION OF THE MOST SOUTHERLY EAST LINE OF THE S.S. TAYLOR SURVEY, A-875.	\$16,500.00
56	STEPHENS	BRAZOS RIVER, CLEARFORK OF	10 -A	20.00	TRACT 10-A IS BOUND ON ITS UPSTREAM END BY A NORTHWESTERLY EXTENSION OF THE SOUTHWEST LINE OF THE TEXAS EMIGRATION & LAND CO. SURVEY NO. 1126, A-390, AND IS BOUND ON ITS DOWNSTREAM END BY A NORTHEASTERLY EXTENSION OF THE SOUTHEAST LINE OF THE AFOREMENTIONED SURVEY.	\$2,000.00
57	KNOX	BRAZOS RIVER, SALT FORK OF	4 -C	40.00	TRACT 4-C IS BOUND ON ITS UPSTREAM END BY A SOUTHEASTERLY EXTENSION OF THE NORTHEAST LINE OF THE B.J. GLOVER SURVEY, A-1719, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHWESTERLY EXTENSION OF THE NORTHWEST LINE OF THE W. SAMFORD SURVEY, A-407. (TRACT IS SUBJECT TO THE SMALL BILL)	\$4,000.00
58	MILAM	LITTLE RIVER	1 -B	310.00	TRACT 1-B IS BOUND ON ITS UPSTREAM END BY A NORTHEASTERLY EXTENSION OF THE NORTHWEST LINE OF THE DANIEL UNDERHILL SURVEY, A-370, AND IS BOUND ON ITS DOWNSTREAM END BY A LINE FOLLOWING THE GENERAL DIRECTION OF THE BRAZOS RIVER AT ITS CONFLUENCE WITH THE LITTLE RIVER.	\$46,500.00
59	HARDIN	VILLAGE CREEK	4 -A	3.00	TRACT 4-A IS BOUND ON ITS UPSTREAM END BY A SOUTHWESTERLY EXTENSION NORTHWEST LINE OF THE JAMES MCKINNEY SURVEY, A-393, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHWESTERLY EXTENSION OF THE NORTHWEST LINE OF THE C.M. VOTAW SURVEY, A-843.	\$450.00

RIVERS, CREEKS, AND BAYOUS

MGL. NO.	COUNTY	AREA	TRACT	ACRES	DESCRIPTION	MINIMUM BID
60	HARDIN	VILLAGE CREEK	4 -B	10.00	TRACT 4-B IS BOUND ON ITS UPSTREAM END BY A SOUTHWESTERLY EXTENSION OF THE NORTHWEST LINE OF THE C.M. VOTAW SURVEY, A-843, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHERLY EXTENSION OF THE WEST LINE OF GEORGE KISNER SURVEY, A-349.	\$1,500.00
61	HARDIN	VILLAGE CREEK	4 -C	5.00	TRACT 4-C IS BOUND ON ITS UPSTREAM END BY A SOUTHERLY EXTENSION OF THE WEST LINE OF THE GEORGE KISNER SURVEY, A-349, AND IS BOUND ON ITS DOWNSTREAM END BY A SOUTHERLY EXTENSION OF THE WEST LINE OF THE HIRAM BARBER SURVEY, A-88.	\$750.00
62	HARDIN	VILLAGE CREEK	4 -D	40.00	TRACT 4-D IS BOUND ON ITS UPSTREAM END BY A SOUTHERLY EXTENSION OF THE WEST LINE OF THE HIRAM BARBER SURVEY, A-88, AND IS BOUND ON ITS DOWNSTREAM END BY THE WEST LINE OF THE A.A. BURREL SURVEY, A-5.	\$6,000.00
63	HARDIN	VILLAGE CREEK	5	20.00	TRACT 5 IS THAT PORTION OF VILLAGE CREEK WITHIN THE A.A. BURREL SURVEY, A-5.	\$3,000.00

BAYS, LAKES, ISLANDS AND BAYOUS

MGL. NO.	AREA	COUNTY	TRACT	PART	ACRES	COMMENTS	MINIMUM BID
64	ARANSAS SHIP CHANNEL	NUECES	1	ALL	41.40	EAST PART	\$10,350.00
65	ARANSAS SHIP CHANNEL	NUECES	1	POU	13.71	POU - WEST PART	\$3,427.50
66	ARANSAS SHIP CHANNEL	NUECES	1	POU	31.29	POU - CENTRAL PART	\$7,822.50
67	COPANO BAY	ARANSAS/REFUGIO	60	ALL	320.00		\$48,000.00
68	COPANO BAY	ARANSAS/REFUGIO	61	ALL	320.00		\$48,000.00
69	COPANO BAY	ARANSAS	80	ALL	320.00		\$48,000.00
70	CORPUS CHRISTI BAY	NUECES	411	ALL	320.00		\$80,000.00
71	CORPUS CHRISTI BAY	NUECES	412	ALL	320.00		\$80,000.00
72	CORPUS CHRISTI BAY	NUECES	413	ALL	320.00		\$80,000.00
73	CORPUS CHRISTI BAY	NUECES	425	ALL	320.00		\$80,000.00
74	CORPUS CHRISTI BAY	NUECES	462 A	ALL	365.00	INCL PT OF MUSTANG ISLAND	\$91,250.00
75	CORPUS CHRISTI BAY	NUECES	462 B	ALL	155.00	PT OF MUSTANG ISLAND	\$38,750.00
76	EAST BAY	GALVESTON	169	ALL	780.00		\$156,000.00
77	EAST BAY	GALVESTON	170	NE/2	320.00		\$64,000.00
78	EAST BAY	GALVESTON	170	SW/2	320.00		\$64,000.00
79	EAST BAY	GALVESTON	171	NE/2	320.00		\$64,000.00
80	EAST BAY	GALVESTON	171	SW/2	320.00		\$64,000.00
81	EAST BAY	GALVESTON	173	ALL	730.00		\$146,000.00
82	EAST BAY	GALVESTON	174	NE/2	320.00		\$64,000.00
83	EAST BAY	GALVESTON	174	SW/2	320.00		\$64,000.00
84	EAST BAY	GALVESTON	175	NE/2	320.00		\$64,000.00
85	EAST BAY	GALVESTON	175	SW/2	320.00		\$64,000.00
86	EAST MATAGORDA BAY	MATAGORDA	32	ALL	320.00		\$80,000.00
87	EAST MATAGORDA BAY	MATAGORDA	33	ALL	320.00		\$80,000.00
88	EAST MATAGORDA BAY	MATAGORDA	34	ALL	320.00		\$80,000.00
89	EAST MATAGORDA BAY	MATAGORDA	35	ALL	320.00		\$80,000.00
90	EAST MATAGORDA BAY	MATAGORDA	36	ALL	320.00	INCL PT OF EGRET ISLAND	\$80,000.00
91	EAST MATAGORDA BAY	MATAGORDA	37	ALL	320.00	INCL PT OF EGRET ISLAND	\$80,000.00
92	GALVESTON BAY	GALVESTON	279	NE/2	320.00		\$80,000.00

BAYS, LAKES, ISLANDS AND BAYOUS

MGL. NO.	AREA	COUNTY	TRACT	PART	ACRES	COMMENTS	MINIMUM BID
93	GALVESTON BAY	GALVESTON	279	SW/2	320.00		\$80,000.00
94	GALVESTON BAY	GALVESTON	280	NE/2	320.00		\$80,000.00
95	GALVESTON BAY	GALVESTON	280	SW/2	320.00		\$80,000.00
96	GALVESTON BAY	GALVESTON	281	NE/2	320.00		\$80,000.00
97	GALVESTON BAY	GALVESTON	281	SW/2	320.00		\$80,000.00
98	GALVESTON BAY	GALVESTON	314	NE/2	320.00		\$80,000.00
99	GALVESTON BAY	GALVESTON	314	SW/2	320.00		\$80,000.00
100	GALVESTON BAY	GALVESTON	315	NE/2	320.00		\$80,000.00
101	GALVESTON BAY	GALVESTON	315	SW/2	320.00		\$80,000.00
102	GALVESTON BAY	GALVESTON	316	NE/2	320.00		\$80,000.00
103	GALVESTON BAY	GALVESTON	316	SW/2	320.00		\$80,000.00
104	GUADALUPE BAY	CALHOUN	68	ALL	160.00		\$24,000.00
105	GUADALUPE BAY	CALHOUN	69	ALL	455.00		\$68,250.00
106	GUADALUPE BAY	CALHOUN	69 A	ALL	385.00	CALHOUN CO NAVI DIST, WEST SIDE	\$57,750.00
107	GUADALUPE BAY	CALHOUN	70	ALL	640.00		\$96,000.00
108	GUADALUPE BAY	CALHOUN	71	ALL	600.00		\$90,000.00
109	HYNES BAY	CALHOUN	64	N/2	320.00		\$48,000.00
110	HYNES BAY	CALHOUN	64	S/2	320.00		\$48,000.00
111	HYNES BAY	CALHOUN	73	N/2	320.00		\$48,000.00
112	HYNES BAY	CALHOUN	73	S/2	320.00		\$48,000.00
113	HYNES BAY	CALHOUN	74	N/2	320.00		\$48,000.00
114	HYNES BAY	CALHOUN	74	S/2	320.00		\$48,000.00
115	HYNES BAY	CALHOUN	75	N/2	320.00		\$48,000.00
116	HYNES BAY	CALHOUN	75	S/2	320.00		\$48,000.00
117	HYNES BAY	CALHOUN	100	N/2	320.00		\$48,000.00
118	HYNES BAY	CALHOUN	101	N/2	320.00		\$48,000.00
119	HYNES BAY	CALHOUN	101	S/2	320.00		\$48,000.00
120	HYNES BAY	CALHOUN	103	N/315	315.00		\$47,250.00
121	HYNES BAY	CALHOUN	103	S/320	320.00		\$48,000.00

BAYS, LAKES, ISLANDS AND BAYOUS

MGL. NO.	AREA	COUNTY	TRACT	PART	ACRES	COMMENTS	MINIMUM BID
122	HYNES BAY	CALHOUN	104	N/240	240.00	CITY OF SEADRIFT	\$36,000.00
123	HYNES BAY	CALHOUN	104	S/320	320.00	CITY OF SEADRIFT	\$48,000.00
124	HYNES BAY	CALHOUN	105	N/2	320.00		\$48,000.00
125	HYNES BAY	CALHOUN	105	S/2	320.00		\$48,000.00
126	HYNES BAY	CALHOUN	106	N/2	320.00		\$48,000.00
127	HYNES BAY	CALHOUN	106	S/2	320.00		\$48,000.00
128	HYNES BAY	CALHOUN	107	N/2	320.00		\$48,000.00
129	HYNES BAY	CALHOUN	107	S/2	320.00		\$48,000.00
130	HYNES BAY	CALHOUN	130	N/2	320.00		\$48,000.00
131	HYNES BAY	CALHOUN	130	S/2	320.00		\$48,000.00
132	HYNES BAY	CALHOUN	131	N/2	320.00		\$48,000.00
133	HYNES BAY	CALHOUN	131	S/2	320.00		\$48,000.00
134	HYNES BAY	CALHOUN	132	ALL	640.00		\$96,000.00
135	HYNES BAY	CALHOUN	133	ALL	485.00	CITY OF SEADRIFT	\$72,750.00
136	HYNES BAY	CALHOUN	134	ALL	220.00		\$33,000.00
137	HYNES BAY	CALHOUN	135	ALL	130.00		\$19,500.00
138	MATAGORDA BAY	CALHOUN	136	N/2	320.00	CALHOUN CO NAVI DIST	\$48,000.00
139	MATAGORDA BAY	CALHOUN	136	S/2	320.00	CALHOUN CO NAVI DIST	\$48,000.00
140	MATAGORDA BAY	MATAGORDA	137	N/2	320.00	CALHOUN CO NAVI DIST	\$48,000.00
141	MATAGORDA BAY	CALHOUN/MATAGORDA	140	N/2	320.00	CALHOUN CO NAVI DIST	\$48,000.00
142	MATAGORDA BAY	CALHOUN/MATAGORDA	140	S/2	320.00		\$48,000.00
143	MATAGORDA BAY	CALHOUN/MATAGORDA	160	S/2	320.00		\$48,000.00
144	MATAGORDA BAY	MATAGORDA	161	N/2	320.00		\$48,000.00
145	MATAGORDA BAY	MATAGORDA	161	S/2	320.00		\$48,000.00
146	MATAGORDA BAY	MATAGORDA	169	S/2	320.00		\$48,000.00
147	MATAGORDA BAY	MATAGORDA	184	N/2	320.00		\$48,000.00
148	MATAGORDA BAY	MATAGORDA	184	S/2	320.00		\$48,000.00
149	MATAGORDA ISLAND	CALHOUN	I2	ALL	835.00		\$125,250.00
150	MATAGORDA ISLAND	CALHOUN	J	ALL	860.69		\$129,103.50

BAYS, LAKES, ISLANDS AND BAYOUS

MGL. NO.	AREA	COUNTY	TRACT	PART	ACRES	COMMENTS	MINIMUM BID
151	MISSION LAKE	CALHOUN	1	ALL	580.00	CALHOUN CO NAVI DIST, WEST SIDE	\$87,000.00
152	MISSION LAKE	CALHOUN	2	ALL	745.00	CALHOUN CO NAVI DIST, WEST SIDE	\$111,750.00
153	MISSION LAKE	CALHOUN	3	ALL	490.00	CALHOUN CO NAVI DIST, WEST SIDE	\$73,500.00
154	SABINE LAKE	JEFFERSON	15	N/2	320.00	CITY OF PORT ARTHUR	\$80,000.00
155	SABINE LAKE	JEFFERSON	15	S/2	320.00	CITY OF PORT ARTHUR	\$80,000.00
156	SABINE LAKE	JEFFERSON	16	N/2	320.00		\$80,000.00
157	SABINE LAKE	JEFFERSON	16	S/2	320.00		\$80,000.00
158	SABINE LAKE	JEFFERSON	17	N/320	320.00	EAST LINE OF TRACT IS LAKE CENTER LINE	\$80,000.00
159	SABINE LAKE	JEFFERSON	17	S/316.04	316.04	EAST LINE OF TRACT IS LAKE CENTER LINE	\$79,010.00
160	SABINE LAKE	JEFFERSON	18	ALL	491.25	EAST LINE OF TRACT IS LAKE CENTER LINE	\$98,250.00
161	SABINE LAKE	JEFFERSON	19	N/2	320.00		\$64,000.00
162	SABINE LAKE	JEFFERSON	19	S/2	320.00		\$64,000.00
163	SABINE LAKE	JEFFERSON	20	N/2	320.00	CITY OF PORT ARTHUR	\$64,000.00
164	SABINE LAKE	JEFFERSON	20	S/2	320.00	CITY OF PORT ARTHUR	\$64,000.00
165	SAN ANTONIO BAY	CALHOUN	94	N/2	320.00		\$48,000.00
166	SAN ANTONIO BAY	CALHOUN	95	S/2	320.00		\$48,000.00
167	TRINITY BAY	CHAMBERS	50	NE/356.02	356.02		\$71,204.00
168	TRINITY BAY	CHAMBERS	50	SW/320	320.00		\$64,000.00
169	TRINITY BAY	CHAMBERS	50 A	ALL	390.00		\$78,000.00
170	TRINITY BAY	CHAMBERS	51	ALL	805.00		\$161,000.00

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
HIGH ISLAND	171	31 L	N/2	SW/4		JEFFERSON	720.00	\$144,000.00
	172	31 L	S/2	SW/4		JEFFERSON	720.00	\$144,000.00
	173	98 L	N/2	NW/4		GALVESTON	720.00	\$72,000.00
	174	98 L	S/2	NW/4		GALVESTON	720.00	\$72,000.00
	175	98 L	N/2	SW/4		GALVESTON	720.00	\$72,000.00
	176	98 L	S/2	SW/4		GALVESTON	720.00	\$72,000.00
GALVESTON	177	101 L	N/2	NW/4		GALVESTON	720.00	\$72,000.00
	178	101 L	S/2	NW/4		GALVESTON	720.00	\$72,000.00
	179	101 L	N/2	SW/4		GALVESTON	720.00	\$72,000.00
	180	101 L	S/2	SW/4		GALVESTON	720.00	\$72,000.00
	181	102 L	N/2	NE/4		GALVESTON	720.00	\$72,000.00
	182	102 L	S/2	NE/4		GALVESTON	720.00	\$72,000.00
	183	102 L	N/2	NW/4		GALVESTON	720.00	\$72,000.00
	184	102 L	S/2	NW/4		GALVESTON	720.00	\$72,000.00
	185	102 L	N/2	SE/4		GALVESTON	720.00	\$72,000.00
	186	102 L	S/2	SE/4		GALVESTON	720.00	\$72,000.00
	187	102 L	N/2	SW/4		GALVESTON	720.00	\$72,000.00
	188	102 L	S/2	SW/4		GALVESTON	720.00	\$72,000.00
	189	146 L	N/2	NE/4		GALVESTON	720.00	\$72,000.00
	190	146 L	S/2	NE/4		GALVESTON	720.00	\$72,000.00
	191	146 L	N/2	NW/4		GALVESTON	720.00	\$72,000.00
	192	146 L	S/2	NW/4		GALVESTON	720.00	\$72,000.00
	193	146 L	N/2	SE/4		GALVESTON	720.00	\$108,000.00
	194	146 L	S/2	SE/4		GALVESTON	720.00	\$108,000.00
195	146 L	N/2	SW/4		GALVESTON	720.00	\$108,000.00	
196	146 L	S/2	SW/4		GALVESTON	720.00	\$108,000.00	
197	147 L	N/2	NE/4		GALVESTON	720.00	\$72,000.00	
198	147 L	S/2	NE/4		GALVESTON	720.00	\$72,000.00	
199	147 L	N/2	NW/4		GALVESTON	720.00	\$72,000.00	
200	147 L	S/2	NW/4		GALVESTON	720.00	\$72,000.00	
201	147 L	N/2	SE/4		GALVESTON	720.00	\$72,000.00	
202	147 L	S/2	SE/4		GALVESTON	720.00	\$72,000.00	
203	147 L	N/2	SW/4		GALVESTON	720.00	\$72,000.00	
204	147 L	S/2	SW/4		GALVESTON	720.00	\$72,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID	
GALVESTON	205	148 L	N/2	NE/4		GALVESTON	720.00	\$72,000.00	
	206	148 L	S/2	NE/4		GALVESTON	720.00	\$72,000.00	
	207	148 L	N/2	SE/4		GALVESTON	720.00	\$72,000.00	
	208	148 L	S/2	SE/4		GALVESTON	720.00	\$72,000.00	
	209	149 L	N/2	NE/4		GALVESTON	720.00	\$72,000.00	
	210	149 L	S/2	NE/4		GALVESTON	720.00	\$72,000.00	
	211	149 L	N/2	NW/4		GALVESTON	720.00	\$72,000.00	
	212	149 L	S/2	NW/4		GALVESTON	720.00	\$72,000.00	
	213	149 L	N/2	SE/4		GALVESTON	720.00	\$72,000.00	
	214	149 L	S/2	SE/4		GALVESTON	720.00	\$72,000.00	
	215	149 L	N/2	SW/4		GALVESTON	720.00	\$72,000.00	
	216	149 L	S/2	SW/4		GALVESTON	720.00	\$72,000.00	
	217	150 L	N/2	NE/4		GALVESTON	720.00	\$108,000.00	
	218	150 L	S/2	NE/4		GALVESTON	720.00	\$108,000.00	
	219	150 L	N/2	NW/4		GALVESTON	720.00	\$108,000.00	
	220	150 L	S/2	NW/4		GALVESTON	720.00	\$108,000.00	
	221	150 L	N/720		PT OF SE/4	NORTH OF TMLL	GALVESTON	720.00	\$108,000.00
	222	150 L	S/685.11		PT OF SE/4	NORTH OF TMLL	GALVESTON	685.11	\$102,766.50
	223	150 L	N/2		SW/4		GALVESTON	720.00	\$108,000.00
	224	150 L	S/2		SW/4		GALVESTON	720.00	\$108,000.00
	225	151 L	ALL		PT OF NW/4, SW/4	NORTH OF TMLL	GALVESTON	956.15	\$143,422.50
	226	158 S	N/2				GALVESTON	320.00	\$32,000.00
	227	158 S	S/2				GALVESTON	320.00	\$32,000.00
	228	159 S	N/2				GALVESTON	320.00	\$32,000.00
	229	159 S	S/2				GALVESTON	320.00	\$32,000.00
	230	165 S	N/2				GALVESTON	320.00	\$32,000.00
	231	165 S	S/2				GALVESTON	320.00	\$32,000.00
	232	167 S	N/2				GALVESTON	320.00	\$32,000.00
	233	167 S	S/2				GALVESTON	320.00	\$32,000.00
	234	168 S	N/2				GALVESTON	320.00	\$32,000.00
	235	168 S	S/2				GALVESTON	320.00	\$32,000.00
	236	169 S	N/360				GALVESTON	360.00	\$36,000.00
	237	169 S	S/320				GALVESTON	320.00	\$32,000.00

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID	
GALVESTON	238	172 S	N/2			GALVESTON	320.00	\$32,000.00	
	239	172 S	S/2			GALVESTON	320.00	\$32,000.00	
	240	173 S	N/2			GALVESTON	320.00	\$32,000.00	
	241	173 S	S/2			GALVESTON	320.00	\$32,000.00	
	242	174 S	N/2			GALVESTON	320.00	\$32,000.00	
	243	174 S	S/2			GALVESTON	320.00	\$32,000.00	
	244	176 S	N/2			GALVESTON	320.00	\$32,000.00	
	245	176 S	S/2			GALVESTON	320.00	\$32,000.00	
	246	179 S	N/2			GALVESTON	320.00	\$32,000.00	
	247	179 S	S/2			GALVESTON	320.00	\$32,000.00	
	248	180 S	N/2			GALVESTON	320.00	\$32,000.00	
	249	180 S	S/2			GALVESTON	320.00	\$32,000.00	
	250	181 S	N/2			GALVESTON	320.00	\$32,000.00	
	251	181 S	S/2			GALVESTON	320.00	\$32,000.00	
	252	182 L	N/2		NW/4		GALVESTON	720.00	\$108,000.00
	253	182 L	S/2		NW/4		GALVESTON	720.00	\$108,000.00
	254	182 L	ALL		PT OF NE/4, SE/4	NORTH OF TMLL	GALVESTON	713.60	\$107,040.00
	255	182 L	ALL		PT OF SW/4	NORTH OF TMLL	GALVESTON	829.23	\$124,384.50
	256	182 S	N/2				GALVESTON	320.00	\$32,000.00
	257	182 S	S/2				GALVESTON	320.00	\$32,000.00
	258	183 L	N/2		NE/4		GALVESTON	720.00	\$108,000.00
	259	183 L	S/2		NE/4		GALVESTON	720.00	\$108,000.00
	260	183 L	N/2		NW/4		GALVESTON	720.00	\$72,000.00
	261	183 L	S/2		NW/4		GALVESTON	720.00	\$72,000.00
	262	183 S	N/2				GALVESTON	320.00	\$32,000.00
	263	183 S	S/2				GALVESTON	320.00	\$32,000.00
	264	184 L	N/2		NE/4		GALVESTON	720.00	\$72,000.00
	265	184 L	S/2		NE/4		GALVESTON	720.00	\$72,000.00
	266	207 S	N/2				GALVESTON	320.00	\$32,000.00
	267	207 S	S/2				GALVESTON	320.00	\$32,000.00
268	208 S	N/2				GALVESTON	320.00	\$32,000.00	
269	208 S	S/2				GALVESTON	320.00	\$32,000.00	
270	209 S	N/2				GALVESTON	320.00	\$32,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID	
GALVESTON	271	209 S	S/2			GALVESTON	320.00	\$32,000.00	
	272	210 S	N/2			GALVESTON	320.00	\$32,000.00	
	273	210 S	S/2			GALVESTON	320.00	\$32,000.00	
	274	211 S	N/2			GALVESTON	320.00	\$32,000.00	
	275	211 S	S/2			GALVESTON	320.00	\$32,000.00	
	276	212 S	N/2			GALVESTON	320.00	\$32,000.00	
	277	212 S	S/2			GALVESTON	320.00	\$32,000.00	
	278	234 S	N/2			GALVESTON	40.00	\$4,000.00	
						40 ACRES AROUND STATE TRACT 234 NO. 1 WELL, R.R.C. ID. NO. 150323, LAFFITTE'S GOLD (MIOCENE S-1) FIELD			
	279	278 L	S/2		NW/4		BRAZORIA	720.00	\$180,000.00
	280	278 L	N/2		SW/4		BRAZORIA	720.00	\$180,000.00
	281	278 L	S/2		SW/4		BRAZORIA	720.00	\$180,000.00
	282	304 L	ALL		PT OF NW/4	NORTH OF TMLL	BRAZORIA	413.71	\$103,427.50
	283	305 L	ALL		PT OF SE/4	NORTH OF TMLL	BRAZORIA	402.26	\$100,565.00
	284	305 L	N/720		PT OF SW/4	NORTH OF TMLL	BRAZORIA	720.00	\$180,000.00
	285	305 L	S/696.56		PT OF SW/4	NORTH OF TMLL	BRAZORIA	696.56	\$174,140.00
	286	306 L	N/2		SE/4		BRAZORIA	720.00	\$180,000.00
	287	306 L	S/2		SE/4		BRAZORIA	720.00	\$180,000.00
	288	311 L	N/2		NE/4		BRAZORIA	720.00	\$180,000.00
	289	311 L	S/2		NE/4		BRAZORIA	720.00	\$180,000.00
	290	311 L	N/2		NW/4		BRAZORIA	720.00	\$180,000.00
	291	311 L	S/2		NW/4		BRAZORIA	720.00	\$180,000.00
	292	311 L	ALL		PT OF SE/4	NORTH OF TMLL	BRAZORIA	677.30	\$169,325.00
	293	311 L	N/720		PT OF SW/4	NORTH OF TMLL	BRAZORIA	720.00	\$180,000.00
	294	311 L	S/697.51		PT OF SW/4	NORTH OF TMLL	BRAZORIA	697.51	\$174,377.50
	295	312 L	ALL		PT OF NW/4, SW/4	NORTH OF TMLL	BRAZORIA	676.61	\$169,152.50
	296	333 L	ALL		PT OF NW/4	NORTH OF TMLL	BRAZORIA	259.58	\$64,895.00
	297	371 S	N/2				BRAZORIA	320.00	\$80,000.00
	298	371 S	S/2				BRAZORIA	320.00	\$80,000.00
	299	372 S	N/2				BRAZORIA	320.00	\$80,000.00
300	372 S	S/2				BRAZORIA	320.00	\$80,000.00	
BRAZOS	301	406 L	N/2		NE/4	MATAGORDA	720.00	\$144,000.00	
	302	406 L	S/2		NE/4	MATAGORDA	720.00	\$144,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
BRAZOS	303	406 L	N/2	NW/4		MATAGORDA	720.00	\$144,000.00
	304	406 L	S/2	NW/4		MATAGORDA	720.00	\$144,000.00
	305	406 L	N/2	SE/4		MATAGORDA	720.00	\$144,000.00
	306	406 L	S/2 (POU)	SE/4		MATAGORDA	630.00	\$126,000.00
	307	406 L	N/2	SW/4		MATAGORDA	720.00	\$144,000.00
	308	406 L	S/2	SW/4		MATAGORDA	720.00	\$144,000.00
	309	407 L	N/2	NE/4		MATAGORDA	720.00	\$144,000.00
	310	407 L	S/2	NE/4		MATAGORDA	720.00	\$144,000.00
	311	407 L	N/2	NW/4		MATAGORDA	720.00	\$144,000.00
	312	407 L	S/2	NW/4		MATAGORDA	720.00	\$144,000.00
	313	407 L	N/2	SE/4		MATAGORDA	720.00	\$144,000.00
	314	407 L	N/2	SW/4		MATAGORDA	720.00	\$144,000.00
	315	407 L	S/2 (POU)	SW/4		MATAGORDA	90.00	\$18,000.00
	316	408 L	N/2	NE/4		MATAGORDA	720.00	\$144,000.00
	317	408 L	S/2	NE/4		MATAGORDA	720.00	\$144,000.00
	318	408 L	N/2	NW/4		MATAGORDA	720.00	\$144,000.00
	319	408 L	S/2	NW/4		MATAGORDA	720.00	\$144,000.00
	320	408 L	N/2	SE/4		MATAGORDA	720.00	\$144,000.00
	321	408 L	S/2	SE/4		MATAGORDA	720.00	\$144,000.00
	322	408 L	N/2	SW/4		MATAGORDA	720.00	\$144,000.00
	323	408 L	S/2	SW/4		MATAGORDA	720.00	\$144,000.00
	324	410 S	N/2			BRAZORIA	320.00	\$80,000.00
	325	410 S	S/2			BRAZORIA	320.00	\$80,000.00
	326	411 S	N/2			BRAZORIA	320.00	\$80,000.00
	327	411 S	S/2			BRAZORIA	320.00	\$80,000.00
	328	412 S	N/2			BRAZORIA	320.00	\$80,000.00
	329	412 S	S/2			BRAZORIA	320.00	\$80,000.00
	330	413 S	N/2			BRAZORIA	320.00	\$80,000.00
	331	413 S	S/2			BRAZORIA	320.00	\$80,000.00
	332	415 S	N/2			BRAZORIA	320.00	\$80,000.00
	333	415 S	S/2			BRAZORIA	320.00	\$80,000.00
	334	416 S	N/2			BRAZORIA	320.00	\$80,000.00
	335	416 S	S/2			BRAZORIA	320.00	\$80,000.00
	336	417 S	N/2			BRAZORIA	320.00	\$80,000.00

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
BRAZOS	337	417 S	S/2			BRAZORIA	320.00	\$80,000.00
	338	439 L	N/2	NE/4		MATAGORDA	720.00	\$180,000.00
	339	439 L	S/2	NE/4		MATAGORDA	720.00	\$180,000.00
	340	439 L	N/2	NW/4		MATAGORDA	720.00	\$180,000.00
	341	439 L	S/2	NW/4		MATAGORDA	720.00	\$180,000.00
	342	439 L	ALL	PT OF SE/4	NORTH OF TMLL	MATAGORDA	634.96	\$158,740.00
	343	439 L	N/720	PT OF SW/4	NORTH OF TMLL	MATAGORDA	720.00	\$180,000.00
	344	439 L	S/609.84	PT OF SW/4	NORTH OF TMLL	MATAGORDA	609.84	\$152,460.00
	345	440 L	S/2 (POU)	NE/4		MATAGORDA	360.00	\$90,000.00
	346	440 L	N/2	SE/4		MATAGORDA	720.00	\$180,000.00
	347	440 L	S/2	SE/4		MATAGORDA	720.00	\$180,000.00
	348	440 L	N/2 (POU)	SW/4		MATAGORDA	450.00	\$90,000.00
	349	440 L	S/2	SW/4		MATAGORDA	720.00	\$144,000.00
	350	441 L	N/2 (POU)	NE/4		MATAGORDA	450.00	\$90,000.00
	351	441 L	S/2 (POU)	NE/4		MATAGORDA	90.00	\$18,000.00
	352	441 L	N/2	NW/4		MATAGORDA	720.00	\$144,000.00
	353	441 L	S/2	NW/4		MATAGORDA	720.00	\$144,000.00
	354	441 L	S/2	SE/4		MATAGORDA	720.00	\$144,000.00
	355	441 L	N/2	SW/4		MATAGORDA	720.00	\$144,000.00
	356	441 L	S/2	SW/4		MATAGORDA	720.00	\$144,000.00
	357	445 L	N/2	NE/4		MATAGORDA	720.00	\$144,000.00
	358	445 L	S/2	NE/4		MATAGORDA	720.00	\$144,000.00
	359	445 L	N/2	NW/4		MATAGORDA	720.00	\$144,000.00
	360	445 L	S/2	NW/4		MATAGORDA	720.00	\$144,000.00
	361	445 L	N/2	SE/4		MATAGORDA	720.00	\$144,000.00
	362	445 L	S/2	SE/4		MATAGORDA	720.00	\$144,000.00
	363	445 L	N/2	SW/4		MATAGORDA	720.00	\$144,000.00
	364	445 L	S/2	SW/4		MATAGORDA	720.00	\$144,000.00
	365	446 L	N/2	NE/4		MATAGORDA	720.00	\$180,000.00
	366	446 L	S/2	NE/4		MATAGORDA	720.00	\$180,000.00
	367	446 L	N/2	NW/4		MATAGORDA	720.00	\$180,000.00
	368	446 L	S/2	NW/4		MATAGORDA	720.00	\$180,000.00
	369	446 L	S/2	SW/4		MATAGORDA	720.00	\$144,000.00
	370	447 L	N/2	NE/4		MATAGORDA	720.00	\$144,000.00

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID	
BRAZOS	371	447 L	S/2	NE/4		MATAGORDA	720.00	\$144,000.00	
	372	447 L	N/2	NW/4		MATAGORDA	720.00	\$144,000.00	
	373	447 L	S/2	NW/4		MATAGORDA	720.00	\$144,000.00	
	374	447 L	N/2	SE/4		MATAGORDA	720.00	\$144,000.00	
	375	447 L	S/2	SE/4		MATAGORDA	720.00	\$144,000.00	
	376	447 L	N/2	SW/4		MATAGORDA	720.00	\$144,000.00	
	377	447 L	S/2	SW/4		MATAGORDA	720.00	\$144,000.00	
	378	448 L	N/2	NE/4		MATAGORDA	720.00	\$144,000.00	
	379	448 L	S/2	NE/4		MATAGORDA	720.00	\$144,000.00	
	380	448 L	N/2	NW/4		MATAGORDA	720.00	\$144,000.00	
	381	448 L	S/2	NW/4		MATAGORDA	720.00	\$144,000.00	
	382	448 L	ALL		PT OF SE/4	NORTH OF TMLL	MATAGORDA	698.38	\$139,676.00
	383	448 L	N/720		PT OF SW/4	NORTH OF TMLL	MATAGORDA	720.00	\$144,000.00
	384	448 L	S/607.4		PT OF SW/4	NORTH OF TMLL	MATAGORDA	607.40	\$121,480.00
	385	449 L	ALL		PT OF NE/4	NORTH OF TMLL	MATAGORDA	729.95	\$145,990.00
	386	449 L	N/720		PT OF NW/4, SW/4		MATAGORDA	720.00	\$144,000.00
	387	449 L	S/730.89		PT OF NW/4, SW/4	NORTH OF TMLL	MATAGORDA	730.89	\$146,178.00
	388	450 L	ALL		PT OF NW/4	NORTH OF TMLL	MATAGORDA	76.81	\$15,362.00
	389	477 L	ALL		PT OF NW/4	NORTH OF TMLL	MATAGORDA	57.67	\$11,534.00
	390	478 L	ALL		PT OF NE/4		MATAGORDA	628.75	\$125,750.00
	391	478 L	S/596		PT OF NW/4, SW/4	SAVE AND EXCEPT 320 ACRES AROUND THE BOTTOM HOLE LOCATION OF WELL #2 (API # 42-704- 30313) HELD UNDER LEASE MF-96177 FROM THE SURFACE TO 10,882 FEET TVD. NORTH OF TMLL	MATAGORDA	596.00	\$119,200.00
	392	479 L	N/2		NE/4		MATAGORDA	720.00	\$144,000.00
	393	479 L	S/2		NE/4		MATAGORDA	720.00	\$144,000.00
	394	479 L	N/2		NW/4		MATAGORDA	720.00	\$144,000.00
	395	479 L	S/2		NW/4		MATAGORDA	720.00	\$144,000.00
	396	479 L	ALL		PT OF SE/4		MATAGORDA	502.22	\$100,444.00
	397	479 L	N/720		PT OF SW/4	NORTH OF TMLL	MATAGORDA	720.00	\$144,000.00
	398	479 L	S/453		PT OF SW/4		MATAGORDA	453.00	\$90,600.00
	399	480 L	N/2		NE/4		MATAGORDA	720.00	\$144,000.00

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID	
BRAZOS	400	480 L	S/2	NE/4		MATAGORDA	720.00	\$144,000.00	
	401	480 L	N/2	NW/4		MATAGORDA	720.00	\$144,000.00	
	402	480 L	S/2	NW/4		MATAGORDA	720.00	\$144,000.00	
	403	480 L	N/2	SE/4		MATAGORDA	720.00	\$144,000.00	
	404	480 L	S/2	SE/4		MATAGORDA	720.00	\$144,000.00	
	405	480 L	N/2	SW/4		MATAGORDA	720.00	\$144,000.00	
	406	480 L	S/2	SW/4		MATAGORDA	720.00	\$144,000.00	
	407	488 L	ALL		PT OF NE/4	NORTH OF TMLL	MATAGORDA	466.96	\$93,392.00
	408	488 L	N/720		PT OF NW/4, SW/4	NORTH OF TMLL	MATAGORDA	720.00	\$144,000.00
	409	488 L	S/502.51		PT OF NW/4, SW/4		MATAGORDA	502.51	\$100,502.00
	410	500 S	N/2				MATAGORDA	320.00	\$64,000.00
	411	500 S	S/2				MATAGORDA	320.00	\$64,000.00
	412	501 S	N/2 OF S/640				MATAGORDA	320.00	\$64,000.00
	413	501 S	N/380				MATAGORDA	380.00	\$76,000.00
	414	501 S	S/2 OF S/640				MATAGORDA	320.00	\$64,000.00
	415	506 S	N/2				MATAGORDA	320.00	\$64,000.00
	416	506 S	S/2				MATAGORDA	320.00	\$64,000.00
	417	507 S	N/2				MATAGORDA	320.00	\$64,000.00
418	507 S	S/2				MATAGORDA	320.00	\$64,000.00	
MATAGORDA ISLAND	419	444 L	S/2	NE/4		MATAGORDA	720.00	\$144,000.00	
	420	444 L	N/2	SE/4		MATAGORDA	720.00	\$144,000.00	
	421	444 L	S/2	SE/4		MATAGORDA	720.00	\$144,000.00	
	422	481 L	N/2	NE/4		MATAGORDA	720.00	\$144,000.00	
	423	481 L	S/2	NE/4		MATAGORDA	720.00	\$144,000.00	
	424	481 L	S/2 (POL)	SE/4		DEPTHS BELOW 7,600 FEET ONLY	MATAGORDA	118.82	\$23,763.60
	425	485 L	N/2	SE/4			MATAGORDA	720.00	\$108,000.00
	426	485 L	S/2	SW/4			MATAGORDA	720.00	\$108,000.00
	427	558 L	S/2	NW/4			MATAGORDA	720.00	\$72,000.00
	428	558 L	N/2	SW/4			CALHOUN/MATAGORDA	720.00	\$72,000.00
	429	559 L	N/2	NE/4			CALHOUN/MATAGORDA	720.00	\$72,000.00
	430	559 L	S/2	NE/4			CALHOUN/MATAGORDA	720.00	\$72,000.00
	431	561 S	ALL				MATAGORDA	320.00	\$48,000.00

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
MATAGORDA ISLAND	432	562 S	N/360			MATAGORDA	360.00	\$54,000.00
	433	562 S	S/320			MATAGORDA	320.00	\$48,000.00
	434	573 S	N/2			MATAGORDA	320.00	\$48,000.00
	435	574 S	N/2			MATAGORDA	320.00	\$48,000.00
	436	575 S	N/290			MATAGORDA	290.00	\$43,500.00
	437	595 L	N/2	NE/4		CALHOUN	720.00	\$72,000.00
	438	595 L	S/2	NE/4		CALHOUN	720.00	\$72,000.00
	439	595 L	N/2	NW/4		CALHOUN	720.00	\$72,000.00
	440	595 L	S/2	NW/4		CALHOUN	720.00	\$72,000.00
	441	595 L	N/2	SE/4		CALHOUN	720.00	\$72,000.00
	442	595 L	S/2	SE/4		CALHOUN	720.00	\$72,000.00
	443	595 L	N/2	SW/4		CALHOUN	720.00	\$72,000.00
	444	595 L	S/2	SW/4		CALHOUN	720.00	\$72,000.00
	445	597 L	N/2	NE/4		CALHOUN	720.00	\$72,000.00
	446	597 L	S/2	NE/4		CALHOUN	720.00	\$72,000.00
	447	597 L	N/2	SE/4		CALHOUN	720.00	\$72,000.00
	448	598 L	N/2	NW/4		CALHOUN	720.00	\$72,000.00
	449	627 L	N/2	NE/4		CALHOUN	720.00	\$72,000.00
	450	627 L	S/2	NE/4		CALHOUN	720.00	\$72,000.00
	451	627 L	N/2	NW/4		CALHOUN	720.00	\$72,000.00
	452	627 L	S/2	NW/4		CALHOUN	720.00	\$72,000.00
	453	643 S	N/2		CALHOUN CO NAVI DIST	CALHOUN	320.00	\$32,000.00
	454	643 S	S/2		CALHOUN CO NAVI DIST	CALHOUN	320.00	\$32,000.00
	455	647 S	N/2		CALHOUN CO NAVI DIST	CALHOUN	320.00	\$32,000.00
	456	647 S	S/2		CALHOUN CO NAVI DIST	CALHOUN	320.00	\$32,000.00
	457	652 S	N/2			CALHOUN	320.00	\$32,000.00
	458	652 S	S/2			CALHOUN	320.00	\$32,000.00
459	721 L	S/2	SW/4		ARANSAS	720.00	\$216,000.00	
MUSTANG ISLAND	460	722 L	N/696	NW/4		ARANSAS	696.00	\$208,800.00
	461	722 L	S/720	NW/4		ARANSAS	720.00	\$216,000.00
	462	748 L	S/2	NE/4		NUECES	720.00	\$216,000.00
	463	772 L	S/2	NE/4		NUECES	720.00	\$216,000.00
	464	772 L	N/2	NW/4		NUECES	720.00	\$216,000.00
	465	772 L	S/2	NW/4		NUECES	720.00	\$216,000.00

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID	
MUSTANG ISLAND	466	772 L	N/2	SE/4		NUECES	720.00	\$216,000.00	
	467	772 L	S/2	SE/4		NUECES	720.00	\$216,000.00	
	468	773 L	N/2	NE/4		NUECES	720.00	\$216,000.00	
	469	774 L	N/2	NE/4		NUECES	720.00	\$216,000.00	
	470	774 L	S/2	NE/4		NUECES	720.00	\$216,000.00	
	471	774 L	N/2	NW/4		NUECES	720.00	\$216,000.00	
	472	774 L	S/2	NW/4		NUECES	720.00	\$216,000.00	
	473	774 L	N/2	SE/4		NUECES	720.00	\$216,000.00	
	474	774 L	S/2	SE/4		NUECES	720.00	\$216,000.00	
	475	775 L	S/2	NW/4		NUECES	720.00	\$216,000.00	
	476	775 L	S/2	SW/4		NUECES	720.00	\$216,000.00	
	477	794 L	N/2	NE/4		NUECES	720.00	\$216,000.00	
	478	794 L	S/2	NE/4		NUECES	720.00	\$216,000.00	
	479	794 L	N/2	SW/4		NUECES	720.00	\$216,000.00	
	480	795 L	S/2	SE/4		NUECES	720.00	\$216,000.00	
	481	796 L	S/2	NW/4		KLEBERG/NUECES	720.00	\$216,000.00	
	482	796 L	N/2	SW/4		KLEBERG/NUECES	720.00	\$216,000.00	
	483	797 L	N/2	NE/4		NUECES	720.00	\$216,000.00	
	484	797 L	S/2	NE/4		NUECES	720.00	\$216,000.00	
	485	798 L	S/2	SW/4		NUECES	720.00	\$216,000.00	
	486	816 L	ALL		PT OF NE/4, NW/4	NORTHWEST OF TMLL	NUECES	1310.44	\$393,132.00
	487	816 L	ALL		PT OF SW/4	NORTHWEST OF TMLL	KLEBERG/NUECES	662.20	\$198,660.00
	488	817 L	N/2		NW/4		KLEBERG/NUECES	720.00	\$216,000.00
	489	817 L	S/2		NW/4		KLEBERG	720.00	\$216,000.00
	490	817 L	N/2		SW/4		KLEBERG	720.00	\$216,000.00
	491	818 L	N/2		NE/4		KLEBERG	720.00	\$216,000.00
	492	818 L	S/2		NE/4		KLEBERG	720.00	\$216,000.00
	493	818 L	N/2		SE/4		KLEBERG	720.00	\$216,000.00
	494	818 L	S/2		SE/4		KLEBERG	720.00	\$216,000.00
	495	819 L	N/2		NE/4		KLEBERG	720.00	\$216,000.00
	496	819 L	S/2		NE/4		KLEBERG	720.00	\$216,000.00
	497	819 L	N/2		NW/4		KLEBERG	720.00	\$216,000.00
498	819 L	S/2		NW/4		KLEBERG	720.00	\$216,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID	
MUSTANG ISLAND	499	819 L	N/2	SE/4		KLEBERG	720.00	\$216,000.00	
	500	819 L	S/2	SE/4		KLEBERG	720.00	\$216,000.00	
	501	819 L	N/2	SW/4		KLEBERG	720.00	\$216,000.00	
	502	819 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00	
	503	820 L	N/2	NE/4		KLEBERG	720.00	\$216,000.00	
	504	820 L	S/2	NE/4		KLEBERG	720.00	\$216,000.00	
	505	820 L	N/2	NW/4		KLEBERG	720.00	\$216,000.00	
	506	820 L	S/2	NW/4		KLEBERG	720.00	\$216,000.00	
	507	820 L	N/2	SE/4		KLEBERG	720.00	\$216,000.00	
	508	820 L	S/2	SE/4		KLEBERG	720.00	\$216,000.00	
	509	820 L	N/2	SW/4		KLEBERG	720.00	\$216,000.00	
	510	820 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00	
	511	821 L	S/2	NW/4		KLEBERG	720.00	\$216,000.00	
	512	821 L	N/2	SW/4		KLEBERG	720.00	\$216,000.00	
	513	821 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00	
	514	838 L	ALL		PT OF NE/4, NW/4		KLEBERG	1565.99	\$469,797.00
	515	838 L	ALL		PT OF SW/4	NORTHWEST OF TMLL	KLEBERG	944.86	\$283,458.00
	516	839 L	N/2		NE/4		KLEBERG	720.00	\$216,000.00
	517	839 L	S/2		NE/4		KLEBERG	720.00	\$216,000.00
	518	839 L	N/2		NW/4		KLEBERG	720.00	\$216,000.00
	519	839 L	S/2		NW/4		KLEBERG	720.00	\$216,000.00
	520	839 L	N/2		SE/4		KLEBERG	720.00	\$216,000.00
	521	839 L	S/2		SE/4		KLEBERG	720.00	\$216,000.00
	522	839 L	N/2		SW/4		KLEBERG	720.00	\$216,000.00
	523	840 L	N/2		NE/4		KLEBERG	720.00	\$216,000.00
	524	840 L	S/2		NE/4		KLEBERG	720.00	\$216,000.00
	525	840 L	S/2		NW/4		KLEBERG	720.00	\$216,000.00
	526	840 L	N/2		SE/4		KLEBERG	720.00	\$216,000.00
	527	840 L	S/2		SE/4		KLEBERG	720.00	\$216,000.00
	528	840 L	N/2		SW/4		KLEBERG	720.00	\$216,000.00
	529	840 L	S/2		SW/4		KLEBERG	720.00	\$216,000.00
530	841 L	N/2		NE/4		KLEBERG	720.00	\$216,000.00	
531	841 L	S/2		NE/4		KLEBERG	720.00	\$216,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
MUSTANG ISLAND	532	841 L	N/2	NW/4		KLEBERG	720.00	\$216,000.00
	533	841 L	S/2	NW/4		KLEBERG	720.00	\$216,000.00
	534	841 L	N/2	SE/4		KLEBERG	720.00	\$216,000.00
	535	841 L	S/2	SE/4		KLEBERG	720.00	\$216,000.00
	536	841 L	N/2	SW/4		KLEBERG	720.00	\$216,000.00
	537	841 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00
	538	842 L	N/2	NE/4		KLEBERG	720.00	\$216,000.00
	539	842 L	S/2	NE/4		KLEBERG	720.00	\$216,000.00
	540	842 L	ALL	PT OF SE/4	NORTHWEST OF TMLL	KLEBERG	1227.10	\$368,130.00
	541	842 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00
	542	843 L	ALL	PT OF NW/4, SW/4	NORTHWEST OF TMLL	KLEBERG	349.59	\$104,877.00
	543	859 L	N/2	NW/4		KLEBERG	720.00	\$216,000.00
	544	859 L	S/2	NW/4		KLEBERG	720.00	\$216,000.00
	545	859 L	ALL	PT OF NE/4, SE/4	NORTHWEST OF TMLL	KLEBERG	988.26	\$296,478.00
	546	859 L	N/2	SW/4		KLEBERG	720.00	\$216,000.00
	547	859 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00
	548	860 L	N/2	NE/4		KLEBERG	720.00	\$216,000.00
	549	860 L	S/2	NE/4		KLEBERG	720.00	\$216,000.00
	550	860 L	N/2	NW/4		KLEBERG	720.00	\$216,000.00
	551	860 L	S/2	NW/4		KLEBERG	720.00	\$216,000.00
	552	860 L	S/2	SE/4		KLEBERG	720.00	\$216,000.00
	553	860 L	N/2	SW/4		KLEBERG	720.00	\$216,000.00
	554	860 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00
	555	861 L	N/2	NE/4		KLEBERG	720.00	\$216,000.00
	556	861 L	S/2	NE/4		KLEBERG	720.00	\$216,000.00
	557	861 L	N/2	NW/4		KLEBERG	720.00	\$216,000.00
	558	861 L	S/2	NW/4	DEPTHS BELOW 16,700 FEET ONLY	KLEBERG	720.00	\$216,000.00
	559	861 L	N/2	SE/4		KLEBERG	720.00	\$216,000.00
	560	861 L	S/2	SE/4		KLEBERG	720.00	\$216,000.00
	561	861 L	N/2	SW/4	DEPTHS BELOW 16,700 FEET ONLY	KLEBERG	720.00	\$216,000.00
	562	861 L	S/2	SW/4	DEPTHS BELOW 16,700 FEET ONLY IN WEST 360 AC.	KLEBERG	720.00	\$216,000.00
	563	862 L	N/2	NE/4		KLEBERG	720.00	\$216,000.00

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID	
MUSTANG ISLAND	564	862 L	S/2	NE/4		KLEBERG	720.00	\$216,000.00	
	565	862 L	N/2	NW/4		KLEBERG	720.00	\$216,000.00	
	566	862 L	S/2	NW/4		KLEBERG	720.00	\$216,000.00	
	567	862 L	N/2	SE/4		KLEBERG	720.00	\$216,000.00	
	568	862 L	S/2	SE/4		KLEBERG	720.00	\$216,000.00	
	569	862 L	N/2	SW/4		KLEBERG	720.00	\$216,000.00	
	570	862 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00	
	571	863 L	N/2	NE/4		KLEBERG	720.00	\$216,000.00	
	572	863 L	S/2	NE/4		KLEBERG	720.00	\$216,000.00	
	573	863 L	N/2	NW/4		KLEBERG	720.00	\$216,000.00	
	574	863 L	S/2	NW/4		KLEBERG	720.00	\$216,000.00	
	575	863 L	N/2	SE/4		KLEBERG	720.00	\$216,000.00	
	576	863 L	S/2	SE/4		KLEBERG	720.00	\$216,000.00	
	577	863 L	N/2	SW/4		KLEBERG	720.00	\$216,000.00	
	578	863 L	S/2	SW/4		KLEBERG	720.00	\$216,000.00	
	579	864 L	ALL		PT OF NE/4, NW/4		KLEBERG	1255.84	\$376,752.00
	580	864 L	ALL		PT OF SW/4		KLEBERG	836.99	\$251,097.00
	581	879 L	ALL		PT OF NW/4, SW/4		KLEBERG	573.64	\$172,092.00
	582	880 L	N/2		NE/4		KLEBERG	720.00	\$216,000.00
	583	880 L	S/2		NE/4		KLEBERG	720.00	\$216,000.00
	584	880 L	N/2		NW/4		KLEBERG	720.00	\$216,000.00
	585	880 L	S/2		NW/4		KLEBERG	720.00	\$216,000.00
	586	880 L	N/720		PT OF SE/4	NORTHWEST OF TMLL	KLEBERG	720.00	\$216,000.00
	587	880 L	S/714.93		PT OF SE/4	NORTHWEST OF TMLL	KLEBERG	714.93	\$214,479.00
	588	880 L	N/2		SW/4		KLEBERG	720.00	\$216,000.00
	589	880 L	S/2		SW/4		KENEDY/KLEBERG	720.00	\$216,000.00
	590	881 L	N/2		NE/4		KLEBERG	720.00	\$216,000.00
	591	881 L	S/2		NE/4		KLEBERG	720.00	\$216,000.00
	592	881 L	S/2		NW/4		KLEBERG	720.00	\$216,000.00
	593	881 L	N/2		SW/4		KENEDY/KLEBERG	720.00	\$216,000.00
594	883 S	S/2			DEPTHS BELOW 12,247 FEET ONLY	NUECES	320.00	\$96,000.00	
595	921 S	S/2				KLEBERG/NUECES	320.00	\$96,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
MUSTANG ISLAND	596	931 S	N/2			KLEBERG	320.00	\$96,000.00
	597	931 S	S/2			KLEBERG	320.00	\$96,000.00
	598	932 S	N/2			KLEBERG	320.00	\$96,000.00
	599	932 S	S/2			KLEBERG	320.00	\$96,000.00
	600	933 S	N/2			KLEBERG	320.00	\$96,000.00
	601	933 S	S/2			KLEBERG	320.00	\$96,000.00
	602	934 S	N/2			KLEBERG	320.00	\$96,000.00
	603	935 S	N/2			KLEBERG	320.00	\$96,000.00
	604	936 S	N/2			KLEBERG	320.00	\$96,000.00
	605	936 S	S/2			KLEBERG	320.00	\$96,000.00
	606	937 S	N/2 OF E/640			KLEBERG	320.00	\$96,000.00
	607	937 S	S/2 OF E/640			KLEBERG	320.00	\$96,000.00
	608	937 S	W/250			KLEBERG	250.00	\$75,000.00
	609	939 S	N/2			KLEBERG	320.00	\$96,000.00
	610	940 S	N/2			KLEBERG	320.00	\$96,000.00
	611	940 S	S/2			KLEBERG	320.00	\$96,000.00
	612	943 S	N/2			KLEBERG	320.00	\$96,000.00
	613	943 S	S/2			KLEBERG	320.00	\$96,000.00
	614	944 S	POU		POU	KLEBERG	643.17	\$192,951.00
	615	945 S	N/2 OF E/640			KLEBERG	320.00	\$96,000.00
	616	945 S	S/2 OF E/640			KLEBERG	320.00	\$96,000.00
	617	946 S	N/2			KLEBERG	320.00	\$96,000.00
	618	946 S	S/2			KLEBERG	320.00	\$96,000.00
	619	947 S	N/2			KLEBERG	320.00	\$96,000.00
	620	947 S	S/2			KLEBERG	320.00	\$96,000.00
	621	948 S	N/2			KLEBERG	320.00	\$96,000.00
	622	948 S	S/2			KLEBERG	320.00	\$96,000.00
	623	950 S	ALL			KLEBERG	290.00	\$87,000.00
	624	951 S	N/2			KLEBERG	320.00	\$96,000.00
625	951 S	S/2			KLEBERG	320.00	\$96,000.00	
626	952 S	N/2			KLEBERG	320.00	\$96,000.00	
627	952 S	S/2			KLEBERG	320.00	\$96,000.00	
628	954 S	S/2			KLEBERG	320.00	\$96,000.00	
629	955 S	N/2			KLEBERG	320.00	\$96,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
MUSTANG ISLAND	630	955 S	S/2			KLEBERG	320.00	\$96,000.00
	631	956 S	N/2			KLEBERG	320.00	\$96,000.00
	632	956 S	S/2			KLEBERG	320.00	\$96,000.00
	633	957 S	ALL			KLEBERG	525.00	\$157,500.00
	634	958 S	ALL			KLEBERG	755.00	\$226,500.00
	635	959 S	N/2			KLEBERG	320.00	\$96,000.00
	636	959 S	S/2			KLEBERG	320.00	\$96,000.00
	637	960 S	N/2			KLEBERG	320.00	\$96,000.00
	638	960 S	S/2			KLEBERG	320.00	\$96,000.00
	639	961 S	N/2			KLEBERG	320.00	\$96,000.00
	640	961 S	S/2			KLEBERG	320.00	\$96,000.00
	641	962 S	N/2			KLEBERG	320.00	\$96,000.00
	642	962 S	S/2			KLEBERG	320.00	\$96,000.00
	643	963 S	N/2			KLEBERG	320.00	\$96,000.00
	644	963 S	S/2			KLEBERG	320.00	\$96,000.00
	645	964 S	N/2			KLEBERG	320.00	\$96,000.00
	646	964 S	S/2			KLEBERG	320.00	\$96,000.00
	647	965 S	N/2 OF E/640			KLEBERG	320.00	\$96,000.00
	648	965 S	S/2 OF E/640			KLEBERG	320.00	\$96,000.00
	649	965 S	W/345			KLEBERG	345.00	\$103,500.00
	650	966 S	ALL			KLEBERG	555.00	\$166,500.00
	651	967 S	N/2			KLEBERG	320.00	\$96,000.00
	652	967 S	S/2			KLEBERG	320.00	\$96,000.00
	653	968 S	N/2			KLEBERG	320.00	\$96,000.00
	654	968 S	S/2			KLEBERG	320.00	\$96,000.00
	655	969 S	N/2			KLEBERG	320.00	\$96,000.00
	656	969 S	S/2			KLEBERG	320.00	\$96,000.00
	657	970 S	N/2			KLEBERG	320.00	\$96,000.00
	658	970 S	S/2			KLEBERG	320.00	\$96,000.00
	659	971 S	N/2			KLEBERG	320.00	\$96,000.00
	660	971 S	S/2			KLEBERG	320.00	\$96,000.00
	661	972 S	N/2			KLEBERG	320.00	\$96,000.00
	662	972 S	S/2			KLEBERG	320.00	\$96,000.00
663	973 S	N/2			KLEBERG	320.00	\$96,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
MUSTANG ISLAND	664	973 S	S/2			KLEBERG	320.00	\$96,000.00
	665	974 S	N/2			KLEBERG	320.00	\$96,000.00
	666	974 S	S/2			KLEBERG	320.00	\$96,000.00
	667	975 S	ALL			KLEBERG	760.00	\$228,000.00
	668	976 S	N/2 OF E/640			KLEBERG	320.00	\$96,000.00
	669	976 S	S/2 OF E/640			KLEBERG	320.00	\$96,000.00
	670	976 S	W/320			KLEBERG	320.00	\$96,000.00
	671	977 S	N/2			KLEBERG	320.00	\$96,000.00
	672	977 S	S/2			KLEBERG	320.00	\$96,000.00
	673	978 S	N/2			KLEBERG	320.00	\$96,000.00
	674	978 S	S/2			KLEBERG	320.00	\$96,000.00
	675	979 S	POU			KLEBERG	761.00	\$228,300.00
	676	980 S	W/280			KLEBERG	280.00	\$84,000.00
	677	981 S	N/2			KLEBERG	90.00	\$27,000.00
	678	982 S	N/2			KLEBERG	320.00	\$96,000.00
	679	982 S	S/2			KLEBERG	320.00	\$96,000.00
	680	983 S	E/240			KLEBERG	240.00	\$72,000.00
	681	984 S	POU			KLEBERG	182.00	\$54,600.00
	682	986 S	N/2 OF E/640			KLEBERG	320.00	\$96,000.00
	683	986 S	S/2 OF E/640			KLEBERG	320.00	\$96,000.00
	684	987 S	N/2			KLEBERG	320.00	\$96,000.00
	685	987 S	S/2			KLEBERG	320.00	\$96,000.00
	686	988 S	N/2			KLEBERG	320.00	\$96,000.00
	687	988 S	S/2			KLEBERG	320.00	\$96,000.00
	688	989 S	N/2			KLEBERG	320.00	\$96,000.00
	689	989 S	S/2			KLEBERG	320.00	\$96,000.00
	690	990 S	N/2			KLEBERG	320.00	\$96,000.00
	691	990 S	S/2			KLEBERG	320.00	\$96,000.00
	692	991 S	N/2 OF E/640			KLEBERG	320.00	\$96,000.00
	693	991 S	S/2 OF E/640			KLEBERG	320.00	\$96,000.00
694	993 S	N/2			KENEDY/KLEBERG	320.00	\$96,000.00	
695	993 S	S/2			KENEDY/KLEBERG	320.00	\$96,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
MUSTANG ISLAND	696	994 S	N/2			KLEBERG	320.00	\$96,000.00
	697	994 S	S/2			KENEDY/KLEBERG	320.00	\$96,000.00
	698	995 S	N/2			KLEBERG	320.00	\$96,000.00
	699	995 S	S/2			KLEBERG	320.00	\$96,000.00
	700	996 S	N/2			KENEDY/KLEBERG	320.00	\$96,000.00
	701	996 S	S/2			KENEDY/KLEBERG	320.00	\$96,000.00
	702	997 S	N/2			KENEDY/KLEBERG	320.00	\$96,000.00
	703	997 S	S/2			KENEDY	320.00	\$96,000.00
	704	1002 S	N/2			KENEDY	320.00	\$96,000.00
	705	1002 S	S/2			KENEDY	320.00	\$96,000.00
	706	1003 S	N/2			KENEDY	320.00	\$96,000.00
	707	1003 S	S/2			KENEDY	320.00	\$96,000.00
	NORTH PADRE ISLAND	708	882 L	N/2	NE/4		KENEDY	720.00
709		882 L	S/2	NE/4		KENEDY	720.00	\$216,000.00
710		882 L	N/2	NW/4		KENEDY	720.00	\$216,000.00
711		882 L	S/2	NW/4		KENEDY	720.00	\$216,000.00
712		882 L	N/2	SE/4		KENEDY	720.00	\$216,000.00
713		882 L	S/2	SE/4		KENEDY	720.00	\$216,000.00
714		882 L	N/2	SW/4		KENEDY	720.00	\$216,000.00
715		882 L	S/2	SW/4		KENEDY	720.00	\$216,000.00
716		1004 S	N/2			KENEDY	320.00	\$96,000.00
717		1004 S	S/2			KENEDY	320.00	\$96,000.00
718		1005 S	N/2			KENEDY	320.00	\$96,000.00
719		1005 S	S/2			KENEDY	320.00	\$96,000.00
720		1006 S	N/2			KENEDY	320.00	\$96,000.00
721		1006 S	S/2			KENEDY	320.00	\$96,000.00
722		1009 S	ALL			KENEDY	535.00	\$160,500.00
723		1010 S	N/2			KENEDY	320.00	\$96,000.00
724		1010 S	S/2			KENEDY	320.00	\$96,000.00
725		1011 S	N/2			KENEDY	320.00	\$96,000.00
726		1011 S	S/2			KENEDY	320.00	\$96,000.00
727	1012 S	N/2			KENEDY	320.00	\$96,000.00	
728	1012 S	S/2			KENEDY	320.00	\$96,000.00	
729	1013 S	N/2			KENEDY	320.00	\$96,000.00	

GULF OF MEXICO

OFFSHORE AREA	MGL. NO.	TRACT	PART	QUARTER	COMMENTS	COUNTY	ACRES	MINIMUM BID
NORTH PADRE ISLAND	730	1013 S	S/2			KENEDY	320.00	\$96,000.00

TEXAS DEPARTMENT OF CRIMINAL JUSTICE

MGL. NO.	AREA	PART	TRACT	COUNTY	ACRES	DESCRIPTION	MINIMUM BID
731	WHEELER UNIT (TDCJ)			HALE	275.75	BEING A TRACT OF LAND CONTAINING 441 SURFACE ACRES AND 275.75 NET MINERAL ACRES IN SECTION 10, BLOCK D-6, G.C.& S.F. RY SVY.	\$13,787.50

TEXAS PARKS AND WILDLIFE DEPARTMENT

MGL. NO.	AREA	PART	TRACT	COUNTY	ACRES	DESCRIPTION	MINIMUM BID
732	BENTSEN RIO GRANDE VALLEY STATE PARK			HIDALGO	587.50	BENTSEN RIO GRANDE VALLEY STATE PARK, CONSISTING OF 587.5 SURFACE AND MINERAL ACRES OF LAND, MORE OR LESS, OUT OF THE SOUTH END OF PORCION 50, HIDALGO COUNTY, TEXAS, BEING THE SAME LAND DESCRIBED IN THAT CERTAIN DEED DATED FEBRUARY 6, 1953 FROM LLOYD M. BENTSEN, ET AL TO THE TEXAS STATE PARK BOARD AND RECORDED IN IN VOLUME 768, PAGE 269 OF THE DEED RECORDS OF HIDALGO COUNTY TEXAS.	\$176,250.00
733	CLEBURNE STATE PARK			JOHNSON	528.77	447.55 ACRES OF LAND, MORE OR LESS, BEING A PART OF THE A. T. HOLT, A-432, J. D. HOUCHEIN, A-430 AND THOS. CRABTREE, A-165 SURVEYS, JOHNSON COUNTY, TEXAS FURTHER DESCRIBED IN A DEED FROM THE CITY OF CLEBURNE TO THE TEXAS STATE PARKS BOARD OF THE STATE OF TEXAS, RECORDED IN VOLUME 30, PAGE 8, DEED RECORDS OF JOHNSON COUNTY, TEXAS.	\$185,069.50
734	LAS PALOMAS WILDLIFE MANAGEMENT AREA		B	STARR	15.12	TRACT B, BEING A PORTION OF LAS PALOMAS WMA AND FURTHER DESCRIBED AS 30.23 ACRES OF LAND, MORE OR LESS, BEING TRACT 119, SHARE 1, PORCION 94, OUT OF THE PEDRO LONGORIA SURVEY, A-127, STARR COUNTY, TEXAS, BEING THE SAME LAND DESCRIBED IN THAT CERTAIN WARRANTY DEED DATED APRIL 6, 1968, FROM JOSE P. VERA TO THE STATE OF TEXAS PARKS AND WILDLIFE DEPARTMENT, RECORDED IN VOLUME 332, PAGE 585, DEED RECORDS, STARR COUNTY, TEXAS.	\$4,534.50
735	MUSTANG ISLAND STATE PARK	PT		NUECES	568.00	BEING THAT PART OF MUSTANG ISLAND STATE PARK TRACT 3 WITHIN THE URIAH HAYDEN SURVEY NO. 152, A-162.	\$142,000.00

TEXAS DEPT. OF MENTAL HEALTH AND MENTAL RETARDATION

MGL. NO.	AREA	PART	TRACT	COUNTY	ACRES	DESCRIPTION	MINIMUM BID
736	TARRANT COUNTY PROPERTY(FORMERLY FORT WORTH STATE SCHOOL)			TARRANT	159.84	159.839 ACRES, MORE OR LESS, DESCRIBED AS FOLLOWS: 135.649 ACRES OF LAND, MORE OR LESS, OUT OF THE LOUIS COHEN SURVEY, ABSTRACT 290, THE ELIJAH ROGERS SURVEY, ABSTRACT 1292, THE LOUIS WETMORE SURVEY, ABSTRACT 1649, THE JUAN ARMENDARIS SURVEY, ABSTRACT 1768, AND THE JOHN COLLET SURVEY, ABSTRACT 260, TARRANT COUNTY, TEXAS, BEING MORE PARTICULARLY BY METES AND BOUNDS IN EXHIBIT "A" IN THAT CERTAIN DEED DATED AUGUST 30, 2004, FROM THE STATE OF TEXAS, BY AND THROUGH RICK PERRY, GOVERNOR OF THE STATE OF TEXAS, AND JERRY E. PATTERSON, COMMISSIONER OF THE TEXAS GENERAL LAND OFFICE, ON BEHALF OF THE TEXAS DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION AS GRANTOR, TO TARRANT COUNTY, TEXAS AS GRANTEE, RECORDED IN VOLUME D204271984 OF THE DEED OF RECORDS OF TARRANT COUNTY, TEXAS, 23.514 ACRES OF LAND, MORE OR LESS, OUT OF THE ELIJAH ROGERS SURVEY, ABSTRACT 1292, TARRANT COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN EXHIBIT "B" IN THAT CERTAIN DEED DATED AUGUST 30, 2004, FROM THE STATE OF TEXAS, BY AND THROUGH RICK PERRY, GOVERNOR OF THE STATE OF TEXAS, AND JERRY E. PATTERSON, COMMISSIONER OF THE TEXAS GENERAL LAND OFFICE, ON BEHALF OF THE TEXAS DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION AS GRANTOR TO TARRANT COUNTY, TEXAS AS GRANTEE, RECORDED IN VOLUME D204271984 OF THE DEED OF RECORDS OF TARRANT COUNTY, TEXAS AND .676 ACRES OF LAND, MORE OR LESS, OUT OF THE ELIJAH ROGERS SURVEY, ABSTRACT 1292, TARRANT COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN EXHIBIT "C" IN THAT CERTAIN DEED DATED AUGUST 30, 2004, FROM THE STATE OF TEXAS, BY AND THROUGH RICK PERRY, GOVERNOR OF THE STATE OF TEXAS, AND JERRY E. PATTERSON, COMMISSIONER OF THE TEXAS GENERAL LAND OFFICE, ON BEHALF OF THE TEXAS DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION AS GRANTOR, TO TARRANT COUNTY, TEXAS AS GRANTEE, RECORDED IN VOLUME D204271984 OF THE DEED OF RECORDS OF TARRANT COUNTY, TEXAS. (NOTE: NO SURFACE USE RIGHTS GRANTED, SEE TERMS AND CONDITIONS.)	\$79,919.50

RESOURCE MANAGEMENT CODES

Note: The General Land Office updated the Resource Management Codes in 2001 with the assistance of the state and federal natural resource agencies. The codes that have been assigned to state tracts are meant to assist potential bidders by providing the best available information on natural resource concerns that may be associated with leasing the tracts. The Resource Management Codes, however, should not be relied upon as the sole source of information on potential natural resource concerns associated with leasing state tracts. Prospective bidders are encouraged and advised to contact all governmental authorities with jurisdiction over a tract in order to ascertain its status and suitability for the bidder's intended use. No representation or warranty is made with regard to the Resource Management Code information set forth or referenced in the Notice for Bids.

Resource Management Codes are based on the recommendations from the U.S. Fish and Wildlife Service, National Marine Fisheries Service, Texas Parks and Wildlife Department, Texas Historical Commission, and U.S. Army Corps of Engineers (Corps). The codes are provided for information and are not part of the General Land Office mineral lease contract. The codes may assist state land lessees during the Corps permitting process by informing a prospective operator of restrictions that may be included in the Corps permit. Resource Management Codes do not grant authorization to perform work. All proposed work should be coordinated with and may require a permit from the Corps, Galveston District, before undertaking any activity. If Resource Management Codes are included by the applicant on Corps permit drawings, they should be titled "Recommended Resource Codes." Before beginning work on a state tract, lessees may be required to conduct a survey for sensitive habitats and resources. In most cases, tract development can proceed when an applicant demonstrates that the development plan is not inconsistent with the concerns listed in the codes. When impacts to sensitive habitats or resources are unavoidable, development may be allowed, subject to negotiation for mitigation. If a tract offered for lease is not included in the following list, the tract is assigned Resource Management Code MA - "No Special Recommendations." Potential bidders who have questions about codes are encouraged to contact the commenting agencies regarding any concerns, restrictions, updates, or additional information relating to tracts on which they intend to bid. Assistance is available from the commenting agencies or from the General Land Office Resource Management Program/Resource Conservation Division.

ACCESS

General Recommendations

Fill materials such as sand, gravel, rock, or similar materials for roadway construction may not be placed below mean high water or in state-owned wetlands. The placement of fill material should avoid covering valuable habitat and altering circulation patterns. Lessees should utilize existing channels, canals, and other deep-water areas to the greatest extent possible to minimize initial and maintenance dredging requirements. Where construction of a new channel is unavoidable, siting to avoid sensitive habitats such as bird rookeries, oyster reefs, and areas of submerged aquatic vegetation is encouraged. In addition, canals and channels should not cut through barrier beaches, barrier islands, or other Gulf shoreline protection features. Construction and maintenance of access channels may result in loss of wetland habitat, can significantly alter salinity and water circulation patterns, and can modify the distribution and abundance of living marine resources. All construction access methods should be coordinated with the commenting agency.

Definitions and Explanations

- CA - Use existing channels only. New dredging may not be authorized on this tract; however, maintenance dredging of pre-existing channels may be authorized if sensitive habitats are not impacted.
- CC - Use one channel for production of tract. If no channel is present on the tract, the dredging of a single channel may be authorized to provide access for development. To minimize destruction of valuable habitat on this tract, access should be limited to a single channel that leads to a central drilling location and avoids submerged grasses and other sensitive habitats.

- CF - Vehicular access methods must be designed to avoid or minimize impacts on areas containing emergent marsh, submerged grassbeds or sand, mud, or algal flats. Sensitive habitats within this tract are easily damaged. Best Management Practices must be used to avoid or minimize impacts to these sensitive habitats. Methods of access and operational plans may be required.

DREDGING AND DREDGED MATERIAL DISPOSAL

General Recommendations

Propwashing is not an acceptable dredging method or means of entering or traversing on, across, or through tracts. In general, discharge of dredged material is not allowed on state-owned submerged lands. Construction techniques such as silt curtains or other barriers that minimize turbidity and migration of dredged materials into sensitive areas are encouraged. In some situations, dredged material is a resource that may be disposed of in an environmentally sound manner. Beneficial use of dredged material includes, but is not limited to, beach and coastal-wetland nourishment, seagrass restoration, shoreline protection, and mangrove and saltmarsh wetland creation. If dredged material cannot be used beneficially, it should be placed in existing placement areas or on upland sites where levees can be used to contain the material. Discharge of dredged material in sensitive areas has the potential to cause adverse water quality impacts resulting in reduced oxygen availability for aquatic species, reduced light for seagrasses, and other detrimental environmental effects. Dredged material placement should be coordinated with the commenting agency. The following mitigation sequence may be applied during the evaluation of potential adverse impacts of a project: (1) avoidance of adverse impacts; (2) minimization of adverse impacts; and (3) compensation for unavoidable adverse impacts.

Definitions and Explanations

- DA - No dredging on this tract. Water depths on this tract may be sufficient for access without dredging. Dredging may destroy or degrade sensitive estuarine habitats and reduce the productivity of the bay.
- DB - No dredging in water less than 4 feet deep as measured from mean low water. Protects shallow water areas of 4 feet or less which contain sensitive habitat.
- DC - No dredging in water less than 6 feet deep as measured from mean low water. protects sensitive estuarine habitats, usually in clearer water where light penetration may reach 6 feet.
- DD - No dredging to a depth exceeding 6 feet as measured from mean low water. This tract is generally shallow and the creation of excessively deep pockets of water could alter current patterns, cause stagnation pools, and create traps for fish when tide levels drop.

MISCELLANEOUS

General Recommendations

Miscellaneous codes include general concerns that are not activity-specific and that apply to broad areas and habitats along the coast. Concerns that the Resource Management Codes take into account include, but are not limited to, the following:

archeological sites	navigational safety
bay bottoms (of high productivity)	nursery habitat
bird rookeries	oyster, artificial, historic, serpulid, or constructed reefs
endangered or threatened species	sand, mud, or algal flats
hydrology	submerged aquatic vegetation
marshes	

In addition, routes and methods of pipeline installation must be included on applications for Corps permits and General Land Office application plat maps for all state-owned submerged lands. This information allows the commenting agencies to review pipeline routes and installation methods, and to provide guidance and recommendations about impacts to sensitive habitats. Other construction activities, including construction of drilling locations, must be located at safe distances from sensitive habitats. Specific setback distances depend on the sensitive habitats present in the area. Construction activities should be coordinated with the commenting agency.

Definitions and Explanations

- MA - No special recommendations. The agency submitting this code has no specific concerns for this tract.

- ME -** Avoid marshes and other sensitive resource areas. Sensitive marine habitats exist within this tract, but oil and gas exploration and production activities, construction and operation activities, access routes, rights-of-way, and other activities may be permissible if sensitive areas are left undisturbed.
- MG -** Avoid submerged aquatic vegetation. Seagrass has been documented on this tract, but oil and gas exploration and production activities, construction and operation activities, access routes, rights-of-way, and other activities may be permissible if sensitive areas are left undisturbed. A survey may be required to locate any existing submerged aquatic vegetation.
- MK -** State Archeological Landmarks and/or other cultural resources protected by state law are known to be or may be located on this tract and should not be disturbed. Prospective developers must obtain information about archeological survey requirements and avoidance of valuable historical artifacts on this tract from the Texas Historical Commission. Archeological survey, site avoidance, or other actions may be required. Known archeological sites or those discovered during surveys may require additional conditions for exploration and production activities.
- ML -** This tract contains private oyster leases. Private oyster leases are present on this tract. Names and addresses of individuals holding private oyster leases and oyster lease rules are available from the Texas Parks and Wildlife Department.
- MO -** Work on this tract is subject to Endangered Species Act review. Consult with the commenting agency for information.
- MP -** Work in this tract is subject to special recommendations, restrictions or special use permits from federal or state agencies. Federal or state agencies may have specific requirements for this tract and should be consulted.
- MR -** Special methods may be necessary to reduce turbidity resulting from construction activities. Reduce impacts of sedimentation on seagrass, marshes, oyster reefs, or other sensitive estuarine habitats in this tract.

OIL AND GAS DEVELOPMENT

General Recommendations

All oil and gas activities should be sited to avoid sensitive resources. The Texas Natural Resource Conservation Commission and the Texas Railroad Commission regulate the discharge of effluents into state waters. Oil and gas activities on state-owned submerged lands may be subject to requirements of the Oil Spill Prevention and Response Act (Natural Resources Chapter 40) which designates the General Land Office as the lead state agency for the prevention of and response to oil spills into Texas coastal waters. All oil and gas exploration and development activities should be coordinated with the commenting agency.

Definitions and Explanations

- OA -** No surface drilling locations on this tract. Directional drilling from adjacent areas may be necessary. Important marine habitat exists within this tract, and drilling activity and dredging of access channels may significantly damage the marine ecosystem. Directional drilling from off-tract locations may be required for mineral development of this tract.
- OH -** Drill only from water deeper than 6 feet as measured from mean low water, or from land above mean high water. This tract has both deep (greater than 6 feet) and shallow water areas and/or adjacent uplands. To protect sensitive habitats in the shallow water, confine drilling activities to the deep-water areas or adjacent uplands.
- OM -** Avoid dredging, dredged material disposal, geophysical surveying, drilling, and pipeline and platform construction on the top or slopes of reefs, banks, hard bottoms, artificial reefs, historic reefs, serpulid reefs, or constructed reefs on this tract. These activities may be prohibited or restricted within 500 feet of reefs to avoid damage caused by accidental discharges of hazardous substances or oil, by sedimentation, or by physical impacts of reef material and to protect fish and other valuable marine organisms attracted to the area. A reef survey may be required

RIGHTS-OF-WAY

General Recommendations

Use of existing rights-of-way is encouraged to lessen adverse impacts to sensitive areas on state-owned submerged lands. Pipeline construction under navigation channels is subject to special routing and burial requirements. The Corps does not permit permanent structures within the right-of-way of a federal navigation channel or dredged material placement area. Development may be accomplished by directional drilling from parts of state tracts that are outside the federal right-of-way. All work on tracts where navigation concerns have been identified should be coordinated with the Corps, Galveston District.

Definitions and Explanations

- RW -** Navigational concerns such as navigational channels, dredged material, placement areas, safety fairways, and anchorage areas exist within this tract. To ensure compliance with federal regulations regarding navigation channels, anchorage areas, safety fairways, and other navigational concerns, contact the Corps, Galveston District.

TIME LIMITATIONS

General Recommendations

Activities on some tracts may be limited to specific time periods to avoid disturbance to colonial nesting waterbirds and endangered or threatened species such as the whooping crane. Lessees conducting activities in these areas must consult with the U.S. Fish and Wildlife Service and/or the National Marine Fisheries Service to ensure that their activities do not adversely impact colonial nesting waterbirds or endangered or threatened species.

Definitions and Explanations

- TA -** No drilling within the two miles seaward of the Gulf shoreline in the area of Padre Island National Seashore. Drilling activity between two miles and three miles of this shoreline is also prohibited between March 15 and September 15. Drilling activity within two miles of the Gulf shoreline in the area of Padre Island National Seashore is restricted to protect both the aesthetic and recreational values of the public beaches. Drilling is allowed within the area from two miles to three miles from shore during the tourist off-season (September 16 to March 14) but drilling activity in this strip must commence before January 15 to insure adequate completion time before the March 14 deadline. Access to minerals in the two-mile zone along the Gulf beach may be achieved by directional drilling from upland sites on Padre Island if authorized by the National Seashore, or from state tracts beyond the two-mile limit.
- TB -** Tract contains whooping crane critical habitat. No construction, dredging, or drilling between October 15 and April 15. No permanent structures higher than 15 feet above mean water. All oil and gas exploration activity on this tract is restricted during the period from October 15 to April 15 to protect whooping cranes which winter in the Aransas National Wildlife Refuge area. All permanent structures on this tract must be 15 feet or less in height.
- TC -** Bird rookeries are located on or near this tract. No drilling, dredging, seismic exploration, construction activity, or watercraft landing within 1000 feet of a rookery during nesting season between February 15 and September 1. Bird nesting islands must be left undisturbed. Any development operations are prohibited within 1000 feet of the rookery areas during the peak nesting season from February 15 to September 1.
- TD -** Nesting sea turtles are located on or near this tract. No geophysical surveying within three miles of the Gulf shoreline and along the beachfront during sea turtle nesting between March 15 and September 15. No drilling, dredging, or other construction within 1000 feet of a sea turtle nesting beach between March 15 and September 15. Sea turtles have been documented using the beachfront in or adjacent to this tract for nesting. Oil and gas exploration activity on this tract is restricted from March 15 to September 15 to protect nesting sea turtles.
- TF -** Tract contains habitat for wintering piping plovers. Oil and gas activities, dredging, construction projects, and surveying may be restricted between July 15 and May 15. Oil and gas activities on this tract may be restricted during the period from July 15 to May 15 if the U.S. Fish and Wildlife Service determines it is necessary to protect piping plovers which winter along the Gulf coast.

RESOURCE MANAGEMENT CODES - JANUARY 17, 2006 OIL AND GAS LEASE SALE

MGL NO	USFWS	NMFS	TPWD	COE	THC	MGL NO	USFWS	NMFS	TPWD	COE	THC
64	DA, ME, OH	DB, ME	DA, OH	RW	MA	109	DA, OM	DB	DA, OM	MA	MA
65	DA, ME, OH	DB, ME	DA, OH	RW	MA	110	DA, OM	DB	DA, OM	MA	MA
66	DA, ME, OH	DB, ME	DA, OH	RW	MA	111	DA, OM	DB, OM	DA, OM	MA	MA
67	MA	OM	DA	MA	MA	112	DA, OM	DB, OM	DA, OM	MA	MA
68	OM	OM	DA, OM	MA	MA	113	DA, OM	DB, OM	DA, OM	MA	MA
69	MA	OM	DA	MA	MA	114	DA, OM	DB, OM	DA, OM	MA	MA
72	MA	MA	MA	RW	MK	115	DA, OM	DB, OM	DA, OM	MA	MA
74	DA, OH	DB, ME	DA, OH	MA	MA	116	DA, OM	DB, OM	DA, OM	MA	MA
75	DA, OH	DA, OH	DA	MA	MA	117	DA, OM	DB, OM	DA, OM	MA	MA
76	DB, OM	DB, OM	DB, OM	MA	MA	118	DA, OM	DB, OM	DA, OM	MA	MA
77	DB, OM	DB, OM	DB, OM	MA	MA	119	DA, OM	DB, OM	DA, OM	MA	MA
78	DB, OM	DB, OM	DB, OM	MA	MA	120	DA, OM, TC	DB, OM, ME	DA, OM, TC	MA	MA
79	DB, OM	DB, OM	DB, OM	MA	MA	121	DA, OM, TC	DB, OM, ME	DA, OM, TC	MA	MA
80	DB, OM	DB, OM	DB, OM	MA	MA	122	DA, OM, TC	DB, OM	DA, OM, TC	MA	MA
81	DB, OM	DB, OM	DB, OM, ME, MP, TC	MA	MA	123	DA, OM, TC	DB, OM	DA, OM, TC	MA	MA
82	DB, OM	DB, OM	DB, OM	MA	MA	124	DA, OM, TC	DB	DA, OM, TC	MA	MA
83	DB, OM	DB, OM	DB, OM	MA	MA	125	DA, OM, TC	DB	DA, OM, TC	MA	MA
84	DB, OM	DB, OM	DB, OM	MA	MA	126	DA, OM	DB, OM	DA, OM, TC	MA	MA
85	DB, OM	DB, OM	DB, OM	MA	MA	127	DA, OM	DB, OM	DA, OM, TC	MA	MA
86	DD, ME	DA	DA	MA	MA	128	DA, OM	DB, OM	DA, OM	MA	MA
87	DD, OM, ME	DA, OM	DA, OM	MA	MA	129	DA, OM	DB, OM	DA, OM	MA	MA
88	DA, OM	DA, OM	DA, OM, TC	MA	MA	130	DA, OM	DB, OM	DA, OM, TC	MA	MA
89	DA, OM	DA, OM	DA, OM, TC	MA	MA	131	DA, OM	DB, OM	DA, OM, TC	MA	MA
90	DA, OM, ME	DA, OM, ME	DA, OM	MA	MA	132	DA, OM	DB, OM	DA, OM, TC	MA	MA
91	DA, OM, ME	DA, OM, ME	DA, OM	MA	MA	133	DA, OM	DB, OM	DA, OM, TC	MA	MA
92	MA	MA	MA	MA	MK	134	DA, OM, TC	DB, OM	DA, OM, OH, TC	MA	MA
93	MA	MA	MA	MA	MK	135	DA, OM, TC	DB	DA, OM, OH	MA	MA
96	MA	MA	OM	MA	MA	136	DA, OM, ME, OH	DA	DA, OM, ME, OH	MA	MA
97	MA	MA	OM	MA	MA	137	DA, OM, ME, OH	DA	DA, OM, ME, OH	MA	MA
98	MA	MA	MA	RW	MA	138	MA	MA	MA	RW	MA
99	MA	MA	MA	RW	MA	139	MA	MA	MA	RW	MA
102	MA	MA	OM	MA	MA	140	MA	DB	MA	MA	MK
103	MA	MA	OM	MA	MA	146	MA	MA	MA	MA	MK
104	DA, OA	DA, OA	DA, OA	MA	MA	147	MA	MA	MA	RW	MA
105	DA, ME, OH	DA, OH	DA, OA	MA	MA	148	MA	MA	MA	RW	MA
106	DA, ME, OH, TC	DA, OH	DA, OA	MA	MA	149	DA, ME, MP, OH, TB	DA, ME	DA, ME, MP, TB	MA	MK
107	DA, ME, OH	DA, OH	DA, OA	MA	MA	150	DA, ME, MP, OH, TB	DA, ME	DA, ME, MP, TB	MA	MK
108	DA, OM, ME, OH	DA, OH	CA, DD, OM, ME, OH	MA	MA	151	DA, ME, OA	DA, ME	DA, ME, OA	MA	MA

MGL NO	USFWS	NMFS	TPWD	COE	THC
152	DA, ME, OA	DA, ME	DA, ME, OA	MA	MA
153	DA, ME, OA	DA, ME	MA	MA	MA
154	DB, OM	DB, OM	DB, OM	MA	MA
155	DB, OM	DB, OM	DB, OM	MA	MA
156	OM	OM	OM	MA	MA
157	OM	OM	OM	MA	MA
158	OM	OM	OM	MA	MA
159	OM	OM	OM	MA	MA
160	OM	OM	OM	MA	MA
161	OM	OM	OM	MA	MA
162	OM	OM	OM	MA	MA
163	DB, OM	DB, OM	DB, OM	MA	MA
164	DB, OM	DB, OM	DB, OM	MA	MA
165	DA, OM	DB, OM	DA, OM, OH	RW	MA
166	DA, OM	DB, OM	DA, OM, OH	MA	MA
167	DB, OM	DB, OM	DB, MR, OM, TC	MA	MA
168	DB, OM	DB, OM	DB, MR, OM, TC	MA	MA
169	DB, OM	DB, OM	DB, OM	MA	MA
170	DB, OM	DB, OM	DB, MR, OM, TC	MA	MK
181	MA	MA	MA	MA	MK
182	MA	MA	MA	MA	MK
183	MA	MA	MA	RW	MK
184	MA	MA	MA	RW	MK
185	MA	MA	MA	RW	MK
186	MA	MA	MA	RW	MK
187	MA	MA	MA	RW	MK
188	MA	MA	MA	RW	MK
189	MA	MA	MA	RW	MA
190	MA	MA	MA	RW	MA
191	MA	MA	MA	RW	MA
192	MA	MA	MA	RW	MA
193	MA	MA	MA	RW	MA
194	MA	MA	MA	RW	MA
195	MA	MA	MA	RW	MA
196	MA	MA	MA	RW	MA
197	MA	MA	MA	RW	MK
198	MA	MA	MA	RW	MK
199	MA	MA	MA	MA	MK
200	MA	MA	MA	MA	MK
201	MA	MA	MA	RW	MK
202	MA	MA	MA	RW	MK
203	MA	MA	MA	RW	MK

MGL NO	USFWS	NMFS	TPWD	COE	THC
204	MA	MA	MA	RW	MK
205	MA	MA	MA	RW	MA
206	MA	MA	MA	RW	MA
207	MA	MA	MA	RW	MA
208	MA	MA	MA	RW	MA
209	MA	MA	MA	RW	MK
210	MA	MA	MA	RW	MK
211	MA	MA	MA	RW	MK
212	MA	MA	MA	RW	MK
213	MA	MA	MA	RW	MK
214	MA	MA	MA	RW	MK
215	MA	MA	MA	RW	MK
216	MA	MA	MA	RW	MK
217	MA	MA	MA	RW	MA
218	MA	MA	MA	RW	MA
219	MA	MA	MA	RW	MA
220	MA	MA	MA	RW	MA
221	MA	MA	MA	RW	MA
222	MA	MA	MA	RW	MA
223	MA	MA	MA	RW	MA
224	MA	MA	MA	RW	MA
230	MA	MA	MA	MA	MK
231	MA	MA	MA	MA	MK
236	MA	MA	MA	MA	MK
237	MA	MA	MA	MA	MK
244	MA	MA	MA	MA	MK
245	MA	MA	MA	MA	MK
252	MA	MA	MA	RW	MK
253	MA	MA	MA	RW	MK
254	MA	MA	MA	RW	MK
255	MA	MA	MA	RW	MK
258	MA	MA	MA	RW	MK
259	MA	MA	MA	RW	MK
260	MA	MA	MA	RW	MK
261	MA	MA	MA	RW	MK
264	MA	MA	MA	RW	MA
265	MA	MA	MA	RW	MA
266	MA	MA	MA	RW	MK
267	MA	MA	MA	RW	MK
268	MA	MA	MA	RW	MK
269	MA	MA	MA	RW	MK
270	MA	MA	MA	RW	MK

MGL NO	USFWS	NMFS	TPWD	COE	THC
271	MA	MA	MA	RW	MK
272	MA	MA	MA	RW	MK
273	MA	MA	MA	RW	MK
274	MA	MA	MA	RW	MK
275	MA	MA	MA	RW	MK
276	MA	MA	MA	MA	MK
277	MA	MA	MA	MA	MK
279	MA	MA	MA	RW	MK
280	MA	MA	MA	RW	MK
281	MA	MA	MA	RW	MK
282	MA	MA	MA	RW	MA
283	MA	MA	MA	RW	MA
284	MA	MA	MA	RW	MA
285	MA	MA	MA	RW	MA
286	MA	MA	MA	RW	MA
287	MA	MA	MA	RW	MA
288	MA	MA	MA	RW	MK
289	MA	MA	MA	RW	MK
290	MA	MA	MA	RW	MK
291	MA	MA	MA	RW	MK
292	MA	MA	MA	RW	MK
293	MA	MA	MA	RW	MK
294	MA	MA	MA	RW	MK
295	MA	MA	MA	RW	MA
296	MA	MA	MA	RW	MA
299	MA	MA	MA	RW	MA
300	MA	MA	MA	RW	MA
326	MA	MA	MA	MA	MK
327	MA	MA	MA	MA	MK
427	MA	MA	MA	RW	MA
428	MA	MA	MA	RW	MA
429	MA	MA	MA	RW	MA
430	MA	MA	MA	RW	MA
431	MA	MA	MA	MA	MK
436	MA	MA	MA, MO	MA	MK
453	MA	MA	MA	MA	MK
454	MA	MA	MA	MA	MK
455	MA	MA	MA	MA	MK
456	MA	MA	MA	MA	MK
459	MA	MA	MA	RW	MK
460	MA	MA	MA	RW	MA
461	MA	MA	MA	RW	MA

MGL NO	USFWS	NMFS	TPWD	COE	THC
463	MA	MA	MA	MA	MK
464	MA	MA	MA	MA	MK
465	MA	MA	MA	MA	MK
466	MA	MA	MA	MA	MK
467	MA	MA	MA	MA	MK
497	TA	MA	MA	MA	MA
498	TA	MA	MA	MA	MA
501	TA	MA	MA	MA	MA
502	TA	MA	MA	MA	MA
525	TA	MA	MA	MA	MA
557	TA	MA	MA	MA	MA
558	TA	MA	MA	MA	MA
561	TA	MA	MA	MA	MA
562	TA	MA	MA	MA	MA
565	TA	MA	MA	MA	MA
566	TA	MA	MA	MA	MA
609	TA	MA	MA	MA	MA
610	TA	MA	MA	MA	MA
611	TA	MA	MA	MA	MA
612	TA	MA	MA	MA	MA
613	TA	MA	MA	MA	MA
614	TA	MA	MA	MA	MA
615	TA	MA	MA	MA	MA
616	TA	MA	MA	MA	MA
617	TA	MA	MA	MA	MA
618	TA	MA	MA	MA	MA
619	TA	MA	MA	MA	MA
620	TA	MA	MA	MA	MA
621	TA	MA	MA	MA	MA
622	TA	MA	MA	MA	MA
623	TA	MA	MA	MA	MA
624	TA	MA	MA	MA	MA
625	TA	MA	MA	MA	MA
626	TA	MA	MA	MA	MA
627	TA	MA	MA	MA	MA
628	TA	MA	MA	MA	MA
629	TA	MA	MA	MA	MA
630	TA	MA	MA	MA	MA
631	TA	MA	MA	MA	MA
632	TA	MA	MA	MA	MA
633	TA	MA	MA	MA	MA
634	TA	MA	MA	MA	MK

MGL NO	USFWS	NMFS	TPWD	COE	THC
635	TA	MA	MA	MA	MA
636	TA	MA	MA	MA	MA
637	TA	MA	MA	MA	MA
638	TA	MA	MA	MA	MA
639	TA	MA	MA	MA	MA
640	TA	MA	MA	MA	MA
641	TA	MA	MA	MA	MA
642	TA	MA	MA	MA	MA
643	TA	MA	MA	MA	MA
644	TA	MA	MA	MA	MA
645	TA	MA	MA	MA	MA
646	TA	MA	MA	MA	MA
647	TA	MA	MA	MA	MA
648	TA	MA	MA	MA	MA
649	TA	MA	MA	MA	MA
650	TA	MA	MA	MA	MA
651	TA	MA	MA	MA	MA
652	TA	MA	MA	MA	MA
653	TA	MA	MA	MA	MA
654	TA	MA	MA	MA	MA
655	TA	MA	MA	MA	MA
656	TA	MA	MA	MA	MA
661	TA	MA	MA	MA	MA
662	TA	MA	MA	MA	MA
663	TA	MA	MA	MA	MA
664	TA	MA	MA	MA	MA
665	TA	MA	MA	MA	MA
666	TA	MA	MA	MA	MA
667	TA	MA	MA	MA	MA
668	TA	MA	MA	MA	MA
669	TA	MA	MA	MA	MA
670	TA	MA	MA	MA	MA
671	TA	MA	MA	MA	MA
672	TA	MA	MA	MA	MA
673	TA	MA	MA	MA	MA
674	TA	MA	MA	MA	MA
675	TA	MA	MA	MA	MA
676	TA	MA	MA	MA	MA
677	TA	MA	MA	MA	MA
678	TA	MA	MA	MA	MA
679	TA	MA	MA	MA	MA
680	TA	MA	MA	MA	MA

MGL NO	USFWS	NMFS	TPWD	COE	THC
681	TA	MA	MA	MA	MA
682	TA	MA	MA	MA	MA
683	TA	MA	MA	MA	MA
684	TA	MA	MA	MA	MA
685	TA	MA	MA	MA	MA
686	TA	MA	MA	MA	MA
687	TA	MA	MA	MA	MA
688	TA	MA	MA	MA	MA
689	TA	MA	MA	MA	MA
690	MP, TA	MA	MA	MA	MA
691	MP, TA	MA	MA	MA	MA
692	TA	MA	MA	MA	MA
693	TA	MA	MA	MA	MA
696	TA	MA	MA	MA	MA
698	TA	MA	MA	MA	MA
699	TA	MA	MA	MA	MA
700	TA	MA	MA	MA	MA
701	TA	MA	MA	MA	MA
702	TA	MA	MA	MA	MA
703	TA	MA	MA	MA	MA
704	TA	MA	MA	MA	MA
705	TA	MA	MA	MA	MA
706	MP	MA	MA	MA	MA
707	MP	MA	MA	MA	MA
716	MP	MA	MA	MA	MA
717	MP	MA	MA	MA	MA
718	TA	MA	MA	MA	MA
719	TA	MA	MA	MA	MA
720	TA	MA	MA	MA	MA
721	TA	MA	MA	MA	MA
722	TA	MA	MA	MA	MA
723	TA	MA	MA	MA	MA
724	TA	MA	MA	MA	MA
725	TA	MA	MA	MA	MA
726	TA	MA	MA	MA	MA
727	TA	MA	MA	MA	MA
728	TA	MA	MA	MA	MA