

MF112581

<i>State Lease</i>	<i>Control</i>	<i>Base File</i>	<i>County</i>
MF112581	56-030239		GLASSCOCK

Survey HIGHWAYS & PUBLIC TRANSPORTATION DE

Block

Block Name

Township

Section/Tract

Land Part

Part Description HIGHWAY RIGHT-OF-WAY

Acres 14.616

Depth Below

Depth Above

Depth Other

Name APACHE CORP

Lease Date 5/3/2011

Primary Term 1 yrs

Bonus (\$) \$2,192.40

Rental (\$) \$0.00

Lease Royalty 0.2000

Leasing:

Analyst:

Maps:

GIS:

DocuShare:



CONTENTS OF FILE NO. MF- 112581

1. Lease	3/21/11
2. Letter + fee	3/21/11
3. GLO memo	3/21/11
4. Blot	3/21/11
5. Deed	3/21/11
6. Ownership Report	3/21/11
7. Leases	3/21/11
8. GLO letter	5/5/11
9. Tapes	5/19/11
10. Letter, Bonus, + fee	6/13/11
11. Unit Agreement # 5384	12/6/11
<u>Scanned sm 3/20/13</u>	
12. DIVISION ORDER	4. 3. 12
<u>Scanned Pt 2-17-15</u>	

The State of Texas

HROW Lease
Revised 8/06



Austin, Texas

PAID-UP
OIL AND GAS LEASE NO. (MF 112581)
GENERAL LAND OFFICE
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board and **Apache Corporation**, whose address is **303 Veterans Airpark Lane, Suite 3000, Midland, TX 79705** hereinafter called "Lessee".

1. Lessor, in consideration of **Two Thousand One Hundred Ninety Two 40/100 (\$ 2,192.40)** receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of **Glasscock** State of Texas, and is described as follows:

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

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **14.616** acres, whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. PRIMARY TERM: This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of **one year, from May 3rd, 2011** hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. ROYALTIES: As royalty Lessee covenants and agrees:

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

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

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

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

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of **\$ 5.00 per acre**. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

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

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

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance often percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within

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

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

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

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

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

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

8. NOTICE: In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all

or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.

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

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

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

12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

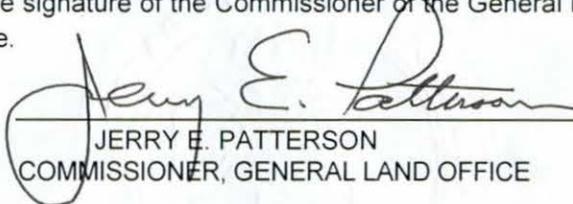
13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well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

14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2,500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well

causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall be no less than an amount equal to **double the shut-in royalty** and shall maintain this lease in effect for so long as such payments are made as provided herein.

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

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


JERRY E. PATTERSON
COMMISSIONER, GENERAL LAND OFFICE

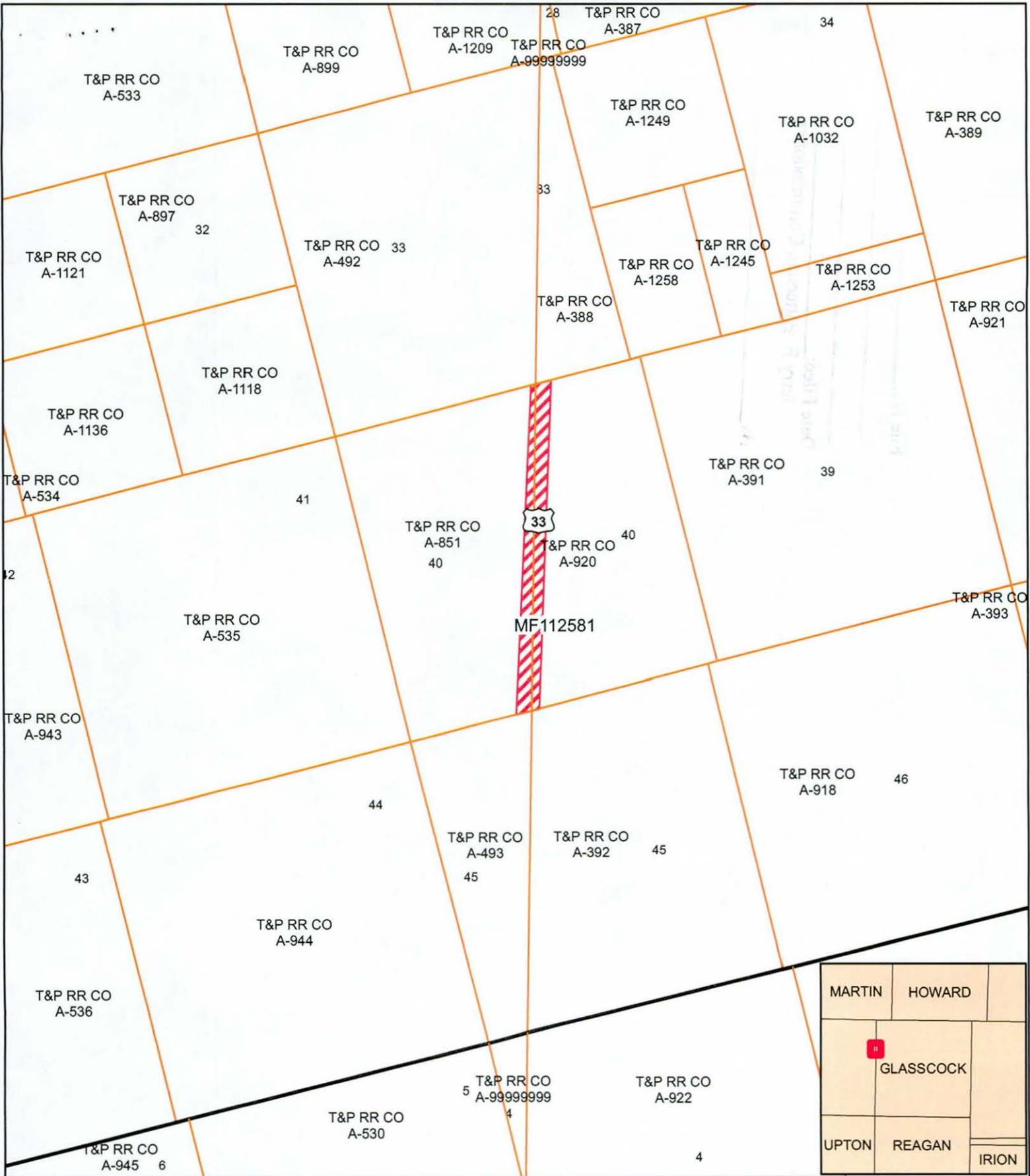
Approved:
ML: 
DC: 
CC: 

Exhibit "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated May 3rd, 2011, by and between the State of Texas, as lessor, and Apache Crop. as lessee, covering acreage to be leased in Glasscock County, Texas, along SH-33.

14.616 acres of land, more or less, situated in Section 40 Block 33, T-2S, T&P RR Co. Survey. Said lands being described in the following deed filed in the Deeds of Record, Glasscock Co.

Deed from John Schafer et ux dated 10/17/1945 and recorded in Vol. 56, P. 239 of the Deed Records Glasscock County, Texas



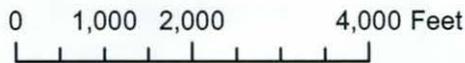
A Map showing a Buffer
of State Hwy 158
14.616 acres
Gasscock County



The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Compiled by
Zeke Guillen
IS/BAS/GIS



MARTIN	HOWARD	
	GLASSCOCK	
UPTON	REAGAN	IRION

1,
File No. DF12581

Lease

Date Filed: 3/2/11
Jerry E. Patterson, Commissioner

By [Signature]

VERITAS 321 ENERGY PARTNERS, LP

Commissioner of the TX General Land Office
6000 · Land Brokerage:6030 · Recording/ 80025 3/18/11

3/18/2011

009335

100.00

11707510

(WNB) Veritas 321 EP 80025 3/18/11

11707510

100.00



March 18, 2011

Mr. Drew Reid
Texas General Land Office
1700 N. Congress Ave., Suite 600
Austin, TX 78701

RE: Oil, Gas and Mineral Lease
A 14.616 acre tract in Section 40, Block 33, Township 2 South, T&P Ry Co. Sy., Glasscock County, Texas, more fully described in Vol. 56, Pg. 239, dated October 17, 1945, by and between John Schafer and wife Ellen Schafer, (Grantor), and the State of Texas, (Grantee), of the Glasscock County Records.
Glasscock County, Texas

Dear Mr. Reid,

The county records of Glasscock County, Texas indicate that the State of Texas owns a mineral interest described in the above captioned lands. Veritas 321 Energy Partners, LP is presently leasing in this area for Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., and desires to lease the State of Texas' mineral interest.

For your review, we have provided a Mineral Ownership Report, Lease Purchase Reports, executed Oil & Gas leases, and copies of payments made to each adjoining mineral owner to document the per acre bonus that was paid. In addition, we are submitting a plat for this tract which shows the State owned Highway Right of Way. (Please note that the scale for the plat is 1" = 4,000 ft.).

We have previously submitted a lease packet for Section 44 in the same block and township and request that, if possible, this section be added to that lease form. Please consider the land description above as the legal description to be used; for your reference, we have enclosed a copy of the Right of Way Deed.

Upon your review a timely response would be greatly appreciated. Should you have any questions, please advise.

Best Regards,

Andy Torres
Landman
Ext. 121
andytorres@veritas321.com

2,

File No. MF112581

Letter fee

Date Filed: 3/21/11
Jerry E. Patterson, Commissioner

By: [Signature]

01270711

3.21.11



MEMORANDUM

Texas General Land Office • Jerry Patterson • Commissioner

HIGHWAY RIGHT OF WAY LEASE CHECKLIST

STATE LEASE MF _____

LESSEE Apache Corporation
Address 303 Veterans Airpark Lane, Suite 3000, Midland, Tx.

BONUS PER ACRE \$ 150⁰⁰ (Check for affidavit of consideration paid.) 79705

TOTAL CONSIDERATION \$ 2,192⁴⁰ PAID? Yes No WHEN? _____

ROYALTY 1/5 TERM 1 year

DATE OF LEASE 5/3/11

SHUT IN ROYALTY PER ACRE \$ 5⁰⁰ TOTAL ACRES 14.616

COUNTY Glasscock

ROAD NAME SH-33

FULL DESCRIPTION [Abstract, Block, Township, Section]
Section 40, Block 33, T-2S, T&P Ry Co., Glasscock Co.

EXHIBIT FOR LEASE PROVIDED? Yes No [Do not write on Exhibit.]

PLAT PROVIDED? Yes No Put sticky note on correct plat with MF #, acres, highway name, county, & abstract number for Zeke.

Clip all adjoining leases together.

Clip all deeds together.

Give to Beverly to generate lease and docket.

File No. MF 112581

Geo Mena

Date Filed: 3/21/11

Jerry E. Patterson, Commissioner

By: [Signature]

Handwritten notes on the left side of the page, including "2/25/11" and "cc - Mr."

Handwritten notes in the center, including "2/25/11" and "cc - Mr."

Handwritten note "2/25/11" in the center.

Handwritten note "2/25/11" on the right side.

Handwritten note "2/25/11" on the right side.

Vertical handwritten notes on the right side of the page.

4.

File No. MF112581

Plot

Date Filed: 3/21/11

Jerry E. Patterson, Commissioner

By JEP

2011

gravel, caliche or any other materials or minerals upon, in and under said land, except oil, gas and sulphur, for the construction and maintenance of the Highway System of Texas.

And it is further agreed that _____ in consideration of the benefits above set out, will remove from the property above described such fences, buildings and other obstructions as may be found upon said premises.

TO HAVE AND TO HOLD unto the said State of Texas as aforesaid for the purposes aforesaid the premises above described.

Witness our hands, this the 2nd day of November, A.D. 1945.

ATTEST: Chicken Ranch, Incorporated
Tracy T. Smith (TRACY T. SMITH) by J.D. Biles (J.D. BILES)
(CORP.) Sec. & Treasurer President
(SEAL)

THE STATE OF NEW JERSEY }
COUNTY OF GLOUCESTER }

BEFORE ME, the undersigned, a Notary Public, on this day personally appeared J. D. Biles, President of the Chicken Ranch, Inc. known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Chicken Ranch, Inc. and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 2nd day of November A.D. 1945.

(SEAL) Helen E. Saint
Notary Public Commission Expires May 29, 1949. Notary Public in and for Gloucester Co. New Jersey.

Filed for record December 3, 1945 at 11:00 o'clock A.M.

Recorded December 4, 1945 at 11:30 o'clock A.M.

James R. ...
County Clerk, Glasscock County, Texas.

(FILE # 7624)

RIGHT-OF-WAY DEED

STATE OF TEXAS }
COUNTY OF GLASSCOCK }

KNOW ALL MEN BY THESE PRESENTS:

THAT we, John Schafer and wife Ellen Schafer of the County of Glasscock, State of Texas, for an in consideration of the sum of Five Hundred Fifty Three and 43/100 DOLLARS, to _____ in hand paid by the State of Texas, acting by and through the State Highway Commission, receipt of which is hereby acknowledged, have this day sold, and do by these presents grant, bargain, sell and convey unto the State of Texas, all that certain tract or parcel of land, situated in the County of Glasscock, State of Texas, and being a part of Survey 40, Abstract 770, Block 33, Township 2-South, T & P. Ry. Co. Surveys, conveyed by the State of Texas to Christ Schafer by instrument dated the 18th day of November, 1937, and recorded in Volume 1, page 507, of the Patent Records of Glasscock County, Texas, and also being part of Survey 44, Abstract 732, Block 33, Township 2-South, T & P. Ry. Co. Surveys. Conveyed by the State of Texas to Christ Schafer by instrument dated the 18th day of November, 1937, and recorded in Volume 1, page 506, Patent Records of Glasscock County, Texas; ~~Texas~~; said tract or parcel of land herein conveyed, being subject to:

(Important Note: If no liens, leases or easements exist, insert the word "None.")
lien(s) held by (Name) None, (Address) _____, easement(s) held by (Name) None, (Address) _____,
lease(s) held by (Name) None, (Address) _____, and being more particularly described as follows, to-wit:

Tract No. 1

Being a strip of land along and adjacent to the center line of State Highway No. 207, 4269.5 feet long and 120 feet wide, 60 feet each side of said center line from station 199 / 36 to station 242 / 04.5

Said center line being described as follows, to wit:

Beginning at a point on the north boundary line of said Survey 40, said point of beginning being station 199 / 36 and being N. 75 Deg. 19 Min. E. 2244 feet from the northwest corner of said Survey 40.

Thence S. 1 Deg. 09 Min. W., 4266.5 feet to a point in the northwest right-of-way line of the present Garden City-Big Spring road. Said ending point being at station 242/04.5 and being N. 1 Deg. 09 Min. E., 201.5 feet from the beginning center line of tract no. 2. The right-of-way for above mentioned road having been deeded to Glasscock County by Christ schaefer by deed dated the 14th day of June, 1937, and recorded in Volume 47, page 54, of the Deed Records of Glasscock County, Texas.

Said strip of land containing 11.759 acres.

Tract No. 2.

Being a strip of land along and adjacent to the center line of State Highway no. 207, 1037 feet long and 120 feet wide, 60 feet each side of said center line from station 244/06 to station 254/43.

Said center line being described as follows, to wit:

Beginning at a point on the southeast right-of-way line of said Garden City-Big Spring road at station 244 / 06, said beginning point being S. 1 Deg. 09 Min. W., 201.5 feet from ending of center line for tract no. 1.

Thence S. 1 Deg. 09 Min. W., 1037 feet to a point in the south boundary line of said Survey 40, said point being station 254 / 43 and being N. 75 Deg. 19 Min. E., 735 feet from southwest corner of said Survey 40.

Said strip of land containing 2.857 acres.

Tract No. 3.

Being a strip of land along and adjacent to the center line of State Highway No. 207, 2730 feet long and 120 feet wide, 60 feet each side of the center line from station 281 / 37 to station 308 / 67.

Said center line being described as follows, to wit:

Beginning at a point in the east boundary line of said Survey 44, said point being station 281 / 37 and N. 14 Deg. 41. Min. W., 2627 feet from the southeast corner of said Survey 44.

Thence S. 1 Deg. 09 Min. W., 2730 feet to a point in the south boundary line of said Survey 44, said point being station 308 / 67 and being S. 75 Deg. 19 Min. W., 745 feet from the southeast corner of said Survey 44.

Said strip of land containing 7.521 acres.

Tract No.	Acres
1	11.759
2	2.857
3	7.521
Total	22.137

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in any wise belonging, unto the said State of Texas and its assigns.

And we the said John Schafer and wife Ellen Schafer do hereby bind ourselves, our heirs, executors, and administrators, to warrant and forever defend all and singular the said premises, unto the said State of Texas, and its assigns against every person whosoever lawfully claiming or to claim the same or any part thereof.

The undersigned grantors herein for the same consideration hereby specially agree that the consideration above recited includes adequate and complete compensation for any and all damages, present or future, that may be done to the remainder of the tract above referred to and in consideration of the premises and the payment to us of the sum of money above acknowledged, we hereby release the State of Texas from any and all damages, if any, present or future, that may be done to the remainder of ___ said tract of land by virtue of the construction and maintenance of the new proposed Highway No. 33 or by virtue of any drainage in connection therewith or by virtue of any operations of any nature in connection with said road and its appurtenances.

Witness our hands this the 17 day of October, A.D. 1945.

John Schafer
Ellen Schafer

THE STATE OF TEXAS }
COUNTY OF GLASSCOCK }

Before me, C. W. Sparkman County Judge, in and for said County and State, on this day personally appeared John Schafer, known to me (or proved to me on the oath of _____, a credible witness) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 17 day of October 1945.

C. W. Sparkman

(SEAL)

County Judge, Glasscock County, Texas

THE STATE OF TEXAS }
COUNTY OF GLASSCOCK }

Before me, C. W. Sparkman County Judge, in and for said County and State, on this day personally appeared Ellen Schafer, wife of John Schafer, known to me (or proved to me on the oath of _____, a credible witness) to be the person whose name is subscribed to the foregoing instrument, and having been examined by me privily and apart from her husband, and having the same fully explained to her, she the said Ellen Schafer, acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office, this the 17 day of October 1945.

C. W. Sparkman

(SEAL)

County Judge Glasscock County, Texas.

Filed for record December 3, 1945 at 11:00 o'clock A.M.

Recorded December 4, 1945 at 1:18 o'clock P.M.

Wm. L. ...
County Clerk, Glasscock County, Texas.

(FILE # 7025)

CHANNEL EASEMENT

STATE OF TEXAS }
COUNTY OF GLASSCOCK }

KNOW ALL MEN BY THESE PRESENTS:

THAT we, John Schafer and wife Ellen Schafer of Glasscock County, Texas, in consideration of the sum of \$6.00 and other good and valuable consideration in hand paid by the

5.

File No. MF 112581

Deed

Date Filed: 3/2/11
Jerry E. Patterson, Commissioner

By [Signature]

333

VERITAS 321 ENERGY PARTNERS, LP

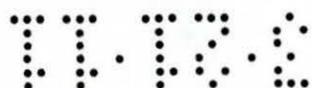
P.O. BOX 173
MIDLAND, TEXAS 79702
(432) 682-4002

OWNERSHIP REPORT

PROSPECT:	Deadwood	PREPARED BY:	Andy Luck Updated By: Edrea Esslinger And Rachel Tuck
COUNTY OF:	Glasscock	RECORD DATE:	November 30, 2010
STATE OF:	Texas	REPORT DATE:	December 9, 2010
		INDEX DATE:	December 9, 2009
		IN-HOUSE UPDATE:	March 18, 2011 by Amanda Torres
		Mineral Ownership Report	X
		Surface Ownership Report	X
		Leasehold Ownership Report	X

DESCRIPTION: *All of Section 40, Block 33, Township-2-South, T&P RR Co. Sy., Glasscock County, Texas.*

SURFACE OWNER(S):	William Ralph Schafer, Sr., dec'd SS# [REDACTED] *See Note 1 below
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START OF REPORT
Mineral Ownership Report

DESCRIPTION: West half (W/2) and Northeast Quarter (NE/4) Save & Except a 14.616 acre tract being State Highway 33 of Section 40, Block 33, T-2-S, T&P RR Co. Sy., consisting of 461.334 acres, more or less.

NAME OF MINERAL OWNER	INTEREST	NET ACS	LEASEHOLD & EXP DATES
<p>The Estate of William Ralph Schafer, Sr., dec'd SS# [REDACTED]</p> <p>*See Note 1 below</p> <p>*100% of Executive Rights</p>	0.22500000	103.80015	<p>Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources</p> <p>Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)</p>
<p>Marion Greer Carter, ssp 451 Hillger Garden City, TX 79739 (432)354-2239 SS# [REDACTED]</p> <p>*No Executive Rights</p>	0.10000000	46.1334	<p>Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources</p> <p>Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)</p>

<p>Doralee Maud Newell, ssp 650 Newell Road Big Spring, TX 79720 (432)354-2265 SS# [REDACTED]</p> <p>*See Note 3 below</p> <p>*No Executive Rights and No Royalty Interest</p>	0.07500000	34.60005	<p>Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources</p> <p>Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)</p>
<p>Charlie Joe Schafer, ssp 1351 Hillger Road Garden City, TX 79739 (432)354-2329 SS# [REDACTED]</p> <p>*See Note 3 below</p> <p>*No Executive Rights and No Royalty Interest</p>	0.07500000	34.60005	<p>Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources</p> <p>Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)</p>
<p>Leonard Schafer, ssp HC 71 Box 74 Coahoma, TX 79511 SS# [REDACTED]</p> <p>*See Note 2 below *See Note 3 below</p> <p>*No Executive Rights and No Royalty Interest</p>	0.07500000	34.60005	<p>Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources</p> <p>Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells</p>

			drilled and capable of producing in paying quantities)
Lillian Joyce Fuller, aka Joyce Fuller, ssp 1500 Runnels St. Big Spring, TX 79720 (432)263-3330 SS# [REDACTED] *No Executive Rights	0.05625000	25.9500375	Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 – N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)
Philip Brant Schafer, ssp 2246 FM 969 Elgin, TX 78261 (512)581-3179	0.02812500 (No Executive Rights)	12.97501875	Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 – N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)
Suanne Schafer, ssp 4102 Buffalo Bayou Road San Antonio, TX 78251 (210)520-5588	0.02812500 (No Executive Rights)	12.97501875	Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 – N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per

			ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)
Marck Schafer, ssp 3550 Ranch Road 33 Big Spring, TX 79720 (432)354-2246 SS# [REDACTED]	0.05625000 (No Executive Rights)	25.9500375	Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)
Walker Farms, Ltd. 7705 NCR 25 Big Spring, TX 79720 (432)399-4799 Tax ID# [REDACTED]	0.05625000 (No Executive Rights)	25.9500375	Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)
Rosie Marie Schafer Roberts, ssp 2705 N. Albertson Dr. Hobbs, NM 88240 (575)392-5825 SS# [REDACTED]	0.11250000 (No Executive Rights)	51.900075	Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4

1110

			Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)
Emma C. Schafer, ssp P.O. Box 194 Garden City, TX 79739 (432)354-2227 SS# [REDACTED]	0.11250000 (No Executive Rights)	51.900075	Leased to Apache Corporation, Successor Leasehold Owner to Mariner Energy, Inc., Successor Leasehold Owner to Touchwood Resources Date: 1-15-2008 Lessor: Hugh Bryan Schafer, Jerry John Schafer, Melissa Jordan, William Schafer, Jr. Lessee: Apache Corporation Term: 3 years Royalty: 1/5 Vol./Pg.: 118/11 OPR Expires: 1/15/2011 Lands: Block 33, T2S Section 40 - N/2, SW/4 Section 44 - E 160 acres, S&E a tract 5.4 acres under State Highway 33 *Assigned to Mariner Energy, Inc., per ASSN 118/523, dated 6-1-2008 *Vertical and Horizontal Pugh Clauses (100 feet below the deepest of all wells drilled and capable of producing in paying quantities)
TOTALS FOR MINERAL OWNERSHIP			
	100%	461.334	

NOTES

Note 1:

William Ralph Schafer, Sr. died intestate on July 24, 2001 in Howard County, TX. Below are the heirs entitled to 1/4 each of his estate:

Hugh Bryan Schafer

Aka Schafer Farms
2801 Ranch Road 33
Big Spring, TX 79720
(432)354-2433

Jerry John Schafer

205 W. Highway 21
Caldwell, TX 77836
(979)535-7061

Melissa Beth Schafer Jordan

3003 Encanto Drive
Roswell, NM 88201

William Ralph Schafer, Jr.

c/o Hugh B. Schafer
2801 Ranch Road 33
Big Spring, TX 79720
(432)354-2433

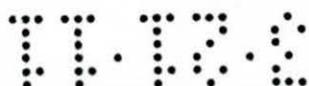
If the children of William Ralph Schafer, Sr. are in fact the heirs of his estate, then they would own 100% of the surface interest, 22.5% of the mineral interest, and 100% of the executive rights.

Note 2:

An alternative address for Leonard Schafer is 600 Sourdough Road, Coahoma, TX 79511.

Note 3:

Ben Schafer conveyed all of his royalty interest, per Royalty Deeds 96/340 and 93/368, to E.O. Ellington and E.T. O'Daniel, respectively. The heirs of Ben Schafer only own rights to rentals and bonuses.



DESCRIPTION: A 14.616 acre tract for State Highway 33 being more particularly described by metes and bounds described in Right of Way Grant 56/239 DR of Glasscock County, of the West half of Section 40, Block 33, T-2-S, T&P RR Co. Sy., consisting of 14.616 acres, more or less.

NAME OF MINERAL OWNER	INTEREST	NET ACS	LEASEHOLD & EXP DATES
State of Texas acting by and through its State Highway Commission	8/8	14.616	Open
TOTALS FOR MINERAL OWNERSHIP	100%	14.616	

Note 1: See Right-of-Way Deed 56/239 Tracts 1 and 2 for Metes and Bounds.

DESCRIPTION: Southeast Quarter (SE/4) of Section 40, Block 33, T-2-S, T&P RR Co. Sy., containing 156.8500 acres, more or less.

NAME OF MINERAL OWNER	INTEREST	NET ACS	LEASEHOLD & EXP DATES
Hugh Bryan Schafer 2801 Ranch Road 33 Big Spring, TX 79720 (432)354-2433 *See Note 1 below	0.05625 *25% of Executive Rights	8.8228125	Leased Date: 5/21/2010 Lessor: Hugh Bryan Schafer Lessee: Laredo Petroleum, Inc Term: 3 years Royalty: Memo Vol./Pg.: OGL 146/667 Lands: Block 33, T2S Section 40 – SE/4 Section 39 – NW/4SW/4 and S/2SW/4
Jerry John Schafer 205 W. Highway 21 Caldwell, TX 77836 (979)535-7061	0.05625 *25% of Executive Rights	8.8228125	Leased Date: 5/21/2010 Lessor: Jerry John Schafer Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: OGL 146/663 Lands: Block 33, T2S Section 40 – SE/4 Section 39 - NW/4SW/4
Melissa Beth Schafer Jordan 3003 Encanto Drive Roswell, NM 88201	0.05625 *25% of Executive Rights	8.8228125	Leased Date: 5/21/2010 Lessor: Melissa Beth Jordan Lessee: Laredo Petroleum, Inc Term: 3 years Royalty: Memo Vol./Pg.: OGL 5/21/2010 Lands: Block 33, T2S Section 40 – SE/4 Section 39 – NW/4SW/4
William Ralph Schafer, Jr. 2801 Ranch Road 33 Big Spring, TX 79720 (432)354-2433	0.05625 *25% of Executive Rights	8.8228125	Leased Date: 5/21/2010 Lessor: William Ralph Schafer, Jr. Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: OGL 146/665 Lands: Block 33, T2S Section 40 – SE/4 Section 39 – NW/4SW/4
Marion Greer Carter, ssp 451 Hillger Garden City, TX 79739 (432)354-2239 SS# [REDACTED]	0.10000000 *No Executive Rights	15.68500000	Ratified Date: 8/26/2010 Lessor: Marion Greer Carter Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: RATIF 151/2 Lands: SE/4 sec. 40; S/2 SW/4 & NW/4 SW/4 sec. 39; both in Block 33, T-2-S, T&P Survey Notes: see OGL 148/110, 146/667, 147/167, 147/691
Leonard Schafer, ssp, dec'd HC 71 Box 74 Coahoma, TX 79511 SS# [REDACTED] *See Note 2 below *See Note 3 below	0.07500000 *No Executive Rights and No Royalty Interest	11.76375000	Ratified Date: 6/05/2006 Lessor: Leonard Schafer Lessee: L.E. Oppermann Term: 3 years Royalty: 1/5 Vol./Pg.: RDO & RATIF OGL 93/582 Lands: SE/4 sec. 40 ; S/2 SW/4 & NW/4 SW/4 sec. 39 ; both in Block 33, T-2-S, T&P Survey



<p>Charlie Joe Schafer, ssp 1351 Hillger Road Garden City, TX 79739 (432)354-2329 SS# [REDACTED] *See Note 3 below</p>	<p>0.07500000 *No Executive Rights and No Royalty Interest</p>	<p>11.76375000</p>	<p>Ratified Date: 5/26/2010 Lessor: Charlie Joe Schafer Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: RATIF 151/4, Lands: SE/4 sec. 40; S/2 SW/4 & NW/4 SW/4 sec. 39; both in Block 33, T-2-S, T&P Survey Notes: see OGL 148/110, 146/667, 147/167, 147/691</p>
<p>Doralee Maud Newell, ssp 650 Newell Road Big Spring, TX 79720 (432)354-2265 SS# [REDACTED] *See Note 3 below</p>	<p>0.07500000 *No Executive Rights and No Royalty Interest</p>	<p>11.76375000</p>	<p>Ratified Date: 8/27/2010 Lessor: Doralee Maud Newell Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: RATIF 151/1 Lands: SE/4 sec. 40; S/2 SW/4 & NW/4 SW/4 sec. 39; both in Block 33, T-2-S, T&P Survey Notes: see OGL 148/110, 146/667, 147/167, 147/691</p>
<p>Marck Schafer, ssp 3550 Ranch Road 33 Big Spring, TX 79720 (432)354-2246 SS# [REDACTED]</p>	<p>0.05625000 *No Executive Rights</p>	<p>8.82281250</p>	<p>Ratified Date: 8/27/2010 Lessor: Marck Schafer Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: RATIF 151/5 Lands: SE/4 sec. 40; S/2 SW/4 & NW/4 SW/4 sec. 39; both in Block 33, T-2-S, T&P Survey Notes: see OGL 148/110, 146/667, 147/167, 147/691</p>
<p>Philip Brant Schafer, ssp 2246 FM 969 Elgin, TX 78261 (512)581-3179</p>	<p>0.02812500 *No Executive Rights</p>	<p>4.41140625</p>	<p>Ratified Date: 6/05/2006 Lessor: Gene Schafer, dec'd Lessee: L.E. Oppermann Term: 3 years Royalty: 1/5 Vol./Pg.: RDO & RATIF OGL 93/579 Lands: SE/4 sec. 40 ; S/2 SW/4 & NW/4 SW/4 sec. 39 ; both in Block 33, T-2-S, T&P Survey</p>
<p>Suanne Schafer, ssp 4102 Buffalo Bayou Road San Antonio, TX 78251 (210)520-5588</p>	<p>0.02812500 *No Executive Rights</p>	<p>4.41140625</p>	<p>Ratified Date: 10/15/2010 Lessor: Suanne Schafer Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: RATIF 154/199 Lands: SE/4 sec. 40; S/2 SW/4 & NW/4 SW/4 sec. 39; both in Block 33, T-2-S, T&P Survey Notes: See OGL 147/167, 667,663, 665</p>
<p>Lillian Joyce Fuller, aka Joyce Fuller, ssp 1500 Runnels St. Big Spring, TX 79720 (432)263-3330 SS# [REDACTED]</p>	<p>0.05625000 *No Executive Rights</p>	<p>8.82281250</p>	<p>Ratified Date: 6/05/2006 Lessor: Joyce Fuller Lessee: L.E. Oppermann Term: 3 years Royalty: 1/5 Vol./Pg.: RDO & RATIF OGL 93/576 Lands: SE/4 sec. 40 ; S/2 SW/4 & NW/4 SW/4 sec. 39 ; both in Block 33, T-2-S, T&P Survey</p>

Walker Farms, Ltd. 7705 NCR 25 Big Spring, TX 79720 Tax ID# [REDACTED]	0.05625000 *No Executive Rights	8.82281250	Ratified Date: 6/05/2006 Lessor: Ray Walker, signing for Walker Farms, Ltd. Lessee: L.E. Oppermann Term: 3 years Royalty: 1/5 Vol./Pg.: RDO & RATIF OGL 93/78 Lands: SE/4 sec. 40 ; S/2 SW/4 & NW/4 SW/4 sec. 39 ; both in Block 33, T-2-S, T&P Survey
Emma C. Schafer, ssp P.O. Box 194 Garden City, TX 79739 (432)354-2227 SS# [REDACTED]	0.11250000 *No Executive Rights	17.64562500	Ratified Date: 8/27/2010 Lessor: Emma Schafer Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: RATIF 151/3 Lands: SE/4 sec. 40; S/2 SW/4 & NW/4 SW/4 sec. 39; both in Block 33, T-2-S, T&P Survey Notes: See OGL 148/110, 146/667, 147/167, 147/691
Rosie Marie Schafer Roberts, ssp 2705 N. Albertson Dr. Hobbs, NM 88240 (575)392-5825 SS# [REDACTED]	0.11250000 *No Executive Rights	17.64562500	Ratified Date: 10/8/2010 Lessor: Rosie Marie Roberts Lessee: Laredo Petroleum, Inc. Term: 3 years Royalty: Memo Vol./Pg.: RATIF 153/376 Lands: SE/4 sec. 40; S/2 SW/4 & NW/4 SW/4 sec. 39; both in Block 33, T-2-S, T&P Survey Notes: See OGL 147/167, 667,663, 665
TOTALS FOR MINERAL OWNERSHIP	100%	156.8500000	

NOTES**Note 1:**

William Ralph Schafer, Sr. died intestate on July 24, 2001 in Howard County, TX. Below are the heirs entitled to ¼ each of his estate:

Hugh Bryan Schafer

Aka Schafer Farms
2801 Ranch Road 33
Big Spring, TX 79720
(432)354-2433

Jerry John Schafer

205 W. Highway 21
Caldwell, TX 77836
(979)535-7061

Melissa Beth Schafer Jordan

3003 Encanto Drive
Roswell, NM 88201

William Ralph Schafer, Jr.

c/o Hugh B. Schafer
2801 Ranch Road 33
Big Spring, TX 79720
(432)354-2433

If the children of William Ralph Schafer, Sr. are in fact the heirs of his estate, then they would own 100% of the surface interest, 22.5% of the mineral interest, and 100% of the executive rights.

Note 2:

An alternative address for Leonard Schafer is 600 Sourdough Road, Coahoma, TX 79511.

Note 3:

Ben Schafer conveyed all of his royalty interest, per Royalty Deeds 96/340 and 93/368, to E.O. Ellington and E.T. O'Daniel, respectively. The heirs of Ben Schafer only own rights to rentals and bonuses.



Leasehold Ownership Report

DESCRIPTION: West half (W/2) and Northeast Quarter (NE/4) of Section 40, Block 33, T-2-S, T&P RR Co. Sy., consisting of 475.95 acres, more or less.

NAME OF LEASEHOLD OWNERS	WORKING INTEREST	NET REVENUE INTEREST	COMMENTS
Mariner Energy, Inc. 2000 W. Sam Houston Pkwy. South Suite 2000 Houston, TX 77042	100.00	0.80000000	
WORKING INTEREST TOTALS	100.0%	0.80000000	
Royalty:		0.20000000	
TOTAL ROYALTY BURDENS		0.20000000	
ALL LEASEHOLD TOTALS	100.0%	1.00000000	

END OF REPORT

6.

File No. MF 112581
Ownership Report
Date Filed: 3/24/11
Jerry E. Patterson, Commissioner
By [Signature]

2011



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

HUGH BRYAN SCHAFER AND NORVELLA ANN SCHAFER, HUSBAND AND WIFE; AND WILLIAM R. SCHAFER, JR., JERRY JOHN SCHAFER AND MELISSA BETH JORDAN, EACH DEALING IN THEIR SOLE AND SEPARATE PROPERTY, C/O HUGH BRYAN SCHAFER

ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33;
 N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

<input checked="" type="checkbox"/> NEW	<input type="checkbox"/> FEDERAL	DOCUMENTS SUBMITTED:	
<input type="checkbox"/> RENEWAL	<input type="checkbox"/> STATE	<input checked="" type="checkbox"/> ORIGINAL LEASE	<input type="checkbox"/> COMPLETED W9
<input type="checkbox"/> RATIFICATION	<input type="checkbox"/> GOVT. AGENCY	<input type="checkbox"/> MEMORANDUM OF LEASE	<input type="checkbox"/> MINERAL TAKEOFF
<input type="checkbox"/> EXTENSION	<input checked="" type="checkbox"/> FEE	<input checked="" type="checkbox"/> LEASE PLAT	<input checked="" type="checkbox"/> MIN. OWN. & EXEC. RIGHTS REPORT
<input type="checkbox"/> AMENDED	<input checked="" type="checkbox"/> PAID-UP	<input checked="" type="checkbox"/> COPY OF DRAFT/CHECK	<input type="checkbox"/> COPY OF CHECK RECEIPT
BOOK: 118	PAGE: 11	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: SEE EXHIBIT "A" ATTACHED	GROSS ACRES: 634.60	NET ACRES: SEE EXHIBIT "A" ATTACHED	ROYALTY RATE:
CO. GWI: 1.00000000		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: *\$21,417.75	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):	INTEREST:
NAME: SEE EXHIBIT "A" ATTACHED	SEE EXHIBIT "A" ATTACHED
CONTINUED: FOR LESSOR (S) LISTED ABOVE	
ADDRESS:	
ADDRESS:	
CITY ST ZIP:	
TIN:	
PHONE, EMAIL:	
TOTAL INTEREST:	SEE EXHIBIT "A" ATTACHED

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:
 *Pg. 3 - Shut-in royalty - \$2.00 per net acre
 * Bonus amount is based on the Total Net Acreage and the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.
 *TOTAL COST OF LEASE: \$21,417.75



3099

PAID-UP OIL AND GAS LEASE

MELISSA M J

THIS LEASE AGREEMENT is made as of the 15th day of January, 2008, between between Hugh Bryan Schafer and Norvella Ann Schafer, husband and wife; and William R. Schafer, Jr., Jerry John Schafer and Melissa Beth Jordan, each dealing respectively in their sole and separate property, c/o Hugh B. Schafer, 2801 Ranch Road 33, Big Spring, TX 79720-7810, as Lessor (whether one or more), and Touchwood Resources, LLC, PO Box 197, Midland, Texas 79702, as Lessee.

1. **Description.** In consideration of the sum of Ten and no/100 Dollars (\$10.00) in hand paid, and other good and valuable consideration and the covenants herein contained, Lessor hereby grants exclusively to Lessee the following described land (use attachment for long descriptions):

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

See Exhibit "A" attached hereto for further terms and conditions

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

in the Counties of Glasscock, State of Texas, containing ~~634.60~~ acres, more or less, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbons and non-hydrocarbon substances produced in association therewith. The term "gas" as used herein includes hydrocarbon gases. In addition to the above-described land, this lease also covers acquisitions of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described land, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered.

2. **Terms of Lease.** This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of three (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith, or this lease is otherwise maintained in effect pursuant to the provisions hereof.

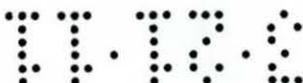
3. **Royalty Payment.** Royalties on oil and gas produced and sold hereunder shall be paid by Lessee to Lessor as follows: a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be one-fifth (1/5) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same or nearest field for production of similar grade and gravity; b) For gas (including casinghead gas) and all other substances covered hereby, the royalty shall be one-fifth (1/5) of the proceeds realized by Lessee from the sale thereof, less a proportionate part of the costs incurred by Lessee in delivering, processing or otherwise making such gas or other substance merchantable, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same or nearest field pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and c) If a well on the leased premises or lands pooled therewith is capable of producing gas (including casinghead gas) but such well is either shut-in or production therefrom is not being sold or purchased by Lessee or royalties on production therefrom are not otherwise being paid to Lessor, and if this lease is not otherwise maintained in effect, such well shall nevertheless be considered as though it were producing gas in paying quantities for the purpose of maintaining this lease, whether during or after the primary term. If Lessee pays shut-in royalty of Two Dollars per acre then covered by this lease, such payment to be made to Lessor on or before the next ensuing anniversary date of this lease, or within 90 days after such anniversary date, and thereafter on or before each anniversary date hereof while the well is shut-in or production therefrom is not being sold or purchased by Lessee or royalties on production therefrom are not otherwise being paid to Lessor. For the purpose of calculating shut-in royalties, the number of lease acres described in Paragraph 1 shall be deemed correct, whether actually more or less.

4. **Operations.** If at the end of the primary term or at any time thereafter this lease is not otherwise being maintained in force, it shall nevertheless remain in force as long as Lessee engages in drilling, deepening, reworking or any other operations reasonably calculated to obtain or restore production on the leased premises or lands pooled therewith without an interruption of more than 120 consecutive days, and, if such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities.

5. **Pooling.** Lessee shall have the right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to oil or gas or both, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, when such pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well shall not exceed 40 acres plus a maximum acreage tolerance of 10%, and for a gas well shall not exceed 320 acres plus a maximum acreage tolerance of 10%, except that larger units may be formed for oil wells or gas wells to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production produced and saved which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee must terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. The restrictions and requirements of this Paragraph 5 shall not apply to compulsory pooling of interests effected by operation of law or by order of any governmental authority having jurisdiction, but all other references to pooling contained in this lease shall include such compulsory pooling as well as pooling effected under this Paragraph 5.

6. **Lessor Interest.** If Lessor owns less than the entire and undivided mineral estate in the above-described land or any portion thereof, the royalties and shut-in royalties herein provided shall be paid to Lessor only in the proportion which Lessor's interest bears to the whole and undivided mineral estate in said land or portion thereof.

7. **Ownership Changes.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of



Lessee hereunder, and no change in ownership shall be binding on Lessee until 45 days after Lessee has been furnished certified copies of the documents effecting such change, or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order, which Lessor hereby agrees to execute prior to the payment of royalties hereunder. In the event of the death of any person entitled to shut-in royalty hereunder, Lessee may pay such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay such shut-in royalties to such persons jointly, or separately in proportion to the interest in which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to the interest not so transferred.

8. **Release of Lease.** Lessee may, at an time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder, and for such purpose the number of lease acres described in Paragraph 1 shall be deemed correct, whether actually more or less.

9. **Ancillary Rights.** In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized therewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or substances produced on the leased premises, except water from Lessor's wells or ponds. The right of ingress and egress granted hereby shall apply to the entire leased premises notwithstanding any release or other termination affecting any portion thereof. When requested by Lessor in writing, Lessee shall bury its pipelines below plow depth. No well shall be located less than 200 feet from any house or barn now on the leased premises without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises, and to timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises during the term of this lease or within 180 days.

10. **Regulation and Delay.** Lessee's obligations under this lease, whether express or implied, shall be subject to applicable laws, rules, regulations and orders of any governmental authority having jurisdiction, including restrictions on the drilling and production of wells covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, war, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

11. **Breach or Default.** No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default within such period.

12. **Warranty of Title.** Lessor hereby warrants and agrees to defend Lessee's title hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If it exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder until Lessee has been furnished satisfactory evidence that such claim has been resolved in Lessor's favor.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

WITNESSES AND/OR ATTESTATION

LESSOR (WHETHER ONE OR MORE)

Hugh B. Schafer
Hugh Bryan Schafer, husband of Norvella Ann Schafer

Norvella Ann Schafer
Norvella Ann Schafer, wife of Hugh B. Schafer

William R. Schafer, Jr.
William R. Schafer, Jr., dealing in his sole and separate property

Jerry John Schafer
Jerry John Schafer, dealing in his sole and separate property

Melissa Beth Jordan
Melissa Beth Jordan, dealing in her sole and separate property

MELISSA NJ

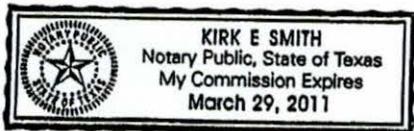


ACKNOWLEDGMENTS

STATE OF TEXAS §

COUNTY OF Glasscock §

The foregoing instrument was acknowledged before me on this 22nd day of December 2007 by
Hugh Bryan Schafer and Norvella Ann Schafer, husband and wife



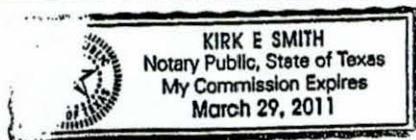
Kirk E. Smith
Notary Public in and for the State of TEXAS

My commission expires: _____

STATE OF TEXAS §

COUNTY OF Glasscock §

The foregoing instrument was acknowledged before me on this 22nd day of December 2007 by
William R. Schafer, Jr.



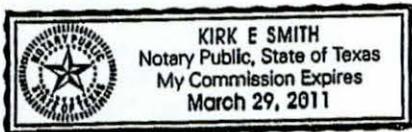
Kirk E. Smith
Notary Public in and for the State of TEXAS

My commission expires: _____

STATE OF TEXAS §

COUNTY OF Glasscock §

The foregoing instrument was acknowledged before me on this 22nd day of December 2007 by
Jerry John Schafer



Kirk E. Smith
Notary Public in and for the State of TEXAS

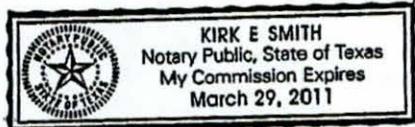
My commission expires: _____

STATE OF TEXAS §

COUNTY OF Glasscock §

The foregoing instrument was acknowledged before me on this 22nd day of December 2007 by
Melissa Beth Jordan

MELISSA BETH JORDAN



Kirk E. Smith
Notary Public in and for the State of TEXAS

My commission expires: _____

EXHIBIT "A"

Attached to and made a part of that certain Oil and Gas Lease dated _____ 200__ by and between Hugh Bryan Schafer, et al as Lessor (whether one or more), and Touchwood Resources LLC, as Lessee.

Notwithstanding anything contained herein to the contrary, the provisions of this Exhibit "A" shall control in the event of an inconsistency or conflict, with the oil and gas lease attached hereto.

- a. Lessee agrees to pay to Surface Owner in cash and in advance prior to drilling, reasonable surface damages for all of its operations hereunder. Lessee shall pay \$5,500.00 for each well location which shall include pad, pit and one tank battery and an additional \$1,500.00 for each tank battery which is not placed on a well location. Additionally, Lessee agrees to pay actual costs of repair or replacement of any drip irrigation system damaged by Lessee's activities. Damages for each horizontal well drilled shall be \$6,500.00 and an additional \$1,500.00 for each tank battery that is not placed on a well location. Damages for new roadways and flowlines shall be calculated at a rate \$10.00 a rod for roadways and \$7.50 a rod for flowlines.
- b. Lessee further agrees that neither he nor his employees, contractors, suppliers and agents shall bring any firearms on the leased premises. At such times as Lessee is not conducting operations on the leased premises, or is not transporting oil or other liquid hydrocarbons therefrom, he will keep all entry gates to the leased premises closed and locked; and that in the event of commercial production of oil and/or gas from the leased premises, that all cattle guards entering the premises, shall be locked and chained.
- c. Lessee further agrees to consult with Surface Owner regarding location of all roads used or installed by Lessee. All cattle guards installed by Lessee will be in accordance with Surface Owner's reasonable specifications to be not less than 9' X 16' X 5' in size. Fence corners and fence braces installed by Lessee will be in accordance with Surface Owner's reasonable specifications, and shall be construed of at least 3" pipe installed 4' underground. All roads used or installed by Lessee will be calched at the rate of 6" compacted to 5" and maintained in a good condition. With regard to installation of cattle guards on the leased premises, Lessee agrees that all cattle guards so installed shall be constructed as to prevent livestock from crossing said cattle guard and shall be constructed so that there is a "Swing gate" which shall be lockable. All gates shall be constructed by 4 X 4" wire mesh, to be predator proof and in accordance with Surface Owner's reasonable specifications. Lessee further agrees that upon cessation of production, abandonment of the lease, release or termination of the lease, whichever occurs first, that all cattle guards, gates or fence posts installed by Lessee shall be turned over to the Surface Owner so that Surface Owner shall have full rights and title thereto. It is further agreed that all roads used by Lessee shall be and remain private roads for all purposes.
- d. Lessee shall not use fresh water produced from the leased premise unless produced from below 300 feet from the surface. Water produced from below 300 feet from the surface will be produced only with Lessor's consent.
- e. Lessee shall fence out all producing well sites, drilling sites and slush pits or other pits which the Lessee may create, or cause to be located on such land, so that fluids there or damaging substances thereof shall be wholly unavailable to livestock being grazed upon the above described lands or any part thereof.
- f. Each drill site shall be cleaned and leveled by the Lessee as soon as reasonably possible after the completion of each well and in such a manner that the land will be returned to its former condition as nearly as possible under the circumstances. Lessee further agrees that all slush pits shall be filled and closed as promptly as possible.
- g. The operations of Lessee on the leased premises shall be conducted in such a manner that the Lessee shall use reasonable and customary means to prevent the contamination of any and all waters in, on and under said land, whether in surface tanks or any other type of storage, in creek beds or river beds, and any and all surface and subsurface water bearing strata or formations by virtue of Lessee's drilling, development and productions. Lessee shall prevent contamination of the surface of the above described lands from salt water or other contaminating substances flowing over or seeping onto such lands because of Lessee's operations.
- h. It is further understood and agreed that Lessee, his successors and assigns in any and all operations, workings and actions taken hereunder will conduct such operations, workings and actions in such a manner as to prevent soil erosion and soil loss.
- i. Notwithstanding anything herein contained to the contrary, it is understood and agreed that Lessee shall have a reasonable time, but not to exceed 180 days after the expiration of the primary term or cessation of production or any other fee determinable event, in which to remove all property and fixtures placed by Lessee on said land except as provided for herein.
- j. Lessee, its heirs or assigns, agrees that all pits used in connection with its operations hereunder shall be lined with plastic to prevent contamination of any and all waters in, on and under said lands.



k. When this lease is abandoned by Lessee, Lessee, its successors and assigns, agree to plug all wells drilled on said premises in accordance with the rules and regulations promulgated by the Railroad Commission of Texas or any other regulatory agency having such jurisdiction.

l. Lessee hereby agrees that with regard to all wells drilled on the leased premises, a sufficient amount of surface casing shall be set and cemented to properly protect all fresh water formations which are now, or may be, source of water supply.

"Sufficient amount of casing" shall mean that amount of surface casing required to reach the depth recommended by the appropriate government agency having jurisdiction to protect all fresh water formations which are currently found, or may be found, on the leased premise.

m. Where Lessee's equipment may cause ruts or tracks in drilling or production operations, Lessee shall repair said damage in a reasonable time.

n. Where required by Lessor, Lessee will bury all flowlines and pipelines in accordance with the following standards and specifications. All pipelines and flow lines and other appropriate lines not on well site location shall be laid thirty-six (36) inches beneath the surface of the ground and shall be double ditched and water packed. In laying pipelines or other necessary lines, the soil shall be removed separately for the full width of the line trench to a depth of not less than twelve (12) inches or the depth of the top soil, whichever is less, and such top soil shall be replaced on top of the backfill for such trench. Whenever Lessee removes rocks or caliche from a trench located on leased premises, Lessee shall place all such rock and caliche back into the trench at least twelve (12) inches below the surface elevation or, in its discretion, Lessee may remove such rock and caliche from the leased premises. Rock, as defined herein, shall not include sand or gravel or rocks less than two (2) inches in diameter. After the construction of any line and after any excavation in connection with the maintenance, repair or removal of any line, the contour of the ground shall be restored as nearly as practicable to the original condition and maintained so that neither wind nor water erosion results from the location of such line or any of the activities of Lessee hereunder. Buried flowlines or pipelines shall follow the roads wherever possible.

o. All operations hereunder shall as reasonably and practical as possible be conducted so as to cause the least inconvenience and interference with surface use and the most practicable accommodation with other surface users.

p. Lessee shall consult with Surface Owner as to the location of tank batteries and roadways in advance of their construction, and shall locate the same in accordance with the reasonable agreement of the parties. At all times while this lease is in effect, all drill site locations shall be maintained and kept free and clear of all weeds, mesquite and other phreatophytes.

q. In the event soil on the leased premises is damaged as a result of Lessee's operations from spillage, leakage, dumping, pumping or draining of salt water, oil or other chemicals, then Lessee agrees to clean up and to restore and reseed the soil and to restore the soil to as near its original condition as is reasonably possible.

r. Upon abandonment of the leased premises as a result of the drilling of a dry hole or the cessation of production, Lessee shall restore the surface of the leased premises to as nearly as reasonable practicable its conditions prior to commencement or operations. Such restoration shall include the removal of caliche and other base materials brought in by Lessee and put down for well location pads, tank battery sites and roadways, removal of debris incident to the operations, the removal of all foreign substances and materials contained within slush pits and the leveling and filling of such slush pits.

s. No drilling or reworking operations shall take place less than 300 feet from a residence or improvement of any kind located on the premises at the time of execution of this lease.

t. This lease covers oil, gas and all associated hydrocarbons produced from the well bore with oil, gas, and casinghead gas only and all other references to other minerals are hereby deleted. It is hereby understood and agreed that Lessor shall receive 1/5 royalty for sulphur or other components extracted from the well bore and produced by Lessee.

u. If for any reason beyond the control of Lessee, a well or wells located on the above described land and capable of producing gas in paying quantities is or are shut in at any time after the expiration of the primary term of this lease for a period of sixty (60) consecutive days, during which time oil or gas is not otherwise being produced hereunder, Lessee may on or before the expiration of said sixty-day period, pay or tender to the owners thereof, or to the credit of the owners in the _____ Bank at _____, Texas, which bank and its successors are Lessor's agents, and shall continue as the depository for all such payments payable hereunder regardless of any devolution, change or division of the ownership of said land or payments, a sum equal to Five Dollars (\$5.00) times the number of net mineral acres which are then covered by this lease, but in no event to be less than \$1,200.00 per annum for each shut in well capable of producing gas or oil in paying quantities; and if such payments are timely made, it shall be considered under the provisions of this lease that gas or oil is being produced from the leased premises in paying quantities for one (1) year from the date the first such well was shut in, and upon a like payment on or before such date each succeeding year, it will be considered under all provisions of this lease that gas is being produced from the leased premises in paying quantities for the year immediately following: however, the right to extend this lease in this manner may not be utilized to



extend this lease for a period of more than five (5) years cumulatively from the date of the lease. For example, if after production was established, the well was shut in for a period of three years and the lease was perpetuated by the payment of shut in royalties and thereafter production was resumed; Lessee would have the ability perpetuate the lease only for a total period of two more years (successive or otherwise) through the payment of shut in royalties. However, if any well is shut in, in excess of three years, the shut in royalty to extend the lease for the fourth and fifth years as provided herein will be calculated at the rate of \$10.00 times the number of net mineral acres which are then covered by this lease, but in no event to be less than \$2,400.00 per annum for each shut in well capable of producing gas in paying quantities.

v. In the event of a partial termination of this lease under the provisions hereof, Lessee, upon request of Lessor, shall execute unto Lessor a good and sufficient partial release of this lease as to all lands and all substances which shall have expired under the provisions hereof.

w. Nothing expressed or implied in this lease shall relieve Lessee of any otherwise existing duty of development.

x. Initial settlement with the Lessor for the royalty on oil and/or gas that is first sold to the first purchaser or used off the premises shall be made by the Lessee and/or the Lessee's heirs, successors or assigns on or before the 30th day of the fourth calendar month after the calendar month such producing well was completed as shown by the Form W-2, Railroad Commission of Texas, Oil and Gas Division, Oil Well Potential Test, Completion of Recompletion Report and Log, or such other report required by an applicable successor governmental agency that shows the date of completion of such well. Thereafter, settlement with Lessor for the royalty on all oil and/or gas that is sold to the first purchaser after the first sale or used off the premises after the first sale shall be made by the Lessee and/or the Lessee's heirs, successors or assigns on or before the 30th day of second calendar month for the oil and/or gas sold or used off the premises during the preceding calendar month. The amount of the settlement for royalty on oil and/or gas sold or used off the premises shall bear interest at the rate of eighteen percent (18%) per annum from the applicable settlement dates set forth herein. No provision of this lease shall require the payment or permit the collection of interest in excess of the maximum amount permitted by applicable law to be charged by the Lessor to the Lessee or the Lessee's heirs, successors or assigns. If any excess of interest in such respect is provided for herein, or shall be adjudicated to be provided for herein, the Lessee or the Lessee's heirs, successors and assigns shall not be obligated to pay such interest in excess of the amount permitted by applicable law to be charged at such time by the Lessor in this lease to the Lessee in this lease or to the Lessee's heirs, successors or assigns, and the right to demand the payment of any such excess interest shall be and hereby is waived, and this provision shall control any other provisions of this lease. Any payment of interest in excess of the maximum amount permitted by applicable law shall be considered as a mistake and the excess thereof over such maximum amount shall be returned to the Lessee or the Lessee's heirs, successors or assigns within thirty (30) days after such excess payment has been called to the attention of the Lessor by the Lessee or the Lessee's heirs, successors or assigns.

y. Lessee obligates itself that all royalties accruing under this lease shall be paid without deduction for the cost of producing, storing, separating, treating, dehydrating, and otherwise making the oil, gas and other products produced hereunder marketable.

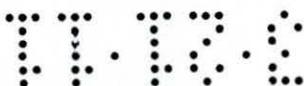
z. At Lessor's option, Lessee shall purchase any caliche to be used on the premise from Surface Owner at market price but in no event less than \$2.50 per yard.

a.a. Whenever used in this Lease, the words "drilling operation" or "operations" shall mean operations for and any of the following: pad construction, drilling, testing, completing, reworking, recompleting, deepening, side tracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil or gas.

b.b. Continuous drilling operations shall mean that not more than one hundred and eighty (180) days shall expire between the completion as a producer of the abandonment as a dry hole of a preceding well after the expiration of the primary term and the commencement of operations for the drilling of the next succeeding well to the development of the Leased premises to the density of maximum allowable production.

If Lessee fails to conduct continuous drilling operations on the Leased premises, this Lease shall thereupon terminate as to all of the Leased premises, except:

- (1) Surrounding each well theretofore completed and then producing only oil or oil and casinghead gas in paying quantities or classified by any governmental authority authorized to so classify such well for proration purposes as an oil well, that number of acres prescribed or permitted by such governmental authority to be allocated to such well to entitle such well to receive the maximum allowable production, and to a depth of 100 feet below the deepest of all wells drilled and then capable of producing in paying quantities under the provisions of this lease.
- (2) Surrounding each well theretofore completed and then producing gas (excluding casinghead gas) or classified by such governmental authority as a gas well, that number of acres prescribed or permitted by such governmental authority to be allocated to such well to entitle such well to receive the maximum allowable



production, and to a depth of 100 feet below the deepest of all wells drilled and then capable of producing in paying quantities under the provisions of this lease.

c.c. Lessor warrants and agrees to defend the title to Lessor's mineral interest that is subject to this Lease against the lawful claims and demands of all persons claiming or to claim the same, or any part thereof, by, through, or under Lessor, but not otherwise.

This Oil, Gas and Mineral Lease may be executed in multiple counterparts each of which shall be deemed an original as to each party executing it.

Signed for Identification:

Hugh B. Schafer
Hugh Bryan Schafer

Norvella Ann Schafer
Norvella Ann Schafer

William R. Schafer, Jr.
William R. Schafer, Jr.

Jerry John Schafer
Jerry John Schafer

Melissa Beth Jordan
Melissa Beth Jordan
MELISSA WJ

FILED
AT 2:30 O'CLOCK P. M.
ON THE 7 DAY OF July
A.D., 2008
INS. NO. 3099

STATE OF TEXAS
COUNTY OF GLASSCOCK
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.

Rebecca Badla
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS



Rebecca Badla
County Clerk, Glasscock County, Texas

BY Antonia Jones
DEPUTY

OFFICIAL PUBLIC RECORDS
VOL. 118 PAGE 011
RECORDED July 7, 2008

582

#6572

**AFFIDAVIT OF HEIRSHIP, STIPULATION OF INTEREST
AND RATIFICATION OF OIL AND GAS LEASE**

STATE: TEXAS
COUNTY: GLASSCOCK
LESSOR: HUGH SCHAFER
LESSEE: SHARP IMAGE ENERGY, INC, P.O. BOX 1888, BIG SPRING, TX 79721
EFFECTIVE DATE: MAY 1, 2003

The undersigned affiants being duly sworn upon oath depose and say they are personally acquainted with the family history and facts of heirship under William Ralph Schafer, Sr. ("Decedent").

Decedent was devised various properties from the Estates of his parents, John Schafer and Ellen Mae Schafer, and such interests were owned by Decedent as his separate property. Decedent was married on more than one occasion, but was single at the time of his death. The previous marriage(s) of Decedent ended in either the death of his wife or in divorce, with Decedent on all occasions retaining his separate property.

Decedent died July 24, 2001, intestate. No administration was had on his estate, nor was any necessary, there being no debts other than those discharged by his heirs at law. Decedent had no children other than the following, who at the date of decedent's death and at the present time, constitute they are the only heirs at law and share and share alike ("Owners"):

Hugh Bryan Schafer, HC 63, Box 162-B, Big Spring, TX 79720, Living
William R. Schafer, Jr., P.O. Box 1111, Eldorado, TX 76936, Living
Jerry John Schafer, 205 W. Hwy 21, Caldwell, TX 77836, Living
Melissa Schafer Jordan, 16 Mallard Ave., Roswell, NM 88201, Living

Decedent owned, as his separate property, the surface and an undivided 9/40 mineral interest and 100% of the executive leasing rights to the lands listed below (the "Subject Lands"):

All of the Northwest Quarter of the Southwest Quarter (NW/4 SW/4) and all of the South-Half of the Southwest-Quarter (S/2 SW/4) of Section 39, Block 33, T-2-S, T&P RR Co. Survey, Glasscock County, Texas, containing 120.00 acres of land, more or less.

On May 28, 2003 Hugh Schafer, a married man dealing in his sole and separate property, as Lessor, executed and delivered to Lessee, named above, an Oil and Gas Lease (the "Lease") and it was recorded in Volume 70, Page 354 of the Deed Records Glasscock County, Texas; and the Lease covers the following lands (the "Lands"):

All of the South-Half of the Southwest-Quarter (S/2 SW/4) of Section 39, Block 33, T-2-S, T&P RR Co. Survey, Glasscock County, Texas, containing 80.00 acres of land, more or less.

William R. Schafer, Jr., Jerry John Schafer and Melissa Schafer Jordan, for adequate consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grant and convey all of the leasing rights in the Subject Lands to Hugh Bryan Schafer, his heirs and assigns. William R. Schafer, Jr., Jerry John Schafer and Melissa Schafer Jordan reserve all of their interest in and to any bonus, rents and/or royalties attributable to their ownership in the Subject Lands. This Instrument shall be binding upon and inure to the benefit of the parties herein, together with their heirs, successors and assigns. Any and all necessary words of "Grant and Convey" shall be deemed to be included herein to effectuate the intent of the parties as set forth herein.

This Affidavit of Heirship, Stipulation of Interest and Ratification of Oil and Gas Lease may be executed in counterparts, each with the force and effect of an original. The executed counterpart will bind any party executing the counterpart regardless of the failure of any other parties to execute or be bound by a counterpart.

This Affidavit of Heirship, Stipulation of Interest and Ratification of Oil and Gas Lease is signed by Owners as of the date of acknowledgment of Owners' signature below, but is effective for all purposes as of the Effective Date stated above.



OWNERS:

Hugh Bryan Schafer

William R. Schafer Jr.
William R. Schafer, Jr.

Jerry John Schafer

Melissa Schafer Jordan

ACKNOWLEDGMENTS

THE STATE OF TEXAS §
 §
COUNTY OF §

This instrument was acknowledged before me on the ____ day of July, 2003 by Hugh Bryan Schafer.

My Commission Expires:

Notary Public in and for the State of Texas

THE STATE OF TEXAS §
 §
COUNTY OF §

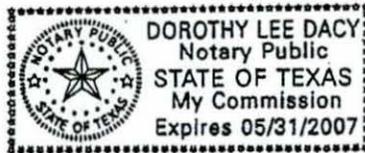
This instrument was acknowledged before me on the 15th day of August, 2003 by William R. Schafer, Jr.

My Commission Expires:

5-31-2007

Dorothy Dacy
Notary Public in and for the State of Texas

THE STATE OF TEXAS §
 §
COUNTY OF §



This instrument was acknowledged before me on the ____ day of August, 2003 by Jerry John Schafer.

My Commission Expires:

Notary Public in and for the State of Texas

THE STATE OF NEW MEXICO §
 §
COUNTY OF §

This instrument was acknowledged before me on the ____ day of August, 2003 by Melissa Schafer Jordan.

My Commission Expires:

Notary Public in and for the State of Texas

Filed for record on the 15 day of October A.D. 2003 at 2:00 o'clock P. M.
Duly recorded this the 15 day of October A.D. 2003 at 3:20 o'clock P. M.
Instrument No. 6572
By Angie Whitten Rebecca Batla, County Clerk
Glasscock County, Texas

CHECK NUMBER
21381

dmayo DATE Jan 14, 2008 \$ AMOUNT *****13,317.75

PAY TO THE ORDER OF:
Hugh Bryan Schafer and Norvella Ann Schafer

CREDIT

Purchaser: Touchwood Resources, LLC/ Edward C Wallace
Purchaser's Agent: FNB DD

⑈021381⑈

CASHIER'S CHECK COPY

CHECK NUMBER
21381

dmayo DATE Jan 14, 2008 \$ AMOUNT *****13,317.75

PAY TO THE ORDER OF:
Hugh Bryan Schafer and Norvella Ann Schafer

Purchaser: Touchwood Resources, LLC/ Edward C Wallace

Notice To Customer
The purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.

NATIONAL BANK OF MIDLAND Cashier's Check

UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE

Notice To Customer
The purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.



FIRST NATIONAL BANK OF MIDLAND
PH. 432-686-0044
123 N. Colorado, Midland TX 79710

DATE Jan 14, 2008 CHECK NUMBER 21381

\$ *****13,317.75

THIRTEEN THOUSAND THREE HUNDRED SEVENTEEN AND 75/100 DOLLARS*****

Purchaser Touchwood Resources, LLC/ Edward C Wallace
HUGH BRYAN SCHAFFER AND NORVELLA ANN SCHAFFER

Debbie Mayo
AUTHORIZED SIGNATURE REQUIRED

Edward C. Wallace
Chief Executive Officer

⑈021381⑈

CHECK NUMBER
21382

DATE: dmayo Jan 14, 2008 \$ AMOUNT: *****8,100.00

PAY TO THE ORDER OF:
William Ralph Schafer

CREDIT

Purchaser: Touchwood Resources, LLC/ Edward C Wallace
Purchaser's Agent: FNB DD

⑈021382⑈

CASHIER'S CHECK COPY

FIRST NATIONAL BANK
OF MIDLAND
Midland, Colorado • Midland TX 79710

CHECK NUMBER
21382

DATE: dmayo Jan 14, 2008 \$ AMOUNT: *****8,100.00

PAY TO THE ORDER OF:
William Ralph Schafer

Purchaser: Touchwood Resources, LLC/ Edward C Wallace

Notice To Customer
The purchase of an indemnity bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.

FIRST NATIONAL BANK OF MIDLAND Cashier's Check

UNLESS RED EAGLE LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE

Notice To Customer
The purchase of an indemnity bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.



FIRST NATIONAL BANK OF MIDLAND
PH. 432-888-0044
123 N. Colorado, Midland TX 79710

DATE: Jan 14, 2008 CHECK NUMBER: 21382
\$ *****8,100.00

EIGHT THOUSAND ONE HUNDRED AND NO/100 DOLLARS*****

Purchaser: Touchwood Resources, LLC/ Edward C Wallace

PAID TO THE ORDER OF: WILLIAM RALPH SCHAFER

Edward C Wallace
AUTHORIZED SIGNATURE REQUIRED

Kevin C. Bayne
Chief Executive Officer

⑈021382⑈



CHECK NUMBER
21383

DATE AMOUNT
dmayo Jan 14, 2008 \$ *****8,100.00

PAY TO THE ORDER OF:
Jerry John Schafer

CREDIT

Purchaser: Touchwood Resources, LLC/ Edward C Wallace
Purchaser's Agent: FNB DD

⑈021383⑈

CASHIER'S CHECK COPY

ST NATIONAL BANK
MIDLAND
N. Colorado • Midland TX 79710

CHECK NUMBER
21383

DATE AMOUNT
dmayo Jan 14, 2008 \$ *****8,100.00

PAY TO THE ORDER OF:
Jerry John Schafer

Purchaser: Touchwood Resources, LLC/ Edward C Wallace

Notice To Customer
The purchase of an Indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.

NATIONAL BANK OF MIDLAND Cashier's Check

UNLESS RED EAGLE LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE

Notice To Customer
Purchase of an Indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.



FIRST NATIONAL BANK
OF MIDLAND
PH. 432-886-0044
123 N. Colorado, Midland TX 79710

DATE CHECK NUMBER
Jan 14, 2008 21383
\$ *****8,100.00

EIGHT THOUSAND ONE HUNDRED AND NO/100 DOLLARS*****

Purchaser Touchwood Resources, LLC/ Edward C Wallace

*Void if over \$8,100.00

THE JERRY JOHN SCHAFER
ORDER
OF

Deborah Mayo
AUTHORIZED SIGNATURE REQUIRED

Kevin C. Bayne
Chief Executive Officer

⑈021383⑈

11.13.0

CHECK NUMBER
21384

DATE AMOUNT
dmayo Jan 14, 2008 \$ *****8,100.00

PAY TO THE ORDER OF:
Melissa Beth Jordan

CREDIT

Purchaser: Touchwood Resources, LLC/ Edward C Wallace
Purchaser's Agent: FNB DD

⑈021384⑈

CASHIER'S CHECK COPY

NATIONAL BANK
AND
Colorado • Midland TX 79710

CHECK NUMBER
21384

DATE AMOUNT
dmayo Jan 14, 2008 \$ *****8,100.00

PAY TO THE ORDER OF:
Melissa Beth Jordan

Purchaser: Touchwood Resources, LLC/ Edward C Wallace

Notice To Customer
The purchase of an indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced, or stolen.

NATIONAL BANK OF MIDLAND Cashier's Check

UNLESS RED EAGLE LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE

Notice To Customer
Use of an indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.



FIRST NATIONAL BANK OF MIDLAND
PH. 432-686-0044
123 N. Colorado, Midland TX 79710

DATE CHECK NUMBER
Jan 14, 2008 21384
\$ *****8,100.00

EIGHT THOUSAND ONE HUNDRED AND NO/100 DOLLARS*****

*Void if over \$8,100.00

Purchaser Touchwood Resources, LLC/ Edward C Wallace

PAY TO THE ORDER OF:
MELISSA BETH JORDAN

Debbie Mayo
AUTHORIZED SIGNATURE REQUIRED

Ken C. Burgen
Chief Executive Officer

⑈021384⑈

11.13.0



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

MARION G. CARTER AKA M.G. CARTER, DEALING IN HIS SOLE AND SEPARATE PROPERTY
ASSIGNEE/LESSEE/GRAZTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:
EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33; N2 AND SW4 OF SECTION 40. ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

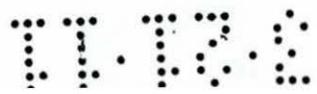
NEW <input type="checkbox"/>	FEDERAL <input type="checkbox"/>	DOCUMENTS SUBMITTED:	
RENEWAL <input type="checkbox"/>	STATE <input type="checkbox"/>	ORIGINAL RATIFICATION <input checked="" type="checkbox"/>	COMPLETED W9 <input type="checkbox"/>
RATIFICATION <input checked="" type="checkbox"/>	GOVT. AGENCY <input type="checkbox"/>	MEMORANDUM OF LEASE <input type="checkbox"/>	MINERAL TAKEOFF <input type="checkbox"/>
EXTENSION <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>	LEASE PLAT <input checked="" type="checkbox"/>	MIN. OWN. & EXEC. RIGHTS REPORT <input checked="" type="checkbox"/>
AMENDED <input type="checkbox"/>	PAID-UP <input checked="" type="checkbox"/>	COPY OF DRAFT/CHECK <input checked="" type="checkbox"/>	COPY OF CHECK RECEIPT <input type="checkbox"/>
BOOK: 117	PAGE: 803	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST: GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: 0.05625000	GROSS ACRES: 634.60	NET ACRES: 63.4600	ROYALTY RATE:
CO. GWI: 1.00000000		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: *\$9,519.00	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):	INTEREST:
NAME: Marion G. Carter aka M.G. Carter, dealing in his sole and separate property	0.05625000
ADDRESS: 451 Hilger	
CITY ST ZIP: Big Spring, TX 79720-7826	
TIN:	
PHONE, EMAIL:	
TOTAL INTEREST:	0.05625000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:
 *Marion G. Carter aka M.G. Carter, dealing in his sole and separate property is entitled to a mineral interest under this description, however, he is not entitled to any Executive Rights.
 The Oil & Gas Lease information for this ratification are as follows:
 LESSOR(S): Hugh Bryan Schafer, et al
 LESSEE: Touchwood Resources, LP
 DATE: January 15, 2008
 LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey
 TERM: 3 years
 ROYALTY: 1/5
 RECORDING: 118/011
 Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.
 Total BONUS AMOUNT is: \$16,719.00 CK#21331



#3085 RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Marion G. Carter aka M.G. Carter, dealing in his sole and separate property
451 Hillger, Big Spring, TX 79720-7826
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book ____, page ____, of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

[Handwritten signature of Marion G. Carter]
Marion G. Carter aka M.G. Carter, dealing
in his sole and separate property

ACKNOWLEDGMENTS

STATE OF Texas §

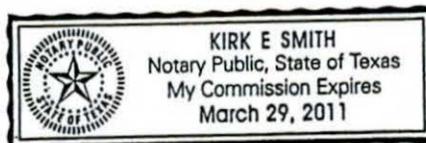
COUNTY OF GLASSCOCK §

The foregoing instrument was acknowledged before me on this 22nd day of DECEMBER 2007

by Marion G. Carter aka M.G. Carter

[Handwritten signature of Notary Public]
Notary Public in and for the State of TEXAS

My commission expires: _____



11.13.0

CASHIER'S CHECK COPY

FIRST NATIONAL BANK
OF MIDLAND
123 N. Colorado • Midland TX 79710

CHECK NUMBER
21331

PAY TO THE ORDER OF:
MARION GREER CARTER

dmayo

DATE AMOUNT
Jan 10, 2008 \$ *****16,719.00

Purchaser: TOUCHWOOD RESOURCES, LLC/EDWARD C. WAL

Notice To Customer
The purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.

FIRST NATIONAL BANK
OF MIDLAND

Cashier's Check

CASH UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE.

Notice To Customer
The purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.



FIRST NATIONAL BANK
OF MIDLAND
PH. 432-666-0044
123 N. Colorado, Midland TX 79710

DATE CHECK NUMBER
Jan 10, 2008 21331
\$ *****16,719.00

PAY SIXTEEN THOUSAND SEVEN HUNDRED NINETEEN AND NO/100 DOLLARS*****

Purchaser TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

*Void if over \$16,719.00

TO THE ORDER OF
MARION GREER CARTER

Debbie Mays
AUTHORIZED SIGNATURE REQUIRED
Edward C. Wallace
Chief Executive Officer

⑈021331⑈



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

DORALEE MAUD NEWELL, DEALING IN HER SOLE AND SEPARATE PROPERTY
ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33;
N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

NEW	FEDERAL	DOCUMENTS SUBMITTED:	
RENEWAL	STATE	ORIGINAL RATIFICATION	COMPLETED W9
RATIFICATION	GOVT. AGENCY	MEMORANDUM OF LEASE	MINERAL TAKEOFF
EXTENSION	FEE	LEASE PLAT	MIN. OWN. & EXEC. RIGHTS REPORT
AMENDED	PAID-UP	COPY OF DRAFT/CHECK	COPY OF CHECK RECEIPT
BOOK:	PAGE:	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST
118	243		GLASSCOCK, TX
DATE:	EFFECTIVE DATE:	EXPIRATION DATE:	TERM (YRS):
January 15, 2008	January 15, 2008	January 15, 2011	3
MINERAL INTEREST:	GROSS ACRES:	NET ACRES:	ROYALTY RATE:
0.07500000	634.60	47.5950	
CO. GWI		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
1.00000000			
BONUS PER ACRE:	TOTAL COST:	FIRST RENTAL DUE:	RENTAL AMOUNT:
\$150.00	*\$7,139.25	N/A	N/A

LESSOR(S):	INTEREST:
NAME	DORALEE MAUD NEWELL, DEALING IN HER SOLE AND SEPARATE PROPERTY
CONTINUED	0.07500000
ADDRESS	650 NEWELL ROAD
ADDRESS	
CITY ST ZIP	BIG SPRING, TX 79720
TIN:	
PHONE, EMAIL:	
NAME	
CONTINUED	
ADDRESS	
ADDRESS	
CITY ST ZIP	
TIN:	
PHONE, EMAIL:	
TOTAL INTEREST:	0.07500000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:

*Doralee Maud Newell, dealing in her sole and separate property is entitled to a mineral interest under this description, however, she is not entitled to any Executive Rights.

The Oil & Gas Lease Information for this ratification are as follows:

LESSOR(S): Hugh Bryan Schafer, et al

LESSEE: Touchwood Resources, LP

DATE: January 15, 2008

LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey

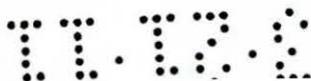
TERM: 3 years

ROYALTY: 1/5

RECORDING: 118/011

* Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.

*Total Cost of BOTH Ratifications is: \$12,539.25 Ck #21312



#3123A RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Doralee Maud Newell, dealing in her sole and separate property
650 Newell Rd., Big Spring, TX 79720
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book 118, page 011, of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

Doralee Maud Newell
Doralee Maud Newell

ACKNOWLEDGMENTS

STATE OF Texas §
COUNTY OF Glasscock §

The foregoing instrument was acknowledged before me on this 7th day of Feb. 2008

by Doralee Maud Newell.



Tina Flores
Notary Public in and for the State of Texas

My commission expires: 08-25-2010

FILED
AT 2:30 O'CLOCK P. M.
ON THE 7 DAY OF July
A.D., 2008
INS. NO. 3123A

STATE OF TEXAS
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Barba
County Clerk, Glasscock County, Texas

Rebecca Barba
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS
BY [Signature] DEPUTY

OFFICIAL PUBLIC RECORDS
VOL. 118 PAGE 243
RECORDED July 7, 2008



CASHIER'S CHECK COPY

FIRST NATIONAL BANK
OF MIDLAND
123 N. Colorado • Midland TX 79710

CHECK NUMBER
21312



PAY TO THE ORDER OF:
DORALEE MAUD NEWELL

dmayo

DATE Jan 10, 2008 \$ AMOUNT *****12,539.25

Purchaser: TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

Notice To Customer
The purchase of an Indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.

FIRST NATIONAL BANK
OF MIDLAND

Cashier's Check

IT CASH UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE.



Notice To Customer
A purchase of an Indemnity Bond will be required for this check will be replaced or refunded in the event it is lost, misplaced or stolen.

88-2420/1153



FIRST NATIONAL BANK
OF MIDLAND
PH. 432-886-0044
123 N. Colorado, Midland TX 79710

DATE Jan 10, 2008 CHECK NUMBER 21312
\$ *****12,539.25

TWELVE THOUSAND FIVE HUNDRED THIRTY-NINE AND 25/100 DOLLARS*****

*Void if over \$12,539.25

Purchaser TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

TO THE ORDER OF DORALEE MAUD NEWELL

Debbie Mayo
AUTHORIZED SIGNATURE REQUIRED

Mark C. Boyer
Chief Executive Officer

⑈021312⑈



MP



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 22, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

CHARLIE JOE SCHAFFER, DEALING IN HIS SOLE AND SEPARATE PROPERTY
ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33;
N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

NEW	FEDERAL	DOCUMENTS SUBMITTED:	
RENEWAL	STATE	ORIGINAL RATIFICATION	COMPLETED W9
RATIFICATION	GOVT. AGENCY	MEMORANDUM OF LEASE	MINERAL TAKEOFF
EXTENSION	FEE	LEASE PLAT	MIN. OWN. & EXEC. RIGHTS REPORT
AMENDED	PAID-UP	COPY OF DRAFT/CHECK	COPY OF CHECK RECEIPT
BOOK: 118	PAGE: 512	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: 0.07500000	GROSS ACRES: 634.60	NET ACRES: 47.5950	ROYALTY RATE:
CO. GWI: 1.00000000		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: *\$7,139.25	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):	INTEREST:
NAME: CHARLIE JOE SCHAFFER, DEALING HIS HIS SOLE AND SEPARATE PROPERTY	0.05625000
CONTINUED	
ADDRESS: 1351 HILGER ROAD	
ADDRESS:	
CITY ST ZIP: BIG SPRING, TX 79720	
TIN:	
PHONE, EMAIL:	
NAME:	
CONTINUED	
ADDRESS:	
ADDRESS:	
CITY ST ZIP:	
TIN:	
PHONE, EMAIL:	
TOTAL INTEREST:	0.05625000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:
 *Charlie Joe Schaffer, dealing in his sole and separate property is entitled to a mineral interest under this description, however, she is not entitled to any Executive Rights.
 The Oil & Gas Lease information for this ratification are as follows:
 LESSOR(S): Hugh Bryan Schaffer, et al
 LESSEE: Touchwood Resources, LP
 DATE: January 15, 2008
 LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey
 TERM: 3 years
 ROYALTY: 1/5
 RECORDING: 118/011
 * Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.
 *Total Cost of BOTH Ratifications is: \$12,538.25 Ck #2863 21310

#3188

RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Charlie Joe Schafer, dealing in his sole and separate property
1351 Hilger Rd., Big Spring, TX 79720
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book ____, page ____, of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

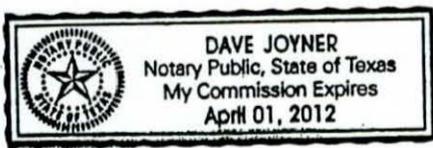
Charlie Joe Schafer
Charlie Joe Schafer

ACKNOWLEDGEMENTS

STATE OF Texas §

COUNTY OF Midland §

The foregoing instrument was acknowledged before on this 6th day of Feb 2008 by Charlie Joe Schafer.



[Signature]
Notary Public, State of Texas
My Commission Expires: 4-1-2012

FILED
AT 8:00 O'CLOCK A M
ON THE 18 DAY OF July
A.D., 2008
INS. NO. 3188

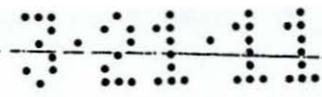
Rebecca Badla
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS
BY Jaycie Wilby DEPUTY

STATE OF TEXAS
COUNTY OF GLASSCOCK
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Badla
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS
VOL. 118 PAGE 512
RECORDED July 18, 2008



CASHIER'S CHECK COPY

FIRST NATIONAL BANK
OF MIDLAND
23 N. Colorado • Midland TX 79710

CHECK NUMBER
21310

PAY TO THE ORDER OF:
CHARLIE JOE SCHAFFER

dmayo

DATE AMOUNT
Jan 10, 2008 \$ *****12,539.25

Purchaser: TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

Notice To Customer
The purchase of an Indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.

FIRST NATIONAL BANK
OF MIDLAND

Cashier's Check

IT CASH UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE.

Notice To Customer
The purchase of an Indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.
88-2420/1163



FIRST NATIONAL BANK
OF MIDLAND
PH. 432-886-0044
123 N. Colorado, Midland TX 79710

DATE CHECK NUMBER
Jan 10, 2008 21310
\$ *****12,539.25

TWELVE THOUSAND FIVE HUNDRED THIRTY-NINE AND 25/100 DOLLARS*****

Purchaser TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

*Void if over \$12,539.25

TO THE ORDER OF CHARLIE JOE SCHAFFER

Edward C. Wallace
AUTHORIZED SIGNATURE REQUIRED

Ken C. Buzynski
Chief Executive Officer

⑈021310⑈

COPY

SEE LEASE FOR DETAILS:
Charlie Joe Schaffer, dec'd in his sole and separate property is entitled to a mineral interest under this description, however, she is not entitled to any Executive Rights.
The Oil & Gas Lease Information for this ratification are as follows:
LESSOR(S): Morton G. Carter aka M.G. Carter
LESSEE: Touchwood Resources, LP
DATE: January 15, 2008
LANDS: West 480 acres of Section 44, Block 33, T-2-S, 18P Ry Co Survey
TERM: 3 years
ROYALTY: 1/5
RECORDING: 118/018
* Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.
Total Cost of BOTH Ratifications is: \$12,539.25 CK #2063 & 4033
Lease Purchase Report
REVISED 3/2008
C/JH

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

LEONARD SCHAFER, DEALING IN HIS SOLE AND SEPARATE PROPERTY
ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33;
N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

NEW <input type="checkbox"/>	FEDERAL <input type="checkbox"/>	DOCUMENTS SUBMITTED:	
RENEWAL <input type="checkbox"/>	STATE <input type="checkbox"/>	ORIGINAL RATIFICATION <input checked="" type="checkbox"/>	COMPLETED W9 <input type="checkbox"/>
RATIFICATION <input checked="" type="checkbox"/>	GOVT. AGENCY <input type="checkbox"/>	MEMORANDUM OF LEASE <input type="checkbox"/>	MINERAL TAKEOFF <input type="checkbox"/>
EXTENSION <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>	LEASE PLAT <input checked="" type="checkbox"/>	MIN. OWN. & EXEC. RIGHTS REPORT <input checked="" type="checkbox"/>
AMENDED <input type="checkbox"/>	PAID-UP <input checked="" type="checkbox"/>	COPY OF DRAFT/CHECK <input checked="" type="checkbox"/>	COPY OF CHECK RECEIPT <input type="checkbox"/>
BOOK: 117	PAGE: 811	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: 0.075	GROSS ACRES: 634.60	NET ACRES: 47.595	ROYALTY RATE:
CO. GWI: 1.00000000		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: *\$7,139.25	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):	NAME: Leonard Schafer	INTEREST: 0.05625000
NAME	ADDRESS: 600 Sourdough Rd.	
CONTINUED	ADDRESS:	
ADDRESS	CITY ST ZIP: Coghoma, TX 79511	
ADDRESS	TIN:	
CITY ST ZIP	PHONE, EMAIL:	
TIN:		
PHONE, EMAIL:		
NAME		
CONTINUED		
ADDRESS		
ADDRESS		
CITY ST ZIP		
TIN:		
PHONE, EMAIL:		
	TOTAL INTEREST:	0.05625000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:
 Leonard Schafer, dealing in his sole and separate property is entitled to a mineral interest under this description, however, she is not entitled to any Executive Rights.
 The Oil & Gas Lease Information for this ratification are as follows:
 LESSOR(S): Hugh Bryan Schafer, et al
 LESSEE: Touchwood Resources, LP
 DATE: January 15, 2008
 LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey
 TERM: 3 years
 ROYALTY: 1/5
 RECORDING: 118/011
 Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral ownership and Executive Rights Report. See Attachment for further details.
 Total Cost of BOTH Ratifications is: \$12,539.25 Ck #2063 & 4033

#3089 RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Leonard Schafer, dealing in his sole and separate property
600 Sourdough Rd, Coahoma, TX 79511
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book ____, page ____, of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

Leonard Schafer
Leonard Schafer, dealing in his sole and separate property

ACKNOWLEDGMENTS

STATE OF Texas §

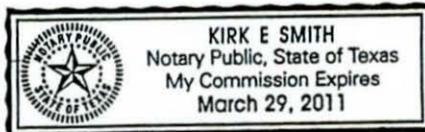
COUNTY OF Midland §

The foregoing instrument was acknowledged before me on this 24th day of January 2008

by Leonard Schafer

Kirk E Smith
Notary Public in and for the State of TX

My commission expires: 3-11-11



TOUCHWOOD RESOURCES, LLC
PO BOX 197 432/682-4728
MIDLAND, TEXAS 79702

2064

88-2420/1163

DATE 1/24/ 20 08

PAY TO THE ORDER OF Leonard Schaffer \$ 720.83

Seven hundred twenty dollars & 83/100 DOLLARS

FIRST NATIONAL BANK OF MIDLAND
Ph. 432-988-0644
122 N. Colorado • Midland, TX 79701

OR Carter Land

[Signature]

⑈00 2064⑈

\$150.00 x 4.80556 net acres

TOUCHWOOD RESOURCES, LLC
PO BOX 197 432/682-4728
MIDLAND, TEXAS 79702

2063

88-2420/1163

DATE 1/24/08 20 08

PAY TO THE ORDER OF Leonard Schaffer \$ 12,538.25

twelve thousand five hundred thirty eight dollars & 25/100 DOLLARS

FIRST NATIONAL BANK OF MIDLAND
Ph. 432-988-0644
122 N. Colorado • Midland, TX 79701

OR Schaffer Land

[Signature]

⑈00 2063⑈

Payment received this 24th day of January
2008 by: *[Signature]*
LEONARD SCHAFER

VERITAS 321
 ENERGY PARTNERS, LP
 P.O. Box 173
 Midland, Texas 79702
 432.882.4002

WESTERN NATIONAL BANK
 MIDLAND, TX

88-737
 1163

7/24/2008

PAY TO THE ORDER OF Leonard Schafer \$**1.00
 One and 00/100***** DOLLARS

Leonard Schafer
 600 Sourdough Road
 Coahoma, TX 79511

Shelley Ayers
 AUTHORIZED SIGNATURE

MEMO Bonus Consideration

⑈004033⑈ [REDACTED]

VERITAS 321 ENERGY PARTNERS, LP
 Leonard Schafer

004033

7/24/2008

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
7/24/2008	Bill	Bonus Consideration	1.00	1.00		1.00
				Check Amount		1.00

*Additional bonus will originally underpaid by \$1.00**

(WNB) Veritas 321 EP Bonus Consideration 1.00



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

LILLIAN JOYCE FULLER, DEALING IN HER SOLE AND SEPARATE PROPERTY
ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:
EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33; N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

NEW	FEDERAL	DOCUMENTS SUBMITTED:	
RENEWAL	STATE	ORIGINAL RATIFICATION	COMPLETED W9
RATIFICATION	GOVT. AGENCY	MEMORANDUM OF LEASE	MINERAL TAKEOFF
EXTENSION	FEE	LEASE PLAT	MIN. OWN. & EXEC. RIGHTS REPORT
AMENDED	PAID-UP	COPY OF DRAFT/CHECK	COPY OF CHECK RECEIPT
BOOK: 118	PAGE: 259	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST: GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: 0.05625000	GROSS ACRES: 634.60	NET ACRES: 35.6963	ROYALTY RATE:
CO, GWI: 1.00000000		CO, NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: *\$5,354.44	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):	INTEREST:
NAME: LILLIAN JOYCE FULLER AKA JOYCE FULLER, DEALING IN HER SOLE AND SEPARATE PROPERTY	0.05625000
CONTINUED	
ADDRESS: 1500 RUNNELS ST.	
ADDRESS:	
CITY ST ZIP: BIG SPRING, TX 79720	
TIN:	
PHONE, EMAIL:	
NAME:	
CONTINUED	
ADDRESS:	
ADDRESS:	
CITY ST ZIP:	
TIN:	
PHONE, EMAIL:	
TOTAL INTEREST:	0.05625000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:
 *Lillian Joyce Fuller, dealing in her sole and separate property is entitled to a mineral interest under this description, however, she is not entitled to any Executive Rights.
 The Oil & Gas Lease Information for this ratification are as follows:
 LESSOR(S): Hugh Bryan Schafer, et al
 LESSEE: Touchwood Resources, LP
 DATE: January 15, 2008
 LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey
 TERM: 3 years
 ROYALTY: 1/5
 RECORDING: 118/011
 * Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.
 *Total Cost of BOTH Ratifications is: \$9,404.44 Ck #21308

#3129 RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Lillian Joyce Fuller, dealing in her sole and separate property
1500 Runnels, Big Spring, TX 79720
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book ____, page ____, of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

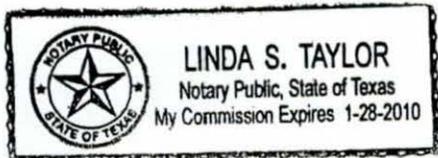
Lessor

Lillian Joyce Fuller
Lillian Joyce Fuller

ACKNOWLEDGMENTS

STATE OF Texas §
COUNTY OF Howard §

The foregoing instrument was acknowledged before me on this 15 day of May 2008 by Lillian Joyce Fuller.



Linda S. Taylor
Notary Public in and for the State of TEXAS

My commission expires: 01-28-2010

FILED
AT 2:30 O'CLOCK P. M
ON THE 7 DAY OF July
A.D., 2008
INS. NO. 3129

Rebecca Badla
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS
BY Antonia Jones DEPUTY

STATE OF TEXAS
COUNTY OF GLASSCOCK
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Badla
County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS
VOL. 118 PAGE 259
RECORDED July 7, 2008

3211

CASHIER'S CHECK COPY

RST NATIONAL BANK
MIDLAND
3 N. Colorado • Midland TX 79710

CHECK NUMBER
21308



PAY TO THE ORDER OF:
LILLIAN JOYCE FULLER

dmayo

DATE AMOUNT
Jan 10, 2008 \$ *****9,404.44

Purchaser: TOUCHWOOD RESOURCES, LLC/EDWARD C. WAL

Notice To Customer
The purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced, or stolen.

ST NATIONAL BANK
OF MIDLAND

Cashier's Check

CASH UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE.



Notice To Customer
purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.



FIRST
NATIONAL
BANK
OF MIDLAND
PH. 432-686-0044
123 N. Colorado, Midland TX 79710

DATE CHECK NUMBER
Jan 10, 2008 21308
\$ *****9,404.44

ONE THOUSAND FOUR HUNDRED FOUR AND 44/100 DOLLARS*****

*Void if over \$9,404.44

Purchaser TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

TO THE LILLIAN JOYCE FULLER
ORDER
OF

Debbie Mays
AUTHORIZED SIGNATURE REQUIRED

Mark C. Buzynski
Chief Executive Officer

⑈021308⑈





MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

PHILLIP BRANT SCHAFER, INDIVIDUALLY AND IN HIS CAPACITY AS EXECUTOR FOR THE ESTATE OF GENE A. SCHAFER, DECEASED.
 ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33;
 N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

NEW	FEDERAL	DOCUMENTS SUBMITTED:	
RENEWAL	STATE	ORIGINAL RATIFICATION	COMPLETED W9
RATIFICATION	GOVT. AGENCY	MEMORANDUM OF LEASE	MINERAL TAKEOFF
EXTENSION	FEE	LEASE PLAT	MIN. OWN. & EXEC. RIGHTS REPORT
AMENDED	PAID-UP	COPY OF DRAFT/CHECK	COPY OF CHECK RECEIPT
BOOK: 118	PAGE: 261	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST: GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: 0.05625000	GROSS ACRES: 634.60	NET ACRES: 35.6963	ROYALTY RATE:
CO. GWI: 1.00000000		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: \$5,354.44	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):	INTEREST:
NAME: PHILIP BRANT SCHAFER, INDIVIDUALLY AND IN HIS CAPACITY AS EXECUTOR FOR THE ESTATE OF GENE A. SCHAFER, DECEASED.	0.05625000
CONTINUED	
ADDRESS: 2246 FM 969	
ADDRESS:	
CITY ST ZIP: ELGIN, TX 78621-5737	
TIN:	
PHONE, EMAIL:	
NAME:	
CONTINUED	
ADDRESS:	
ADDRESS:	
CITY ST ZIP:	
TIN:	
PHONE, EMAIL:	
TOTAL INTEREST:	0.05625000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:

*Phillip Brant Schafer, individually and in his capacity as executor for the estate of Gene A. Schafer, deceased is entitled to a mineral interest under this description, however, he is not entitled to any Executive Rights.

The Oil & Gas Lease information for this ratification are as follows:

LESSOR(S): Hugh Bryan Schafer, et al

LESSEE: Touchwood Resources, LP

DATE: January 15, 2008

LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey

TERM: 3 years

ROYALTY: 1/5

RECORDING: 118/011

* Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.

*Total Cost of BOTH Ratifications is: \$9,404.44 Ck #21306

#3131 RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Phillip Brant Schafer individually and in his capacity as executor for the estate of Gene A. Schafer, deceased.
2246 FM 969, Elgin, TX 78621-5737
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book ____, page ____, of the ____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

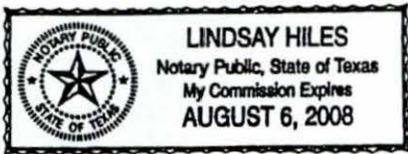
This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor
Phillip Brant Schafer
Phillip Brant Schafer individually and in his capacity as executor for the estate of Gene A. Schafer, deceased.

ACKNOWLEDGMENTS

STATE OF Texas §
COUNTY OF Bastrop §

The foregoing instrument was acknowledged before me on this 19th day of February 2008 by Phillip Brant Schafer individually and in his capacity as executor for the estate of Gene A. Schafer, deceased.



Kimberly Hiles
Notary Public in and for the State of Texas
My commission expires: August 6, 2008

FILED
AT 2:30 O'CLOCK P.M.
ON THE 7 DAY OF July
A.D., 2008
INS. NO. 3131

STATE OF TEXAS
COUNTY OF GLASSCOCK
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Batla
County Clerk, Glasscock County, Texas

Rebecca Batla
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS
BY Antonia Jones DEPUTY

OFFICIAL PUBLIC RECORDS
VOL 118 PAGE 261
RECORDED July 7, 2008

CASHIER'S CHECK COPY

IRST NATIONAL BANK
F MIDLAND
23 N. Colorado • Midland TX 79710

CHECK NUMBER
21306

PAY TO THE ORDER OF:
dmayo
ESTATE OF GENE A. SCHAFFER, DEC'D

DATE AMOUNT
Jan 10, 2008 \$ *****9,404.44

Purchaser: TOUCHWOOD RESOURCES, LLC/EDWARD C. WAL

Notice To Customer
The purchase of an indemnity bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.

FIRST NATIONAL BANK OF MIDLAND **Cashier's Check**

IT CASH UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE

Notice To Customer
The purchase of an indemnity bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.



FIRST NATIONAL BANK OF MIDLAND
PH. 432-688-0044
123 N. Colorado, Midland TX 79710

DATE CHECK NUMBER
Jan 10, 2008 21306
\$ *****9,404.44

PAY NINE THOUSAND FOUR HUNDRED FOUR AND 44/100 DOLLARS*****

*Void if over \$9,404.44

Purchaser TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

TO THE ORDER OF ESTATE OF GENE A. SCHAFFER, DEC'D

Edward C. Wallace
AUTHORIZED SIGNATURE REQUIRED
Mark C. Bayne
Chief Executive Officer

⑈021306⑈



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

MARCK SCHAFFER, DEALING IN HIS SOLE AND SEPARATE PROPERTY
ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33;
N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

NEW	FEDERAL	DOCUMENTS SUBMITTED:	
RENEWAL	STATE	ORIGINAL RATIFICATION	COMPLETED W9
RATIFICATION	GOVT. AGENCY	MEMORANDUM OF LEASE	MINERAL TAKEOFF
EXTENSION	FEE	LEASE PLAT	MIN. OWN. & EXEC. RIGHTS REPORT
AMENDED	PAID-UP	COPY OF DRAFT/CHECK	COPY OF CHECK RECEIPT
BOOK:	PAGE:	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST
118	5		GLASSCOCK, TX
DATE:	EFFECTIVE DATE:	EXPIRATION DATE:	TERM (YRS):
January 15, 2008	January 15, 2008	January 15, 2011	3
MINERAL INTEREST:	GROSS ACRES:	NET ACRES:	ROYALTY RATE:
0.05625000	634.60	35.6963	
CO. GWI		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
1.00000000			
BONUS PER ACRE:	TOTAL COST:	FIRST RENTAL DUE:	RENTAL AMOUNT:
\$150.00	*\$5,354.44	N/A	N/A

LESSOR(S):	INTEREST:
NAME	0.05625000
CONTINUED	
ADDRESS	
ADDRESS	
CITY ST ZIP	
TIN:	
PHONE, EMAIL:	
NAME	
CONTINUED	
ADDRESS	
ADDRESS	
CITY ST ZIP	
TIN:	
PHONE, EMAIL:	
	TOTAL INTEREST: 0.05625000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:
 *Marck Schaffer, dealing in his sole and separate property is entitled to a mineral interest under this description, however, he is not entitled to any Executive Rights.
 The Oil & Gas Lease Information for this ratification are as follows:
 LESSOR(S): Hugh Bryan Schaffer, et al
 LESSEE: Touchwood Resources, LP
 DATE: January 15, 2008
 LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All In Block 33, T-2-S, T&P Ry Co Survey
 TERM: 3 years
 ROYALTY: 1/5
 RECORDING: 118/011
 * Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.
 *Total Cost of BOTH Ratifications is: \$9,404.44 Ck #21304

#3096 RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Marck Schafer, dealing in his sole and separate property
PO Box 61, Garden City, TX 79739
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book ____, page ____, of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

Handwritten signature of Marck Schafer
Marck Schafer, dealing in his sole and separate property

ACKNOWLEDGMENTS

STATE OF Texas §

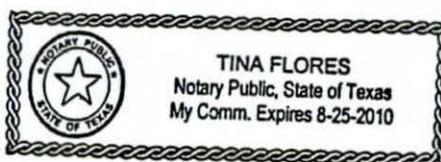
COUNTY OF Glasscock §

The foregoing instrument was acknowledged before me on this 23rd day of January 2008

by Marck Schafer

Handwritten signature of Tina Flores
Notary Public in and for the State of Texas

My commission expires: 08-25-2010



DATE AMOUNT
Jan 10, 2008 \$ *****9,404.44

PAY TO THE ORDER OF:
MARCK SCHAFFER

dmayo

Purchaser: TOUCHWOOD RESOURCES, LLC/EDWARD C. WALL

Notice To Customer:
The purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.

FIRST NATIONAL BANK
OF MIDLAND

Cashier's Check

ETCHED UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE.

Notice To Customer
The purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.



FIRST
NATIONAL
BANK
OF MIDLAND
PH. 432-688-0044
123 N. Colorado, Midland TX 79710

DATE
Jan 10, 2008

CHECK NUMBER
21304

88-2420/1163

\$ *****9,404.44

NINE THOUSAND FOUR HUNDRED FOUR AND 44/100 DOLLARS*****

*Void if over \$9,404.44

Purchaser TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

Edward C. Wallace
AUTHORIZED SIGNATURE REQUIRED

TO THE MARCK SCHAFFER
ORDER
OF

Mark C. Bayless
Chief Executive Officer

⑈021304⑈



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

RAY WALKER, INDIVIDUALLY AND IN HIS CAPACITIES AS GENERAL PARTNER FOR WALKER FARMS, LTD., & AS PRESIDENT FOR RCR, INC.

ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33; N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

<input type="checkbox"/> NEW	<input type="checkbox"/> FEDERAL	DOCUMENTS SUBMITTED:	
<input type="checkbox"/> RENEWAL	<input type="checkbox"/> STATE	<input checked="" type="checkbox"/> ORIGINAL RATIFICATION	<input checked="" type="checkbox"/> COMPLETED W9
<input checked="" type="checkbox"/> RATIFICATION	<input type="checkbox"/> GOVT. AGENCY	<input checked="" type="checkbox"/> MEMORANDUM OF LEASE	<input checked="" type="checkbox"/> MINERAL TAKEOFF
<input type="checkbox"/> EXTENSION	<input checked="" type="checkbox"/> FEE	<input checked="" type="checkbox"/> LEASE PLAT	<input checked="" type="checkbox"/> MIN. OWN. & EXEC. RIGHTS REPORT
<input type="checkbox"/> AMENDED	<input checked="" type="checkbox"/> PAID-UP	<input checked="" type="checkbox"/> COPY OF DRAFT/CHECK	<input type="checkbox"/> COPY OF CHECK RECEIPT
BOOK: 118	PAGE: 809	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: 0.02812500	GROSS ACRES: 634.60	NET ACRES: 35.6962	ROYALTY RATE:
CO. GWI: 1.00000000		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: *\$5,354.44	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):		INTEREST:	
NAME	Ray Walker, Individually and in his capacities as General Partner for Walker Farms, Ltd., and as President of RCR, Inc.		0.02812500
CONTINUED			
ADDRESS	7705 NCR 25		
ADDRESS			
CITY ST ZIP	Big Spring, TX 79720		
TIN:			
PHONE, EMAIL:			
NAME			
CONTINUED			
ADDRESS			
ADDRESS			
CITY ST ZIP			
TIN:			
PHONE, EMAIL:			
	TOTAL INTEREST:		0.02812500

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:
 *Ray Walker, Individually and in his capacities as General Partner for Walker Farms, Ltd., and as President of RCR, Inc. is entitled to a mineral interest under this description, however, he is not entitled to any Executive Rights.
 The Oil & Gas Lease information for this ratification are as follows:
 LESSOR(S): Hugh Bryan Schafer, et al
 LESSEE: Touchwood Resources, LP
 DATE: January 15, 2008
 LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey
 TERM: 3 years
 ROYALTY: 1/5
 RECORDING: 118/011
 * Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.
 *Total Cost of BOTH Ratifications is: \$9,404.44 Ck #21302

#3088

RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Ray Walker, individually and in his capacities as General Partner for Walker Farms, Ltd., and as President of RCR, Inc. 7705 NCR 25, Big Spring TX 79720
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book ____, page ____, of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

Ray Walker
Ray Walker, individually and in his capacities as General Partner for Walker Farms, Ltd., and as President of RCR, Inc.

ACKNOWLEDGMENTS

STATE OF Texas §

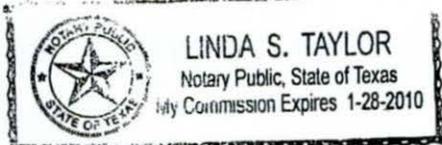
COUNTY OF Howard §

The foregoing instrument was acknowledged before me on this 23rd day of January 2008

by Ray Walker, individually and in his capacities as General Partner for Walker Farms, Ltd., as Texas limited partnership and as President of RCR, Inc., a Texas corporation, on behalf of said limited partnership and corporation, respectively.

Linda S. Taylor
Notary Public in and for the State of TEXAS

My commission expires: 01-28-2010



CASHIER'S CHECK COPY

FIRST NATIONAL BANK
MIDLAND
123 N. Colorado • Midland TX 79710

CHECK NUMBER
21302

DATE AMOUNT
Jan 10, 2008 \$ *****9,404.44

PAY TO THE ORDER OF:
WALKER FARMS

Purchaser: TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

Notice To Customer
The purchase of an indemnity bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.

FIRST NATIONAL BANK OF MIDLAND Cashier's Check

SM UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER, FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE.

Notice To Customer
Purchase of an indemnity bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.



FIRST NATIONAL BANK
OF MIDLAND
PH. 432-886-0044
123 N. Colorado, Midland TX 79710

DATE CHECK NUMBER
Jan 10, 2008 21302

88-2420/1163

\$ *****9,404.44

NINE THOUSAND FOUR HUNDRED FOUR AND 44/100 DOLLARS*****

Purchaser TOUCHWOOD RESOURCES, LLC/EDWARD C. WALLACE

*Void if over \$9,404.44

Edward C. Wallace
AUTHORIZED SIGNATURE REQUIRED

THE WALKER FARMS
ORDER
OF

Mark S. ...
Chief Executive Officer

⑈021302⑈



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	July 23, 2008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			blue cell = formula inserted

ASSIGNOR/LESSOR/GRANTOR:

ROSIE MARIE ROBERTS, DEALING IN HER SOLE AND SEPARATE PROPERTY

ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33; N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

NEW <input type="checkbox"/>	FEDERAL <input type="checkbox"/>	DOCUMENTS SUBMITTED:	
RENEWAL <input type="checkbox"/>	STATE <input type="checkbox"/>	ORIGINAL RATIFICATION <input checked="" type="checkbox"/>	COMPLETED W9 <input type="checkbox"/>
RATIFICATION <input checked="" type="checkbox"/>	GOVT. AGENCY <input type="checkbox"/>	MEMORANDUM OF LEASE <input type="checkbox"/>	MINERAL TAKEOFF <input type="checkbox"/>
EXTENSION <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>	LEASE PLAT <input checked="" type="checkbox"/>	MIN. OWN. & EXEC. RIGHTS REPORT <input checked="" type="checkbox"/>
AMENDED <input type="checkbox"/>	PAID-UP <input checked="" type="checkbox"/>	COPY OF DRAFT/CHECK <input checked="" type="checkbox"/>	COPY OF CHECK RECEIPT <input type="checkbox"/>
BOOK: 118	PAGE: 258	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST: GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: 0.11250000	GROSS ACRES: 634.60	NET ACRES: 71.3925	ROYALTY RATE:
CO. GWI: 1.00000000		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: *\$10,708.88	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):	INTEREST:
NAME: Rosie Marie Roberts, dealing in her sole and separate property	0.11250000
CONTINUED	
ADDRESS: 2705 North Albertson	
ADDRESS:	
CITY ST ZIP: Hobbs, NM 88240	
TIN:	
PHONE, EMAIL:	
NAME:	
CONTINUED	
ADDRESS:	
ADDRESS:	
CITY ST ZIP:	
TIN:	
PHONE, EMAIL:	
TOTAL INTEREST:	0.11250000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

RE LEASE FOR DETAILS:

Rosie Marie Roberts, dealing in her sole and separate property is entitled to a mineral interest under this description, however, he is not entitled to any Executive Rights.

The Oil & Gas Lease Information for this ratification are as follows:

LESSOR(S): Hugh Bryan Schafer, et al

LESSEE: Touchwood Resources, LP

DATE: January 15, 2008

LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey

TERM: 3 years

ROYALTY: 1/5

RECORDING: 118/011

Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.

Total Cost of BOTH Ratifications is: \$18,808.88 Ck #21853

#3128 RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Rosie Marie Roberts, dealing in her sole and separate property
2705 North Albertson, Hobbs, NM 88240
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book ____, page ____, of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

Rosie Marie Roberts
Rosie Marie Roberts, dealing in her sole and separate property

ACKNOWLEDGMENTS

STATE OF ~~Texas~~ New Mexico

COUNTY OF Lea §

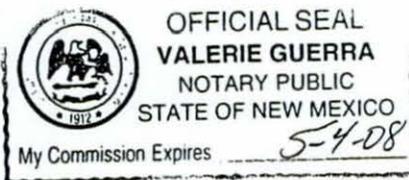
The foregoing instrument was acknowledged before me on this 28 day of January 2008

by Rosie Marie Roberts

Valerie Guerra

Notary Public in and for the State of NM

My commission expires: 5-4-08



FILED
AT 2:30 O'CLOCK P. M.
ON THE 7 DAY OF July
A.D., 2008
INS. NO. 3128

STATE OF TEXAS
COUNTY OF GLASSCOCK

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the name RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Batta
County Clerk, Glasscock County, Texas

Rebecca Batta
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS
BY Antonia Jones DEPUTY

OFFICIAL PUBLIC RECORDS
VOL. 118 PAGE 258
RECORDED July 7, 2008

FIRST NATIONAL BANK
OF MIDLAND
Midland TX 79710

CASHIER'S CHECK COPY

CHECK NUMBER
21853



dmayo

DATE AMOUNT
Feb 4, 2008 \$ *****18,808.88

PAY TO THE ORDER OF:
ROSIE MARIE ROBERTS

Purchaser: TOUCHWOOD RESOURCES LLC/EDWARD C. WALLACE

Notice To Customer
The purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.

FIRST NATIONAL BANK OF MIDLAND **Cashier's Check**

UNLESS RED "EAGLE" LOGO IN LOWER RIGHT-CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE.

Notice To Customer
Purchase of an Indemnity Bond will be required
before this check will be replaced or refunded in the
event it is lost, misplaced or stolen.



FIRST NATIONAL BANK OF MIDLAND
PH. 432-686-0044
123 N. Colorado, Midland TX 79710

DATE CHECK NUMBER
Feb 4, 2008 21853
\$ *****18,808.88

EIGHTEEN THOUSAND EIGHT HUNDRED EIGHT AND 88/100 DOLLARS*****

Purchaser TOUCHWOOD RESOURCES LLC/EDWARD C. WALLACE

*Void if over \$18,808.88

HE ROSIE MARIE ROBERTS
SR

AUTHORIZED SIGNATURE REQUIRED
Edward C. Wallace
Chief Executive Officer

⑈021853⑈



MARINER ENERGY, INC.

LEASE PURCHASE OR MINERAL ACQUISITION REPORT

DATE:	7/232008	PROSPECT:	DEADWOOD
PREPARED BY:	VERITAS 321 ENERGY PARTNERS, LP (BR)	AFE #	072296
APPROVED BY:			

ASSIGNOR/LESSOR/GRANTOR:

blue cell = formula inserted

EMMA SCHAFFER, DEALING IN HER SOLE AND SEPARATE PROPERTY
ASSIGNEE/LESSEE/GRANTEE:

TOUCHWOOD RESOURCES, LLC

PROPERTY DESCRIPTION:

EAST 160 ACRES OF SECTION 44 SAVE & EXCEPT A TRACT OF 5.4 ACRES UNDER STATE HIGHWAY 33; N2 AND SW4 OF SECTION 40, ALL IN BLOCK 33, TOWNSHIP 2 SOUTH, T&P RY CO SURVEY

NEW <input type="checkbox"/>	FEDERAL <input type="checkbox"/>	DOCUMENTS SUBMITTED:	
RENEWAL <input type="checkbox"/>	STATE <input type="checkbox"/>	ORIGINAL RATIFICATION <input checked="" type="checkbox"/>	COMPLETED W9 <input type="checkbox"/>
RATIFICATION <input checked="" type="checkbox"/>	GOVT. AGENCY <input type="checkbox"/>	MEMORANDUM OF LEASE <input type="checkbox"/>	MINERAL TAKEOFF <input type="checkbox"/>
EXTENSION <input type="checkbox"/>	FEE <input type="checkbox"/>	LEASE PLAT <input checked="" type="checkbox"/>	MIN. OWN. & EXEC. RIGHTS REPORT <input checked="" type="checkbox"/>
AMENDED <input type="checkbox"/>	PAID-UP <input checked="" type="checkbox"/>	COPY OF DRAFT/CHECK <input checked="" type="checkbox"/>	COPY OF CHECK RECEIPT <input checked="" type="checkbox"/>
BOOK: 118	PAGE: 9	ENTRY/REGISTER/MICROFILM	COUNTY/PH-ST GLASSCOCK, TX
DATE: January 15, 2008	EFFECTIVE DATE: January 15, 2008	EXPIRATION DATE: January 15, 2011	TERM (YRS): 3
MINERAL INTEREST: 0.11250000	GROSS ACRES: 634.60	NET ACRES: 71.3925	ROYALTY RATE:
CO. GWI: 1.00000000		CO. NET ACRES:	SHUT-IN ROYALTY AMOUNT:
BONUS PER ACRE: \$150.00	TOTAL COST: *\$10,708.88	FIRST RENTAL DUE: N/A	RENTAL AMOUNT: N/A

LESSOR(S):	INTEREST:
NAME: Emma Schafer, dealing in her sole and separate property	0.11250000
CONTINUED	
ADDRESS: P.O. Box 194	
ADDRESS:	
CITY ST ZIP: Garden City, TX 79739	
TIN:	
PHONE, EMAIL:	
NAME:	
CONTINUED	
ADDRESS:	
ADDRESS:	
CITY ST ZIP:	
TIN:	
PHONE, EMAIL:	
TOTAL INTEREST:	0.11250000

SEE ADDITIONAL PAGES OR ATTACHMENTS

INSTRUCTIONS, SPECIAL PROVISIONS AND OBLIGATIONS:

SEE LEASE FOR DETAILS:

*Emma Schafer, dealing in her sole and separate property is entitled to a mineral interest under this description, however, he is not entitled to any Executive Rights.

The Oil & Gas Lease information for this ratification are as follows:

LESSOR(S): Hugh Bryan Schafer, et al

LESSEE: Touchwood Resources, LP

DATE: January 15, 2008

LANDS: East 160 acres of Section 44 Save & Except a tract of 5.4 acres under State Highway 33; N2 and SW4 of Section 40, All in Block 33, T-2-S, T&P Ry Co Survey

TERM: 3 years

ROYALTY: 1/5

RECORDING: 118/011

* Bonus amount is based on the Total Net Acreage for this specific tract captured under the executed Ratification by Lessor, which is in reference to the Mineral Ownership and Executive Rights Report. See Attachment for further details.

*Total Cost of BOTH Ratifications is: \$18,808.88 Ck #21852

#3098 RATIFICATION OF OIL, GAS, AND MINERAL LEASE

State: TEXAS
County: GLASSCOCK
Lessor: Emma Schafer, dealing in her sole and separate property
PO Box 194, Garden City, TX 79739
Lessee: TOUCHWOOD RESOURCES, LLC, PO Box 197, Midland, TX 79702
Effective Date: JANUARY 15, 2008

Lessor, named above, owns an undivided mineral interest in the following lands (the "Lands") in the county and state named above:

East 160 acres of Section 44 SAVE AND EXCEPT a tract of 5.4 acres under State Highway 33;
N2 and SW4 of Section 40,
all in Block 33, Township 2 South, T&P Ry Co Survey

The Lands are subject to a paid-up Oil, Gas, and Mineral Lease (the "Lease"), dated January 15, 2008, from Hugh Bryan Schafer, et al, as Lessors (also owners of an undivided mineral interest in the Lands) and Lessee named above. The Lease is recorded in Book 118, page 011 of the _____ Records of the county in which the Lands are located.

For adequate consideration, the receipt and sufficiency of which is acknowledged, Lessor ratifies the Lease and all its terms, and hereby grants, leases, and lets all of Lessor's undivided mineral interest in the Lands to Lessee on the same terms and conditions as provided for in the Lease, and adopts and confirms the Lease as if Lessor was an original party to and named as a Lessor in the Lease.

This Ratification is executed on the date of the acknowledgment of Lessor's signature below, but shall be deemed effective for all purposes as of the Effective Date stated above.

Lessor

Signature of Emma Schafer
Emma Schafer, dealing in her sole and separate property

ACKNOWLEDGMENTS

STATE OF Texas §

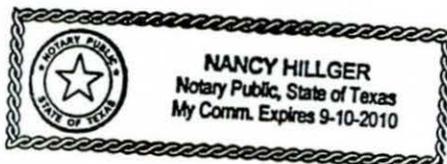
COUNTY OF Glasscock §

The foregoing instrument was acknowledged before me on this 25th day of January 2008

by Emma Schafer

Signature of Nancy Hillger
Notary Public in and for the State of Texas

My commission expires: 9-10-2010



UNLESS RED "EAGLE" LOGO IN LOWER RIGHT CORNER FADES BY FIRM RUBBING AND REAPPEARS AT ROOM TEMPERATURE.



Notice To Customer
The purchase of an Indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.



FIRST NATIONAL BANK OF MIDLAND
PH. 432-686-0044
123 N. Colorado, Midland TX 79710

DATE
Feb 4, 2008

CHECK NUMBER
21852

88-2420/1163

\$ *****18,808.88

EIGHTEEN THOUSAND EIGHT HUNDRED EIGHT AND 88/100 DOLLARS*****

Purchaser TOUCHWOOD RESOURCES LLC/EDWARD C. WALLACE

*Void if over \$18,808.88

TO THE ORDER OF EMMA SCHAFER

AUTHORIZED SIGNATURE REQUIRED

Edward C. Wallace
Chief Executive Officer

⑈021852⑈

CASHIER'S CHECK COPY

FIRST NATIONAL BANK OF MIDLAND
123 N. Colorado • Midland TX 79710

CHECK NUMBER
21852

DATE AMOUNT
Feb 4, 2008 \$ *****18,808.88

PAY TO THE ORDER OF:
EMMA SCHAFER

Purchaser: TOUCHWOOD RESOURCES LLC/EDWARD C. WAL

Notice To Customer
The purchase of an Indemnity Bond will be required before this check will be replaced or refunded in the event it is lost, misplaced or stolen.

7.

File No. MF 112581

Gleason

Date Filed: 3/2/11

Jerry E. Patterson, Commissioner

By [Signature]

~~CONFIDENTIAL~~

2011

TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

May 5, 2011

Mr. Andy Torres
Veritas 321 Energy Partners, LP
PO Box 173
Midland, TX 79702

Dear Mr. Torres,

Re: State of Texas HROW Lease # MF 112581

Enclosed you will find an original executed Highway Right-of-Way lease in Glasscock County.

Please proof read the lease before filing of record and refer to this lease number with all correspondence.

Please have your client provide the GLO with a copy of the recorded Unit Designation for this lease.

If you have any questions please feel free to contact my direct phone number, or email address listed below, or contact George Martin at his direct number (512) 475-1512.

Best regards,

Beverly Boyd
Energy Resources
Mineral Leasing
512-463-6521
beverly.boyd@glo.state.tx.us

COPY

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

Post Office Box 12873 • Austin, Texas 78711-2873

512-463-5001 • 800-998-4GLO

www.glo.state.tx.us

8.

File No. 117 12581

[Signature]

Date Filed: 5/5/11

Jerry E. Patterson, Commissioner

By: [Signature]

1902

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 3913
RECIPIENT ADDRESS 94326844741
DESTINATION ID
ST. TIME 05/19 10:02
TIME USE 24'37
PAGES SENT 32
RESULT OK



FACSIMILE

Texas General Land Office • Jerry Patterson • Commissioner

Date: ~~8/2/10~~

To: *Andy Jones*

Company: *Veritas*

Fax No.: *432-684-4741*

Phone No.:

Re: HROW Lease #

112576 - Glasscock Co.

Notes:

From: Beverly Boyd

Sender's Fax No.:

Sender's Phone No.: 512-463-6521

Pages: 8

Attached please find a copy of your HROW Lease.

Please remit Bonus plus a 1 1/2% filing fee to the General Land Office, attn: Drew Reid

Beverly Boyd

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 3915
RECIPIENT ADDRESS 98308794237
DESTINATION ID
ST. TIME 05/19 10:27
TIME USE 00'26
PAGES SENT 2
RESULT OK



FACSIMILE

Texas General Land Office • Jerry Patterson • Commissioner

Date:

To: *Buddy Hamilton*
Company: *EOG*
Fax No.: *830-879-4237*
Phone No.:

From: **Beverly Boyd**
Sender's Fax No.: **512-475-1543**
Sender's Phone No.: **512-463-6521**
Pages: **2**

Re: HROW Lease #
112599 - HoSalle Co.

Notes:

See attached HROW Lease; please remit bonus and processing fee, which is 1 1/2% of the bonus to:

**George Martin
Texas General Land Office
Energy Resources
PO Box 12873
Austin, TX 78711-2873
512-475-1512**

Please include the above referenced lease number with your remittance.

File No. _____

Date Filed: _____

Jerry E. Patterson, Commissioner

By _____



FACSIMILE

Texas General Land Office • Jerry Patterson • Commissioner

Date: 8/25/10

To: *Andy Jones*
Company: *Ventas*

Fax No.: *432-684-4741*

Phone No.:

Re: HROW Lease #
112581 - Glass rock

From: Beverly Boyd

Sender's Fax No.:

Sender's Phone No.: 512-463-6521

Pages: 8

Notes:

Attached please find a copy of your HROW Lease.

Please remit Bonus plus a 1 1/2% filing fee to the General Land Office, attn: Drew Reid

Beverly Boyd

The information in this facsimile is intended only for the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you received this communication in error, please notify us immediately by telephone and return the original message to us at the address below via the U.S. Postal Service.

1700 North Congress Ave. • Austin, Texas 78701-1495

P.O. Box 12873 • Austin, Texas 78711-2873

512-463-5001 • 1-800-998-4GLO

9.

File No. MF 112581

Faxes

Date Filed: 5/19/11

Jerry E. Patterson, Commissioner

By [Signature]

VERITAS 321 ENERGY PARTNERS, LP

Commissioner of the TX General Land Office

6/7/2011

009809

2010 · Receipts Payable-Apache

APA201119L O&G Lease # MF112581

2,192.40

2010 · Receipts Payable-Apache

APA201119F O&G Lease # MF112581

32.89

11711735

11219

(WNB) Veritas 321 EP APA201119 O&G Lease # MF112581

121
X

2,225.29



COPY

VERITAS 321
ENERGY PARTNERS, LP

June 9, 2011

Texas General Land Office
Attn: Mr. George Martin
1700 N. Congress Ave.
Austin, TX 78701-1495

RE: Bonus Consideration for Oil, Gas & Mineral Lease

14.616 ACRES OF LAND, MORE OR LESS, SITUATED IN SECTION 40, BLOCK 33, T-2-S, T&P RR CO SURVEY, SAID LANDS BEING DESCRIBED IN THE FOLLOWING DEED FILED IN THE DEEDS OF RECORD, GLASSCOCK CO.: DEED FROM JOHN SCHAFER ET UX DATED: 10/17/1945 AND RECORDED IN VOL. 56, P. 239, **OIL AND GAS LEASE No. MF 112581**

GLASSCOCK COUNTY, TEXAS

Dear Mr. Martin:

In receipt of your executed Oil and Gas Lease covering the captioned property, enclosed is **check number 009809** made payable to you in the amount of **\$2,225.29** for your share of the bonus consideration (*14.6160 net acres x \$150.00 per net acre plus the 1.5% processing fee of \$32.89*).

Please acknowledge your receipt hereof by signing in the space provided below and returning one copy of this letter to the undersigned in the envelope provided.

Thank you for your cooperation in this matter. Should you have any questions, please advise.

Sincerely,

Amanda Torres
Lease Analyst
Extension 126

Received this _____ day of _____, 2010.

George Martin

10.

File No. MF112581

Letter, bonus, & fee

Date Filed: 6/13/11
Jerry E. Patterson, Commissioner

By JR



5359

DO NOT DESTROY



Texas General Land Office
UNIT AGREEMENT MEMO

PA12-40

Unit Number 5304
Operator Name APACHE CORPORATION *Effective Date* 12/6/2011
Customer ID C000023272 *Unitized For* Oil & Gas
Unit Name Bonefish #1-40 *Unit Term* 0 Months
County1 Glasscock
County2 *Old Unit Number* *Inactive Status Date*
County3 0
RRC District: 08 0
Unit Type: Permanent 0
State Royalty Interest: 0.0094676782 0
State Part in Unit: 0.0473383911
Unit Depth All *Well:* Unit
Below Depth 0 *Formation:* Spraberry
Above Depth 0 *Participation Basis:* Surface Acreage
 [If Exclusions Apply: See Remarks]

MF Number MF112581 *Tract Number* 2
Lease Acres 7.55 / *Total Unit Acres* 159.49 =
Tract Participation: 0.0473384 X
Lease Royalty 0.2 = *Manual Tract Participation:* [] 0 | See Remark
Tract Royalty Participation 0.0094677 *Manual Tract Royalty:* [] 0

Tract Royalty Reduction No
Tract Royalty Rate 0
Tract On-Line Date:

API Number

421733388800

RRC Number

0

Remarks:

HROW Unit - All depths

Prepared By:

B Boyd

GLO Base Updated By:

B Boyd

RAM Approval By:

J King

GIS By:

Prepared Date:

1-4-12

GLOBase Date:

1-4-12

RAM Approval Date:

1-5-2012

GIS Date:

COPY

#9357

DECLARATION OF THE APACHE DEEPWATER LLC AND APACHE CORPORATION BONEFISH 40 UNIT #1 POOLED UNIT

State: Texas
County: Glasscock
Lessee: Apache Deepwater LLC, successor to Mariner Energy, Inc. and Apache Corporation
303 Veterans Airpark Lane, Suite 3000
Midland, TX 79705

Lessee, named above, designates the following lands covered by the Leases described in Exhibit "A", attached hereto and made a part hereof for all purposes, as a Pooled Unit (the "Unit") for the purposes of drilling for and producing oil and/or gas:

159.49 acres of land, all in Block 33, Township 2 South, T&P Ry. Co. Survey, Glasscock County, Texas, being described as follows:

- Tract 1. NW/4 of Section 40, S&E HWY 33; and
Tract 2. HWY 33;

as shown on the plat attached hereto as Exhibit "B" and made a part hereof for all purposes.

This Declaration and the Unit created shall be in effect, unless sooner dissolved, terminated or modified by Lessee, as long as the Leases are maintained in force and effect, insofar as they cover the lands contained within said unit.

Executed as of the ___ day of December, 2011.

Apache Deepwater LLC
Apache Corporation

Handwritten signature of Timothy R. Custer
Name: Timothy R. Custer
Title: Attorney-in-Fact

STATE OF TEXAS §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 10th day of December, 2011 by Timothy R. Custer, Attorney-in-Fact for Apache Deepwater LLC, a Delaware limited liability company, and Apache Corporation, a Delaware corporation, on behalf of said companies.

Handwritten signature of Kathrine Renee Johnson
NOTARY PUBLIC FOR STATE OF TEXAS

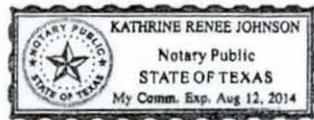


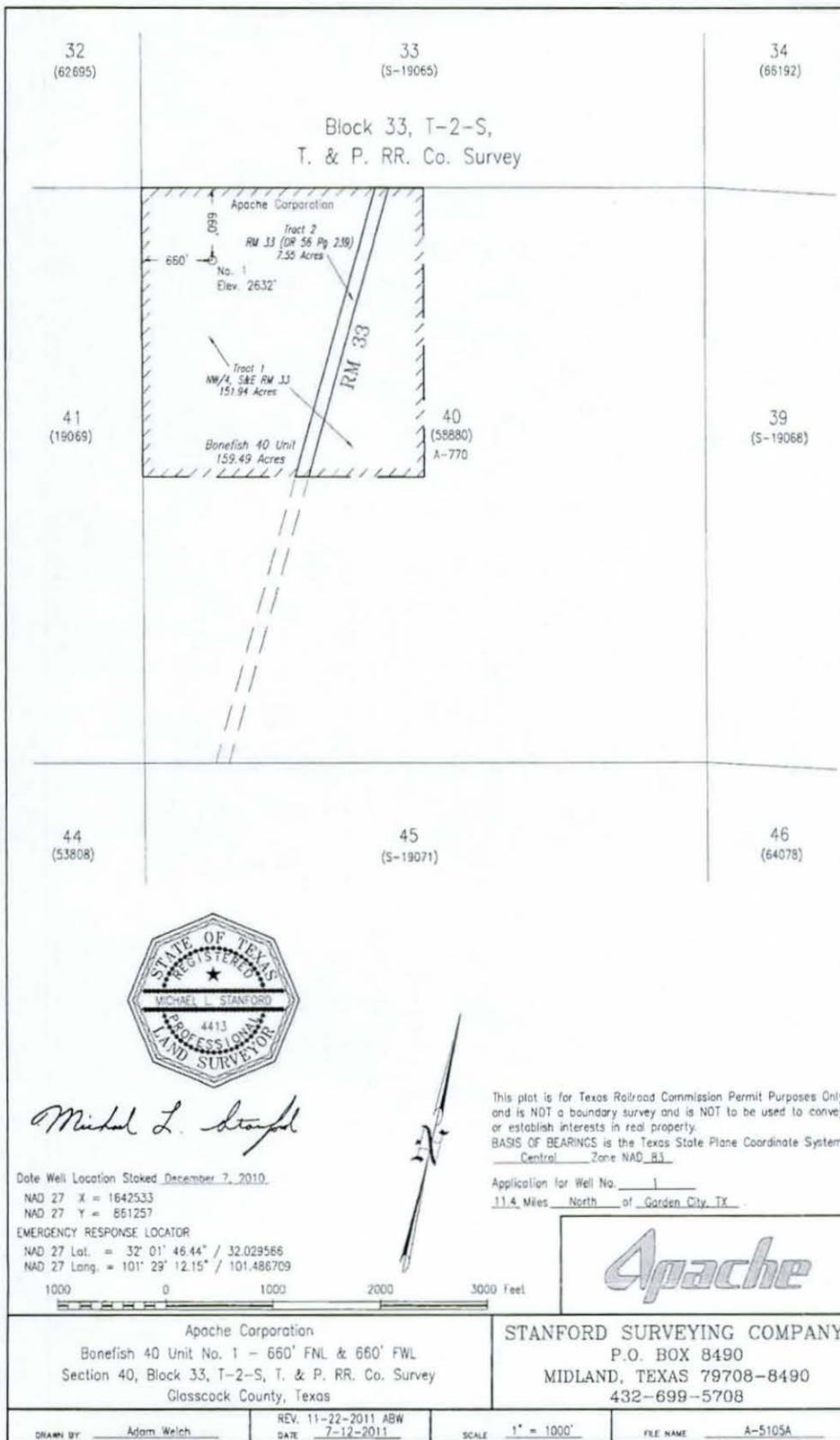
EXHIBIT "A"

Attached to and made part of Declaration of the Apache Deepwater LLC and Apache Corporation – Bonefish 40 Unit #1 Pooled Unit

Date: January 15, 2008
Recording: Book/Vol. 118, Page 11, Official Public Records of Glasscock County, Texas
Lessors: Hugh Bryan Schafer and Novella Ann Schafer, husband and wife; and William R. Schafer, Jr., Jerry John Schafer, and Melissa Beth Jordan, each dealing respectively in their sole and separate property
Lessee: Touchwood Resources, LLC
Assignment: from Touchwood Resources, LLC to Mariner Energy, Inc. recorded in Book/Vol. 127, Page 317, as corrected.

Date: May 3, 2011
Recording: Book/Vol. 169, Page 167, Official Public Records of Glasscock County, Texas.
Lessor: Commissioner of the General Land Office of the State of Texas
Lessee: Apache Corporation

Attached to and made part of Declaration of the Apache Deepwater LLC and Apache Corporation
Bonefish 40 Unit #1 Pooled Unit



APACHE CORPORATION
OIL AND GAS DIVISION ORDER

DATE: 11/18/2011

Property: 01556101/00002 BONEFISH #1-40 ALL
State: TEXAS County/Parish: GLASSCOCK

Venture Number: 022042

<u>OWNER</u>	<u>INTEREST TYPE</u>	<u>EXC</u>	<u>INTEREST</u>	<u>EFF DATE</u>
0085439001 STATE OF TEXAS	(RI) - ROYALTY INTEREST	01	0.00946768	1/1/2011

Legal Description:

TX GLASSCOCK T&P RR CO ABST/ID# 770 Twsp 2S Blk 33 Sec 40



OIL AND GAS DIVISION ORDER

Date: 11/18/2011

TO: APACHE CORPORATION ("Payor")
ONE POST OAK CENTRAL
2000 POST OAK BOULEVARD
SUITE 100
HOUSTON, TX 77056-4400

01556101/00002.1
BONEFISH #1-40 ALL

The undersigned severally and not jointly certifies it is the legal Owner of the interest(s) of all the oil (including all liquid hydrocarbons) and gas (including all casinghead and other gaseous hydrocarbons) produced from the property described on the attached EXHIBIT A.

The following provisions apply to each interest "Owner" who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interest(s) set out on the attached EXHIBIT A. The Payor shall pay all parties pursuant to applicable state statutes regarding accumulation of proceeds and the lease or operating agreement between the parties or any other contract for the purchase of oil and gas. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities. Deductions may be made for gathering, transportation, treating, conditioning, marketing and other post-production costs downstream of the wellhead, and for gross production, severance or other similar taxes on production or the proceeds thereof, as allowed by applicable law.

INDEMNITY: The Owner agrees to indemnify and hold Payor harmless from all liability resulting from payments made to the Owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the Owner's interest to which Payor is made a party.

DISPUTE: WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the Owner, written notice shall be given to Payor by the Owner together with a copy of the complaint or petition filed.

In the event of a claim or dispute that affects title to the division of interest credited herein, Payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The Owner agrees to notify Payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on Payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to Payor at the time the change occurs. Any change of interest shall be made effective on the first day of the month following receipt of such notice by Payor. Any correspondence regarding this agreement shall be furnished to the above address unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of the division order, an Owner may have certain statutory rights under the laws of the state of the property described on EXHIBIT A.

FAILURE TO FURNISH YOUR SOCIAL SECURITY OR TAX I.D. NUMBER WILL RESULT IN WITHHOLDING TAX IN ACCORDANCE WITH FEDERAL LAW. ANY TAX WITHHELD WILL NOT BE REFUNDABLE BY PAYOR AND WILL BE REMITTED TO THE INTERNAL REVENUE SERVICE.

NOTE: (1) DIVISION ORDERS FOR CORPORATIONS MUST BE EXECUTED BY AN AUTHORIZED OFFICER; (2) DIVISION ORDERS FOR INDIVIDUALS SHOULD BE WITNESSED BY TWO (2) DISINTERESTED THIRD PARTIES IN THE SPACES PROVIDED; (3) IF THE DIVISION ORDER IS SIGNED BY AN AGENT, ATTORNEY-IN-FACT, GUARDIAN, OR ANY PARTY OTHER THAN THE NAMED INTEREST OWNER, PLEASE FURNISH EVIDENCE OF THE RIGHTS VESTED IN THE SIGNATORY PARTY; (4) TO ENSURE PROMPT RECEIPT OF CHECKS, BE SURE YOUR MAILING ADDRESS, INCLUDING ZIP CODE, IS CORRECT AS SHOWN ON THIS DIVISION ORDER.

THIS COPY FOR YOUR FILE

WITNESS NAME

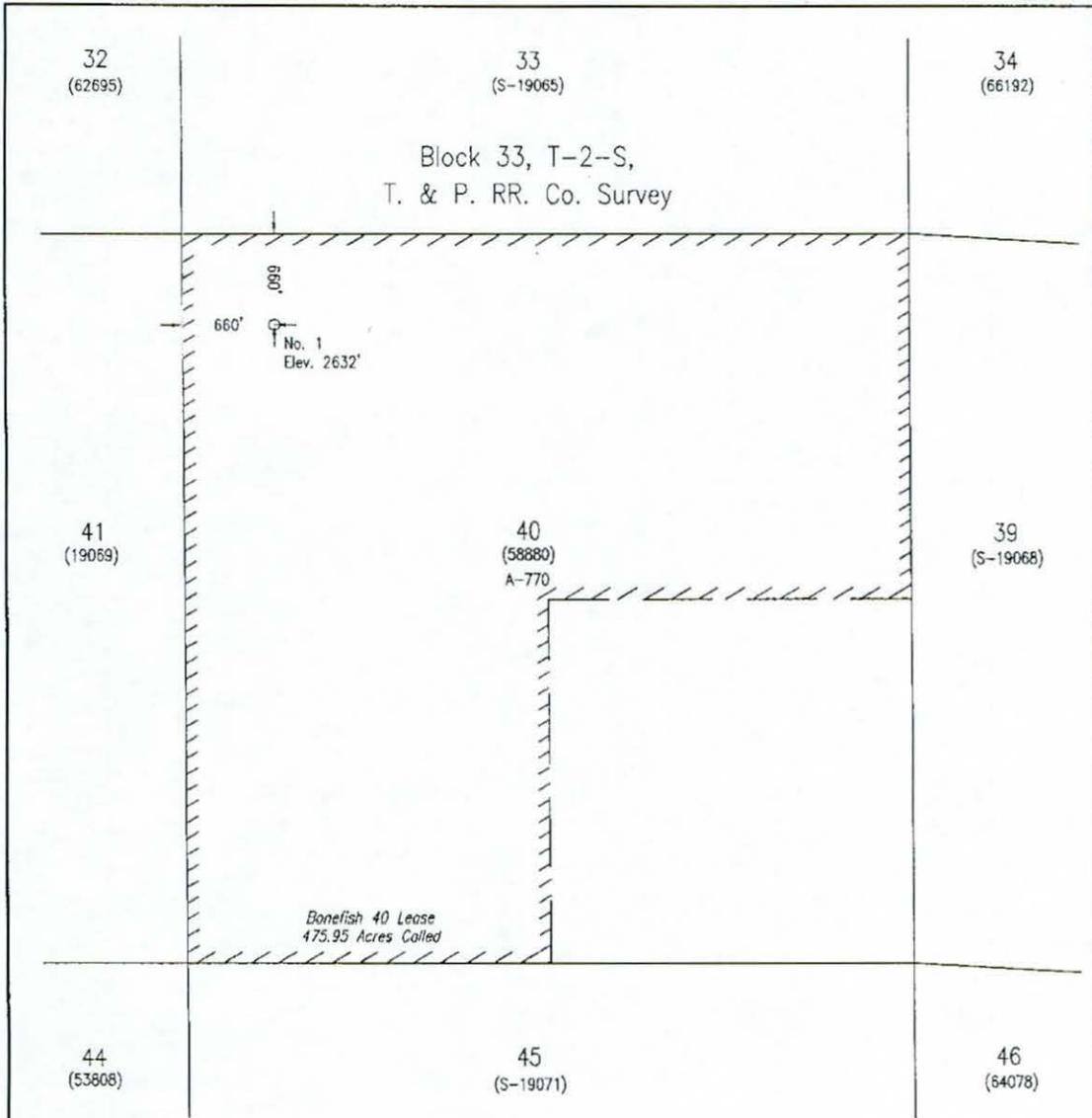
SIGNATURE OF INTEREST OWNER

Subject: Various Apache Corporation Glasscock County Properties - Request for Pooling Designations
Created By: Jim.Wishart@usa.apachecorp.com
Scheduled Date:
Creation Date: 12/7/2011 9:21 AM
From: "Wishart, Jim" <Jim.Wishart@usa.apachecorp.com>

Recipient	Action	Date & Time	Comment
To: Beverly Boyd (Beverly.Boyd@GLO.STATE.TX.US)			

API No. <u>42-173-33888</u> Drilling Permit # <u>707169</u> SWR Exception Case/Docket No. _____	RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER <i>This facsimile W-1 was generated electronically from data submitted to the RRC.</i> <i>A certification of the automated data is available in the RRC's Austin office.</i>	FORM W-1 07/2004 Permit Status: Approved				
1. RRC Operator No. <u>027200</u>	2. Operator's Name (as shown on form P-5, Organization Report) APACHE CORPORATION	3. Operator Address (include street, city, state, zip):				
4. Lease Name BONEFISH 40	5. Well No. <u>1</u>					
GENERAL INFORMATION						
6. Purpose of filing (mark ALL appropriate boxes): <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter <input checked="" type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)						
7. Wellbore Profile (mark ALL appropriate boxes): <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack						
8. Total Depth <u>10600</u>	9. Do you have the right to develop the minerals under any right-of-way? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
SURFACE LOCATION AND ACREAGE INFORMATION						
11. RRC District No. <u>08</u>	12. County GLASSCOCK	13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore				
14. This well is to be located <u>11.4</u> miles in a <u>N</u> direction from <u>GARDEN CITY</u> which is the nearest town in the county of the well site.						
15. Section <u>40</u>	16. Block <u>33 T2S</u>	17. Survey T&P RR CO / SCHAFFER, C				
	18. Abstract No. <u>A-770</u>	19. Distance to nearest lease line: <u>660</u> ft.				
20. Number of contiguous acres in lease, pooled unit, or unitized tract: 475.95						
21. Lease Perpendiculars: <u>660</u> ft from the <u>NORTH</u> line and <u>660</u> ft from the <u>WEST</u> line.						
22. Survey Perpendiculars: <u>660</u> ft from the <u>NORTH</u> line and <u>660</u> ft from the <u>WEST</u> line.						
23. Is this a pooled unit? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		24. Unitization Docket No. _____				
25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No						
FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.						
26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)	29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
08	85280300	SPRABERRY (TREND AREA)	Oil or Gas Well	10425	0.00	1
08	45484200	JAILHOUSE (FUSSELMAN)	Oil Well	10425	0.00	1
08	33997700	GARDEN CITY, NW (STRAWN)	Oil Well	10425	0.00	1
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS						
Remarks [FILER Mar 7, 2011 2:40 PM]: AMEND PERMIT TO INCLUDE GARDEN CITY, NW (STRAWN) FIELD.				Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge. <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> <u>Ronda White, Drilling Tech</u> Name of filer </div> <div style="text-align: center;"> <u>Mar 07, 2011</u> Date submitted </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;"> <u>(432)8181025</u> Phone </div> <div style="text-align: center;"> <u>ronda.white@apachecorp.com</u> E-mail Address (OPTIONAL) </div> </div>		
RRC Use Only Data Validation Time Stamp: Mar 15, 2011 10:02 AM('As Approved' Version)						

TRE



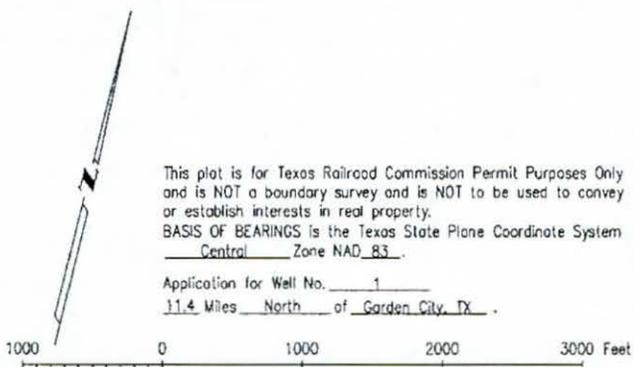
Michael L. Stanford

Date Well Location Staked December 7, 2010

NAD 27 X = 1642533
NAD 27 Y = 861257

EMERGENCY RESPONSE LOCATOR

NAD 27 Lat. = 32° 01' 46.44" / 32.029566
NAD 27 Long. = 101° 29' 12.15" / 101.486709



This plot is for Texas Railroad Commission Permit Purposes Only and is NOT a boundary survey and is NOT to be used to convey or establish interests in real property.

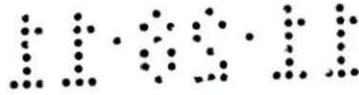
BASIS OF BEARINGS is the Texas State Plane Coordinate System
Central Zone NAD 83

Application for Well No. 1
11.4 Miles North of Garden City, TX

APACHE CORP.
Bonfish 40 No. 1 - 660' FNL & 660' FWL
Section 40, Block 33, T-2-S, T. & P. RR. Co. Survey
Glasscock County, Texas

STANFORD SURVEYING COMPANY
P.O. BOX 8490
MIDLAND, TEXAS 79708-8490
432-699-5708

DRAWN BY <u>Aaron Burrell</u>	DATE <u>12-07-2010</u>	SCALE <u>1" = 1000'</u>	FILE NAME <u>A-5105</u>
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W/O DPU

November 21, 2011

All Royalty Owners in the
Bonfish #1-40 Well
NW/4 Sec. 40, Blk 33, T2S, T&P RR Co. Survey
Glasscock County, Texas

**Re: Corrected Drilling and Spacing Unit -
Creation of Pooled Unit;
Amended Division Orders**

Ladies and Gentlemen:

Apache Corporation recently acquired an Oil and Gas Lease from the State of Texas which necessitated the creation of a pooled unit on which the Bonfish #1-40 well is situated. Unfortunately, the resulting pooled unit reveals that Apache's revenue records with respect to your ownership may be incorrect.

Enclosed is Apache Corporation's Division Order in duplicate for your review and signature. Any difference in your ownership decimal from our previous records will be reconciled in future Apache payments.

Apache values its relationship with our owners and strives to consistently provide accurate information. I sincerely regret any inconvenience this matter may cause you.

Should you have questions in this regard or require additional information please don't hesitate to contact me.

Sincerely,
Apache Corporation

Jim Wishart, CPL
713-296-6277

From: "Wishart, Jim" <Jim.Wishart@usa.apachecorp.com>
To: "'Beverly Boyd' (beverly.boyd@GLO.texas.gov)" <beverly.boyd@GLO.texas.gov>
Date: 1/3/2012 9:51 AM
Subject: FW: Various Apache Corporation Glasscock County Properties - Request for Pooling Designations
Attachments: BONEFISH 40 UNIT #1 POOLED UNIT; RILEY 37 UNIT #3 DFECLARATION OF POOLED UNIT

Happy New Year Beverly. I am providing the accompanying designations which have been properly recorded in Glasscock County, Texas. Please contact me should you have questions or require additional information.

The Region is progressing with additional designations and those will be forwarded to you as well. Thank you for your patience.
Regards,
Jim

From: Wishart, Jim
Sent: Wednesday, December 07, 2011 9:22 AM
To: 'Beverly Boyd'
Subject: Various Apache Corporation Glasscock County Properties - Request for Pooling Designations

Good morning Beverly. Pursuant to our conversation I have requested our Permian Region office in Midland provide me copies of all pooling designations involving State of Texas acreage. I understand from the Region that in some cases the pooling process has not completed; however, it was agreed to provide me with copies of completed designations. I will forward those to you directly.
Regards,
Jim Wishart CPL
713-296-6277

File No. MF 112581
Unit Agreement

Date Filed: 12/6/11
Jerry E. Patterson, Commissioner
By EA

OIL AND GAS DIVISION ORDER

Date: 01/18/2012

TO: APACHE CORPORATION ("Payor")
ONE POST OAK CENTRAL
2000 POST OAK BOULEVARD
SUITE 100
HOUSTON, TX 77056-4400

01556101/00003.1
BONEFISH #1-40 ALL

MF 112581

UNIT# 5304

The undersigned severally and not jointly certifies it is the legal Owner of the interest(s) of all the oil (including all liquid hydrocarbons) and gas (including all casinghead and other gaseous hydrocarbons) produced from the property described on the attached EXHIBIT A.

The following provisions apply to each interest "Owner" who executes this agreement:

TERMS OF SALE: The undersigned will be paid in accordance with the division of interest(s) set out on the attached EXHIBIT A. The Payor shall pay all parties pursuant to applicable state statutes regarding accumulation of proceeds and the lease or operating agreement between the parties or any other contract for the purchase of oil and gas.

INDEMNITY: The Owner agrees to indemnify and hold Payor harmless from all liability resulting from payments made to the Owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the Owner's interest to which Payor is made a party.

DISPUTE: WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the Owner, written notice shall be given to Payor by the Owner together with a copy of the complaint or petition filed.

In the event of a claim or dispute that affects title to the division of interest credited herein, Payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

TERMINATION: Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

NOTICES: The Owner agrees to notify Payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time. No change of interest is binding on Payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to Payor at the time the change occurs.

In addition to the legal rights provided by the terms and provisions of the division order, an Owner may have certain statutory rights under the laws of the state of the property described on EXHIBIT A.

FAILURE TO FURNISH YOUR SOCIAL SECURITY OR TAX I.D. NUMBER WILL RESULT IN WITHHOLDING TAX IN ACCORDANCE WITH FEDERAL LAW. ANY TAX WITHHELD WILL NOT BE REFUNDABLE BY PAYOR AND WILL BE REMITTED TO THE INTERNAL REVENUE SERVICE.

NOTE: (1) DIVISION ORDERS FOR CORPORATIONS MUST BE EXECUTED BY AN AUTHORIZED OFFICER; (2) DIVISION ORDERS FOR INDIVIDUALS SHOULD BE WITNESSED BY TWO (2) DISINTERESTED THIRD PARTIES IN THE SPACES PROVIDED; (3) IF THE DIVISION ORDER IS SIGNED BY AN AGENT, ATTORNEY-IN-FACT, GUARDIAN, OR ANY PARTY OTHER THAN THE NAMED INTEREST OWNER, PLEASE FURNISH EVIDENCE OF THE RIGHTS VESTED IN THE SIGNATORY PARTY; (4) TO ENSURE PROMPT RECEIPT OF CHECKS, BE SURE YOUR MAILING ADDRESS, INCLUDING ZIP CODE, IS CORRECT AS SHOWN ON THIS DIVISION ORDER.

THIS COPY FOR YOUR FILE

WITNESS NAME

SIGNATURE OF INTEREST OWNER

WITNESS NAME

742079879

SOCIAL SECURITY OR TAX ID NUMBER

STATE OF TEXAS

4326844404

COMMISSIONER OF THE GENERAL LAND O
0085439001

OWNER TELEPHONE NUMBER

STEPHEN F AUSTIN BUILDING
1700 NORTH CONGRESS AVENUE
AUSTIN TX US 78701

Property: 01556101/00003 BONEFISH #1-40 ALL
State: TEXAS County/Parish: GLASSCOCK

Venture Number: 022042

<u>OWNER</u>	<u>INTEREST TYPE</u>	<u>EXC</u>	<u>INTEREST</u>	<u>EFF DATE</u>
0085439001 STATE OF TEXAS	(RI) - ROYALTY INTEREST	01	0.00213024	1/1/2011

Legal Description:

TX GLASSCOCK T&P RR CO ABST/ID# 770 Twsp 2S Blk 33 Sec 40

#9359

DECLARATION OF THE APACHE DEEPWATER LLC AND APACHE CORPORATION
BONEFISH 40 UNIT #1 POOLED UNIT

State: Texas
County: Glasscock
Lessee: Apache Deepwater LLC, successor to Mariner Energy, Inc. and Apache Corporation
303 Veterans Airpark Lane, Suite 3000
Midland, TX 79705

Lessee, named above, designates the following lands covered by the Leases described in Exhibit "A", attached hereto and made a part hereof for all purposes, as a Pooled Unit (the "Unit") for the purposes of drilling for and producing oil and/or gas:

159.49 acres of land, all in Block 33, Township 2 South, T&P Ry. Co. Survey, Glasscock County, Texas, being described as follows:

Tract 1. NW/4 of Section 40, S&E HWY 33; and

Tract 2. HWY 33;

as shown on the plat attached hereto as Exhibit "B" and made a part hereof for all purposes.

This Declaration and the Unit created shall be in effect, unless sooner dissolved, terminated or modified by Lessee, as long as the Leases are maintained in force and effect, insofar as they cover the lands contained within said unit.

Executed as of the ____ day of December, 2011.

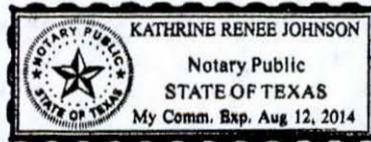
Apache Deepwater LLC
Apache Corporation

Timothy R. Custer
Name: Timothy R. Custer
Title: Attorney-in-Fact

STATE OF TEXAS §
COUNTY OF MIDLAND §

This instrument was acknowledged before me on the 16th day of December, 2011 by Timothy R. Custer, Attorney-in-Fact for Apache Deepwater LLC, a Delaware limited liability company, and Apache Corporation, a Delaware corporation, on behalf of said companies.

Kathrine Renee Johnson
NOTARY PUBLIC FOR STATE OF TEXAS



True and correct copy of original filed in the Glasscock County Clerks Office

EXHIBIT "A"

Attached to and made part of Declaration of the Apache Deepwater LLC and Apache Corporation – Bonefish 40 Unit #1 Pooled Unit

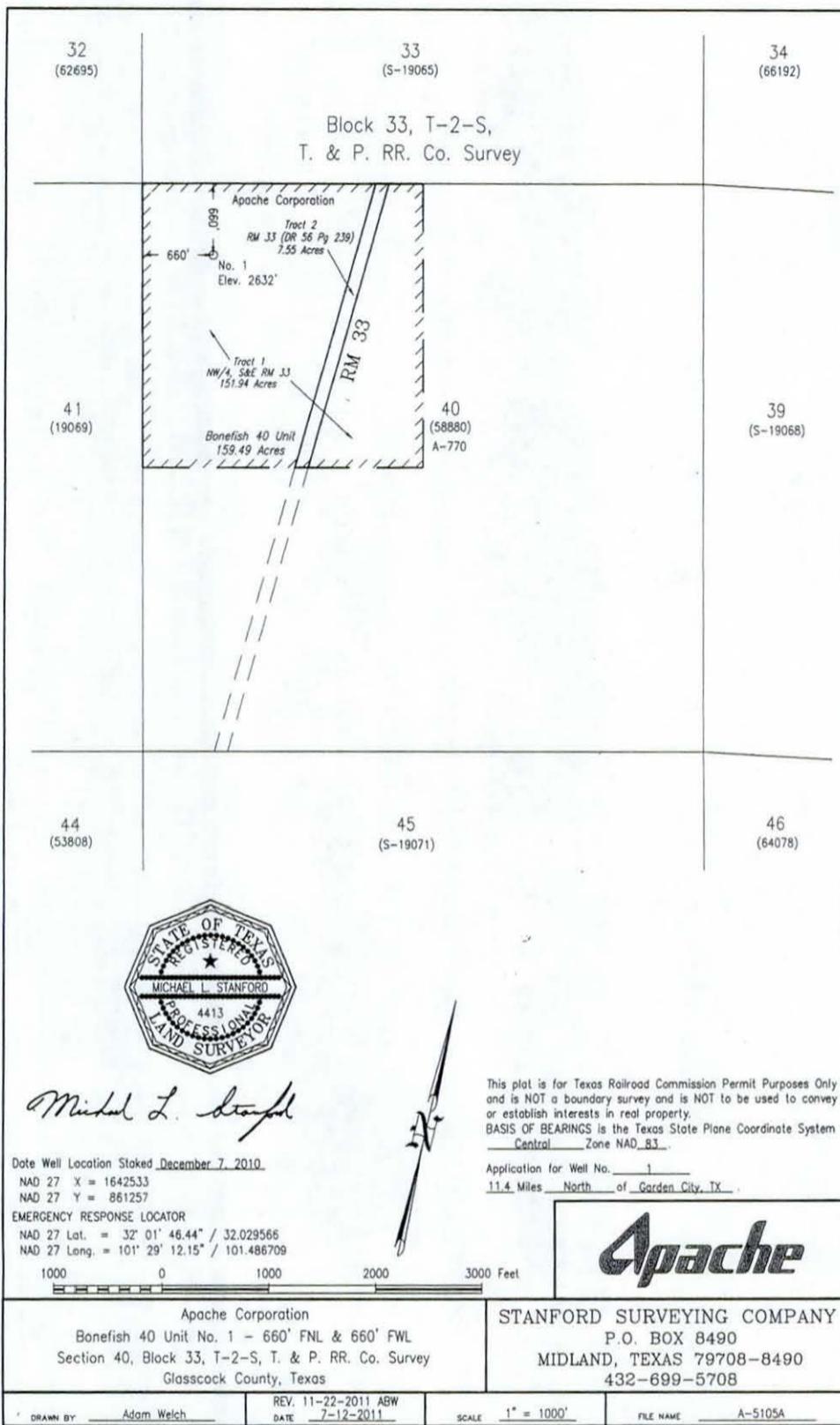
Date: January 15, 2008
Recording: Book/Vol. 118, Page 11, Official Public Records of Glasscock County, Texas
Lessors: **Hugh Bryan Schafer and Novella Ann Schafer, husband and wife; and William R. Schafer, Jr., Jerry John Schafer, and Melissa Beth Jordan, each dealing respectively in their sole and separate property**
Lessee: Touchwood Resources, LLC
Assignment: from Touchwood Resources, LLC to Mariner Energy, Inc. recorded in Book/Vol. 127, Page 317, as corrected.

Date: May 3, 2011
Recording: Book/Vol. 169, Page 167, Official Public Records of Glasscock County, Texas.
Lessor: **Commissioner of the General Land Office of the State of Texas**
Lessee: Apache Corporation



True and correct copy
of original filed in the
Glasscock County
Clerks Office

Attached to and made part of Declaration of the Apache Deepwater LLC and Apache Corporation
Bonfish 40 Unit #1 Pooled Unit



801 3041 081 NO1

FILED
AT 2:45 O'CLOCK P M
ON THE 9 DAY OF DEC
A.D., 2011
INS. NO. 9357

STATE OF TEXAS
COUNTY OF GLASSCOCK
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped hereon by me.



Rebecca Batla
County Clerk, Glasscock County, Texas

Rebecca Batla
COUNTY CLERK, GLASSCOCK COUNTY, TEXAS

OFFICIAL PUBLIC RECORDS
VOL. 180 PAGE 461
RECORDED DEC 9, 2011

BY *Victoria J. Jones*
DEPUTY

CERTIFIED TRUE AND CORRECT COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF GLASSCOCK

The above and foregoing is a full, true and correct photographic copy of the original record now in my lawful custody and possession, as the same is filed/recorded in the Official Public Records of my office, found in VOL. 180, PAGE 461



I hereby certified on March 30, 2012
REBECCA BATLA, COUNTY & DISTRICT CLERK
GLASSCOCK COUNTY, TEXAS.
BY *Mona J. Miller* DEPUTY



True and correct copy of original filed in the Glasscock County Clerks Office

The State of Texas



7578

Austin, Texas

PAID-UP
OIL AND GAS LEASE NO. (MF 112581)
GENERAL LAND OFFICE
AUSTIN, TEXAS

THIS AGREEMENT made and entered into by and between the Commissioner of the General Land Office of the State of Texas, whose address is Stephen F. Austin Building, 1700 North Congress, Austin, Texas, 78701, hereinafter called "Lessor", hereunto authorized by the School Land Board, pursuant to the provisions of Chapters 32 and 52 of the Natural Resources Code (hereinafter called N.R.C.), and amendments thereto, and all applicable rules promulgated by the School Land Board and **Apache Corporation**, whose address is **303 Veterans Airpark Lane, Suite 3000, Midland, TX 79705** hereinafter called "Lessee".

1. Lessor, in consideration of **Two Thousand One Hundred Ninety Two 40/100 (\$ 2,192.40)** receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease, and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, and all other hydrocarbons, produced from the land covered hereby. The land covered hereby, herein called "said land" is located in the County of **Glasscock** State of Texas, and is described as follows:

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

For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **14.616** acres, whether actually containing more or less, and the above recital of acreage shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. PRIMARY TERM: This lease, which is a "paid up" lease requiring no rentals, shall remain in force for a term of **one year, from May 3rd, 2011** hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. ROYALTIES: As royalty Lessee covenants and agrees:

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

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

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

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

(e) If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check of lessee, as royalty, the sum of **\$ 5.00 per acre**. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

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

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

4. POOLING: (a) Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons. Units pooled for oil hereunder shall not exceed 160 acres each in area, and units pooled for gas hereunder shall not exceed in area 640 acres each plus a tolerance often percent (10%) thereof, unless oil or gas units of a greater size are allowed under or prescribed by rules of the Railroad Commission of Texas. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within

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

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

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

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

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

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

8. NOTICE: In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all

or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations.

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

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

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

12. WELL INFORMATION: Lessee agrees to forthwith furnish Lessor, upon written request, with copies of all drilling logs, electrical logs, cores and core records and other information pertaining to all wells drilled by lessee either on the leased premises or acreage pooled therewith, when requested to do so. Said information shall remain confidential as required by statute.

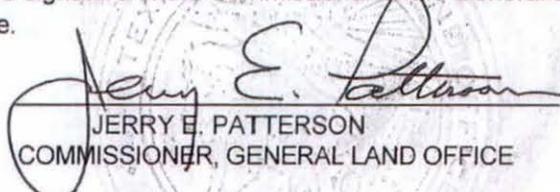
13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well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

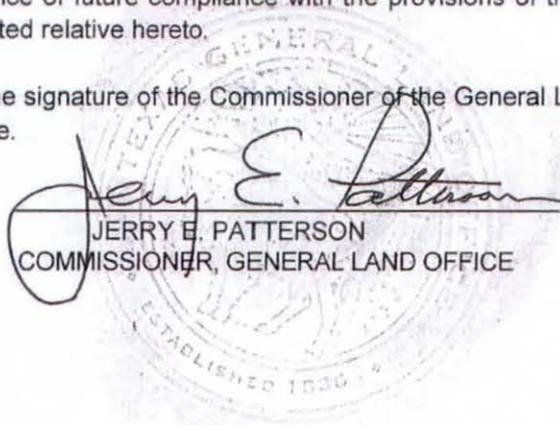
14. COMPENSATORY ROYALTY: Lessee shall pay a compensatory royalty if this lease is not being held by production on the leased premises, by production from a pooled unit, or by payment of shut-in royalties in accordance with the terms of this lease, and if oil or gas is sold or delivered in paying quantities from a well located within 2,500 feet of the leased premises and completed in a producible reservoir underlying the area leased hereunder or in any case in which drainage is occurring. Such compensatory royalty shall be paid at the royalty rate provided in this lease based on the value of production from the well as provided in the lease on which such well is located. The compensatory royalty shall be paid in the same proportion that the acreage of this lease has to the acreage of the proration unit surrounding the draining well plus the acreage of this lease. The compensatory royalty shall be paid monthly to the Commissioner of the General Land Office on or before the last day of the month after the month in which the oil or gas is sold and delivered from the well

causing the drainage or from the well located within 2500 feet of the leased premises and completed in a producible reservoir under this lease. Notwithstanding anything herein to the contrary, compensatory royalty payable hereunder shall be no less than an amount equal to **double the shut-in royalty** and shall maintain this lease in effect for so long as such payments are made as provided herein.

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

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


JERRY E. PATTERSON
COMMISSIONER, GENERAL LAND OFFICE



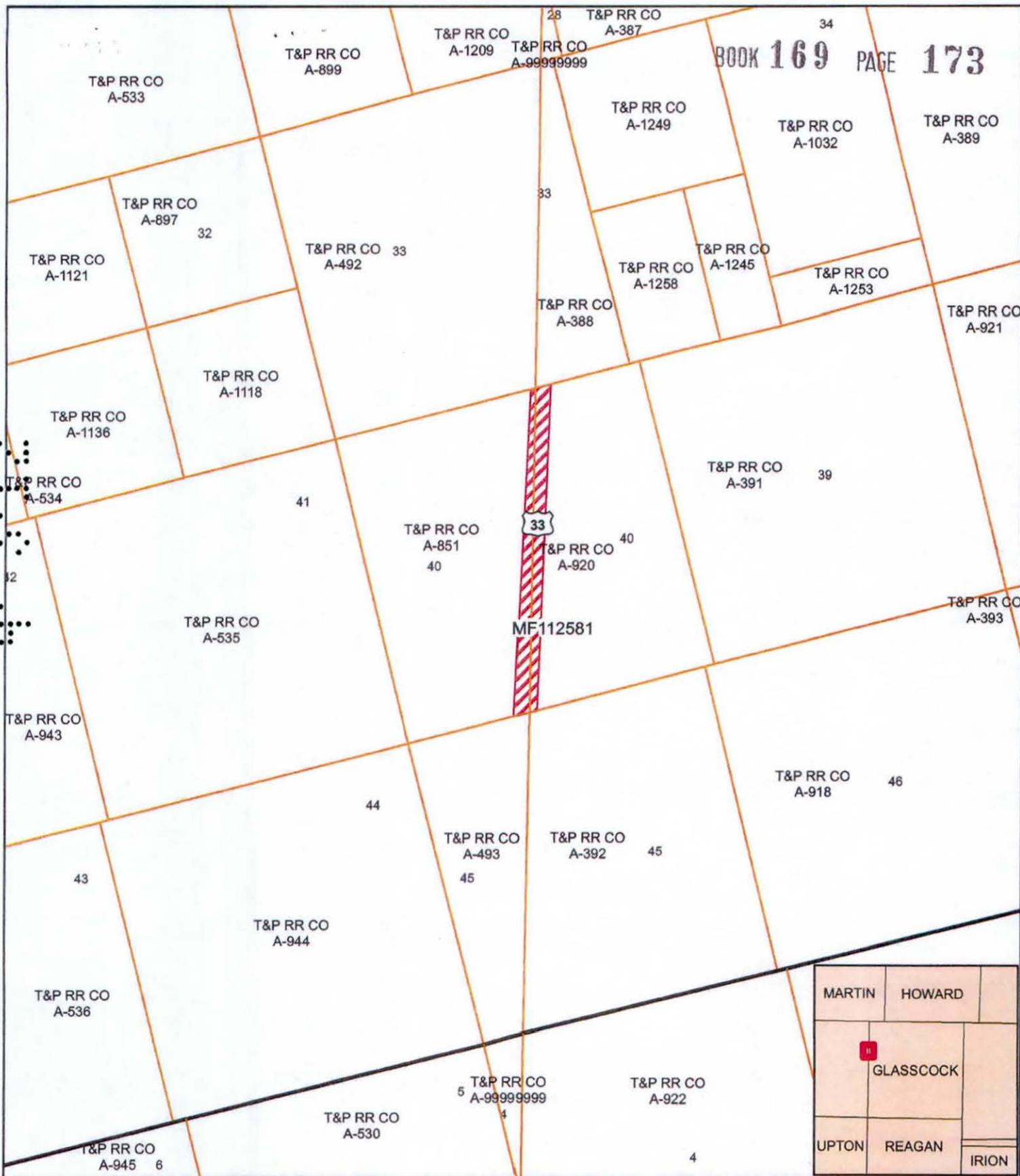
Approved:
ML: 
DC: 
CC: 

Exhibit "A"

Attached hereto and made a part of that certain Oil and Gas Lease dated May 3rd, 2011, by and between the State of Texas, as lessor, and Apache Crop. as lessee, covering acreage to be leased in Glasscock County, Texas, along SH-33.

14.616 acres of land, more or less, situated in Section 40 Block 33, T-2S, T&P RR Co. Survey. Said lands being described in the following deed filed in the Deeds of Record, Glasscock Co.

Deed from John Schafer et ux dated 10/17/1945 and recorded in Vol. 56, P. 239 of the Deed Records Glasscock County, Texas



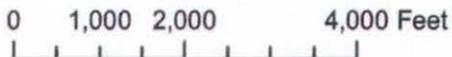
A Map showing a Buffer
of State Hwy 158
14.616 acres
Gasscock County



The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map IS NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.



Map Compiled by
Zeke Guillen
IS/BAS/GIS



FILED

AT 10:00 O'CLOCK A. M.
ON THE 24 DAY OF June
A.D., 2011
INS. NO. 7578

Rebecca Bada

COUNTY CLERK, GLASSCOCK COUNTY, TEXAS

BY *Antonia Jones*
DEPUTY

**STATE OF TEXAS
COUNTY OF GLASSCOCK**

I hereby certify that this instrument was FILED on the date and at the time stamped herein by me and was duly RECORDED in the Volume and Page of the named RECORDS of Glasscock County, Texas, as stamped herein by me.



Rebecca Bada

County Clerk, Glasscock County, Texas

OFFICIAL PUBLIC RECORDS

VOL. 169 PAGE 167
RECORDED June 24, 2011



Well Permit Details

[Buy a faxed copy of the original permit and plat](#) - [Find research services](#)

Report a Problem

View permit: [PDF Document 1](#)

API #: 42-173-33888	Purpose for Filing: Drill,
Permit #: 707169	Received: Unknown
Rule 37 Case:	Issued: 12/17/2010

RRC Operator #: 27200	Lease Name: BONEFISH 40
Operator Name: APACHE CORPORATION	RRC Lease ID #:
Operator Address: ATTN ELAINE RUEDA 2000 POST OAK BLVD STE 100 HOUSTON, TX 77056	Well #: 1
	Total Depth: 10600

District #: 8	County: Glasscock		
Section: 40	Block: 33 T2S	Survey: T&P RR CO / SCHAFFER, C	Abstract: 770
Located: 11.4 miles in a N direction from GARDEN CITY.			
Contiguous acres in lease: 475.95			

Lease/Unit Perpendiculars: 660.0' NORTH & 660.0' WEST
Survey Section Perpendiculars: 660.0' NORTH & 660.0' WEST

Fields

Field Name	Field Number	Permit Type
SPRABERRY (TREND AREA)	85280300	(Oil/Gas)
JAILHOUSE (FUSSELMAN)	45484200	(Oil)

Is this a pooled unit? No	Substandard Acreage? No
Rule 36 (Hydrogen Sulfide area)? Yes	Form h-9 filed? No

Name/Title: RONDA WHITE	Remarks: [FILER Dec 15, 2010 5:19 PM]: Change of Operator has been filed from Mariner Energy (526155) to Apache Corp (027200).; [RRC STAFF Dec 17, 2010 8:53 AM]: Problem report has been submitted for survey line placement. DI USE: 1B.3.6.7
Phone Number: 432-818-1025	

Latitude: 32.029568	Longitude: -101.486702
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[Back](#)

File No. MF112581

DO

Date Filed: 4. 3. 12

Jerry E. Patterson, Commissioner

By

