

MF114658

State Lease Control Base File County
MF114658 56-030239 GLASSCOCK

Survey HIGHWAYS & PUBLIC TRANSPORTATION DE
Block
Block Name
Township
Section/Tract
Land Part SH-158
Part Description HIGHWAY RIGHT-OF-WAY
Acres 7.63
Depth Below Depth Above Depth Other
See Lease

Name BTA OIL PRODUCERS
Lease Date 12/4/2012
Primary Term 1 yrs
Bonus (\$) \$7,630.00
Rental (\$) \$0.00
Lease Royalty 0.2500

Leasing: GH
Analyst: GH
Maps: _____
GIS: ZG
DocuShare: _____



A



RECEIVED
10/25/12

APPLICATION & CHECKLIST FOR HIGHWAY RIGHT OF WAY LEASE

Revised Sept 2011

LESSEE BTA Oil Producers, LLC

ADDRESS 104 S. Pecos, Midland, TX 79701

[Lessee name and address must be written as they will appear on the Lease.]

HIGHEST ADJACENT BONUS PER ACRE PAID \$ 1,000.00 NET ACRES 7.63

TOTAL CONSIDERATION TO COMMISSIONER OF GENERAL LAND OFFICE

\$ 7,630.00 Paid 10/24/2012 \$ 114.45 Paid 10/24/2012
[bonus amount] [date] [sales fee] [date]

TERM [General Land Office will determine the Term based on remaining term of adjacent leases] 1 year

HIGHEST ADJACENT LEASE ROYALTY RATE One-Quarter (1/4)

HIGHEST ADJACENT LEASE SHUT-IN ROYALTY ~~\$15.00/acre~~ \$1200/well
[Note: Shut-in royalty will be highest in adjacent leases with a minimum of \$1200/well.]

TOTAL GROSS ACRES IN PROPOSED LEASE 7.63 TOTAL NET ACRES IN PROPOSED LEASE 7.63

COUNTY Glasscock

ALL NAMES OF ROAD/HIGHWAY/STREET BEING LEASED:
State Highway 158 SH-158

FULL DESCRIPTION [Abstract, Block, Township, Section]
7.63 acres out of the E/2 of Section 4, Block 34, T-4-S, A-785, T&P Ry. Co. Survey

Do you control all minerals or leasehold adjacent to the highway/roadway? Yes No
If no, what percent of minerals or leasehold adjacent to the roadway do you control? _____

Is the highway/roadway on Relinquishment Act Lands? Yes No

The second page of this Application is a Checklist that **must be filled out and all items furnished** before a Highway Right of Way Lease will be prepared.

For questions:
George Martin
Texas General Land Office
1700 N Congress
Austin TX 78701
512-475-1512
george.martin@glo.texas.gov

E/2 of Section 4,
Block 34, T-4S,
T&P Ry. Co. Survey,
A-785





APPLICATION & CHECKLIST FOR HIGHWAY RIGHT OF WAY LEASE

Revised Sept 2011

CHECKLIST

- 1. Cover letter
- 2. Application for Highway Right of Way (HROW) Lease
- 3. Plat showing boundaries and dimensions of right of way tract with highway/roadway labeled. [This will be used to prepare an exhibit to the lease.]
- 4. Processing fee – check attached
- 5. Check to Commissioner of General Land Office for total consideration.
- 6. Check to Commissioner of General Land Office for 1-1/2% sales fee.
- 7. Executed Waivers of Preferential Right to Lease, if necessary.
- 8. Executed Affidavit of Consideration
- 9. Copies of all highway deeds, clipped together
- 10. Copies of adjacent leases, clipped together.
Put tabs on the leases with the highest bonus per acre, highest royalty, highest shut-in royalty and highlight those items on the tabbed page.
- 11. Exhibit "A" to be attached to the lease describing the area being leased (see Guidelines 8.)

Include all the above information in one package and mail or deliver to:

George Martin
Texas General Land Office
1700 N Congress, Suite 840
Austin TX 78701

If you are pooling or unitizing at any time after the State lease has been issued, the following must be provided to the GLO:

- 1. Filled out Information for Highway Right-of-Way Unit Declaration
- 2. Copy of recorded unit designation
- 3. Copy of unit plat

For questions about pooling:

Beverly Boyd
Texas General Land Office
512-463-6521
beverly.boyd@glo.texas.gov

10/25/12

File No. 1141658
Appointed list
Date Filed: 10/25/12
By: Jerry E. Patterson, Commissioner
GH

The State of Texas



Austin, Texas

PAID-UP
OIL AND GAS LEASE NO. (MF 114658)
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 **BTA Oil Producers, LLC**, whose address is **104 S. Pecos, Midland, TX 79701** hereinafter called "Lessee".

1. Lessor, in consideration of **Seven Thousand Six Hundred Thirty and 00/100 (\$ 7,630.00)**, 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:

7.63 acres 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 **7.63 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 **December 4th, 2012** 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 **1/4** 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 **1/4** 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 $\frac{1}{4}$ 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 $\frac{1}{4}$ 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 **\$ 1,200.00 per well**. 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.

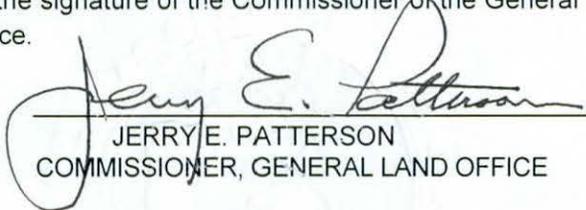
13. SURFACE: Notwithstanding anything herein to the contrary, it is agreed that Lessee will not conduct any exploration or drilling on the surface of the leased premises or use the surface in the exercise of any rights herein granted. Any development of said land shall be by means of a directional well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

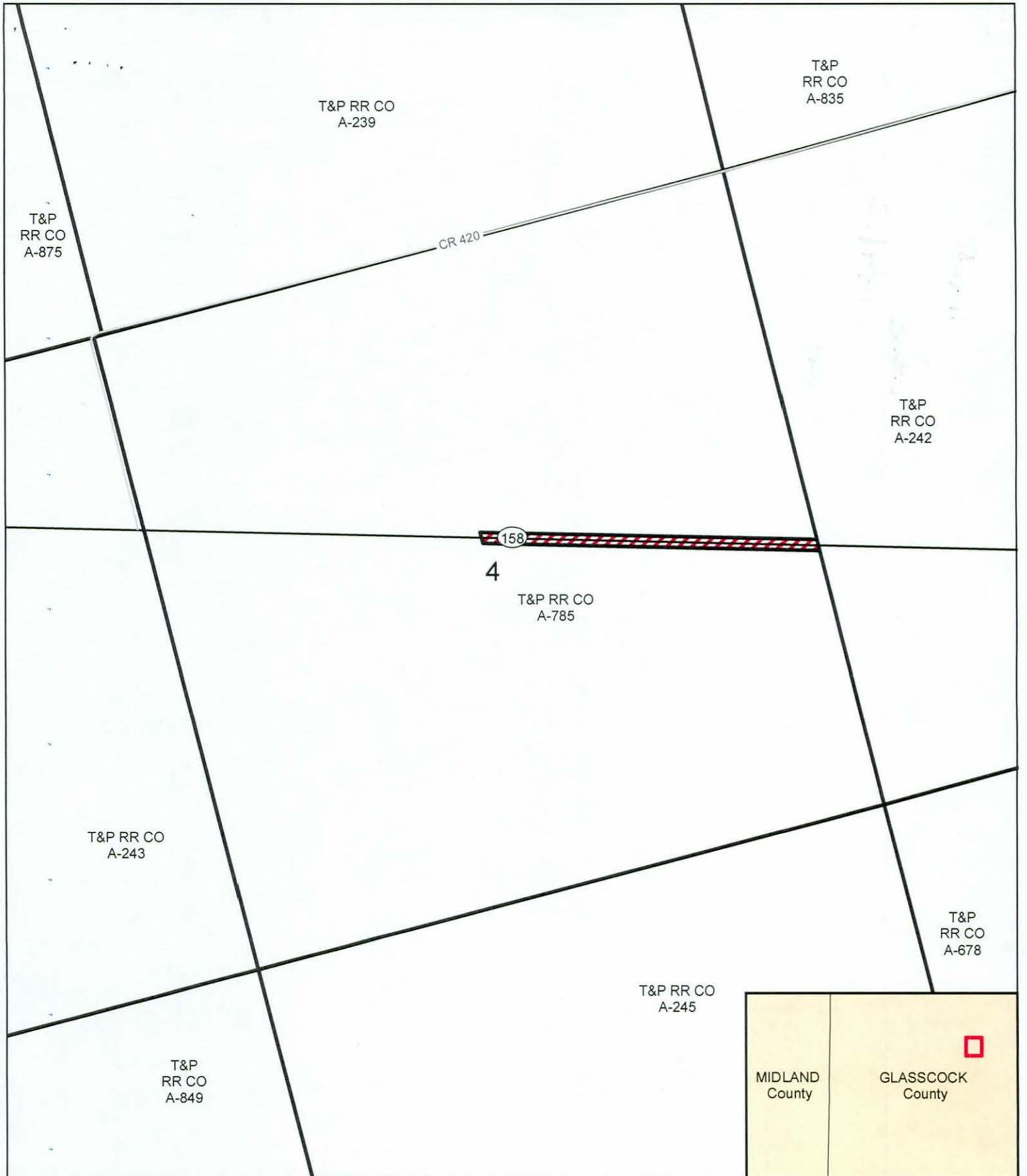
Approved:
ML: ham
DC: CLR
CC: [Signature]

Exhibit "A"

Acreage to be leased from the State of Texas in Glasscock
County, Texas being part of State Highway 158

7.63 acres of land, more or less, situated in the E/2 of Section 4, Block 34, T-4-S, A-785,
T&P Ry. Co. Survey, Glasscock County, Texas and being the same land described in the
following Deeds Recorded in the Deed Records of Glasscock County, Texas:

1. Deed from Zora Christie, a widow, to the State of Texas, dated 9/19/1938 and
recorded in Volume 47, Page 373 of the Deed Records of Glasscock County, Texas



Highway Right-of-Way Plat of
 Hwy 158
 MF114658
 7.63 acres
 Glasscock County, Texas

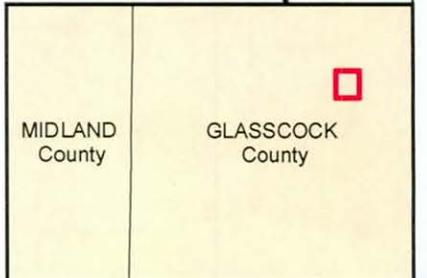
1,000 500 0 1,000 Feet



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 Generated by:
 Zeke Guillen
 IS/BAS/GIS
 December 2012



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File No. 114658

Lease

Date Filed: 12/4/12

Jerry E. Patterson, Commissioner

By GH



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET
MIDLAND, TEXAS 79701-5021
432-682-3753
FAX 432-683-0311

GULF COAST DISTRICT
TOTAL PLAZA
1201 LOUISIANA STREET, STE. 570
HOUSTON, TEXAS 77002
713-658-0077 FAX 713-655-0346

ROCKY MOUNTAIN DISTRICT
600 17TH STREET, STE. 2230 SOUTH
DENVER, COLORADO 80202
303-534-4404 FAX 303-534-4661

CARLTON BEAL, JR.
BARRY BEAL
SPENCER BEAL
KELLY BEAL
BARRY BEAL, JR.
STUART BEAL
ROBERT DAVENPORT, JR.

October 24, 2012

Federal Express

In re: Request for Oil and Gas Lease
covering 7.63 acres of State Hwy. 158
located in E/2 of Sec. 4, Blk 34,
T4S, A-785, T&P Ry Co Survey
Glasscock County, Texas

9703 JV-P Hightower – Tr. I

Harriet Dunne
Texas General Land Office
1700 N. Congress,
Austin, Texas 78701

Dear Ms. Dunne:

BTA Oil Producers, LLC hereby makes request for an Oil and Gas Lease from the State of Texas covering 7.63 acres of State Highway 158 lands located as captioned and as indicated on the attached plat and Exhibit "A". We have enclosed Application and Checklist, Affidavit of Highest Consideration Paid, checks for bonus, application fee and processing fee, and a CD which contains scanned copies of all of the Oil and Gas Leases in Section 4, Blk 34, T4S, A-785, T&P Ry Co Survey, Glasscock County, Texas. Please let me know if you need anything else from me in order to grant BTA a letter of intent to lease.

Thank you so much for your assistance in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Robin G. Hughes'.

Robin G. Hughes
Landman

RGH
Enclosures

C:\Users\mlagan\Documents\Robin\Hightower Hwy lease letter.docx

21.57.01



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS, MIDLAND, TEXAS 79701
TELEPHONE: (432) 682-3753

Check Number 24488

First Financial Bank
Abilene, Texas

Description: Bonus for Oil & Gas Lease (Highway) -7.63
acres out of E2 Sec 4, Blk 34, T4S, T&P Ry Co Sur,
Glasscock County, TX (BTA 9703 Hightower #5)

Date	Check Amount
10/24/2012	*****7,630.00 ¹²⁴

BTA DRILLING ACCOUNT-ABILENE

CR



BTA OIL PRODUCERS, LLC 13702248

104 SOUTH PECOS, MIDLAND, TEXAS 79701
TELEPHONE: (432) 682-3753

Check Number

First Financial Bank
Abilene, Texas

Date	Check Amount
10/24/2012	*****7,630.00

50568526

VOID IF NOT PRESENTED FOR PAYMENT WITHIN 120 DAYS

SEVEN THOUSAND SIX HUNDRED THIRTY AND 00/100 *****

BTA DRILLING ACCOUNT-ABILENE

Pay to the order of
The Texas General Land Office
Attn: Energy Resources/Mineral Leasing
PO Box 12873
Austin, TX 78711-2873



01.52.01



BTA OIL PRODUCERS, LLC
 104 SOUTH PECOS, MIDLAND, TEXAS 79701
 TELEPHONE: (432) 682-3753

Check Number **24490**

First Financial Bank
 Abilene, Texas

Description: Sales Fee for O&G Lease (Highway) -7.63
acres out of E2 Sec 4, Blk 34, T4S, T&P Ry Co Sur,
Glasscock County, TX (BTA 9703 Hightower #5)

Date	Check Amount
10/24/2012	*****114.45

BTA DRILLING ACCOUNT-ABILENE

ce



BTA OIL PRODUCERS, LLC
 104 SOUTH PECOS, MIDLAND, TEXAS 79701
 TELEPHONE: (432) 682-3753

13702249

Check Number

First Financial Bank
 Abilene, Texas

Date	Check Amount
10/24/2012	*****114.45

50568526

VOID IF NOT PRESENTED FOR PAYMENT WITHIN 120 DAYS

ONE HUNDRED FOURTEEN AND 45/100 *****

Pay to the order of
 The Texas General Land Office
 Attn: Energy Resources/Mineral Leasing
 PO Box 12873
 Austin, TX 78711-2873

BTA DRILLING ACCOUNT-ABILENE

[Handwritten Signature]



81.52.01



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS, MIDLAND, TEXAS 79701
TELEPHONE: (432) 682-3753

Check Number 24489

First Financial Bank
Abilene, Texas

121

Description: Processing fee for O&G Lease (Highway) -7.63
acres out of E2 Sec 4, Blk 34, T4S, T&P Ry Co Sur,
Glasscock County, TX (BTA 9703 Hightower #5)

en

Date	Check Amount
10/24/2012	*****500.00

BTA DRILLING ACCOUNT-ABILENE



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS, MIDLAND, TEXAS 79701
TELEPHONE: (432) 682-3753

Check Number



First Financial Bank
Abilene, Texas

13702247

Date	Check Amount
10/24/2012	*****500.00

50568526

FIVE HUNDRED AND 00/100 *****

VOID IF NOT PRESENTED FOR PAYMENT WITHIN 120 DAYS

BTA DRILLING ACCOUNT-ABILENE

Pay
to
the
order
of

The Texas General Land Office
Attn: Energy Resources/Mineral Leasing
PO Box 12873
Austin, TX 78711-2873



215001

3

File No. R 114658

Cover Letter @ Bonus @ Fees

Date Filed: 10/25/12

Jerry E. Patterson, Commissioner

By GH



10.25.12

Date to GIS 11/29

SLB Date 12/4/12

Approx due date 12/11

Lease Number 114658

County CLASSCOCK

Road Name SH-158

Acreage 7.63

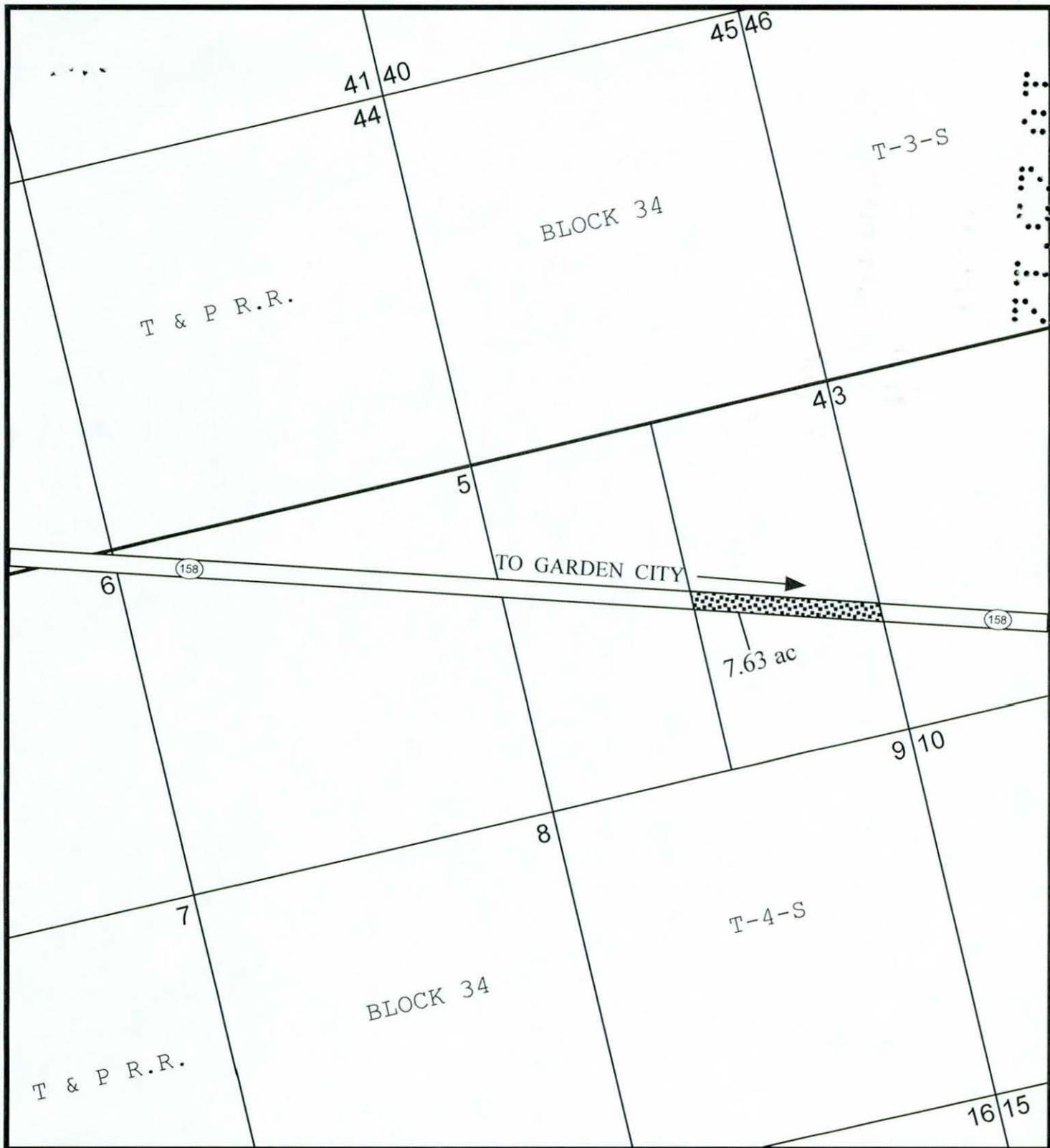
Abstract 1. E/2 Sec 4 Blk 34 T45 T&P Ry Co A-785
2. _____
3. _____
4. _____

Completed by ZG

T Drive date 12-6

Proofed by GIS 

Proofed by Energy _____



RH/jhb/10-2012

MAP SHOWING
 A PORTION OF STATE HIGHWAY 158
 7.63 ACRES
 APPROXIMATELY 7 MILES WEST OF GARDEN CITY
 GLASSCOCK COUNTY



SI 3211

4

File No. 114658

Plat

Date Filed: 10/25/12

Jerry E. Patterson, Commissioner

By GH

10-25-12

AFFIDAVIT OF HIGHEST CONSIDERATION PAID
HIGHWAY RIGHT OF WAY LEASES

STATE OF TEXAS §
 §
COUNTY OF GLASSCOCK §



BEFORE ME, the undersigned authority, on this day personally appeared Robin G. Hughes, (Affiant), known to me to be a credible person and of lawful age, who being by me first duly sworn, deposes and says:

That her name is Robin G. Hughes. And that, Affiant is personally familiar with and knowledgeable of the terms and conditions of the oil and gas lease(s) which adjoins a 7.63 acre tract of State Highway 158, in Section 4, Block 34, T4S, T&P Ry. Co. Survey situated in Glasscock County, Texas, said highway being described on Exhibit "A" attached hereto and made a part hereof. And that the highest and best terms for any lease adjoining lands described in Exhibit "A" are as follows:

Bonus Consideration Paid (Per Acre): \$1,000.00

Primary Term: One (1) year

Royalty Rate: ¼ or 25%

Delay Rentals: \$0.00

The above statements are within my personal knowledge and are true and correct.

Further, Affiant sayeth not.



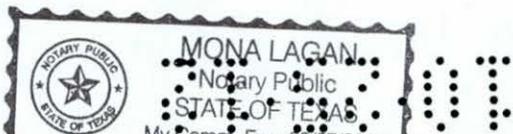
Robin G. Hughes

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

Sworn to and subscribed before me on the 24th day of October, 2012 by Robin G. Hughes.



Notary Public, State of Texas



5

3125011

File No. 114658

Affidavit of Highest Consideration

Date Filed: 10/25/12

Jerry E. Patterson, Commissioner

By: JH

[Faint handwritten signature]

10.25.12

COPIES OF OIL + GAS LEASES
MF 114658



CD-R

Oil & Gas Leases
MF 114658

BTA Oil Producers, LLC
104 S. Pecos St.
Midland, TX 79701

6

File No. 114658

Project Details

Date Filed: 10/25/12

Jerry E. Pederson, Commissioner

By GH



TEXAS



GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

November 7, 2012

Robin G. Hughes
BTA Oil Producers, LLC
104 South Pecos Street
Midland, TX 79701-5021

Re: 7.63 acres described as being a portion of State Highway 158 within the East One-Half (E/2) of Section 4, Block 34, Township 4 South, T. & P. Ry. Co. Survey, A-785, in Glasscock County, Texas

Dear Ms. Hughes:

Your company, BTA Oil Producers, LLC, has filed an application with the General Land Office (GLO) to take an oil and gas lease on the highway right of way under the referenced lands. The applicant has paid the applicable lease bonus, sales fee and filing fee. The applicant has provided all the data required to process the highway right of way lease.

As the lessee of oil and gas leases covering lands adjoining the subject highway right of way, under Natural Resources Code Section 32.201, BTA Oil Producers, LLC has a preferential right to obtain an oil and gas lease covering the right of way.

The GLO staff has recommended approval of the application by the School Land Board which will meet December 4, 2012.

Please advise if you need additional information.

Sincerely yours,

A handwritten signature in blue ink that reads "George Martin".

George Martin
Mineral Leasing, Energy Resources
512-475-1512
512-475-1543 (fax)
george.martin@glo.texas.gov

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

File No. 121658

Advises Letter

Date Filed: 11/7/12

By: Jerry E. Patterson, Commissioner
G-H

DO NOT DESTROY



Texas General Land Office UNIT AGREEMENT MEMO

UPA159019

Unit Number 7767
Operator Name BTA Oil Producers Effective Date 03/04/2013
Customer ID C000024573 Unitized For Oil And Gas
Unit Name 9703 JV-P Hightower #5 Unit Term
County 1 Glasscock RRC District 1 08 Old Unit Number Inactive Status Date
County 2 RRC District 2
County 3 RRC District 3
County 4 RRC District 4
Unit type Permanent
State Net Revenue Interest Oil 0.00374219
State Part in Unit 0.01496875
Unit Depth Allow All Depths Well
From Depth Formation
To Depth Participation Basis Surface Acreage
If Exclusions Apply: See Remarks

Lease Number	Tract No	Lease Acres in Unit	Total Unit Acres	Tract Participation	O/G	Lease Royalty	NRI of Lease in Unit	Royalty Rate Reduction Clause
MF114658	1	2.395000	160.000000	0.01496875	O/G	0.25000000	0.00374219	No

API Number
4217335117

Remarks:

HROW unit

Prepared By:

MB

Prepared Date:

12/1/15

GLO Base Updated By:

MB

GLO Base Date:

12/1/15

RAM Approval By:

VD

RAM Approval Date:

12/7/15

GIS By:

MC

GIS Date:

1-6-15

Well Inventory By:

MB

WI Date:

12/1/15



Highway Right-of-Way Unit Designation Form
 Texas General Land Office
 Jerry Patterson, Commissioner
 1700 North Congress Avenue
 Austin, Texas 78701-1495

Unit
7767

OPERATOR INFORMATION

Contact Name Kristeen Ramos Phone (432) 682-3753
 Name of Pooled Unit 9703 JV-P Hightower #5
 Operator of Pooled Unit BTA Oil Producers, LLC County Glasscock
 Effective Date of Unit Declaration: March 4, 2013

HROW LEASE(S) IN UNIT

HRWO State Lease No.	Lease Date	Term	HROW Royalty	Total Acreage in HROW Lease	HROW Lease Acreage in Unit
MF 114658	12-4-12	1 year	1/4	7.63	2.395

Total Unit Acreage 160.00 Ac.

Total HRWO Acreage In Unit 2.395 Ac.

Total Private (non-state) Acreage In Unit 157.605 Ac.

State's Royalty Revenue Interest in Unit:	0	.	0	0	3	7	4	2	1	9
--	---	---	---	---	---	---	---	---	---	---

Attach a plat showing the pooled unit outline, unit well(s) location, and HROW lease tracts.

Type of Mineral Pooled: Oil Gas Oil & Gas
 Pooled Interval: All Depths Top Depth _____ Base Depth _____

If pooling a Formation(s) please list Formation Name: _____

RRC Field Name(s): Spraberry (Trend Area)

UNIT WELL(S)

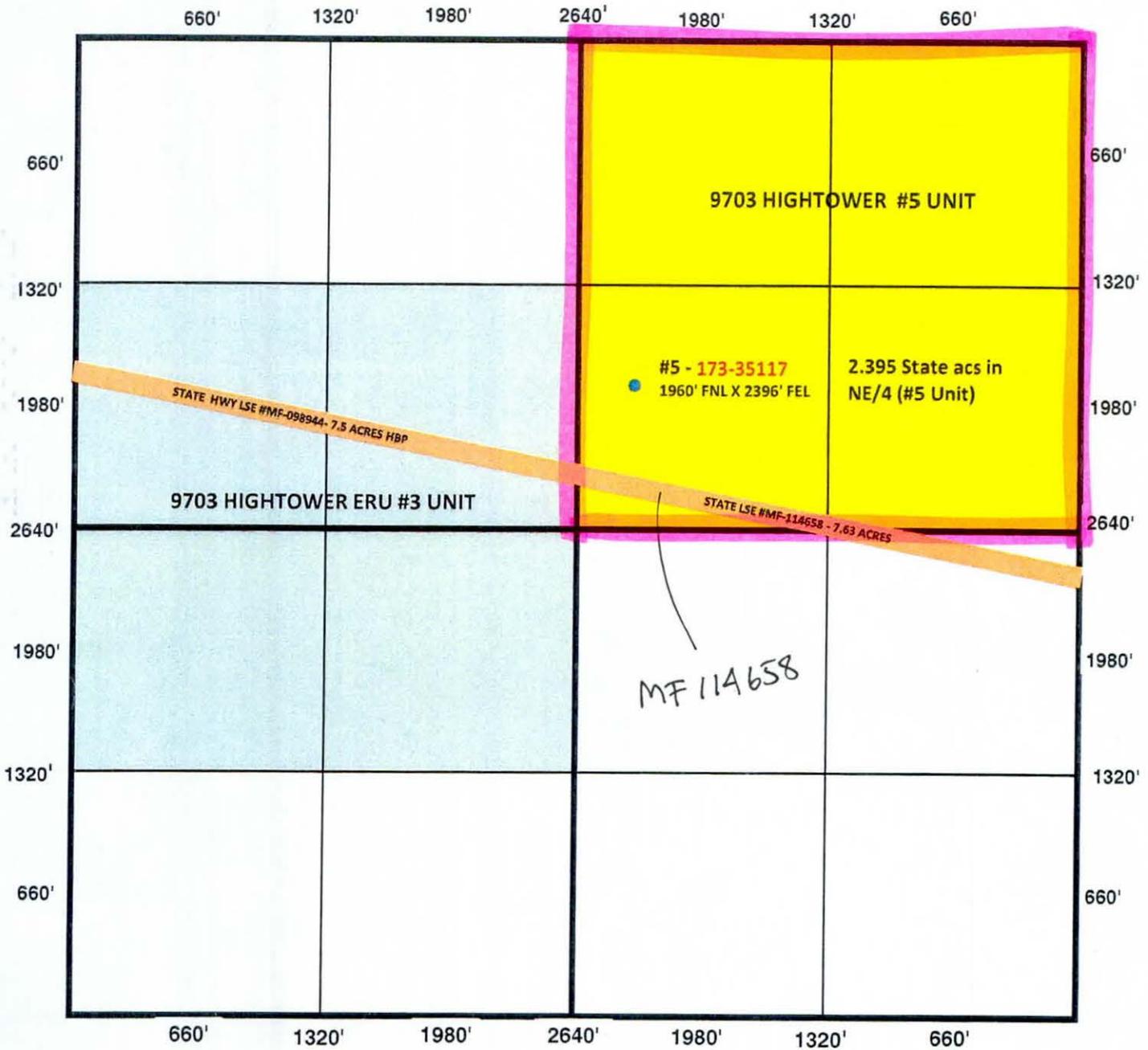
API # 42-173-35117 RRC ID# 44154
 API # _____ RRC ID# _____
 API # _____ RRC ID# _____
 API # _____ RRC ID# _____

Unit 7767

MF 114658

NE 1/4 of

SECTION 4, BLK. 34, T4S, T&P RY CO SUR
GLASSCOCK COUNTY, TEXAS



Original Lease MF-098944	15.13 ACRES	
LEASE MF-098944	HBP BY HIGHTOWER ERU #3 UNIT:	7.5000 Acres
NEW LEASE MF-114658		7.6300 Acres
Portion of MF-114658 within Hightower #5 Unit (Not yet pooled):		2.3950 Acres



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET
MIDLAND, TEXAS 79701-5021
432-682-3753
FAX 432-683-0311

CARLTON BEAL, JR.
BARRY BEAL
SPENCER BEAL
KELLY BEAL
BARRY BEAL, JR.
STUART BEAL
ROBERT DAVENPORT, JR.

GULF COAST DISTRICT
TOTAL PLAZA
1201 LOUISIANA STREET, STE. 570
HOUSTON, TEXAS 77002
713-658-0077 FAX 713-655-0346

ROCKY MOUNTAIN DISTRICT
600 17TH STREET, STE. 2230 SOUTH
DENVER, COLORADO 80202
303-534-4404 FAX 303-534-4661

November 25, 2015

Re: Declaration of Pooled Unit
BTA 9703 JV-P Hightower #5
Glasscock County, Texas

9703 Hightower / Tr. I

Texas General Land Office
1700 North Congress Avenue
Austin, Texas 78701-1495

Attn: Mary Beth Barnstone

Ms. Barnstone:

Enclosed please find a Declaration of Pooled Unit pooling 160 acres, being the NE/4 of Section 4, Block 34, T-4-S, A-785, T&P Ry. Co Survey, Glasscock County, Texas. BTA Oil Producers, LLC ("BTA") is the owner of Oil and Gas Lease No. MF 114658 from the Commissioner of the General Land Office of the State of Texas covering a 2.395 acre tract of land that runs through the NE/4 of said Section. BTA drilled and completed the 9703 JV-P Hightower #5 well in the NE/4 of Section 4 on March 4, 2013.

If you have any questions please feel free to contact me at (432) 682-3753, ext. 103.

Sincerely,

Kristeen Ramos
Landman

Enclosures
/kr

DECLARATION OF POOLED UNIT

STATE OF TEXAS §
 §
COUNTY OF GLASSCOCK §

This Declaration of Pooled Unit is executed by **BTA Oil Producers, LLC**, whose address is 104 S. Pecos Street, Midland, Texas (hereinafter referred to as the "*Owner*") being the owner of the leasehold estate created under those certain Oil, Gas and Mineral Leases that are more particularly described on Exhibit "A", which is attached hereto and incorporated herein by reference for all purposes; and

WHEREAS, BTA Oil Producers, LLC is the owner of the following described Oil and Gas Lease covering lands in Glasscock County, Texas, and being described as follows, to-wit:

Oil and Gas lease dated December 4, 2012, recorded in Volume 206 at page 515 of the Official Records of Glasscock County, Texas, by and between the Commissioner of the General Land Office of the State of Texas, as Lessor, and BTA Oil Producers, LLC, as Lessee, covering the following described lands, to wit:

7.63 acres of land, more or less, situated in the E/2 of Section 4, Block 34, T-4-S, A-785, T&P Ry. Co. Survey, Glasscock County, Texas and being the same land described in the following Deeds Recorded in the Deed Records of Glasscock County, Texas:

Deed from Zora Christie, a widow, to the State of Texas, dated 9/19/1938 and recorded in Volume 47, Page 373 of the Deed Records of Glasscock County, Texas

WHEREAS, each of the aforementioned Oil and Gas Leases, as amended, authorizes the Lessee thereunder to pool, unitize, or combine all or a portion of the lands covered thereby with other land, lands, lease, or leases, to form a pooled unit for the exploration, development, and production of oil and gas and/or associated liquid hydrocarbons from the lands covered, or Lessor has separately granted such right, power and authority to owner.

WHEREAS, the pooling, unitization, and combination of the Unit Leases, to the extent necessary to form the hereinafter described pooled unit, is necessary and advisable in the judgment of the undersigned; and

NOW, THEREFORE, the Owner hereby declares as follows:

1. Declaration of Unit. Owner hereby declares, pools, unitizes, and combines the aforementioned Oil and Gas Leases, including all renewals, extensions, ratifications, and amendments thereof, and the lands covered thereby and the mineral and royalty estates therein into a unit for the exploration, development, and production of oil and gas and/or

associated liquid hydrocarbons insofar and only insofar as the aforementioned Oil and Gas Leases cover the lands and depths hereinafter described. The unit created and established hereby (the "Unit") shall cover the NE/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas, as to all depths (the "Unit Area").

2. Description of Unit Area; Allocation of Production. The Unit Area is further described and/or depicted on Exhibit "B" attached hereto and incorporated herein by reference for all purposes. The Unit includes the aforementioned Oil and Gas Leases insofar as they cover all lands within the Unit Area. Production from the Unit shall be allocated proportionately among all of the tracts within the Unit in the proportion that the number of surface acres in each tract bears to the total number of surface acres in the Unit. If, at any time, any tract of land or interest within the Unit is not properly pooled or unitized hereby, or is not otherwise committed to the Unit, such fact shall not affect, terminate, impair, or otherwise invalidate the Unit as to any interest properly pooled or unitized hereby or otherwise.
3. Right to Amend. Owner hereby expressly reserves the right, from time to time, to amend this Declaration of Pooled Unit, and the respective terms and provisions hereof, and to change the size and area of, and interests covered by, the Unit described herein, including, without limitation, the power (i) to change, reduce, enlarge, or extend the size or configuration of the Unit Area; (ii) to include or exclude any formation or formations and any mineral or minerals therein, thereunder, or produced therefrom; (iii) to include in the Unit or in any amendments hereto, oil, gas and mineral leases, or interests in the lands described therein, covering interests in the Unit Area, which are secured or obtained subsequent to the effective date hereof, or prior to the effective date hereof and not included and described herein, and (iv) to include in the Unit described herein or in any amendments hereto, full or undivided interests.
4. Dissolution of Unit. Owner, their successors and assigns, may dissolve the Unit formed hereby, at any time, by an instrument filed for record in Glasscock County, Texas.
5. Ratification of Unit. Other parties may ratify this instrument by separate instruments in writing, referring to this instrument. This Declaration of Pooled Unit, and each ratification hereof, shall be binding upon each party who executes the same, without regard to whether any other party owning an interest in the aforementioned Oil and Gas Leases or Unit Area executes this instrument, or a ratification hereof.
6. Successors and Assigns. This Declaration of Pooled Unit shall be binding upon Owner legal representatives, successors, and assigns, as applicable.
7. Effective Date. The Unit hereby created shall be effective as of the date of first production from the 9703 JV-P Hightower #5 Well (the "Effective Date") and shall remain in force as long as the pooled minerals are being produced from the Unit, or so long as the aforementioned Oil and Gas Leases are maintained in force and effect in accordance with the terms of the Unit Leases.

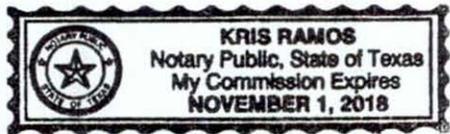
IN WITNESS WHEREOF, this Declaration of Pooled Unit is dated effective as of the Effective Date but is executed as of the dates of each party's acknowledgment below.

BTA OIL PRODUCERS, LLC

By: 
Name: Barry Beal, Jr. *re*
Title: Managing Member *WDP*

STATE OF TEXAS }
 }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this 25 day of November, 2014, by Barry Beal, Jr., Managing Member of BTA Oil Producers, LLC.




Notary Public, State of Texas

EXHIBIT "A"

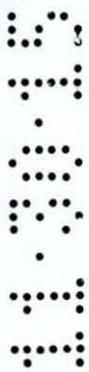
ATTACHED TO AND MADE A PART OF THAT CERTAIN
DECLARATION OF POOLED UNIT

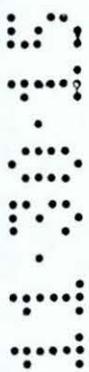
1. Oil and Gas Lease dated effective January 7, 1997, recorded in Volume 11, Page 513, of the Official Public Records of Glasscock County, Texas, from Jean Durrell, Individually and as Independent Executrix of the Estate of Sue Y. Powell, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
2. Oil and Gas Lease dated effective January 2, 1997, recorded in Volume 11, Page 515, of the Official Public Records of Glasscock County, Texas, from Randell Louie Sherrod and wife, Velma Zora Sherrod, as Trustees of the Randell Louie and Velma Zora Sherrod Master Trust, as Lessors, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
3. Oil and Gas Lease dated effective January 3, 1997, recorded in Volume 11, Page 614, of the Official Public Records of Glasscock County, Texas, from Cecil Wayne Roberts, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
4. Oil and Gas Lease dated effective January 3, 1997, recorded in Volume 11, Page 616, of the Official Public Records of Glasscock County, Texas, from Martha Joan McKandles, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
5. Oil and Gas Lease dated effective December 19, 1996, recorded in Volume 11, Page 732, of the Official Public Records of Glasscock County, Texas, from Aileen Oakes, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
6. Oil and Gas Lease dated effective January 7, 1997, recorded in Volume 11, Page 740, of the Official Public Records of Glasscock County, Texas, from Frederick H. Winston, Executor of the Estate of James O. Winston, Jr., as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
7. Oil and Gas Lease dated effective January 22, 1997, recorded in Volume 11, Page 742, of the Official Public Records of Glasscock County, Texas, from Donald Combs and wife, Eva W. Combs, as Lessors, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.

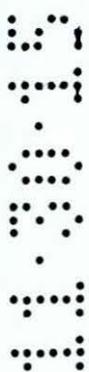
- 
8. Oil and Gas Lease dated effective December 30, 1996, recorded in Volume 12, Page 416, of the Official Public Records of Glasscock County, Texas, from Elizabeth B. Sanders, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 9. Oil and Gas Lease dated effective December 30, 1996, recorded in Volume 12, Page 420, of the Official Public Records of Glasscock County, Texas, from Gladis Barnes, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 10. Oil and Gas Lease dated effective December 30, 1996, recorded in Volume 12, Page 430, of the Official Public Records of Glasscock County, Texas, from James Barnes and wife, Lupita Barnes, as Lessors, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 11. Oil and Gas Lease dated effective December 30, 1996, recorded in Volume 12, Page 425, of the Official Public Records of Glasscock County, Texas, from W.F. Barnes, Jr. and wife, Dorine Barnes, as Lessors, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 12. Oil and Gas Lease dated effective January 14, 1997, recorded in Volume 12, Page 484, of the Official Public Records of Glasscock County, Texas, from Frank H. Hightower, as Lessor, to Perry & Perry, Inc., as Lessee, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 13. Oil and Gas Lease dated effective January 18, 1997, recorded in Volume 12, Page 492, of the Official Public Records of Glasscock County, Texas, from Willie B. DuBose, dealing in his sole and separate property, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 14. Oil and Gas Lease dated effective January 18, 1997, recorded in Volume 12, Page 494, of the Official Public Records of Glasscock County, Texas, from Beth Ann Spraberry, dealing in her sole and separate property, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 15. Oil and Gas Lease dated effective January 6, 1997, recorded in Volume 12, Page 688, of the Official Public Records of Glasscock County, Texas, from Hoyle McCright, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 16. Oil and Gas Lease dated effective January 2, 1997, recorded in Volume 13, Page 45, of the Official Public Records of Glasscock County, Texas, from Iris Gerber Damson, acting by and through her attorney in fact, Kenneth DuBroff, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.

- 
17. Oil and Gas Lease dated effective January 2, 1997, recorded in Volume 13, Page 48, of the Official Public Records of Glasscock County, Texas, from Kenneth DuBroff and Ernest Gelman, Trustees u/w/o Edward Gerber, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 18. Oil and Gas Lease dated effective January 6, 1997, recorded in Volume 13, Page 372, of the Official Public Records of Glasscock County, Texas, from Martha Goble, a widow, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 19. Oil and Gas Lease dated effective March 5, 1997, recorded in Volume 14, Page 736, of the Official Public Records of Glasscock County, Texas, from Cactus Resources, as Lessor, to Perry & Perry, Inc., as Lessee, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 20. Oil and Gas Lease dated effective January 21, 1997, recorded in Volume 16, Page 287, of the Official Public Records of Glasscock County, Texas, from Bill F. Hicks and David F. Williams, Independent Co-Executors of the Estate and Trustees u/w/o Ceil W. Moore; and Betty Klein, Individually, as Lessors, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 21. Oil and Gas Lease dated effective May 13, 1997, recorded in Volume 16, Page 682, of the Official Public Records of Glasscock County, Texas, from H.E.P. Oil Company, L.L.C., as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 22. Oil and Gas Lease dated effective June 17, 1997, recorded in Volume 17, Page 461, of the Official Public Records of Glasscock County, Texas, from Virginia H. Penn, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 23. Oil and Gas Lease dated effective January 6, 1997, recorded in Volume 15, Page 147, of the Official Public Records of Glasscock County, Texas, from Eldon J. Byars, as Lessor, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 24. Oil and Gas Lease dated effective June 23, 1997, recorded in Volume 16, Page 622, of the Official Public Records of Glasscock County, Texas, from Catherine Robertson Warren and James Lewis Robertson, as Lessors, to Perry & Perry, Inc., as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.

25. Oil, Gas and Mineral Lease dated effective July 22, 1997, recorded in Volume 17, Page 205, of the Official Public Records of Glasscock County, Texas, from William C. Eiland, as Lessor, to BTA Oil Producers, as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
26. Oil, Gas and Mineral Lease dated effective July 22, 1997, recorded in Volume 18, Page 85, of the Official Public Records of Glasscock County, Texas, from J. Kirk Ary and wife, Rebecca L. Ary, as Lessors, to BTA Oil Producers, as Lessee, covering Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
27. Oil and Gas Lease dated effective October 4, 2011, recorded in Volume 177, Page 681, of the Official Public Records of Glasscock County, Texas, from States Royalty Limited Partnership, as Lessor, to BTA Oil Producers, LLC, as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas, limited to depths from the surface down to (1) 50 feet below the total depth drilled, or (2) the base of the deepest producing formation, whichever is shallowest, of any well commenced by Lessee during the primary term.
28. Oil and Gas Lease dated effective September 4, 2012, recorded in Volume 201, Page 2, of the Official Public Records of Glasscock County, Texas, from University of Texas Law School Foundation, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
29. Oil and Gas Lease dated effective June 23, 2011, recorded in Volume 191, Page 442, of the Official Public Records of Glasscock County, Texas, from Joseph John Sauer, as Lessor, to Elizabeth E. Moses, as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
30. Oil and Gas Lease dated effective June 28, 2012, recorded in Volume 195, Page 711, of the Official Public Records of Glasscock County, Texas, from Brenda Gilliland Remington, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4, as to all depths, and the S/2 NW/4 and N/2 SW/4, as to all depths not currently held by production under Lease dated September 8, 1997, recorded Volume 19, Page 222, Official Public Records of Glasscock County, Texas, all in Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
31. Oil and Gas Lease dated effective July 28, 2011, recorded in Volume 177, Page 669, of the Official Public Records of Glasscock County, Texas, from Lisa Gilliland Minor, as Lessor, to Elizabeth E. Moses, as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
32. Oil and Gas Lease dated effective July 28, 2011, recorded in Volume 177, Page 675, of the Official Public Records of Glasscock County, Texas, from Steve Gilliland, as Lessor, to Elizabeth E. Moses, as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.

- 
33. Oil and Gas Lease dated effective July 26, 2011, recorded in Volume 177, Page 684, of the Official Public Records of Glasscock County, Texas, from John Stevenson Wardlaw, as lessor, to Elizabeth E. Moses, as lessee, covering undivided 13/1920 interest in E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 34. Oil and Gas Lease dated effective June 23, 2011, recorded in Volume 177, Page 672, of the Official Public Records of Glasscock County, Texas, from Dollie L. Stewart, a/k/a Dollie Worden Stewart, as Lessor, to Elizabeth E. Moses, as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 35. Oil and Gas Lease dated effective July 12, 2011, recorded in Volume 177, Page 663, of the Official Public Records of Glasscock County, Texas, from Judy Kay Kendrick, as Lessor, to Elizabeth E. Moses, as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 36. Oil and Gas Lease dated effective June 23, 2011, recorded in Volume 177, Page 657, of the Official Public Records of Glasscock County, Texas, from Jeanette Austin, as Lessor, to Elizabeth E. Moses, as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 37. Oil and Gas Lease dated effective February 2, 2012, recorded in Volume 780, Page 154, of the Official Public Records of Mitchell County, Texas, from Timothy Dwayne Talley, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 38. Oil and Gas Lease dated effective June 23, 2011, recorded in Volume 177, Page 678, of the Official Public Records of Glasscock County, Texas, from Helen Jean Spradling, as lessor, to Elizabeth E. Moses, as lessee, covering undivided 20% of 18/11,520 interest in E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 39. Oil and Gas Lease dated effective July 12, 2011, recorded in Volume 177, Page 660, of the Official Public Records of Glasscock County, Texas, from Lisa Cortese, as Lessor, to Elizabeth E. Moses, as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4 of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 40. Oil and Gas Lease dated effective June 28, 2012, recorded in Volume 200, Page 585, of the Official Public Records of Glasscock County, Texas, from Chandler Grisham, Administratrix of the Estate of Patrick Robertson, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 S/2 SW/4 below 7,865 feet subsurface and N/2 SW/4 below 7,865 feet subsurface, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.

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41. Oil and Gas Lease dated effective July 12, 2012, recorded in Volume 196, Page 180, of the Official Public Records of Glasscock County, Texas, from Elizabeth A. Robertson, as Lessor, to BTA Oil Producers, LLC, as Lessee, covering E/2, N/2 NW/4, S/2 SW/4, S/2 NW/4 below 7,865 feet subsurface and N/2 SW/4 below 7,865 feet subsurface, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 42. Oil and Gas Lease dated effective July 12, 2012, recorded in Volume 196, Page 376, of the Official Public Records of Glasscock County, Texas, from Rebecca A. Robertson, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4, S/2 SW/4, S/2 NW/4 below 7,865 feet subsurface, and N/2 SW/4 below 7,865 feet subsurface, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
 43. Oil, Gas and Mineral Lease dated effective November 9, 2011, recorded in Volume 191, Page 439, of the Official Public Records of Glasscock County, Texas, from Allison Spiller, Trustee of the Allison Mineral Trust, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4, of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas. This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described, whether the same be in said survey or surveys or in adjacent surveys, although not included in the boundaries of the land particularly described.
 44. Oil, Gas and Mineral Lease dated effective November 9, 2011, recorded in Volume 181, Page 777, of the Official Public Records of Glasscock County, Texas, from Laura Stark, Trustee of the Stark Trust, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4, of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas. This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described, whether the same be in said survey or surveys or in adjacent surveys, although not included in the boundaries of the land particularly described.
 45. Oil, Gas and Mineral Lease dated effective November 9, 2011, recorded in Volume 193, Page 660, of the Official Public Records of Glasscock County, Texas, from Michael M. Zackoff, Trustee of the Michael M. Zackoff Separate Property Trust, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4, of Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas. This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described, whether the same be in said survey or surveys or in adjacent surveys, although not included in the boundaries of the land particularly described.

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46. Oil and Gas Lease dated effective June 27, 2012, recorded in Volume 193, Page 178, of the Official Public Records of Glasscock County, Texas, from Bank of America, N.A. Trustee for the Sally Moore Kato Trust, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4, as to all depths, and the S/2 NW/4, N/2 SW/4, as to all depths below 7,864 feet, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas. Must notify within 30 days of recording designation of pooled unit.
47. Oil, Gas and Mineral Lease dated effective August 5, 2011, recorded in Volume 191, Page 434, of the Official Public Records of Glasscock County, Texas, from Sugarberry Oil and Gas Corporation, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
48. Oil, Gas and Mineral Lease dated effective August 30, 2011, recorded in Volume 177, Page 690, of the Official Public Records of Glasscock County, Texas, from Clear Creek Royalty & Land, Ltd., as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4 and S/2 SW/4, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.
49. Oil and Gas Lease dated effective August 15, 2011, Memorandum of Oil and Gas Lease recorded in Volume 191, Page 445, of the Official Public Records of Glasscock County, Texas, from The Frost National Bank, N.A., Trustee of the #2 Robertson Trust Oil Control Account, Account No. W00751600. Account includes the following interests: Frost National Bank, Trustee f/b/o Robert B. Robertson; Frost National Bank Trustee of the Robert Brian Robertson Trust; and Frost National Bank, Trustee of the Robert Brian Robertson Trust u/w/o Mary Frances Robertson, as Lessors, to BTA Oil Producers, L.L.C., as Lessee, covering 472.37 acres, more or less, being the following tracts located in Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas: (1) 312.37 acres, more or less, being all the E/2 of Section 4 save and except 7.565 acres, more or less, being that portion of a 15.13 acre tract which lies in the E/2 of Section 4, described in Deed dated September 19, 1938 from Zora Christie to The State of Texas, recorded Volume 47, Page 373, Deed Records of Glasscock County. (2) 80 acres, more or less, being the N/2 NW/4 of Section 4. (3) 80 acres, more or less, being the S/2 SW/4 of Section 4.
50. Oil and Gas Lease dated effective August 5, 2011, Memorandum of Oil and Gas Lease is recorded Volume 780, Page 157, of the Official Public Records of Mitchell County, Texas, from The Frost National Bank, a national banking association, Trustee for Account W00551200, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering 472.37 acres, more or less, being the following tracts located in Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas: (1) 312.37 acres, more or less, being all the E/2 of Section 4 save and except 7.565 acres, more or less, being that portion of a 15.13 acre tract which lies in the E/2 of Section 4, described in Deed dated September 19, 1938 from Zora Christie to The State of Texas, recorded Volume 47, Page 373, Deed Records of Glasscock County. (2) 80 acres, more or less,

being the N/2 NW/4 of Section 4. (3) 80 acres, more or less, being the S/2 SW/4 of Section 4.

51. Oil and Gas Lease dated effective October 16, 2012, recorded in Volume 201, Page 5, of the Official Public Records of Glasscock County, Texas, from PEC Minerals LP, as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4, S/2 SW/4, S/2 NW/4 below 7,890 feet subsurface, and N/2 SW/4 below 7,890 feet subsurface, Section 4, Block 37, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.

52. Oil and Gas Lease dated effective August 17, 2012, recorded in Volume 196, Page 8, of the Official Public Records of Glasscock County, Texas, from Marathon Oil (West Texas) L.P., as Lessor, to BTA Oil Producers, L.L.C., as Lessee, covering E/2, N/2 NW/4, S/2 SW/4, as to all depths; S/2 NW/4 as to all depths below 7,856 feet subsurface, and N/2 SW/4 below 7,890 feet subsurface, Section 4, Block 34, Township 4 South, T&P Ry. Co. Survey, Glasscock County, Texas.

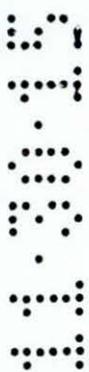


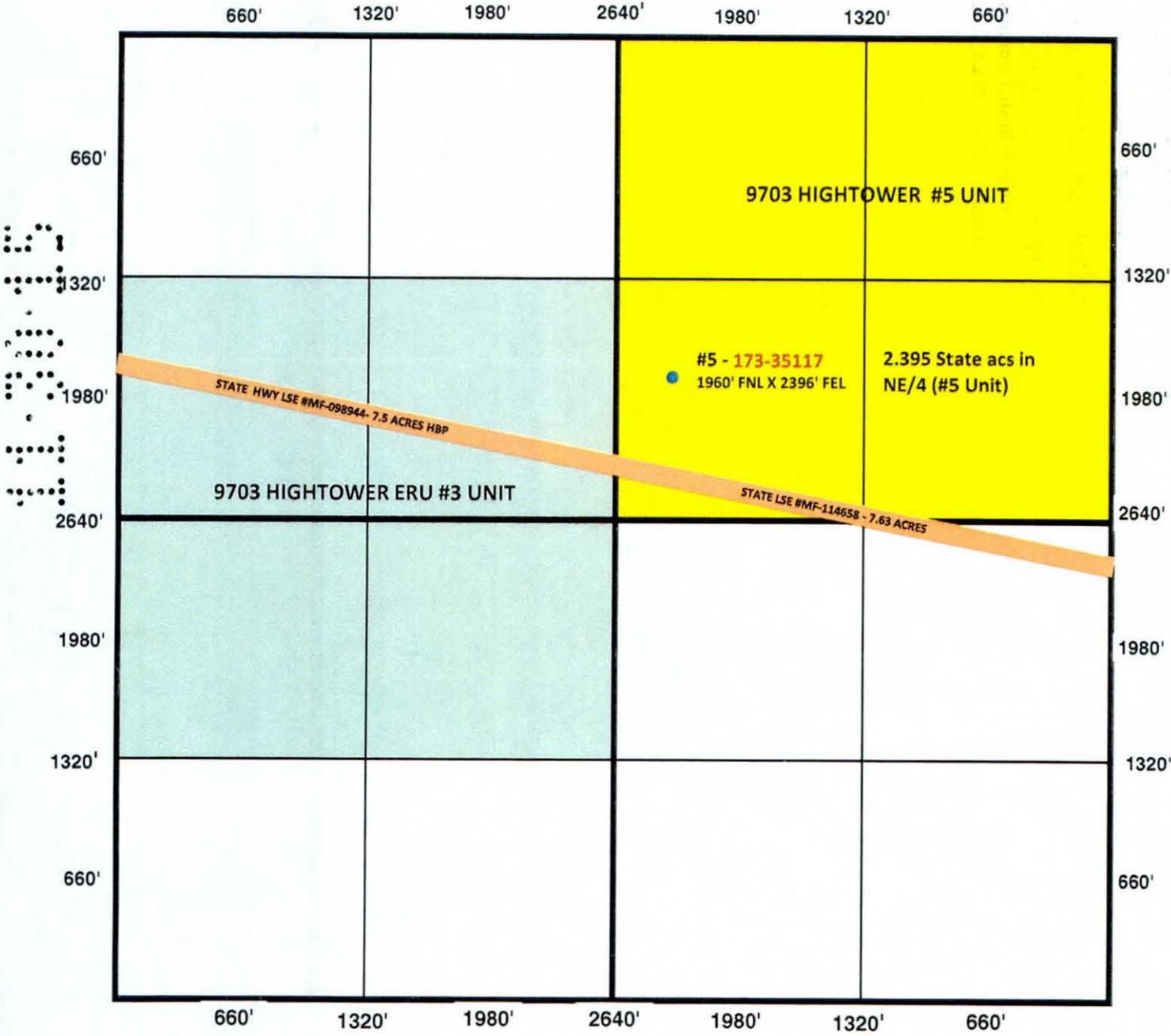
EXHIBIT "B"

ATTACHED TO AND MADE A PART OF THAT CERTAIN
DECLARATION OF POOLED UNIT

NE/4 of Section 4, Block 34, T-4-S, T&P Ry. Co. Survey, A-785, Glasscock County, Texas



SECTION 4, BLK. 34, T4S, T&P RY CO SUR
GLASSCOCK COUNTY, TEXAS



Original Lease MF-098944	15.13 ACRES	
LEASE MF-098944	HBP BY HIGHTOWER ERU #3 UNIT:	7.5000 Acres
NEW LEASE MF-114658		7.6300 Acres
Portion of MF-114658 within Hightower #5 Unit (Not yet pooled):		2.3950 Acres

File No. MF 114658

Glasscock County

HRow unit 7767 package

Date Filed: 12/29/15

George P. Bush, Commissioner

By MB Barnstone

11.30.15