Texas Department of Housing and Community Affairs,
a public and official department of the State of Texas
221 East 11th Street
Austin, Texas 78701

Re: Phase Engineering, Inc. Phase I Environmental Site Assessment (ESA) Report No. 201902015
Approximately 5.00 Acres Located Along Crow Road West of Oak Hill Boulevard, Tyler, Smith County, Texas 75703

To Whom It May Concern,

This letter is to certify that the Phase I Environmental Site Assessment (the "Report") relating to the above referenced property completed by Phase Engineering, Inc. (the "Consultant") may be conveyed to and relied upon by Texas Department of Housing and Community Affairs as if the Report had originally been prepared for them.

The report fee is Phase Engineering, Inc.’s sole benefit and findings are not contingent on compensation from the client or its affiliates. All persons who have a property interest in this report hereby acknowledge that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the reports as authorized by law. Phase Engineering has read and understands the department rules regarding this report as found in 2019 Qualified Allocation Plan as codified in 10 Texas Administrative Code, Chapter 11, Subchapter D, Section 11.305: Environmental Site Assessment Rules and Guidelines.

Thank you for using the professional environmental services of Phase Engineering, Inc. If you should have any questions, please contact me at 713-476-9844.

Sincerely,

James C. Dismukes, P.E.
President
Phase Engineering, Inc.
Phase I Environmental Site Assessment

Approximately 5.00 Acres Located Along Crow Road West of Oak Hill Boulevard, Tyler, Smith County, Texas 75703

February 22, 2019
PEI Project No.: 201902015

Prepared for:
Rea Ventures Group, LLC
and
Texas Department of Housing and Community Affairs (TDHCA)

Prepared by:
Phase Engineering, Inc.
5524 Cornish Street
Houston, Texas 77007
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1.0 Executive Summary

1.1 Site Summary

<table>
<thead>
<tr>
<th>SITE SUMMARY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Element</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>Subject Property Address</td>
</tr>
<tr>
<td>Current Use of Subject Property</td>
</tr>
<tr>
<td>Legal Description</td>
</tr>
<tr>
<td>Current Owner</td>
</tr>
<tr>
<td>Site Reconnaissance Date</td>
</tr>
</tbody>
</table>

Physical Setting

- Topography: Elevation: Approximately 530-562 feet above mean sea level (msl)  General Area Topographic Downgradient: Southeast
- Groundwater Flow Direction: Assumed to be consistent with topographic gradient (See Section 5.3 for more information)
- Depth to Groundwater: Approximately 10-20 feet below ground surface (bgs)
- Sub-Surface Geology: Sparta Sand (Es)
- Underlying Aquifer(s): Carrizo-Wilcox Aquifer and Queen City Aquifer
- Near Surface Soils: PkC - Pickton loamy fine sand, 1 to 6 percent slopes, FrB - Freestone fine sandy loam, 1 to 3 percent slopes, WoC - Wolfpen loamy fine sand, 1 to 5 percent slopes

Historical Use Subject Property

<table>
<thead>
<tr>
<th>Year Range</th>
<th>Property Use(s)</th>
<th>Aerial Photos</th>
<th>Topo Maps</th>
<th>Fire Insurance Maps</th>
<th>Street Directories</th>
<th>Interviews</th>
<th>Regulatory Files / Prior Reports</th>
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</thead>
<tbody>
<tr>
<td>1940s - 1980s</td>
<td>Undeveloped and agricultural land</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>1980s - 2019</td>
<td>Undeveloped land</td>
<td>✔️</td>
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Historical Use Adjoining Properties

<table>
<thead>
<tr>
<th>Direction</th>
<th>Historical Use Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northeast Adjoining Property</td>
<td>Crow Road, undeveloped and agricultural land and single family residential property</td>
</tr>
<tr>
<td>Southeast Adjoining Property</td>
<td>Undeveloped land</td>
</tr>
<tr>
<td>Southwest Adjoining Property</td>
<td>Undeveloped and agricultural land and a creek</td>
</tr>
<tr>
<td>Northwest Adjoining Property</td>
<td>Undeveloped and agricultural land</td>
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</table>
## 1.2 Project Summary

### ASTM Standard Considerations

<table>
<thead>
<tr>
<th>Report Section</th>
<th>No Further Action</th>
<th>REC</th>
<th>CREC</th>
<th>HREC</th>
<th>Other Environmental Considerations</th>
<th>Suggested Action</th>
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<tr>
<td>1.0 Current Use of Subject Property</td>
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<td>1.0 Current Use of Adjoining Properties</td>
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<tr>
<td>4.0 User Provided Information</td>
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<tr>
<td>5.4.1 Historical Information on Subject Property</td>
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</tr>
<tr>
<td>5.4.3 Historical Information on Adjoining Properties</td>
<td>✔</td>
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</tr>
<tr>
<td>6.0 Site Reconnaissance</td>
<td>✔</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>7.0 Interviews</td>
<td>✔</td>
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### Non-ASTM Scope Considerations

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<td>14.1 Asbestos-Containing Building Materials</td>
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<td>14.2 Cultural and Historical Resources</td>
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<td>14.3 Endangered Species</td>
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<td>14.4 Lead-Based Paint</td>
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<tr>
<td>14.5 Lead in Drinking Water</td>
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<tr>
<td>14.6 Radon</td>
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<td>14.7 FEMA Flood Map</td>
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<td>14.8 Wetlands</td>
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<td>A wetlands determination review is recommended</td>
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<td>14.9 Vapor Encroachment Screening</td>
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<td>14.10 Noise Study</td>
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<td>14.11 Explosive and Flammable Hazards</td>
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</table>
1.2.1 Data Gap Summary

A data gap is a lack of or inability to obtain information required by ASTM Practice E1527-13 despite good faith efforts by the environmental professional to gather such information. Data gaps may result from incompleteness in any of the activities required by this practice, including, but not limited to site reconnaissance (for example, an inability to conduct the site visit), and interviews (for example, an inability to interview the key site manager, regulatory officials, etc.).

The following table summarizes general areas of the report that may encounter data gaps during the assessment process.

<table>
<thead>
<tr>
<th>Report Element</th>
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<td><strong>User Responsibilities</strong></td>
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<td>Completion of User Questionnaire</td>
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<td>Land Title / Deed Records</td>
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<td><strong>Regulatory Agency Records</strong></td>
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<td>Standard Federal, State, Tribal and Local Records Review</td>
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<tr>
<td><strong>Historical Sources</strong></td>
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<td>Aerial Photographs</td>
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<td>Fire Insurance Rate Maps</td>
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<td>Land Title Records</td>
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<td>Topographic Maps</td>
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<td>Street Directories</td>
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<td><strong>Site Reconnaissance</strong></td>
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<td>Observations of Subject Property</td>
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<td>Observation of Surrounding Properties</td>
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<td><strong>Interviews</strong></td>
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<td></td>
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<td>Current Owner</td>
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<td>Report Element</td>
<td>Report Section</td>
<td>Data Gap</td>
<td>Description of Data Gap</td>
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<tr>
<td>--------------------------------</td>
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<tr>
<td>Key Property Manager</td>
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<td>Occupant(s)</td>
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<td>Past Owners / Managers / Occupants</td>
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<td></td>
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<td>Adjoining Property Owners / Occupants</td>
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<td>State / Local Health/ Environmental Department</td>
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<tr>
<td>Local Fire Department</td>
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<td></td>
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<tr>
<td>Local Building Permit / Inspection Department</td>
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<td>No</td>
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<tr>
<td>Local Planning / Zoning Department</td>
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<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Water Utility Company</td>
<td>7.2</td>
<td>No</td>
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</tr>
</tbody>
</table>

1.3 Findings and Opinions

Known or suspect environmental conditions associated with the subject property and the environmental professional’s opinion(s) of the impact on the property of known or suspect environmental conditions identified are as follows:

**FINDING**

Historical documentation indicates that the subject property was occupied by agricultural land in the past.

**Standard Environmental Record Sources, Federal, State & Tribal**

No regulatory agency listings were found in connection with this finding. See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

**Records Review**

Historical documentation indicates that past use of the subject property was agricultural land. Past use as agricultural land may have involved the storage and usage of pesticides, insecticides, herbicides, fungicides, fertilizers and / or other agricultural chemicals. No structures or areas that may have been utilized for storage or loading of these products were noted on historical information reviewed, interviews or during the site visit. These products are not considered a recognized environmental condition per Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) provided they were legally stored, processed and / or applied. Agricultural chemicals that may have been previously stored and / or applied at the subject property would likely have degraded due to surface runoff or atmospheric exposure since the subject property was last utilized for agricultural purposes. Additionally, contact to potentially remaining agricultural residual products would likely be limited during future anticipated development activities including import of engineered fill material and construction of onsite structures. See Section 5.4 for more information regarding historical sources reviewed during this assessment.

**Site Reconnaissance**

---

Phase Engineering, Inc. 201902015
No features were observed to be associated with this finding during the site reconnaissance. See Section 6.0 for more information regarding observations noted during the site reconnaissance.

### Interviews and/or Inquiries

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment. See Section 7.0 for more information regarding interviews and inquires conducted during this assessment.

### OPINION

Phase Engineering, Inc. has the opinion that based on lack of former onsite structures that may have potentially been utilized for storage or loading of agricultural chemicals and length of time since the subject property was utilized for agricultural purposes, it does not appear past use as agricultural land has impacted the subject property. This does not represent a recognized environmental condition.

### FINDING

The Texas Railroad Commission (RRC) map and historical documentation indicate that a natural gas pipeline was located on the northeast adjoining properties.

#### Standard Environmental Record Sources, Federal, State & Tribal

No regulatory agency listings were found in connection with this finding. See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

#### Records Review

The Texas Railroad Commission (RRC) map shows a natural gas pipeline traversing the northeast adjoining properties across Crow Road. Historical aerial photographs and topographic maps show indications of the pipeline easement. No reported releases were found in connection with the pipeline during records review conducted for this assessment. See Section 5.4 for more information regarding historical sources reviewed during this assessment.

#### Site Reconnaissance

No features were observed to be associated with this finding during the site reconnaissance. See Section 6.0 for more information regarding observations noted during the site reconnaissance.

#### Interviews and/or Inquiries

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment. See Section 7.0 for more information regarding interviews and inquires conducted during this assessment.

### OPINION

Phase Engineering, Inc. has the opinion that based on lack of reported releases, the subject property does not appear likely to have been impacted by the pipeline at the northeast adjoining properties. This does not represent a recognized environmental condition.

### FINDING
Historical documentation indicates that leases and permits for oil/gas exploration related activities were granted at the subject property parent tract in the past.

<table>
<thead>
<tr>
<th>Standard Environmental Record Sources, Federal, State &amp; Tribal</th>
</tr>
</thead>
<tbody>
<tr>
<td>No regulatory agency listings were found in connection with this finding.</td>
</tr>
<tr>
<td>See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Records Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>A title commitment and related property ownership, leasing and access documentation provided to Phase Engineering, Inc. by the client indicate that oil/gas leases, oil/gas drill site permits and pipeline feature permits were granted at the subject property parent tract in the past. No oil / gas exploration related surface features such as mud / reserve pits, tank batteries, oil / gas well pads or surface salt-scarring were identified at the subject property or the adjoining properties from historical aerial photographs or topographic maps.</td>
</tr>
<tr>
<td>See Section 5.4 for more information regarding historical sources reviewed during this assessment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Site Reconnaissance</th>
</tr>
</thead>
<tbody>
<tr>
<td>No features were observed to be associated with this finding during the site reconnaissance.</td>
</tr>
<tr>
<td>See Section 6.0 for more information regarding observations noted during the site reconnaissance.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interviews and/or Inquiries</th>
</tr>
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<tbody>
<tr>
<td>No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment.</td>
</tr>
<tr>
<td>See Section 7.0 for more information regarding interviews and inquires conducted during this assessment.</td>
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</table>

<table>
<thead>
<tr>
<th>OPINION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase Engineering, Inc. has the opinion that, based on the lack of identifiable oil / gas exploration related features from historical documentation, the subject property does not appear to have been impacted by oil / gas exploration activities.</td>
</tr>
<tr>
<td>This does not represent a recognized environmental condition.</td>
</tr>
</tbody>
</table>

### 1.4 Conclusions

Phase Engineering, Inc. has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-13 of subject property and more fully described within the report. Any exception to, or deletions from, this practice are described in Section 2.0 of the report.

Recognized environmental condition is defined in ASTM Standard E 1527-13 as “the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment.” Phase Engineering, Inc. has considered all migration pathways including soil, groundwater and vapor during evaluation of all identified environmental conditions. This assessment has revealed no evidence of recognized environmental conditions in connection with the property.
A controlled recognized environmental condition (CREC) is defined in ASTM Standard E 1527-13 as “a recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls.” Controlled recognized environmental conditions are recognized environmental conditions. This assessment has revealed no evidence of controlled recognized environmental conditions in connection with the property.

A historical recognized environmental condition (HREC) is defined in ASTM Standard E 1527-13 as “a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls.” A historical recognized environmental condition is not a recognized environmental condition. This assessment has revealed no evidence of historical recognized environmental conditions in connection with the property.

*De minimis* conditions are defined in ASTM Standard E 1527-13 as conditions “that generally do not present a material risk of harm to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.” *De minimis* conditions are not recognized environmental conditions. This assessment has revealed no evidence of *de minimis* conditions in connection with the property.

### 1.5 Recommendations

<table>
<thead>
<tr>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>The following recommendation is made with respect to the environmental aspects of the subject property:</td>
</tr>
<tr>
<td>No further investigation is required to identify a recognized environmental condition.</td>
</tr>
</tbody>
</table>
2.0 Introduction

2.1 Purpose of Assignment

The purpose of this assignment is to prepare a Phase I Environmental Site Assessment Report of the subject property and more fully described in this report; to conduct All Appropriate Inquiry as defined in EPA 40 CFR Part 312, to permit the user to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) as amended in 2002; and to identify, to the extent feasible pursuant to the processes prescribed in ASTM Standard E 1527-13 recognized environmental conditions in connection with the subject property. All migration pathways and environmental media (i.e. soil, groundwater, vapor) are considered in the determination of recognized environmental conditions.

In addition, the purpose for the Phase I Environmental Site Assessment is to satisfy the environmental responsibilities for the US Department of Housing and Urban Development (HUD) pursuant to 24 CFR 50.3(i).

2.2 Scope of Work

The Phase I Environmental Site Assessment was prepared in accordance with the ASTM Standard Practice E 1527-13 for Environmental Site Assessments and the EPA Rule on All Appropriate Inquiries and within any additional limitations and deviations noted in the report. The general scope of work includes:

- Interviews with past and present owners, operators and occupants;
- Interviews with local government officials;
- Review of historical sources of information;
- Review of federal, state, tribal and local government records;
- Visual inspections of the property and adjoining properties;
- Preparation of report.

The Phase I Environmental Site Assessment does not include:

- Soil, groundwater, or building material sampling;
- Chain of title or environmental lien search;
- Any non-scope considerations, unless specifically contracted for, as listed in the ASTM Standard E 1527-13 Sections 13.1.5.1 through 13.1.5.14 (see Section 14 of this report).

2.3 Significant Assumptions

Phase Engineering, Inc. assumes there are no hidden or unapparent environmental conditions of the property, subsoil, groundwater, structures or surroundings which would have an adverse effect on the property. Phase Engineering, Inc. assumes no responsibility for such conditions or for engineering or inspections which might be required to discover such conditions.

Record and interview information furnished to Phase Engineering, Inc., and contained in the report, were obtained from sources assumed to be reliable and believed to be true and correct. However, Phase Engineering, Inc. assumes no responsibility for any inaccuracies in such items which may be revealed as a result of subsequent action, either by Phase Engineering, Inc. or others. Accuracy or completeness of record information varies among information sources, including governmental sources. Record information is often inaccurate or incomplete. Numerous sites are considered unmapped because the federal or state databases do not adequately define the address and/or location to properly plot the site using standard geo-coding processes. Unmapped sites are generally reviewed using a zip code and street name search.
Phase Engineering, Inc. is not obligated to identify mistakes or insufficiencies in information provided. Phase Engineering, Inc. will make a reasonable effort to compensate for mistakes or insufficiencies in the information reviewed that are obvious in light of other information of which Phase Engineering, Inc. has actual knowledge at the time of preparation of the report.

Groundwater flow is assumed to be in the direction of surface topography unless otherwise noted in the report.

### 2.4 Limitations and Exceptions of Assessment

This report is prepared in general accordance to the ASTM Standard Practice for Environmental Site Assessments in accordance with Standard E 1527-13. No non-scope items as noted in the ASTM Standards of Practice taken into consideration, except as noted.

The findings and conclusions of this report are based on Phase Engineering, Inc. professional opinions of the environmental conditions identified using the methodology described in ASTM Standard E 1527-13. If greater certainty is desired by the user of the report, further investigation beyond the scope of the ASTM Standard E 1527-13 may be necessary.

Phase Engineering, Inc. has estimated neither the cost of the impact on the property nor the costs necessary to eliminate the recognized environmental conditions.

The report was limited to information concerning the observed physical characteristics of the site and adjoining properties, interviews, and standard environmental record sources.

No environmental site assessment can wholly eliminate uncertainty regarding the potential for recognized environmental conditions in connection with a property. Performance of the ASTM Standard is intended to reduce, but not eliminate, uncertainty regarding the potential for recognized environmental conditions in connection with a property, and the practice recognizes reasonable limits of time and cost. The time and cost constraints as agreed to by the user or his representative may deem certain information common to the Phase I Site Assessment process to not be reasonably ascertainable or practically reviewable.

Appropriate inquiry does not mean an exhaustive assessment of a property. There is a point at which the cost of information obtained or the time required to gather it outweighs the usefulness of the information and, in fact, may be a material detriment to the orderly completion of the transaction.

Any sketches, maps, aerial photographs, or similar documents in the report may show approximate locations, property boundaries, or similar information and are included to assist the reader in visualizing the property. Phase Engineering, Inc. has made no survey of the site.

Phase Engineering, Inc. is not required to give testimony or appear in court or in other hearings or formal discussions regarding the subject property or this assessment unless prior arrangements are made.

Phase Engineering, Inc. assumes there are no hidden or unapparent environmental conditions of the site, subsoil, structures or surroundings which would represent a recognized environmental condition. Phase Engineering, Inc. assumes no responsibility for such conditions or for actions which might be required to discover such conditions.

Information obtained from various sources is considered reliable and believed to be true and correct. Phase Engineering, Inc. will make a reasonable effort to compensate for mistakes or insufficiencies in the information reviewed that are obvious in light of other information of which Phase Engineering, Inc. has actual knowledge. Phase Engineering, Inc. assumes no responsibility for any inaccuracies in such items
which may be revealed as a result of subsequent action, either by Phase Engineering, Inc. or others.

This report is prepared for the sole benefit of the user of the report and may not be relied upon by any other person or entity without the written authorization of and payment of a fee to Phase Engineering, Inc.

The report is valid for a period of 180 days from the date issued. Validity for AAI liability protections may be less. The report may not be used or updated by a third party without written authorization of and payment of a fee to Phase Engineering, Inc.

Phase Engineering, Inc. provides no legal opinion or advice. Consult a qualified attorney for any items of a legal nature.

2.5 Special Terms and Conditions

No special terms or conditions were applicable to this report.

2.6 User Reliance

This report is prepared for the sole benefit of the user of the report as identified in Section 4.0 of this report and may not be relied upon by any other person or entity without the written authorization of Phase Engineering, Inc. Each subsequent user must satisfy the User’s Responsibilities set forth in Section 6 of the ASTM Standard E 1527-13 to qualify for the landowner liability protections under CERCLA.
3.0 Site Description

3.1 Subject Property Location and Description

<table>
<thead>
<tr>
<th>Subject Property Address</th>
<th>Approximately 5.00 Acres Located Along Crow Road West of Oak Hill Boulevard, Tyler, Smith County, Texas 75703</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Location</td>
<td>An area location map and a site sketch are located in Appendix I of this report.</td>
</tr>
<tr>
<td>Legal Description</td>
<td>Abstract 624, Marshall University Survey, City of Tyler, Smith County, Texas (per client provided title commitment)</td>
</tr>
<tr>
<td>Current Owner(s)</td>
<td>Mother Frances Hospital Regional</td>
</tr>
</tbody>
</table>

3.2 Current Use of Subject Property

<table>
<thead>
<tr>
<th>Current Use of the Property</th>
<th>Undeveloped land</th>
</tr>
</thead>
</table>

3.3 Current Uses of Adjoining Properties

*Adjoining Property Uses*

<table>
<thead>
<tr>
<th>To the Northeast</th>
<th>Crow Road, undeveloped land, single family residential property</th>
</tr>
</thead>
<tbody>
<tr>
<td>To the Southeast</td>
<td>Undeveloped land</td>
</tr>
<tr>
<td>To the Southwest</td>
<td>Undeveloped land, a creek</td>
</tr>
<tr>
<td>To the Northwest</td>
<td>Undeveloped land</td>
</tr>
</tbody>
</table>

3.4 Description of Onsite Structures, Roads and Other Improvements

3.4.1 Onsite Structures

No structures are currently located at the subject property.

3.4.2 Roads

The following roads were observed onsite or adjacent to the subject property:

<table>
<thead>
<tr>
<th>Road Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Name</td>
</tr>
<tr>
<td>Crow Road</td>
</tr>
</tbody>
</table>

3.4.3 Other Improvements / Utilities at the Subject Property

The following utilities and other improvements were identified at the subject property:

<table>
<thead>
<tr>
<th>Water Source</th>
<th>None known or observed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sanitary Sewer Source</td>
<td>None known or observed</td>
</tr>
<tr>
<td>Other Improvements</td>
<td>No other improvements observed</td>
</tr>
</tbody>
</table>
4.0 User Provided Information

4.1 User Responsibilities Information

User(s) of this report: Rea Ventures Group, LLC and Texas Department of Housing and Community Affairs (TDHCA)

In order to qualify for one of the Landowner Liability Protections (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 (the “Brownfields Amendments”) the user must conduct the following inquiries required by 40 CFR 312.25, 312.28, 312.29, 312.30 and 312.31. These inquiries must also be conducted by EPA Brownfield Assessment and Characterization grantees. The user should provide the following information (if available) to the environmental professional. Failure to conduct these inquiries (or where the user has not provided conclusive answers) could result in a determination that “all appropriate inquiries” is not complete.

If any user of this report desires Landowner Liability Protections (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001, the user should complete the “user responsibilities” included in Appendix IV.

The following information was provided by C. Breck Kean, Purchaser.

<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Environmental cleanup liens that are filed or recorded against the property (40 CFR 312.25).</td>
<td></td>
</tr>
<tr>
<td>Did a search of recorded land title records (or judicial records where appropriate) identify any environmental liens filed or recorded against the property under federal, tribal, state or local law?</td>
<td>No</td>
</tr>
<tr>
<td>2. Activity and land use (AUL’s) limitations that are in place on the site or that have been filed or recorded in a registry (40 CFR 312.26(a)(1)(v) and vi)).</td>
<td></td>
</tr>
<tr>
<td>Did a search of recorded land title records (or judicial records where appropriate) identify any AULs, such as engineering controls, land use restrictions or institutional controls that are in place of the property and/or have been filed or recorded against the property under federal, tribal, state or local law?</td>
<td>No</td>
</tr>
<tr>
<td>3. Specialized knowledge or experience of the person seeking to qualify for the LLP (40 CFR 312.28).</td>
<td></td>
</tr>
<tr>
<td>Do you have any specialized knowledge or experience related to the property or nearby properties? For example, are you involved in the same line of business as the current or former occupants of the property or an adjoining property so that you would have specialized knowledge of the chemicals and processes used by this type of business?</td>
<td>No</td>
</tr>
<tr>
<td>4. Relationship to the purchase price to the fair market value of the property if it were not contaminated (40 CFR 312.29).</td>
<td></td>
</tr>
<tr>
<td>Question</td>
<td>Response</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>Does the purchase price being paid for this property reasonably reflect the fair market value of the property?</td>
<td>Yes</td>
</tr>
<tr>
<td>If you conclude that there is a difference, have you considered whether the lower purchase price is because contamination is known or believed to be present at the property?</td>
<td>Received with no comment</td>
</tr>
</tbody>
</table>

5. Commonly known or reasonably ascertainable information about the property (40 CFR 312.30).

Are you aware of commonly known or reasonably ascertainable information about the property that would help Phase Engineering, Inc. to identify conditions indicative of releases or threatened releases? For example, as user,

(a.) Do you know the past uses of the property? No
(b.) Do you know of specific chemicals that are present or once were present at the property? No
(c.) Do you know of spills or other chemical releases that have taken place at the property? No
(d.) Do you know of any environmental cleanups that have taken place at the property? No

6. The degree of obviousness of the presence or likely presence of contamination at the property, and the ability to detect the contamination by appropriate investigation (40 CFR 312.31).

As the user of this ESA, based on your knowledge and experience related to the property are there any obvious indicators that point to the presence or likely presence of contamination at the property? No

### User Provided Information

<table>
<thead>
<tr>
<th>Type of Information Provided</th>
<th>Details of Provided Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Plans</td>
<td>Dated October 5, 2018 and January 10, 2019</td>
</tr>
<tr>
<td>Title Commitment</td>
<td>Prepared by Old Republic National Title Insurance Company, dated November 23, 2018. The title commitment indicates that oil/gas exploration leases, oil/gas well site agreements and a permit for a pipeline valve feature were previously established for a subject property parent tract.</td>
</tr>
<tr>
<td>Deeds</td>
<td>Dated 3/17/08, 8/25/08</td>
</tr>
<tr>
<td>Restrictive Covenant and Access Easement Agreement</td>
<td>Dated 3/17/08</td>
</tr>
<tr>
<td>Permit for Aboveground Appurtenances</td>
<td>Dated 3/11/88, granting a mainline valve site for a pipeline along the south side of the road, operated by Texas Eastman Company</td>
</tr>
<tr>
<td>Property Owner's Information</td>
<td>Dated 2/26/91</td>
</tr>
<tr>
<td>Type of Information Provided</td>
<td>Details of Provided Information</td>
</tr>
<tr>
<td>------------------------------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>Assignments of Mineral, Royalty, Overriding Royalty Interest</td>
<td>Dated 11/16/92, 7/1/93, 4/1/94, 7/23/95</td>
</tr>
<tr>
<td>Oil, Gas and Mineral Leases and Amendments</td>
<td>Dated 2/17/60, 2/11/64, 12/21/62, 1/15/64</td>
</tr>
<tr>
<td>Oil/Gas Unit Designation and Amendments</td>
<td>Dated 7/30/63, 11/12/65, 12/1/84, 5/27/64</td>
</tr>
<tr>
<td>Royalty Deed</td>
<td>Dated 4/22/94</td>
</tr>
<tr>
<td>Stipulations of Interest</td>
<td>Dated 10/24/97</td>
</tr>
<tr>
<td>Oil, Gas &amp; Mineral Assignments, Conveyances and Bills of Sale</td>
<td>Dated 7/12/97, 3/31/2000</td>
</tr>
<tr>
<td>Designations of Drillsite and Wavier of Surface Rights</td>
<td>Dated 3/14/08</td>
</tr>
<tr>
<td>Memorandum of Agreement Concerning Water Detention or Retention</td>
<td>Dated 8/22/08</td>
</tr>
<tr>
<td>Partial Assignment Agreement</td>
<td>Dated 8/22/08</td>
</tr>
<tr>
<td>Property Owner's Information</td>
<td>Kyle Rutherford; 903-606-6090</td>
</tr>
</tbody>
</table>

### 4.2 Reason for Performing Phase I

As per ASTM Standard E 1527-13, it is the user's responsibility to identify the reason for performing the Environmental Site Assessment, which may include, among other reasons, the intention to satisfy one of the requirements to qualify for one of the landowner liability protections under CERCLA. If no reason for performing the Environmental Site Assessment is provided by the user, it is assumed the report is to conduct all appropriate inquiry to satisfy one of the landowner liability protections under CERCLA.
5.0 Records Review

5.1 Standard Environmental Record Sources, Federal, State & Tribal

The following federal, state and tribal environmental records were searched. This information was provided by AAI Environmental Data and is subject to the AAI Data Disclaimer. Full descriptions on the search and facilities located are included in the Appendix. The AAI Data summary is as follows:

<table>
<thead>
<tr>
<th>Source</th>
<th>Environmental Record</th>
<th>ASTM Search Distance (miles)</th>
<th>Subject Property</th>
<th>Adjoining Property</th>
<th>1/2 Mile</th>
<th>1 Mile</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Sites</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPA</td>
<td>SEEMS**</td>
<td>1.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>EPA</td>
<td>RCRA***</td>
<td>Adjoining*</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>EPA</td>
<td>RCRA TSDF</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>EPA</td>
<td>RCRA CORC ACT</td>
<td>1.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>NRC</td>
<td>ERNS</td>
<td>Subject Property</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
</tbody>
</table>

State and Tribal Sites

<table>
<thead>
<tr>
<th>Source</th>
<th>Environmental Record</th>
<th>ASTM Search Distance (miles)</th>
<th>Subject Property</th>
<th>Adjoining Property</th>
<th>1/2 Mile</th>
<th>1 Mile</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCEQ</td>
<td>SPL (NPL/CERCLIS)</td>
<td>1.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>MSW</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>CLI</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>AST</td>
<td>Adjoining*</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>UST</td>
<td>Adjoining*</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>LPST</td>
<td>0.500</td>
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<td>0</td>
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<td>-</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>RDR</td>
<td>Adjoining*</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>IOP</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
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<td>-</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>VCP</td>
<td>0.500</td>
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<td>-</td>
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</tr>
<tr>
<td>RRC TX</td>
<td>RRC-VCP</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
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</tr>
<tr>
<td>TCEQ</td>
<td>BROWNFIELD</td>
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<td>-</td>
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<tr>
<td>TCEQ</td>
<td>IHW</td>
<td>Adjoining*</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>-</td>
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<tr>
<td>TCEQ</td>
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<td>-</td>
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</tr>
<tr>
<td>RRC TX</td>
<td>RRC-BRP</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
</tbody>
</table>

Supplemental Databases

<table>
<thead>
<tr>
<th>Source</th>
<th>Environmental Record</th>
<th>ASTM Search Distance (miles)</th>
<th>Subject Property</th>
<th>Adjoining Property</th>
<th>1/2 Mile</th>
<th>1 Mile</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCEQ</td>
<td>MSD</td>
<td>1.000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>DCR</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>TCEQ</td>
<td>DCRP</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>NRC</td>
<td>ACRES</td>
<td>0.500</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
</tr>
</tbody>
</table>

Adjoining properties are defined as being within a search radius of 0.25 mi. from the subject property boundaries.

**SEEMS includes CERCLIS, NPL, NPL delisted, NFRAP, and IEC/E C

***RCRA includes RCRA and IEC/E C

UNGEOCODED SITES

<table>
<thead>
<tr>
<th>Environmental Records</th>
<th>ASTM Search Distance (miles)</th>
<th>Total Identified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal / State/ Tribal</td>
<td>Subject Property - 1.0 mile</td>
<td>None</td>
</tr>
</tbody>
</table>

Ungeocoded Sites

Numerous sites / facilities are considered ungeocoded because the federal, state or local databases do not adequately define or represent the address and/or location to properly plot the site using standard geo-coding processes. Ungeocoded sites are generally reviewed using a zip code and street name search.
There were no ungeocoded sites identified under this assessment.

**Superfund Enterprise Management System (SEMS)**

Effective January 31, 2014, the Superfund program decommissioned CERCLIS and transitioned to the Superfund Enterprise Management System (SEMS). CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System) was a database used by the U.S. Environmental Protection Agency (EPA) to track activities under its Superfund program. The reports previously generated by the CERCLIS legacy system are now updated with SEMS – the Superfund Enterprise Management System – and include the same data and content. This database is the source for CERCLIS, NPL, NPL Delisted, NFRAP and IC/EC.

**CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System)**

The CERCLIS List previously contained sites which are either proposed to or on the National Priorities List (NPL) and sites which are in the screening and assessment phase for possible inclusion on the NPL. The information on each site included a history of all pre-remedial, remedial, removal and community relations activities or events at the site, financial funding information for the events, and unrestricted enforcement activities.

**CERCLIS NFRAP (Comprehensive Environmental Response, Compensation and Liability Information System / No Further Remedial Action Planned)**

NFRAP sites may be sites where, following an initial investigation, no contamination was found, contamination was removed quickly, or the contamination was not serious enough to require Federal Superfund action, CERCLA or NPL consideration.

**NPL (National Priority List)**

The NPL list compiled by EPA pursuant to CERCLA 42 U.S.C. § 9605(a)(8)(B) of properties with the highest priority for cleanup pursuant to EPA’s Hazard Ranking System. See 40 C.F.R. Part 300.

**NPL Delisted (National Priority List - Delisted)**

Deletion of sites from the NPL may occur once all response actions are complete and all cleanup goals have been achieved. EPA is responsible for processing deletions with concurrence from the State. Deleted sites may still require five-year reviews to assess protectiveness. If future site conditions warrant, additional response actions can be taken, using the Superfund Trust Fund or by Potentially Responsible Parties. Relisting on the NPL is not necessary; however, sites can be restored to the NPL if extensive response work is required. EPA can also delete portions of sites that meet deletion criteria.

**Federal Institutional Control / Engineering Control (IC / EC) Registries**

Land Use Controls (LUCs) - Land Use controls may consist of Institutional Controls (ICs) and Engineering Controls (ECs). LUCs help to minimize the potential for exposure to contamination and/or protect the integrity of a response action and are typically designed to work by limiting land and/or resource use or by providing information that helps modify or guide human behavior at a site. Institutional Controls (ICs) are non-engineering measures and are almost always used in conjunction with, or as a supplement to, other measures such as waste treatment or containment. There are four categories of ICs: Governmental Controls (zoning restrictions, ordinances, statues, building permits or other provisions that restrict land or resource use at a site), Proprietary Controls (easements, covenants, Deed Restrictions), Enforcement and Permit Tools (consent decrees, administrative orders), and Informational Devices (State Registries of contaminated sites, deed notices and advisories). ICs are used when contamination is first discovered, when remedies are ongoing and when residual contamination remains onsite at a level that does not allow for unlimited use and unrestricted exposure after cleanup. Engineering Controls (ECs) encompass
a variety of engineered and constructed physical barriers to contain and/or prevent exposure to contamination on a property. ECs are often installed during cleanup as a condition of a no further action determination and are generally intended to be in place for long periods of time.


Hazardous waste treatment, storage, or disposal facilities and other RCRA-regulated facilities (due to past interim status or storage of hazardous wastes beyond 90 days) that have been notified by the U.S. Environmental Protection Agency to undertake corrective action under RCRA. The CORRACTS list is a subset of the EPA database that manages RCRA data.


Those facilities on which treatment, storage and / or disposal of hazardous wastes takes place, as defined and regulated by RCRA.

**Resource Conservation and Recovery Act (RCRA) Generators of Hazardous Wastes**

RCRA Resource Conservation and Recovery Act Information - RCRAInfo is the U.S. Environmental Protection Agency's comprehensive information and inventory system that supports the RCRA (1976) and HSWA (1984) through the tracking of events and activities regarding permit/closure status, compliance with Federal and State regulations and cleanup activities at facilities that generate, treat, store or dispose of hazardous waste. Information on cleaning up after accidents or other activities that result in a release of hazardous materials to the water, air or land is also reported through RCRAInfo. Corrective Action is a requirement under RCRA which requires TSD facilities owners and operators to investigate and cleanup hazardous waste releases into soil, groundwater, surface water and air.

**Emergency Response Notification System (ERNS)**

The ERNS program is a cooperative data sharing effort among the Environmental Protection Agency (EPA) Headquarters, the Department of Transportation (DOT), National Transportation Systems Center (NTSC), the ten EPA Regions, the U.S. Coast Guard (USCG), and the National Response Center (NRC). ERNS provide the most comprehensive data compiled on notifications of oil discharges and hazardous substances releases in the United States. The types of release reports that are available in ERNS fall into three major categories: substances designated as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; oil and petroleum products (Clean Water Act of 1972), as amended by the Oil Pollution Act of 1990; and all other types of materials. EARNS is a database of initial notifications and not incidents, so there are limitations to the data. There may be multiple reports for a single incident, and because reports are taken over the phone, misspellings, and locational information limit the quality of some data.

**State / Tribal Equivalent - National Priority List (NPL)**

This list is the state / tribal equivalent to the EPA NPL list.

**State / Tribal Equivalent Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) (SCL)**

This list is the state / tribal equivalent to the EPA CERCLIS list.
State / Tribal Voluntary Cleanup Program Sites

List of state / tribal sites undergoing investigation, remediation and / or response action under the applicable state / tribal environmental regulatory agency.

Solid Waste Landfills (SWLF)

List of landfills, transfer stations, sludge application sites, illegal dump sites, recycling facilities, and medical waste generators and transporters.

Leaking Petroleum Storage Tank Sites (LPST)

State lists of leaking underground storage tank sites. RCRA gives EPA and states, under cooperative agreements with the EPA, authority to cleanup releases from UST systems or require owners and operators to do so. (42 U.S.C. § 6991b).

Registered Storage Tanks

Underground storage tanks (USTs) - Any tank, including underground piping connected to the tank, that is or has been used to contain hazardous substances or petroleum products and the volume of which is 10% or more beneath the surface of the ground.

Aboveground storage tanks (ASTs) - Any tank, including aboveground piping connected to the tank, that is or has been used to contain hazardous substances or petroleum products and the volume of which is 90% or more above the surface of the ground.

State / Tribal Institutional Control / Engineering Control Registries

Engineering Controls (EC) – Physical modifications to a site or facility (for example, capping, slurry walls, or point of use water treatment) to reduce or eliminate the potential for exposure to hazardous substances or petroleum products in the soil or groundwater on the property. Engineering controls are a type of activity and use limitation (AUL).

Institutional Controls (IC) – A legal or administrative restriction (for example, “deed restrictions,” restrictive covenants, easements, or zoning) on the use of, or access to, a site or facility to (1) reduce or eliminate potential exposure to hazardous substances or petroleum products in the soil or ground water on the property, or (2) to prevent activities that could interfere with the effectiveness of a response action, in order to ensure maintenance of a condition of no significant risk to public health or the environment. An institutional control is a type of Activity and Use Limitation (AUL).

IC / EC Registries – Databases of institutional controls or engineering controls that may be maintained by a federal, state or local environmental agency for purposes of tracking sites that may contain residual contamination and AULs. The names for these may vary from program to program and state to state.

Federal / State / Tribal Brownfields

Federal - ACRES Assessment, Cleanup and Redevelopment Exchange System (EPA Brownfield)

The EPA’s ACRES database stores information reported by EPA Brownfields Grantees on Brownfields properties assessed or cleaned up with grant funding as well as information on Targeted Brownfields Assessments performed by EPA Regions. Recipients are awarded EPA Brownfields funding to address hazardous substances and/or petroleum contamination at brownfield properties. The EPA's Brownfields Program is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields.

State / Tribal - Brownfields Site Assessments (BSA)
The BSA Program administers a grant provided by the EPA to perform Brownfields site assessment for local governments and non-profit organizations who are not responsible parties. State and local agencies work in close partnership with the EPA and other federal, state, and local redevelopment agencies, and stakeholders, to facilitate cleanup, transfer and revitalization of Brownfields through the development of regulatory, tax, and technical assistance tools.

Sites Found:

<table>
<thead>
<tr>
<th>Summary of Critical Identified Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>No sites were identified within the ASTM Standard Environmental Record Sources search radius.</td>
</tr>
</tbody>
</table>

Phase Engineering, Inc. has made an attempt to review regulatory agency files to determine if the subject property or any of the adjoining properties have been identified on one or more of the standard environmental record sources per ASTM Standard Practice E 1527-13 Section 8.2.1. The purpose of the regulatory file review is to obtain sufficient information to assist the environmental professional in determining if a recognized environmental condition, historical recognized environmental condition, controlled recognized environmental condition or a de minimis condition exists at the subject property in connection with the listing. Phase Engineering, Inc. has provided copies of the relevant reviewed regulatory agency file information in Appendix III of this report. If this information has been determined to be of a file size that is impractical to provide in Appendix III, then this information will be provided at the request of the user of this report under separate cover. Some of the regulatory documentation has been deemed not to be reasonably ascertainable due to (1) information that is not publically available, (2) information that is not obtainable from its source within reasonable time and cost constraints, and (3) information that is not practically reviewable (ASTM Standard Practice E 1527-13 Section 8.1.4). If a regulatory agency file review is not warranted or is not reasonably ascertainable, then Phase Engineering, Inc. has provided an explanation within this report for not conducting the applicable regulatory agency file review.

5.2 Additional Environmental Record Sources

To enhance and supplement the ASTM E1527-13 standard environmental record sources specified in 8.2.1, local records and/or additional state or tribal records shall be checked when, in the judgment of the environmental professional, such additional records (1) are reasonably ascertainable, (2) are sufficiently useful, accurate and complete in light of the objective of the records review (see 8.1.1), and (3) are generally obtained, pursuant to local good commercial or customary practice, in initial environmental site assessments in the type of commercial real estate transaction involved. To the extent additional sources are used to supplement the same record types listed specified in 8.2.1, approximate minimum search distances should not be less than those specified above (adjusted as provided in 8.2.1 and 8.1.2.1). Phase Engineering has reviewed additional environmental record sources and has included these sources in this report when the record sources were reasonably ascertainable, sufficiently useful and generally obtained, pursuant to local good commercial or customary practice.

5.3 Physical Setting Sources

The following physical setting sources were searched and no environmental problems due to geologic, hydrogeologic, hydrologic, or topographic characteristics of the subject property were noted nor were conditions identified in which hazardous substances or petroleum products were likely to migrate to the property or from or within the property into the groundwater or soil except as noted. A copy of each source is included in Appendix I of this report.
<table>
<thead>
<tr>
<th>Topographic and Hydrogeologic Settings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Source Name</strong></td>
</tr>
<tr>
<td>USGS 7.5 Minute Topographic Map Tyler South, Texas 2016</td>
</tr>
</tbody>
</table>
| Current USGS Topographic Map | Elevation: Approximately 530-562 feet above mean sea level (msl)  
General Area Surface Gradient: Southeast |

**Groundwater Information**

| Texas Water Development Board (TWDB) Submitted Driller's Database | Depth: 10-20 feet below ground surface (bgs)  
Hydraulic Direction: Assumed to be consistent with topographic gradient |

**Geologic Formation**

<table>
<thead>
<tr>
<th>Formation Name</th>
<th>Formation Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sparta Sand (Es)</td>
<td>&quot;sandstone; quartz sand, very fine to fine grained, well sorted, micaceous, some silty clay partings and interbedded siltstone, light gray to very pale orange to grayish brown; weathers yellowish brown to reddish brown; thickness about 150-250 feet&quot;</td>
</tr>
</tbody>
</table>

Source: Geologic Database of Texas compiled by the USGS, TWDB, BEG (2007)  
<table>
<thead>
<tr>
<th>Underlying Aquifer(s)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aquifer Name</strong></td>
<td><strong>Aquifer Description</strong></td>
</tr>
<tr>
<td>Carrizo-Wilcox Aquifer</td>
<td>&quot;The Carrizo-Wilcox Aquifer is a major aquifer extending from the Louisiana border to the Mexican border in a wide band adjacent to and northwest of the Gulf Coast Aquifer. It consists of the Wilcox Group and the overlying Carrizo Formation of the Claiborne Group. The aquifer is primarily composed of sand locally interbedded with gravel, silt, clay, and lignite. Although the Carrizo-Wilcox Aquifer reaches 3,000 feet in thickness, the freshwater saturated thickness of the sands averages 670 feet. The groundwater, although hard, is generally fresh and typically contains less than 500 milligrams per liter of total dissolved solids in the outcrop, whereas softer groundwater with total dissolved solids of more than 1,000 milligrams per liter occurs in the subsurface. High iron and manganese content in excess of secondary drinking water standards is characteristic in the deeper subsurface portions of the aquifer, and portions of the aquifer in the Winter Garden area are slightly to moderately saline, with total dissolved solids ranging from 1,000 to 7,000 milligrams per liter. Irrigation pumping accounts for just over half the water pumped, and pumping for municipal supply accounts for another 40 percent. Water level declines have occurred in the Winter Garden area due to irrigation pumping and in the northeastern part of the aquifer due to municipal pumping. The planning groups recommended several water management strategies that use the Carrizo-Wilcox Aquifer, including developing new wells and well fields, withdrawing additional water from existing wells, desalinating brackish water, using surface water and groundwater conjunctively, reallocating supplies, and transporting water over long distances.&quot;</td>
</tr>
<tr>
<td>Queen City Aquifer</td>
<td>&quot;The Queen City Aquifer is a minor but widespread aquifer that stretches across the Texas upper coastal plain. Water is stored in the sand, loosely cemented sandstone, and interbedded clay layers of the Queen City Formation that reaches 2,000 feet in thickness in South Texas. Average freshwater saturation in the Queen City Aquifer is about 140 feet. Water is generally fresh, with an average concentration of total dissolved solids of about 300 milligrams per liter in the recharge zone and about 750 milligrams per liter deeper in the aquifer. Although salinity decreases from south to north, areas of excessive iron concentration and high acidity occur in the northeast. The aquifer is used primarily for livestock and domestic purposes, with significant municipal and industrial use in northeast Texas. However, water levels have remained fairly stable over time in the northern part of the aquifer. Water level declines are more common in the central (10 to 70 feet) and southern (5 to 130 feet) parts of the aquifer. The planning groups recommended several water management strategies that use the Queen City Aquifer, including drilling new and replacement wells, pumping additional water from existing wells, and temporary over-drafting.&quot;</td>
</tr>
</tbody>
</table>
Underlying Aquifer(s)

<table>
<thead>
<tr>
<th>Aquifer Name</th>
<th>Aquifer Description</th>
</tr>
</thead>
</table>

Flood Zone(s)

<table>
<thead>
<tr>
<th>Zone Designation</th>
<th>Zone Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone X (Unshaded)</td>
<td>Minimal risk areas outside the 1-percent and .2-percent-annual-chance floodplains. No BFEs or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.)</td>
</tr>
</tbody>
</table>

Source: Federal Emergency Management Agency (FEMA) Smith County, Texas Flood Insurance Rate Map (FIRM).
This data was obtained from the most current FEMA information available on line. Actual flood elevation should be obtained by a qualified survey or other professional.
During a flood event, the potential exists for the migration of hazardous substances and / or petroleum products to and / or from the subject property.

Near Surface Soils

<table>
<thead>
<tr>
<th>Soil Name(s)</th>
<th>Soil Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PkC - Pickton loamy fine sand, 1 to 6 percent slopes</td>
<td>The Pickton component makes up 80 percent of the map unit. Slopes are 1 to 6 percent. This component is on interflues on coastal plains. The parent material consists of loamy residuum weathered from sandstone and shale. Depth to a root restrictive layer is greater than 60 inches. The natural drainage class is well drained. Water movement in the most restrictive layer is moderately high. Available water to a depth of 60 inches (or restricted depth) is low. Shrink-swell potential is low. This soil is not flooded. It is not ponded. A seasonal zone of water saturation is at 60 inches during January, February, March, April. Organic matter content in the surface horizon is about 1 percent. This component is in the F133BY002TX Pinus Echinata-querus Incana/sassafras Albidum/schizachyrium Scoparium-ndonoscolus Texanus ecological site. Nonirrigated land capability classification is 3s. This soil does not meet hydric criteria.</td>
</tr>
<tr>
<td>FrB - Freestone fine sandy loam, 1 to 3 percent slopes</td>
<td>The Freestone component makes up 80 percent of the map unit. Slopes are 1 to 3 percent. This component is on stream terraces on coastal plains. The parent material consists of loamy alluvium. Depth to a root restrictive layer is greater than 60 inches. The natural drainage class is moderately well drained. Water movement in the most restrictive layer is moderately low. Available water to a depth of 60 inches (or restricted depth) is moderate. Shrink-swell potential is moderate. This soil is not flooded. It is not ponded. A seasonal zone of water saturation is at 33 inches during January, February, March, April, May, December. Organic matter content in the surface horizon is about 1 percent. This component is in the F133BY029TX Quercus Alba-pinus Taeda/callicarpa Americana/chasmanthium Sessiliflorum ecological site. Nonirrigated land capability classification is 2e. This soil does not meet hydric criteria. There are no saline horizons within 30 inches of the soil surface.</td>
</tr>
</tbody>
</table>
### Near Surface Soils

<table>
<thead>
<tr>
<th>Soil Name(s)</th>
<th>Soil Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>WoC - Wolfpen loamy fine sand, 1 to 5 percent slopes</td>
<td>The Wolfpen component makes up 88 percent of the map unit. Slopes are 1 to 5 percent. This component is on broad ridges on inland dissected coastal plains. The parent material consists of sandy and loamy fluviomarine deposits. Depth to a root restrictive layer is greater than 60 inches. The natural drainage class is well drained. Water movement in the most restrictive layer is moderately high. Available water to a depth of 60 inches (or restricted depth) is moderate. Shrink-swell potential is low. This soil is not flooded. It is not ponded. A seasonal zone of water saturation is at 65 inches during January, February, March, April, May, December. Organic matter content in the surface horizon is about 1 percent. Nonirrigated land capability classification is 3e. Irrigated land capability classification is 3e. This soil does not meet hydric criteria. There are no saline horizons within 30 inches of the soil surface.</td>
</tr>
</tbody>
</table>


### 5.4 Historical Use Information

Historical sources were consulted to develop a history of the previous uses of the property and the surrounding area, in order to help identify the likelihood of past uses having led to recognized environmental conditions in connection with the property. All obvious uses of the property were identified from the present, back to the property’s obvious first developed use, or back to 1940, whichever is earlier as per ASTM E 1527-13, Section 8.1.4, Reasonably Ascertainable / Standard Sources.

#### 5.4.1 Standard Historical Sources

The following historical sources were consulted to determine prior usage and potential areas of environmental problem areas:

#### 5.4.1.1 Aerial Photographs

Aerial photographs were reviewed for use which would indicate areas of environmental concern. The aerial photographs did not indicate any usage except as noted in this report and are included in Appendix I. The following aerial photographs were reviewed as part of this assessment:

<table>
<thead>
<tr>
<th>Aerial Photograph Year(s)</th>
<th>Improvement Type(s)</th>
<th>Identified Area(s) of Concern</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016, 2010, 2004 and 1995</td>
<td>No improvements</td>
<td>No areas of concern</td>
</tr>
<tr>
<td>1947</td>
<td>No improvements</td>
<td>No areas of concern</td>
</tr>
<tr>
<td>Aerial Photograph Year(s)</td>
<td>Improvement Type(s)</td>
<td>Identified Area(s) of Concern</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td><strong>Northeast Property</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016, 2010, 2004 and 1995</td>
<td>Residential improvements</td>
<td>Pipeline easement(s)</td>
</tr>
<tr>
<td>1983, 1978, 1971 and 1965</td>
<td>Residential improvements</td>
<td>Agricultural related activities and pipeline easement(s)</td>
</tr>
<tr>
<td>1947</td>
<td>No improvements</td>
<td>Pipeline easement(s)</td>
</tr>
<tr>
<td><strong>Southeast Property</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Southwest Property</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1983 and 1978</td>
<td>No improvements</td>
<td>Agricultural related activities</td>
</tr>
<tr>
<td>1971, 1965 and 1947</td>
<td>No improvements</td>
<td>No areas of concern</td>
</tr>
<tr>
<td><strong>Northwest Property</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016, 2010, 2004 and 1995</td>
<td>No improvements</td>
<td>No areas of concern</td>
</tr>
<tr>
<td>1947</td>
<td>No improvements</td>
<td>No areas of concern</td>
</tr>
</tbody>
</table>

### 5.4.1.2 Fire Insurance Maps

In the late nineteenth century, public entities and private companies began preparing maps of central business districts and other developed corridors for use by fire insurance companies and governmental
fire regulatory programs. These maps were updated and expanded geographically periodically throughout the twentieth century. The maps often indicate construction materials of specific building structures and the location of potential fire hazards such as gasoline tanks.

Fire insurance rate map coverage was not available for the subject property area.

5.4.1.3 Property Tax Files

Smith County Appraisal District tax records show that the subject property is owned by Mother Frances Hospital Regional. The property tax records are located in the Appendix.

5.4.1.4 Land Title Records & Environmental Lien Searches

A title commitment prepared by Old Republic National Title Insurance Company, dated November 23, 2018 was provided by the user of this report. The title commitment indicates that oil/gas exploration leases, oil/gas well site agreements and a permit for a pipeline valve feature were previously established for a subject property parent tract. No other recorded environmental liens, environmentally related activity, use limitations (AULs) or other environmental concerns were noted in the title commitment. No recognized environmental conditions appear to exist. A portion of the title commitment is located in the Appendix.

No recorded Institutional Controls or Engineering Controls (IC / EC) or Activity Use Limitations (AULs) were found as part of research of federal and state agencies.

5.4.1.5 USGS 7.5 Minute Topographic Map

Topographic maps were reviewed for use which would indicate areas of environmental concern. The topographic maps did not indicate any usage except as noted in this report and are included in Appendix I. The following topographic maps were reviewed for this assessment:

<table>
<thead>
<tr>
<th>Year</th>
<th>Indication of Environmental Concerns</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>No areas of environmental concern were shown on the subject property or adjoining properties.</td>
</tr>
<tr>
<td>1973 and 1966</td>
<td>Indication of pipeline(s) is shown traversing the north adjoining property(ies).</td>
</tr>
<tr>
<td>1949</td>
<td>No areas of environmental concern were shown on the subject property or adjoining properties.</td>
</tr>
</tbody>
</table>

5.4.1.6 Local Street Directories

Street directories were reviewed at a minimum of five year intervals and / or property use changes via Phone Disc, Cole's, Kriss Kross, Morrison and Fourmy's, Johnson,, Polk City Directories and / or other directory resources.

See Street directory summary table on the following page(s).
<table>
<thead>
<tr>
<th>Year</th>
<th>Subject Property</th>
<th>North Adjoining Property</th>
<th>East Adjoining Property</th>
<th>South Adjoining Property</th>
<th>West Adjoining Property</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Along Crow Road</td>
<td>10382 County Road 1211</td>
<td>2850 Crow Road</td>
<td>2850 Crow Road</td>
<td>2951 West Grande Boulevard</td>
</tr>
<tr>
<td></td>
<td>2850 Crow Road</td>
<td>Undeveloped land</td>
<td>Undeveloped land</td>
<td>Undeveloped land</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
</tr>
<tr>
<td>2014</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
</tr>
<tr>
<td>2010</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
</tr>
<tr>
<td>2004</td>
<td>NL</td>
<td>Residential</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
</tr>
<tr>
<td>1995</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
</tr>
<tr>
<td>1987</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
</tr>
<tr>
<td>1982</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
<td>NL</td>
</tr>
</tbody>
</table>
5.4.1.7 Other Historical Records

According to ASTM E 1527-13, other historical sources not already addressed in the standard include but are not limited to: Miscellaneous maps, newspaper archives, internet sites, community organizations, local libraries, historical societies and current owners or occupants of neighboring properties. No other historical records were reviewed for subject property, except for the following:

<table>
<thead>
<tr>
<th>Oil and Gas Well Map</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Item of Concern</strong></td>
<td><strong>Feature Present?</strong></td>
</tr>
<tr>
<td><strong>Subject Property</strong></td>
<td></td>
</tr>
<tr>
<td>Oil / gas well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Plugged well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Permitted location(s)</td>
<td>No</td>
</tr>
<tr>
<td>Dry hole(s)</td>
<td>No</td>
</tr>
<tr>
<td>Pipeline(s)</td>
<td>No</td>
</tr>
<tr>
<td>Other notable features</td>
<td>No</td>
</tr>
<tr>
<td><strong>Adjoining Properties</strong></td>
<td></td>
</tr>
<tr>
<td>Oil / gas well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Plugged well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Permitted location(s)</td>
<td>No</td>
</tr>
<tr>
<td>Dry hole(s)</td>
<td>No</td>
</tr>
<tr>
<td>Pipeline(s)</td>
<td>No A natural gas pipeline is displayed on the north adjoining properties.</td>
</tr>
<tr>
<td>Other notable features</td>
<td>No</td>
</tr>
</tbody>
</table>

The Texas Railroad Commission (RRC) map was reviewed for this assessment. Other water well map sources may be available for review. See map in Appendix I.

<table>
<thead>
<tr>
<th>Water Well Map</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Item of Concern</strong></td>
<td><strong>Feature Present?</strong></td>
</tr>
<tr>
<td><strong>Subject Property</strong></td>
<td></td>
</tr>
<tr>
<td>Water well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Monitoring well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Plugged well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Other notable features</td>
<td>No</td>
</tr>
<tr>
<td><strong>Adjoining Properties</strong></td>
<td></td>
</tr>
<tr>
<td>Water well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Monitoring well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Plugged well(s)</td>
<td>No</td>
</tr>
<tr>
<td>Other notable features</td>
<td>No</td>
</tr>
</tbody>
</table>

The Texas Water Development Board (TWDB) map was reviewed for this assessment. Other water well map sources may be available for review. See map in Appendix I.
5.4.2 Summary of Historical Information on Subject Property

Phase Engineering, Inc. has conducted thorough research including site observations, regulatory records review and review of reasonably ascertainable standard and other historical sources to determine current and past uses of the subject property. Standard and historical sources used to make these determinations include aerial photographs; topographic maps, city directories (if coverage is available); and / or, fire insurance rate maps (if coverage is available). The following are summaries of the subject property use:

<table>
<thead>
<tr>
<th>Year Range</th>
<th>Property Use(s)</th>
<th>Aerial Photos</th>
<th>Topo Maps</th>
<th>Fire Insurance Maps</th>
<th>Street Directories</th>
<th>Interviews</th>
<th>Regulatory Files / Prior Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1940s - 1980s</td>
<td>Undeveloped and agricultural land</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1980s - 2019</td>
<td>Undeveloped land</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
</tbody>
</table>

5.4.3 Summary of Historical Use Information on Adjoining Properties

Phase Engineering, Inc. has conducted thorough research including site observations, regulatory records review and review of reasonably ascertainable standard and other historical sources to determine current and past uses of adjoining properties. Standard and historical sources used to make these determinations include aerial photographs; topographic maps, city directories (if coverage is available); and / or, fire insurance rate maps (if coverage is available). The following are summaries of each adjoining property use:

<table>
<thead>
<tr>
<th>Direction</th>
<th>Historical Use Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northeast Adjoining Property</td>
<td>Crow Road, undeveloped and agricultural land and single family residential property</td>
</tr>
<tr>
<td>Southeast Adjoining Property</td>
<td>Undeveloped land</td>
</tr>
<tr>
<td>Southwest Adjoining Property</td>
<td>Undeveloped and agricultural land and a creek</td>
</tr>
<tr>
<td>Northwest Adjoining Property</td>
<td>Undeveloped and agricultural land</td>
</tr>
</tbody>
</table>

Summary of Environmental Concerns Identified During Historical and Other Records Review

Historical documentation indicates that past use of the subject property was agricultural land. Past use as agricultural land may have involved the storage and usage of pesticides, insecticides, herbicides, fungicides, fertilizers and / or other agricultural chemicals. No structures or areas that may have been utilized for storage or loading of these products were noted on historical information reviewed, interviews or during the site visit. These products are not considered a recognized environmental condition per Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) provided they were legally stored, processed and / or applied. Agricultural chemicals that may have been previously stored and / or applied at the subject property would likely have degraded due to surface runoff or atmospheric exposure since the subject property was last utilized for agricultural purposes. Additionally, contact to potentially remaining agricultural residual products would likely be limited during future anticipated development activities including import of engineered fill material and construction of onsite structures.
<table>
<thead>
<tr>
<th>Summary of Environmental Concerns Identified During Historical and Other Records Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Texas Railroad Commission (RRC) map shows a natural gas pipeline traversing the northeast</td>
</tr>
<tr>
<td>adjoining properties across Crow Road. Historical aerial photographs and topographic maps show</td>
</tr>
<tr>
<td>indications of the pipeline easement. No reported releases were found in connection with the pipeline</td>
</tr>
<tr>
<td>during records review conducted for this assessment.</td>
</tr>
<tr>
<td>A title commitment and related property ownership, leasing and access documentation provided to</td>
</tr>
<tr>
<td>Phase Engineering, Inc. by the client indicate that oil/gas leases, oil/gas drill site permits and pipeline</td>
</tr>
<tr>
<td>feature permits were granted at the subject property parent tract in the past. No oil / gas exploration</td>
</tr>
<tr>
<td>related surface features such as mud / reserve pits, tank batteries, oil / gas well pads or surface</td>
</tr>
<tr>
<td>salt-scarring were identified at the subject property or the adjoining properties from historical aerial</td>
</tr>
<tr>
<td>photographs or topographic maps.</td>
</tr>
</tbody>
</table>
6.0 Site Reconnaissance

6.1 Objective

The objective of the site reconnaissance is to obtain information indicating the likelihood of identifying recognized environmental conditions in connection with the subject property.

6.2 Observation, Methodology and Limiting Conditions

The property was visually and/or physically observed and any structure(s) located on the property to the extent not obstructed by bodies of water, adjacent buildings, or other obstacles was observed.

The periphery of the property was visually and/or physically observed, as well as the periphery of all structures on the property, and the property was viewed from all adjacent public thoroughfares.

On the interior of structures on the property, accessible common areas expected to be used by occupants or the public, maintenance and repair areas, including boiler rooms, and a representative sample of occupant spaces, were visually and/or physically observed. Areas beneath the floors, above ceilings, or behind walls were not observed unless additional services beyond the scope of work of ASTM E1527-13 were contracted for.

On February 12, 2019, the subject property was visually and physically observed and walked by Zahir Jamal of Phase Engineering, Inc. The environmental professional(s) responsible for this report, or a trained and qualified individual under their responsible charge, visually and physically observed the property and any structure(s) located on the property to the extent not obstructed by dense vegetation, bodies of water, adjoining buildings, and other obstacles.

100% visual and physical observation to the extent required by the ASTM Standard E1527-13.

The following limiting conditions were identified during the site reconnaissance:

<table>
<thead>
<tr>
<th>Limiting Condition(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vegetation / landscaping</td>
</tr>
<tr>
<td>Concrete / asphalt pavement</td>
</tr>
<tr>
<td>Stabilized gravel base</td>
</tr>
<tr>
<td>Pre-existing former building slabs</td>
</tr>
<tr>
<td>Existing buildings</td>
</tr>
<tr>
<td>Surface water features</td>
</tr>
<tr>
<td>Heavy equipment / existing inventory</td>
</tr>
<tr>
<td>Boundary fences / walls</td>
</tr>
<tr>
<td>Accumulation of snow or rainwater</td>
</tr>
<tr>
<td>Inaccessible onsite building interior</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

*Limiting condition is checked if present.*

6.3 Frequency

A single site visit was performed in connection with the Phase I Environmental Site Assessment on February 12, 2019.
6.4 Uses and Conditions

The uses and conditions should be noted to the extent visually and/or physically observed during the site visit. The uses and conditions should also be the subject of questions asked as part of interviews of owners, operator, and occupants. Uses and condition shall be described in the report. The environmental professional(s) performing the Phase I Environmental Site Assessment are obligated to identify uses and conditions only to the extent that they may be visually and/or physically observed on a site visit or to the extent that they are identified by the interviews.

Photographs of the subject property, adjoining properties and other key observed features are located in the appendix of this report.

The subject property was observed to be Approximately 5.00 Acres Located Along Crow Road West of Oak Hill Boulevard, Tyler, Texas and the current use(s) was/were observed to be Undeveloped land.

The following table summarizes addresses and general uses observed for the adjoining properties.

<table>
<thead>
<tr>
<th>Adjoining Property Details</th>
<th>Adjoining Property Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direction</strong></td>
<td><strong>Observed Address / Address Range</strong></td>
</tr>
<tr>
<td>Northeast</td>
<td>Address not listed</td>
</tr>
<tr>
<td>Northeast</td>
<td>10382 County Road 1211</td>
</tr>
<tr>
<td>Northeast</td>
<td>Address not listed</td>
</tr>
<tr>
<td>Southeast</td>
<td>Address not listed</td>
</tr>
<tr>
<td>Southwest</td>
<td>Address not listed</td>
</tr>
<tr>
<td>Northwest</td>
<td>Address not listed</td>
</tr>
</tbody>
</table>

6.4.1 Surrounding Property Uses

The current uses of properties in the surrounding area were observed to have included the following general categories:

<table>
<thead>
<tr>
<th>Surrounding Area Property Types</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residential Uses</strong></td>
</tr>
<tr>
<td>Multi-family</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>General Non-Residential Uses</strong></td>
</tr>
<tr>
<td>Commercial</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Civic Uses</strong></td>
</tr>
<tr>
<td>School</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>General Land Uses</strong></td>
</tr>
<tr>
<td>Undeveloped</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Large Scale Uses</strong></td>
</tr>
</tbody>
</table>

Phase Engineering, Inc. 201902015
### 6.5 Summary of Observations

The following is a summary of observations identified during the site reconnaissance:

#### Observation Summary

<table>
<thead>
<tr>
<th>Item of Concern</th>
<th>Observed Onsite</th>
<th>Observed Offsite</th>
<th>Release Indicated</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hazardous Substances / Petroleum Products in Connection with Present Use(s)</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Hazardous Substances / Petroleum Products in Connection with Prior Use(s)</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Geologic, Hydrogeologic and / or Topographic Conditions</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Underground Storage Tanks (USTs)</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Aboveground Storage Tanks (ASTs)</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Indications of Underground Storage Tanks</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Sumps, Floor Drains or Storm Water Drains</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Surface drainage is located on the southern section of the property.</td>
</tr>
<tr>
<td>Odors</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Pools of Liquid</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Drums</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Hazardous Substance and Petroleum Product Containers</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Unidentified Substance Containers</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Potential PCB Containing Equipment</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Clarifiers</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Pits, Ponds or Lagoons</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Stained Soil or Pavement</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Stressed Vegetation</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Solid Waste</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Old tires and house old trash were noted on the property.</td>
</tr>
<tr>
<td>Mounds, Stockpiled Soils, Filled or Graded Areas and Depressions</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Waste Water</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Water Wells</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Oil and Gas Wells</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Monitoring Wells</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Item of Concern</td>
<td>Observed Onsite</td>
<td>Observed Offsite</td>
<td>Release Indicated</td>
<td>Comments</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------------</td>
<td>------------------</td>
<td>-------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Observation Wells</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Injection Wells</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Pipelines</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Septic Systems</td>
<td>No</td>
<td>No</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>A creek runs along the adjoining southern boundary of the property.</td>
</tr>
</tbody>
</table>

**Summary of Critical Observed Areas of Environmental Concern**

Miscellaneous debris and old automotive tires were observed scattered on the surface of the subject property. No indications of dumping of hazardous substances or petroleum products or landfilling activities were identified in association with the debris.
7.0 Interviews

7.1 Owner, Key Property Manager and / or Occupant Interviews

<table>
<thead>
<tr>
<th>Interview Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
</tr>
<tr>
<td>02/07/19</td>
</tr>
<tr>
<td>02/08/19</td>
</tr>
</tbody>
</table>

Comments on interviews from items above:

Kyle Rutherford, property owner, indicated the following:

- The subject property currently and in the past was undeveloped land.
- No known environmental conditions are known to exist in connection with the subject property.
- No ASTs or USTs are currently or in the past have been located on the subject property.
- No municipal service utilities (potable water and sanitation) are provided on the subject property.
- Environmental assessment documentation or reports are not known to exist in connection with the subject property.
- Associated with the subject property for approximately 10 years.
- Unaware of any prior oil / gas exploration activities at the subject property.

See interviews, questionnaires and / or records of communication in the Appendix of this report.

7.2 State and / or Local Agency Officials Interviews

<table>
<thead>
<tr>
<th>Interview Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
</tr>
<tr>
<td>Local Fire Department</td>
</tr>
<tr>
<td>02/06/19</td>
</tr>
</tbody>
</table>

Local Health Department

| Date       | Name / Entity                   | Method of Contact | Response Status |
| 02/06/19   | City of Tyler, Code Enforcement | Website           | Received        |

Local Building Department Records / Permits Department

| Date       | Name / Entity                   | Method of Contact | Response Status |
| 02/06/19   | City of Tyler, Building Services | Website           | Received        |

Local Zoning / Planning Department

| Date       | Name / Entity                   | Method of Contact | Response Status |
| 02/06/19   | City of Tyler, Planning Dept    | Website           | Received        |

Comments on interviews from items above:

Fire department records have been requested from City of Tyler, Tyler Fire Dept. No responsive records were found.
Health / Environmental department records have been requested from City of Tyler, Code Enforcement. No environmental concerns were found.

Building department records have been requested from City of Tyler, Building Services. No responsive records were found.

The subject property is zoned AG-agricultural.

See interviews, questionnaires, records of communication, inquiries and / or Freedom of Information Act (FOIA) requests and any received response documentation in the Appendix of this report.

<table>
<thead>
<tr>
<th>Summary of Environmental Concerns Noted During Interviews / Inquiries</th>
</tr>
</thead>
<tbody>
<tr>
<td>No environmental concerns were identified during interviews or inquiries conducted as part of this assessment.</td>
</tr>
</tbody>
</table>
8.0 Findings with Opinions

Known or suspect environmental conditions associated with the subject property and the environmental professional’s opinion(s) of the impact on the property of known or suspect environmental conditions identified are as follows:

<table>
<thead>
<tr>
<th>FINDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Historical documentation indicates that the subject property was occupied by agricultural land in the past.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Standard Environmental Record Sources, Federal, State &amp; Tribal</th>
</tr>
</thead>
<tbody>
<tr>
<td>No regulatory agency listings were found in connection with this finding.</td>
</tr>
<tr>
<td>See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Records Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Historical documentation indicates that past use of the subject property was agricultural land. Past use as agricultural land may have involved the storage and usage of pesticides, insecticides, herbicides, fungicides, fertilizers and/or other agricultural chemicals. No structures or areas that may have been utilized for storage or loading of these products were noted on historical information reviewed, interviews or during the site visit. These products are not considered a recognized environmental condition per Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) provided they were legally stored, processed and/or applied. Agricultural chemicals that may have been previously stored and/or applied at the subject property would likely have degraded due to surface runoff or atmospheric exposure since the subject property was last utilized for agricultural purposes. Additionally, contact to potentially remaining agricultural residual products would likely be limited during future anticipated development activities including import of engineered fill material and construction of onsite structures.</td>
</tr>
<tr>
<td>See Section 5.4 for more information regarding historical sources reviewed during this assessment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Site Reconnaissance</th>
</tr>
</thead>
<tbody>
<tr>
<td>No features were observed to be associated with this finding during the site reconnaissance.</td>
</tr>
<tr>
<td>See Section 6.0 for more information regarding observations noted during the site reconnaissance.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interviews and/or Inquiries</th>
</tr>
</thead>
<tbody>
<tr>
<td>No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment.</td>
</tr>
<tr>
<td>See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPINION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase Engineering, Inc. has the opinion that based on lack of former onsite structures that may have potentially been utilized for storage or loading of agricultural chemicals and length of time since the subject property was utilized for agricultural purposes, it does not appear past use as agricultural land has impacted the subject property.</td>
</tr>
<tr>
<td>This does not represent a recognized environmental condition.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FINDING</th>
</tr>
</thead>
</table>
The Texas Railroad Commission (RRC) map and historical documentation indicate that a natural gas pipeline was located on the northeast adjoining properties.

**Standard Environmental Record Sources, Federal, State & Tribal**

No regulatory agency listings were found in connection with this finding. See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

**Records Review**

The Texas Railroad Commission (RRC) map shows a natural gas pipeline traversing the northeast adjoining properties across Crow Road. Historical aerial photographs and topographic maps show indications of the pipeline easement. No reported releases were found in connection with the pipeline during records review conducted for this assessment. See Section 5.4 for more information regarding historical sources reviewed during this assessment.

**Site Reconnaissance**

No features were observed to be associated with this finding during the site reconnaissance. See Section 6.0 for more information regarding observations noted during the site reconnaissance.

**Interviews and/or Inquiries**

No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment. See Section 7.0 for more information regarding interviews and inquiries conducted during this assessment.

**OPINION**

Phase Engineering, Inc. has the opinion that based on lack of reported releases, the subject property does not appear likely to have been impacted by the pipeline at the northeast adjoining properties. This does not represent a recognized environmental condition.

**FINDING**

Historical documentation indicates that leases and permits for oil/gas exploration related activities were granted at the subject property parent tract in the past.

**Standard Environmental Record Sources, Federal, State & Tribal**

No regulatory agency listings were found in connection with this finding. See Section 5.1 for more information regarding the regulatory agency documentation reviewed during this assessment.

**Records Review**

A title commitment and related property ownership, leasing and access documentation provided to Phase Engineering, Inc. by the client indicate that oil/gas leases, oil/gas drill site permits and pipeline feature permits were granted at the subject property parent tract in the past. No oil / gas exploration related surface features such as mud / reserve pits, tank batteries, oil / gas well pads or surface salt-scarring were identified at the subject property or the adjoining properties from historical aerial photographs or topographic maps. See Section 5.4 for more information regarding historical sources reviewed during this assessment.

**Site Reconnaissance**
No features were observed to be associated with this finding during the site reconnaissance. See Section 6.0 for more information regarding observations noted during the site reconnaissance.

<table>
<thead>
<tr>
<th>Interviews and/or Inquiries</th>
</tr>
</thead>
<tbody>
<tr>
<td>No details were identified in connection with this finding during interviews and/or inquiries conducted for this assessment. See Section 7.0 for more information regarding interviews and inquires conducted during this assessment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPINION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase Engineering, Inc. has the opinion that, based on the lack of identifiable oil / gas exploration related features from historical documentation, the subject property does not appear to have been impacted by oil / gas exploration activities. This does not represent a recognized environmental condition.</td>
</tr>
</tbody>
</table>
9.0 Conclusions

Phase Engineering, Inc. has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-13 of subject property and more fully described within the report. Any exception to, or deletions from, this practice are described in Section 2.0 of the report.

Recognized environmental condition is defined in ASTM Standard E 1527-13 as “the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment.” Phase Engineering, Inc. has considered all migration pathways including soil, groundwater and vapor during evaluation of all identified environmental conditions. This assessment has revealed no evidence of recognized environmental conditions in connection with the property.

A controlled recognized environmental condition (CREC) is defined in ASTM Standard E 1527-13 as “a recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls.” Controlled recognized environmental conditions are recognized environmental conditions. This assessment has revealed no evidence of controlled recognized environmental conditions in connection with the property.

A historical recognized environmental condition (HREC) is defined in ASTM Standard E 1527-13 as “a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls.” A historical recognized environmental condition is not a recognized environmental condition. This assessment has revealed no evidence of historical recognized environmental conditions in connection with the property.

De minimis conditions are defined in ASTM Standard E 1527-13 as conditions “that generally do not present a material risk of harm to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.” De minimis conditions are not recognized environmental conditions. This assessment has revealed no evidence of de minimis conditions in connection with the property.
## 10.0 Recommendations

<table>
<thead>
<tr>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>The following recommendation is made with respect to the environmental aspects of the subject property:</td>
</tr>
<tr>
<td>No further investigation is required to identify a recognized environmental condition.</td>
</tr>
</tbody>
</table>
11.0 Deviations

11.1 Scope of Services
There were no significant deletions or deviations from the ASTM Standard E 1527-13 scope of services.

11.2 Client Constraints
Client and/or user imposed constraints consisted of the following:

• There were no user constraints.
12.0 Qualifications

The statement of qualifications of the environmental professionals responsible for the Environmental Site Assessment is included in the Appendix of this report.
13.0 Environmental Professional and Support Staff Statement(s)

I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

I further declare that, to the best of my professional knowledge and belief, I meet the definition of Environmental Professional as defined in §312.10 of 40 CFR 312.

Inspected By:

Zahir Jamal

Reviewed By:

Janis Franklin, P.G.

Reviewed By:

Tracy Watson

I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Prepared By:

Thomas Buechele
14.0 Non-Scope Considerations

The ASTM Standard E 1527-13 Section 13.1.5 has identified several non-scope considerations that persons may want to assess in connection with commercial real estate. No implication is intended as to the relative importance or inquiry into such non-scope considerations, and this list of non-scope considerations is not intended to be all inclusive:

- Asbestos-containing building materials
- Biological agents
- Cultural and historic resources
- Ecological resources
- Endangered species
- Health and safety
- Indoor air quality unrelated to release of hazardous substances or petroleum products into the environment
- Industrial hygiene
- Lead-based paint
- Lead in drinking water
- Mold
- Radon
- Regulatory compliance
- Wetlands

Additional non-scope issues that are not addressed in this report are:

- Activity and use limitations compliance
- Controlled substances unless this report was prepared as part of an EPA Brownfields Assessment and Characterization Grant awarded under CERCLA 42 U.S.C. §9604(k)(2)(B) and contracted for as such in the letter of engagement
- Earthquake and Fault Zones

A discussion of certain non-scope items are included below for guidance for a user of this report to determine is additional inquiry may be appropriate. There may be standards or protocols for assessment of potential hazards and conditions associated with non-scope conditions developed by governmental entities, professional organizations, or other private entities. No implication is intended as to the relative importance of inquiry into such non-scope considerations.

14.1 Asbestos-Containing Building Materials

Asbestos is a commercial term for a group of silicate minerals that readily separate into thin, strong fibers that are flexible, heat resistant, and chemically inert, and are used in a wide variety of industrial products. Of the six asbestos minerals, chrysotile, amosite, and crocidolite have been most commonly used in building products. When inhaled or ingested, it has been determined that asbestos fibers can cause serious health problems. A building owner and/or manager is required to follow all federal, state, and local rules and regulations pertaining to asbestos containing building materials.

Due to the fact that the subject property consists of undeveloped land and no structures are present at the subject property, an asbestos inspection is not recommended nor conducted as part of this assessment.

14.2 Cultural and Historical Resources

When projects are funded in whole or in part through federal programs, such as HUD or USDA, a Section
106 consultation process in compliance with the National Historic Preservation Act must be completed. In July 2014, a memorandum between the Texas State Historic Preservation Officer (SHPO) and HUD was released providing guidelines for consulting with the SHPO to meet Section 106 requirements.

For the purposes of this review the Area of Potential Effects (APE) has been defined as the boundaries of the subject property and adjacent properties. Phase Engineering, Inc. reviewed the Texas Historic Sites Atlas on the Texas Historical Commission (THC) website for potential historic properties or districts located within the project’s APE. In addition, any properties identified as older than 45-years or local historic districts within the APE were noted during the site reconnaissance. See Historical and Archaeological Sites Map in the Appendix.

If funding or permitting through a federal agency is anticipated, a Section 106 Consultation form with supporting documentation can be submitted to the SHPO in addition to this review. The Section 106 consultation will also include an invitation to comment submitted to a local historic preservation office and Native American Tribes. A Section 106 Consultation was not conducted as part of this assessment.

14.3 Endangered Species

The Endangered Species Act of 1973 was established to provide protection and recovery for a list of specific species and their ecosystems. An endangered species is defined as an animal or plant species which are in danger of extinction throughout all or a significant portion of its range. A threatened species is one which is likely to become endangered in the foreseeable future. A review of the listed species for the project area and assessment of the potential impacts of the proposed project to these species was not completed as part of this review.

Critical Habitat is a specific geographic area(s) that has been designated by the United States Fish and Wildlife Service (USFW) which is essential for the conservation of a listed threatened or endangered species and may require special management and protection. The subject property does not contain an area determined to be critical habitat according to our review of the USFW Critical Habitat Portal.

See Critical Habitat Map in the Appendix.

14.4 Lead-Based Paint

Lead is a metal that is highly toxic to humans, particularly children, and was used for many years in products found in construction. Lead may cause a range of health effects, from behavioral problems and learning disabilities, to seizures and death. Children six years old and under are most at risk. Human contamination usually occurs by oral ingestion or respiratory inhalation of dust or chips of paint made with lead pigment in both interior and exterior paints and finishes. A building owner and/or manager is required to follow all federal, state, and local rules and regulations pertaining to lead-based paint.

Due to the fact that the subject property consists of undeveloped land and no structures are present, a visual lead based paint inspection is not recommended nor conducted as part of this assessment.

14.5 Lead in Drinking Water

Lead is a toxic metal found in natural deposits and is commonly used in plumbing materials and water service lines. Construction built before 1986 is more likely to have lead pipes, fixtures and solder. Lead is rarely found in source water, but enters tap water through corrosion of plumbing materials. All public water systems must test for lead within their distribution system in compliance with the EPA’s Lead and Copper Rule. Phase Engineering, Inc. reviewed the 2017 Annual Drinking Water Quality Report for the City of Tyler. According to the report, lead is not reported above the maximum contamination level (MCL) in the samples tested.
There are currently no buildings located at the subject property. Phase Engineering, Inc. has the opinion that based on lack of on-site buildings, tests to determine lead in the drinking water at the subject property would not be necessary. See Drinking Water Quality Report in the appendix.

14.6 Radon

The U.S. EPA and the U.S. Geological Survey evaluated the radon potential in the U.S. and developed a map to assist National, State and local organizations to target their resources and to assist building code officials in deciding whether radon-resistant features are applicable in new construction. The map assigns each of the 3,141 counties in the U.S. to one of three zones based on radon potential. Each zone designation reflects the average short-term radon measurement that can be expected to be measured in a building without the implementation of radon control methods. See the Texas Radon Map located in the Appendix.

In 1994, a statewide survey of indoor residential radon was conducted by the Texas Department of Health and Southwest Texas State University. The report identified several areas of Texas where the local geology is suspected to contribute to elevated levels of indoor radon.

Projects funded by FHA Multifamily Insured mortgage applications must comply with Section 9.5.C of the Multifamily Accelerated Processing (MAP) Guide, which requires post-construction radon testing is required for all new construction projects located within Radon Zone 3. The radon testing must be performed in accordance to the ANSI/AARST protocol for conducting radon and radon decay product measurements in multi-family buildings.

See preliminary findings and requirement for radon testing from the EPA Radon Map and Texas Statewide Survey in the table below:

<table>
<thead>
<tr>
<th>EPA Radon Zone Designation</th>
<th>Percent of Properties &gt;4.0 pCi/L per Statewide Survey</th>
<th>Maximum Reported Level per Statewide Survey pCi/L</th>
<th>Requirement for Radon Testing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smith County</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zone 3 - Low Potential (&lt;2 pCi/L)</td>
<td>0</td>
<td>3.7</td>
<td>Marginal (0-10% of properties surveyed &gt;4.0 pCi/L)</td>
</tr>
</tbody>
</table>

14.7 FEMA Flood Insurance Rate Map

The subject property is in Unshaded Zone X (outside of the 100 and 500-year floodplains) as delineated on the FEMA FIRM Map Number 48423C0365D, with an effective date of April 16, 2014. The subject property is not located in a FEMA-designated Special Flood Hazard Area and flood insurance or mitigation for flood impacts are not required.

14.8 Wetlands

The U.S. Army Corps of Engineers (USCOE) requires permitting prior to the filling of certain jurisdictional wetland areas and other waters of the U.S. Geospatial wetland data is managed by the U.S. Fish and Wildlife Service and presented in maps known as the National Wetland Inventory (NWI). A review of the NWI map indicates a stream traverses the southern portion of the subject property with a linear wetland feature depicted as PFO1A (Palustrine – Forested – Broad-Leaved Deciduous – Temporarily Flooded).
An on-site wetlands determination assessment is recommended to determine if all characteristics for a wetland are present at the subject property.

The USCOE and the U.S. Environmental Protection Agency use three characteristics as indicators of wetlands. These characteristics are: Vegetation, Soil, and Hydrology. The final determination of whether an area is a wetland and whether the activity requires a permit must be made by the appropriate Corps District Office (source: Corps of Engineers Wetlands Delineation Manual). A wetlands determination was not conducted as part of this assessment.

See NWI Map in the Appendix.

14.9 Vapor Encroachment Screening

A vapor encroachment condition (VEC) is the presence or likely presence of hazardous substances or petroleum products vapors in the sub-surface of a property caused by the release of vapors from contaminated soil or groundwater either on or near the property. Vapor intrusion is the presence of such vapors in a building or structure located on a property. Although the vapor migration pathway is considered in the identification of recognized environmental conditions under ASTM Standard E 1527-13 and in this report, a Tier 1 Vapor Encroachment Screening (VES) assessment was conducted as part of this report. The VES was conducted in accordance with ASTM E2600-15 (the subsequent standard of ASTM 2600-10), Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions.

The following table includes an evaluation of Standard Environmental Record Sources and the approximate minimum search distances as listed in subsection 8.3.2, of ASTM E2600:

<table>
<thead>
<tr>
<th>Vapor Encroachment Regulatory Database Search Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Databases</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>FEDERAL SITES</strong></td>
</tr>
<tr>
<td>Federal NPL (Superfund)</td>
</tr>
<tr>
<td>Federal CERCLA (Active)</td>
</tr>
<tr>
<td>Federal Resource Conservation and Recovery Act (RCRA) CORRACTS facilities</td>
</tr>
<tr>
<td>Federal RCRA Non-CORRACTS Treatment, Storage and Disposal facilities (TSD)</td>
</tr>
<tr>
<td>Federal RCRA Generators of Hazardous Wastes</td>
</tr>
<tr>
<td>Federal Institutional Control / Engineering Control Registries</td>
</tr>
<tr>
<td>Federal ERNS (Reported Spill Incidents)</td>
</tr>
<tr>
<td><strong>STATE AND TRIBAL SITES</strong></td>
</tr>
<tr>
<td>State / Tribal Equivalent NPL</td>
</tr>
<tr>
<td>State / Tribal Equivalent CERCLIS Sites</td>
</tr>
<tr>
<td>Landfills or Solid Waste Disposal Sites</td>
</tr>
<tr>
<td>Leaking Storage Tank Sites</td>
</tr>
</tbody>
</table>
No sites were identified during the regulatory database search that would pose a VEC to the subject property, based on the critical distance evaluation.

Based on resources reviewed, it is the opinion of Phase Engineering, Inc. a VEC does not exist due to the lack of evidence that COC vapors may be present in the subsurface of the target property caused by a release of vapors from contaminated soil or groundwater or both either on or near the subject property as identified by the Tier 1 VES procedures. Additional Vapor Encroachment Screening procedures are not warranted at this time.

### 14.10 Noise Study

Phase Engineering, Inc. has conducted a noise survey for the subject property in accordance with the Noise Assessment Guidelines provided by the U.S. Department of Housing and Urban Development (HUD). Noise Assessment Locations (NALs) were selected on the property based on proximity to the noise sources and identified on the Noise Sources Map provided in the Appendix.

The noise sources within the prescribed distances include the following:

<table>
<thead>
<tr>
<th>Identified Noise Sources</th>
<th>Source Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Road(s)</td>
<td>No major roads were identified within 1,000 feet from the subject property</td>
</tr>
<tr>
<td>Railroad(s)</td>
<td>No railroads were identified within 3,000 feet from the subject property</td>
</tr>
<tr>
<td>Airport(s)</td>
<td>One major civil and no military airports were identified within 15 miles from the subject property: Tyler Pounds Regional. A map showing the noise contours for the airport was not available for review; however, since the property is well beyond 3 miles from the airport, noise from aircraft operations is unlikely to have any significant impact to the subject property.</td>
</tr>
</tbody>
</table>

No major noise sources are located within the minimum search radius from the subject property, thus the noise value is considered “Acceptable” based on the HUD guidelines. No additional noise assessment is required.

### 14.11 Explosive and Flammable Hazards

Under Section 2 of the Housing Act of 1949 (42 U.S.C. 1441) and the subsequent Housing and Community Development Acts of 1968, 1969, and 1974, the Department of Housing and Urban Development is
mandated to assure the goal of a “decent home and a suitable (safe and healthy) living environment.” The Regulation, “Siting of HUD-Assisted Projects Near Hazardous Operations Handling Petroleum Products or Chemicals of an Explosive or Flammable Nature” (24 CFR Part 51 Subpart C) and the Guidebook represent another step by the Department toward the objective. Although the Regulation and Guidebook apply specifically to all HUD-assisted projects, the application of these standards can be used by anyone concerned with the safe siting of new residential development.

Per 24 CFR Part 51, a hazard is defined as any stationary container which stores, handles or processes hazardous substances of an explosive or fire prone nature. The term “hazard” does not include pipelines for the transmission of hazardous substances, if such pipelines are located underground or comply with applicable Federal, State and local safety standards. Also excepted are: (1) Containers with a capacity of 100 gallons or less when they contain common liquid industrial fuels, such as gasoline, fuel oil, kerosene and crude oil since they generally would pose no danger in terms of thermal radiation of blast overpressure to a project; and (2) facilities which are shielded from a proposed HUD-assisted project by the topography, because these topographic features effectively provide a mitigating measure already in place.

A transmission pipeline operated by Atmos Pipeline Texas was identified 310-feet north of the subject property. Based on information reported to the Texas Railroad Commission, the commodity transported within this pipeline is natural gas, which is not a highly volatile liquid (HVL), therefore the pipeline does not represent a hazard to the subject property. The location of the pipeline is shown on the Digital Well Location and Pipeline Mapping exhibit and the Explosive and Flammable Facilities Map found in the Appendix.

A 250-gallon aboveground storage tank (AST) containing propane was found 940-feet northeast of the subject property on land occupied by a single-family residence. The potential blast zone for the propane tank was calculated using the Acceptable Separation Distance (ASD) Electronic Assessment Tool located on HUD’s website at http://www.hud.gov/offices/cpd/environment/asd_calculator.cfm. The ASD for thermal radiation for people (ASDPPU) was determined to be 156-feet from the location of the propane tank. This hazard area is over 800-feet from the subject property and does not pose a hazard. See the ASD Drawing included in Appendix V.

No oil, gas or chemical pipelines, processing facilities, storage facilities or other potentially hazardous explosive activities on-site or in the general area of the site that could potentially adversely impact the subject property were noted on historical information reviewed, interviews or during the site visit.
15.0 Common Acronyms

AAI – All Appropriate Inquiry
ACBM – Asbestos Containing Building Material
AST – Aboveground Storage Tank
AUL – Activity and Usage Limitation
BF – Brownfield
BTEX – Benzene, Toluene, Ethyl benzene and Xylenes
CDC – Certified Development Corporation
CERCLA – Comprehensive Environmental Response, Compensation and Liability Act
CERCLIS – Comprehensive Environmental Response, Compensation and Liability Information System
CERCLIS NFRAP - Comprehensive Environmental Response, Compensation and Liability Information System with No Further Remedial Action Planned
CLI – Closed Landfill Inventory
CORRACTS – Corrective Action (RCRA)
CREC – Controlled recognized environmental condition
EC – Engineering Control
EPA – Environmental Protection Agency
ERNS – Emergency Response Notification System
FOIA – Freedom of Information Act
GWBZ – Groundwater Bearing Zone
HREC – Historical recognized environmental condition
IC – Institutional Control
IHW – Industrial Hazardous Waste
IOP – Innocent Owner / Operator Program
LPST – Leaking Petroleum Storage Tank
MUD – Municipal Utility District
MSD – Municipal Settings Designation
MSL – Mean Sea Level
MTBE – Methyl tert butyl ether
NAPL – Non-aqueous Phase Liquids
NPL – National Priority List
NRCS – Natural Resource Conservation Service
OSHA – Occupational Safety and Health Administration
PAH – Polycyclic Aromatic Hydrocarbons
PCB – Polychlorinated Biphenyls
PCE – Perchloroethene (Tetrachloroethene)
PPM – Parts Per Million
PSH – Phase Separated Hydrocarbons
PUD – Public Utility District
RCRA – Resource Conservation and Recovery Act
REC – Recognized environmental condition
SBA – Small Business Administration
SCL – State CERCLIS List
SPL – State Priority List
SVOC – Semi-Volatile Organic Compounds
SWLF – Solid Waste Landfill
TCEQ – Texas Commission on Environmental Quality
TDSHS – Texas Department of State Health Services
TNRCC – Texas Natural Resource Conservation Commission
TNRIS – Texas Natural Resource Information System
TPH – Total Petroleum Hydrocarbons
TSD – Treatment, Storage and Disposal (RCRA)
TWC - Texas Water Commission
TWDB - Texas Water Development Board
USACOE – United State Army Corps of Engineers
USDA – United States Department of Agriculture
UST – Underground Storage Tank
USGS – United States Geological Survey
VCP – Voluntary Cleanup Program
VEC – Vapor Encroachment Condition
VOC – Volatile Organic Compounds
WMU – Waste Management Unit
Location: Approximately 5 acres along Crow Road West of Oak Hill Boulevard
Tyler, TX 75703

PEI Project No: 201902015
SITE SKETCH

Location: Approximately 5 acres along Crow Road West of Oak Hill Boulevard
Tyler, TX 75703

PEI Project No: 20190215

Note: Property location and boundary are representative only.
2016 NAIP Orthoimagery

Source: TNRIS WMS

Copyright ©2016 Phase Engineering, Inc.

PEI Project No: 201902015
2004 NAIP NC Imagery

Source: TNRIS WMS

Copyright ©2016 Phase Engineering, Inc.

PHASE ENGINEERING, INC.
ENVIRONMENTAL CONSULTANTS

PEI Project No: 20190215
1978 Aerial Photograph

Source: USGS Earth Explorer

PEI Project No: 201902015
USDA NRCS SSURGO
Database of Texas

The "Gridded Soil Survey Geographic (gSSURGO) Database State-tile Package" product is derived from the Soil Survey Geographic Database. SSURGO is generally the most detailed level of soil geographic data developed by the National Cooperative Soil Survey (NCSS) in accordance with NCSS mapping standards. SSURGO is designed to be used for broad planning and management uses.

Sources: NRCS, USGS NHD

Geologic Database of Texas

The Geologic Database of Texas was produced in cooperation with the US Geological Survey (USGS), and the Texas Water Development Board (TWDB) utilizing the 28 Geologic Atlas of Texas sheets (Texas Bureau of Economic Geology, Virgil Barnes, editor). These were compiled into separate geodatabases and then into a single Statewide Digital Geologic Atlas of Texas. This dataset is distributed through TNRIS.

Sources: TNRIS, USGS NHD

Copyright ©2016 Phase Engineering, Inc.
Topographic Map

The U.S. Geological Survey (USGS) produced its first topographic map in 1879, the same year it was established. Today, more than 100 years and millions of map copies later, topographic mapping is still a central activity for the USGS. The topographic map remains an indispensable tool for government, science, industry, and leisure.

Topographic maps usually portray both natural and manmade features. They show and name works of nature including mountains, valleys, plains, lakes, rivers, and vegetation. They also identify the principal works of man, such as roads, boundaries, transmission lines, and major buildings. The colors represent the following: Contours - brown, Hydrography - blue, Public Land Survey System and other surveys - red, Updates - purple/magenta, Miscellaneous - black, and Vegetation - green.

USGS 7.5 Minute Topographic Series
Tyler South, 2016
Topographic Map

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USGS 7.5 Minute Topographic Series
Tyler South, 1973
The U.S. Geological Survey (USGS) produced its first topographic map in 1879, the same year it was established. Today, more than 100 years and millions of map copies later, topographic mapping is still a central activity for the USGS. The topographic map remains an indispensable tool for government, science, industry, and leisure.

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**USGS 7.5 Minute Topographic Series**

**Tyler South, 1966**
Topographic Map

The U.S. Geological Survey (USGS) produced its first topographic map in 1879, the same year it was established. Today, more than 100 years and millions of map copies later, topographic mapping is still a central activity for the USGS. The topographic map remains an indispensable tool for government, science, industry, and leisure.

Topographic maps usually portray both natural and manmade features. They show and name works of nature including mountains, valleys, plains, lakes, rivers, and vegetation. They also identify the principal works of man, such as roads, boundaries, transmission lines, and major buildings. The colors represent the following: Contours - brown, Hydrography - blue, Public Land Survey System and other surveys - red, Updates - purple/magenta, Miscellaneous - black, and Vegetation - green.

USGS 15 Minute Topographic Series
Tyler, 1949
Texas Aquifer Zones - TWDB 2017 State Water Plan

The Texas Water Development Board (TWDB) has identified and characterized 9 major and 22 minor aquifers in the state based on the quality of water supplied by each. A major aquifer is generally defined as supplying large quantities of water in small areas or relatively small quantities in large areas. The major and minor aquifers, as presently defined, underlie approximately 81 percent of the state. Lesser quantities of water may also be found in the remainder of the state.
FEMA Flood Map

Flood hazard areas identified on the Flood Insurance Rate Map are identified as a Special Flood Hazard Area (SFHA). SFHA are defined as the area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to as the base flood or 100-year flood. SFHAs are labeled as Zone A, Zone AO, Zone AH, Zones A1-A30, Zone VE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. Moderate flood hazard areas, labeled Zone B or Zone X (shaded) are also shown on the FIRM, and are the areas between the limits of the base flood and the 0.2-percent-annual-chance (500-year) flood. The areas of minimal flood hazard, which are the areas outside the SFHA and higher than the elevation of the 0.2-percent-annual-chance flood, are labeled Zone C or Zone X (unshaded).

Special Flood Hazard Areas Subject to inundation by the 1% annual chance Flood Event (100-year flood). The 1% annual chance flood, also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. SFHA includes A, AE, AH, AO, AR, A99, V, and VE.

Moderate Flood Hazard Areas - Areas of 0.2% (500-year) annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.

Floodway Areas in Zone AE - The floodway is the channel of a stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without substantial increases in flood heights.

Minimal Flood Hazard Areas - Areas determined to be outside the 0.2% (500-year) annual chance floodplain and protected by levee from 100-year flood.

Area Not Included
Texas Railroad Commission

Oil and gas well data and pipeline datasets were generated by the Geographic Information System of the Railroad Commission of Texas from public records at the Railroad Commission of Texas (the Commission). Each location is identified using the American Petroleum Institute (API) number of the wellbore. The Railroad Commission issues pipeline permits for common carrier operations within Texas. Permits must be renewed annually.

Digital Oil and Gas Wells

- **Permitted Location**
- **Dry Hole**
- **Oil Well**
- **Gas Well**
- **Oil/Gas Well**
- **Plugged Oil Well**
- **Plugged Gas Well**
- **Cancelled Location**
- **Injected Oil/Gas Well**
- **Core Test**
- **Directional Surface Location**
- **Sulfur Core Test**
- **Storage from Oil**
- **Shut-In Well (Oil)**
- **Shut-In Well (Gas)**
- **Injection/Disposal from Oil**
- **Injection/Disposal from Gas**
- **Injection/Disposal from Oil/Gas**
- **Core Test**
- **Directional Surface Location**
- **Sulfur Core Test**
- **Storage from Oil**
- **Shut-In Well (Oil)**
- **Shut-In Well (Gas)**
- **Injection/Disposal from Oil**
- **Injection/Disposal from Gas**
- **Injection/Disposal from Oil/Gas**
- **Core Test**
- **Directional Surface Location**
- **Sulfur Core Test**
- **Storage from Oil**
- **Shut-In Well (Oil)**
- **Shut-In Well (Gas)**
- **Injection/Disposal from Oil**
- **Injection/Disposal from Gas**
- **Injection/Disposal from Oil/Gas**
- **Core Test**
- **Directional Surface Location**
- **Sulfur Core Test**
- **Storage from Oil**
- **Shut-In Well (Oil)**
- **Shut-In Well (Gas)**
- **Injection/Disposal from Oil**
- **Injection/Disposal from Gas**
- **Injection/Disposal from Oil/Gas**

Digital Pipeline Mapping

- **AA** **ANYHYDROUS AMMONIA**
- **CO2** **CARBON DIOXIDE**
- **CRD** **CRUDE OIL**
- **CFL** **CRUDE OIL**
- **CRUDE FWS**
- **HVL** **HIGHLY VOLATILE LIQUID**
- **PRD** **REFINED LIQUID PRODUCT**
- **NG** **NATURAL GAS**
- **NGT** **NATURAL GAS**
- **NFG** **NATURAL GAS FWS**
- **NFT** **NATURAL GAS FWS**
- **OGT** **OTHER GAS**
- **OGG** **OTHER GAS**
- **EMT** **EMPTY**

Source: Texas Railroad Commission (RRC) 1:12,000 Copyright ©2016 Phase Engineering, Inc.
## GIS Identify Results - Pipeline Attributes

| COUNTY_FIPS | 423          |
| OPERATOR    | ATMOS PIPELINE - TEXAS |
| COMMODITY   | NATURAL GAS    |
| COMMODITY DESCRIPTION | NATURAL GAS    |
| SYSTEM TYPE | Gas Transmission |
| SYSTEM NAME | S2             |
| SUBSYSTEM NAME | S2             |
| DIAMETER    | 14            |
| P5 NUMBER   | 036599        |
| T4PERMIT    | 00578         |
| T4PERMIT MILES | 7.15        |
| STATUS      | In Service    |
| INTERSTATE  | No            |
Texas Water Wells with MSD and Superfund Site Boundaries

- **TCEQ Public Water Supply Wells (PWS)**
  The public water systems data was developed to support the TCEQ's Source Water Assessment and Protection Program (SWAP). The locations were obtained by the Water Supply Division as recorded from various sources. This layer was built using the best existing location data available but some errors still remain.

- **USGS National Water Inventory System (NWIS)**
  The National Water Information System (NWIS) provides access to USGS water data at over 1.5 million sites. This extensive database for the nation includes the occurrence, quantity, quality, distribution and movement of surface and underground waters.

- **TWDB Groundwater Database (GWDB)**
  The Groundwater Database (GWDB) of the Texas Water Development Board (TWDB) contains information about more than 130,000 water well, spring, and oil/gas test sites in Texas including associated water level and water quality data. Because data collection methods and data maintenance have varied and evolved over the years, the information in the GWDB has a range of accuracy.

- **TWDB Brackish Groundwater (BRACS)**
  The Brackish Resources Aquifer Characterization System (BRACS) Database was designed to store well and geochemistry information in support of projects to characterize the brackish groundwater resources of Texas. Brackish groundwater contains dissolved minerals in the range of 1,000 to 9,999 milligrams per liter (mg/L).

**TWDB Submitted Drillers Reports Database (SDRDB)**

- **Well Locations**
- **Plugging Locations**

**TCEQ MSD Boundary**

An MSD is an official state designation given to property within a municipality or its extraterritorial jurisdiction that certifies that designated groundwater at the property is not used as potable water, and is prohibited from future use as potable water because that groundwater is contaminated in excess of the applicable potable-water protective concentration level. The prohibition must be in the form of a city ordinance, or a restrictive covenant that is enforceable by the city and filed in the property records.

**State and Federal Superfund Sites**

TCEQ Superfund Sites includes both State and Federal sites in the State of Texas that have been designated as Superfund cleanup sites. Federal Superfund sites have a Hazardous Ranking System score of 28.5 or above and are also on the NPL.
1. View of northwest corner of property from Crow Road

2. View along Crow road facing southeast
3. View along Crow road facing northwest

4. View of property facing southeast from northwest corner
5. View south along northwest property boundary

6. View of surface drainage along the southeast section of property
7. View along the south adjoining creek facing southeast

8. View northwest along of surface feature at southeast portion of property
9. Trash on the property

10. Old rug on the property
11. Metal roller on the property

12. Old tires on the property
13. Southeast adjoining undeveloped land

14. View along the southeastern boundary of property facing northeast
15. Old tires on the property

16. View of northeast corner of property facing south from Crow Road
17. View of adjoining single family residential property on the north

18. View along adjoining County Road 1211 facing north
### Ownership Information

<table>
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<tr>
<th>YEAR</th>
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<th>OWNER</th>
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<td>13610</td>
<td>H-20.1B</td>
<td>ABST A0624 M UNIVERSITY</td>
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### Preliminary Values

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<th>MARKET VALUE</th>
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<td>(+)</td>
<td>(=) $0</td>
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### Jurisdictions

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<th>COLLEGE</th>
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<td>CITY OF TYLER</td>
<td>TYLER ISD</td>
<td>TYLER JR. COLLEGE</td>
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* For Actual Tax Levy contact Gary Barber Tax Assessor/Collector at (903) 590-2920.

Tax amounts shown are Estimates prepared by Smith County Appraisal District.

### Legal Information

<table>
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<tr>
<th>RECORDING DATE</th>
<th>INSTRUMENT</th>
<th>VOLUME NUMBER</th>
<th>PAGE NUMBER</th>
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<td>8/25/2008</td>
<td>SWD 39992</td>
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### Exemptions

- HOMESTEAD APPLICATION FORM

### Dwelling Information
PROJECT SUMMARY:
Site Area- 5.00 acres +/- (approx 217,588 sf)

Units-
26 2Bedroom (34%)
44 1Bedroom (66%)
70 Total Units

Parking-
108 Spaces (1.51 spaces per unit)
8 HC Parking Spaces (7%)

Site- 217,588 sf +/- (5.00 acres)

Scale: 1"=60'-0"
PROJECT SUMMARY:
Site Area - 4.91 acres +/- (approx 213,711 sf)

Units -
24 2Bedroom (34%)
50 1Bedroom (66%)
74 Total Units

Parking -
116 Spaces (1.57 spaces per unit)

Senior Housing: Tyler, Texas, version 2
for Rea ventures
October 5, 2018

PRAXIS3 architecture
COMMITMENT FOR TITLE INSURANCE

Commitment Jacket
SCHEDULE A

Effective Date: November 23, 2018, 08:00 am

G.F. No. or File No. 5141003504

Commitment No. _______________________ issued: December 12, 2018, 08:00 am
(if applicable)

1. The policy or policies to be issued are:
   (a) OWNER’S POLICY OF TITLE INSURANCE (Form T-1)
       (Not applicable for improved one-to-four family residential real estate)
       Policy Amount: $800,000.00
       PROPOSED INSURED: RVLH Acquisitions, LLC, a George limited liability company
   (b) TEXAS RESIDENTIAL OWNER’S POLICY OF TITLE INSURANCE - ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
       Policy Amount: PROPOSED INSURED:
   (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
       Policy Amount: TBD
       PROPOSED INSURED: TBD
       Proposed Borrower: RVLH Acquisitions, LLC, a George limited liability company
   (d) TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)
       Policy Amount: PROPOSED INSURED:
       Proposed Borrower:
   (e) LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
       Binder Amount: PROPOSED INSURED:
       Proposed Borrower:
   (f) OTHER
       Policy Amount: PROPOSED INSURED:

2. The interest in the land covered by this Commitment is: Fee Simple

3. Record title to the land on the Effective Date appears to be vested in:
   Mother Frances Hospital Regional Health Care Center now known as Christus Mother Frances Hospital
   VESTING DEED 2008-R00039992

4. Legal description of the land:

   All that certain lot, tract or parcel of land within the Marshall University Survey, Abstract No. 624, City of Tyler, Smith County, Texas, and being part of a called 178.55 acre tract of land described in Deed from MSJ Properties, Ltd., Tradd Street, LLC, Richard Lilly, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr. and Sandra S. Bennett to Ryno Texas Holdings, Inc. dated March 17, 2008, and recorded in Clerk's File No. 2008-R0012815 of the Official Public Records of Smith County, Texas, and this Tract No. 2-30.977 acre tract being more completely described as follows:

   Beginning at a 1/2'' iron rod set, for the Southwest corner of this 30.977 acre tract, the Northwest corner of Tract No. 1 - 30.000 acre tract, from which a Type II Concrete Right-of-Way monument found for the southeast corner of said called 178.55 acre tract, at the intersection of the North right-of-way line of State Highway No. 57 (Grande Boulevard) and the West Right-of-way line of Farm to Market Road No. 2493 (Old Jacksonville Road) bears South 65 deg. 53 min. 34 sec. East a distance of 3,112.41 feet;

   Thence North 14 deg. 35 min. 40 sec. East, a distance of 341.03 feet to a 1/2'' iron rod set;

   Thence North 84 deg. 53 min. 06 sec. East, a distance of 301.59 feet to a 1/2'' iron rod set;

Old Republic National Title Insurance Company
Thence North 16 deg. 30 min. 47 sec. East a distance of 818.84 feet to a Point for corner in the centerline of the driving surface of County Road No. 159 (Crow Road), in a curve to the right, from which a 1/2" iron rod set for referenced to the Northwest corner of this 30.977 acre tract, in the proposed South right-of-way of said County Road No. 159 (Crow Road) bears South 16 deg. 30 min. 47 sec. West a distance of 35.78 feet;

Thence with said curve and the centerline of said Count Road No. 159 (Crow Road) having a radius of 648.68 feet, a delta angle of 09 deg. 40 min. 01 sec. and Arc length of 109.44 feet, a chord bearing of South 80 deg. 20 min. 56 sec. East and a chord length of 109.32 feet to a Point of Tangency in same;

Thence South 75 deg. 30 min. 55 sec. East, with the centerline of said County Road No. 159 (Crow Road), a distance of 439.68 feet to a Point for corner in the most Westerly East boundary line of said called 178.55 acre tract, in said County Road No. 159 (Crow Road);

Thence South 02 deg. 33 min. 08 sec. East a distance of 0.46 feet to a 60d nail found for the Southwest corner of a called 5.5 acre tract described in a Deed to Charles Mark Gibson and recorded in Volume 3893 on Page 680 of the Official Public Records of Smith County, Texas, also being a corner of said called 178.55 acre tract, in said County Road No. 159 (Crow Road);

Thence South 78 deg. 09 min. 52 sec. East, with said County Road, No. 159 (Crow Road), a distance of 189.21 feet to a 1/2" iron rod found for corner in said County Road No. 159 (Crow Road);

Thence South 86 deg. 45 min. 21 sec. East, with said County Road No. 159 (Crow Road), a distance of 424.75 feet to a point for corner in same, from which a 1/2" iron rod set for reference in the proposed South right-of-way of said County Road No. 159 (Crow Road) bears South 02 deg. 52, min. 17 sec. West a distance of 37.70 feet;

Thence South 02 deg. 52 min. 17 sec. West, with the centerline of said proposed 70 foot wide shared access easement, a distance of 64.13 feet to a 1/2" iron rod set at the beginning of a curve to the right;

Thence with said curve and the centerline of said proposed 70 foot wide shared access easement having a radius of 329.94 feet, a delta angle of 17 deg. 14 min. 04 sec. and arc length of 99.24 feet, a chord bearing of South 11 deg. 29 min. 19 sec. West and a chord length of 98.87 feet to a 1/2" iron rod set;

Thence South 20 deg. 06 min. 21 sec. West, with the centerline of said proposed 70 foot wide shared access easement, a distance if 872.19 feet to a 1/2" iron rod set for the Southeast corner of this 30.000 acre tract, also being the Northwest corner of Tract No. 1 - 30.000 acre tract;

Thence North 88 deg. 49 min. 17 sec. West a distance of 1439.39 feet to the PLACE OF BEGINNING and containing 30.977 acres of land, of which 0.977 acre lies within said County Road No. 159 (Crow Road).

Note: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the legal description contained in Schedule "A" as to area or quantity of land is not a representation that such area or quantity is correct, but is made only for informal identification purposes and does not override Item 2 of Schedule "B" hereof.
COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

   Restrictive Covenants recorded in/under Instrument No. 2008-R00012818 of the Real Property Records of Smith County, Texas, but omitting any covenant or restriction based on race, color, religion, sex, handicap, familial status or national origin.

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner’s Policy only).

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
   a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
   b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or
   c. to filled-in lands, or artificial islands, or
   d. to statutory water rights, including riparian rights, or
   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

   (Applies to the Owner’s Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year 2018, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy of Title Insurance (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year 2018 and subsequent years.")

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished, or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)
9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only.) Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance (T-2R).

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception):

   a. Rights of parties in possession. (Owner's Title Policy only)

   b. Rights of tenants in possession and unrecorded leases or rental agreements.

   c. Any encroachment, encumbrance, violation, variation or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvement located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land. (This exception will be deleted upon receipt and review of a satisfactory qualifying survey. The Company expressly reserves the right to take specific exception to any adverse matters reflected thereon.)

   d. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.

   e. Easement executed by Richard M. Lilly, Agent for Cherokee of VA, LLC, to Smith County, Texas, dated June 20, 2007, recorded in/under Instrument No. 2007-R00033495, of the Real Property Records of Smith County, Texas.

   f. Easement executed by M.I. Beasley and Mrs. Correne Beasley, to Texas Power and Light Co., dated February 3, 1964, recorded in/under Volume 1113, Page 102, of the Real Property Records of Smith County, Texas.


   h. Terms and conditions and stipulations of Restrictive Covenant and Easement Agreement entered into by and between MSJ Properties, Ltd., Tradd Street, LLC, Cherokee of VA, LLC, Edward G. R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., and Sandra S. Bennett (sellers) and Ryno Texas Holdings, Inc. (purchaser), recorded under County Clerk's File No. 2008-R00012818, Official Records of Smith County, Texas.

   i. Terms, conditions and stipulations contained in Right of Way Agreement executed by and between James Stevenson Frazier, et al and City of Tyler, dated May 8, 2000, recorded in/under Volume 5288, Page 31 of the Real Property Records of Smith County, Texas.

   j. Terms, conditions and stipulations contained in Permit for Above-ground Appurtenances from Margaret Marsh Mebus to Eastman Kodak Co., of which Texas Eastman Co. is a division, recorded in Volume 2843, Page 611, Land Records of Smith County, Texas.

   k. Mineral and/or royalty interest, as described in instrument executed by Margaret M. Mebus to First City, Texas-Tyler, N.A., Trustee of the Margaret M. Mebus Living Trust, dated February 26, 1991, filed October 7, 1992, recorded in/under Volume 3285, Page 841, of the Real Property Records of Smith County, Texas, reference to said instrument is hereby made for all purposes. Title to said interest not checked subsequent to date of aforesaid instrument.

Old Republic National Title Insurance Company
l. Assignment of Mineral, Royalty, Overriding Royalty Interest to LW/EW Family Partners, LTD., #1, by instrument recorded in Volume 3303, Page 395, Land Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

m. Assignment of Mineral, Royalty, Overriding Royalty Interest to LW/EW Family Partners, Ltd, #1, by instrument recorded in Volume 3303, Page 397, Land Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

n. Assignment of Mineral, Royalty, Overriding Royalty Interest to Duer Wagner & Co., by instrument recorded in Volume 3416, Page 228, Land Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

o. Oil, gas & mineral Assignment, Conveyance and Bill of Sale to Jacque Oil & Gas Limited, et al, by instrument recorded in Volume 3535, Page 700, Land Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

p. Oil, gas & mineral Assignment, Conveyance and Bill of Sale to Jacque Oil & Gas Limited, et al by instrument recorded in Volume 3688, Page 279, Land Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

q. Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease between Mittie Marsh, et al to Humble Oil and Refining Co., dated February 17, 1960, recorded in/under Volume 973, Page 449 affected by Volume 1211, Page 1174 of the Real Property Records of Smith County, Texas. Title to said interest not checked subsequent to date of aforesaid instrument.

r. Terms, conditions and stipulations contained in Oil, Gas or Mineral Lease between Mittie Marsh et al to Humble Oil and Refining Co., dated December 21, 1962, recorded in/under Volume 1066, Page 108 affected by Volume 1107, Page 96 of the Real Property Records of Smith County, Texas. Title to said interest not checked subsequent to date of aforesaid instrument.

s. Unit Designation filed by Humble Oil & Refining Co. & Phillips Petroleum Co. for the Elkton Gas Unit #1, recorded in Volume 1090, Page 38, Amended in Volume 1188, Page 454, Deed Records of Smith County, Texas and Amended in Volume 2443, Page 534, Land Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

t. Unit Designation filed by Humble Oil & Refining Co., et al, for the Elkton Gas Unit #2, recorded in Volume 1137, Page 171, Deed Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

u. Royalty Deed dated April 22, 1994 to Royalty Reserve Group, by instrument recorded in Volume 3544, Page 430, Official Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

v. Stipulation of Interest executed by Duer Wagner & Co., et al to each other, recorded in Volume 4523, Page 329, Official Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

w. Oil, gas & mineral Assignment, Conveyance and Bill of Sale to Samson Lone Star Limited Partnership, by instrument recorded in Volume 4897, Page 127, Official Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

x. Oil, gas & mineral Assignment, Conveyance and Bill of Sale to Lariat Petroleum, Inc. by instrument recorded in Volume 5226, Page 247, Official Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)
y. All oil, gas and other minerals and royalties of every kind and character, together with all rights, privileges and immunities relating thereto as set out in instrument from MSJ Properties, Ltd, et al to Ryno Texas Holdings, Inc. dated March 17, 2008, recorded under Clerk's File No. 2008-R00012815, of Official Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

z. Designation of Drillsite and Waiver of Surface Rights, including 30' easement set forth therein, dated March 14, 2008, executed by and between Ryno Texas Holdings, Inc., and Cherokee of VA, LLC, Edward G. R. Bennett, Adelaide U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., Sandra S. Bennett and Tradd Street, LLC, and recorded under County Clerk's File No. 2008-R00012816, Official Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

aa. Designation of Drillsite and Waiver of Surface Rights, including 30' easement set forth therein, dated March 14, 2008, executed by Ryno Texas Holdings, Inc. and Roosth Production Company, recorded under County Clerk's File No. 2008-R00012817, Official Records of Smith County, Texas. (TITLE TO SAID INTEREST NOT CHECKED SUBSEQUENT TO DATE OF AFORESAID INSTRUMENT)

bb. Memorandum of Agreement concerning Water Detention or Retention dated August 22, 2008, by and between Ryno Texas Holdings, Inc. and Mother Frances Hospital Regional Health Care Center, now known as Christus Mother Frances Hospital and recorded under County Clerk's File No. 2008-R00039991, Official Records of Smith County, Texas.

c. Partial Assignment Agreement dated August 22, 2008 by and between Ryno Texas Holdings, Inc. and Mother Frances Hospital Regional Health Care Center, now known as Christus Mother Frances Hospital and recorded under County Clerk's File No. 2008-R00039997, Official Records of Smith County, Texas.
COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:
   a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
   b. all standby fees, taxes, assessments and charges against the property have been paid,
   c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
   d. there is legal right of access to and from the land,
   e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. Appears to be clear of liens. Company will require the Seller(s) and/or Borrower(s) execute an Affidavit of Debts, Liens and Third-Party Interests.

6. Ascertain who can execute instruments on behalf of record owner, Mother Frances Hospital Regional Health Care Center now known as Christus Mother Frances Hospital and secure proof of their authority.

7. The following documents are required for review prior to the closing of the transaction and issuance of any title assurance predicated upon a conveyance or encumbrance from the RVLH Acquisitions, LLC, Limited Liability Company:
   a) Certificate of Formation (or Articles of Organization), including any amendments, registered with the Secretary of State;
   b) Satisfactory evidence that the Limited Liability Company is in good standing in the State of Texas;
   c) Company Agreement (or Operating/Management Agreement), including any amendments, showing the Membership of the Company and identity of and authority of the person or persons, acting on behalf of the Limited Liability Company, to execute the transaction documents.

Upon review, the Company reserves the right to make additional requirements and/or exceptions.

8. The purchaser(s) in this transaction, RVLH Acquisitions, LLC, has/have ONLY been checked for the existence of a TEXAS WORKFORCE COMMISSION LIEN and Federal Judgement liens in favor of the United States or an agent thereof, they have not been checked for other Abstracts of Judgment, Federal Tax Liens or any other adverse matter. In the event said purchasers should undertake to convey, mortgage, or otherwise hypothecate said interest being acquired by them, this file is to be returned to the examination staff for possible additional requirements.

9. We find the following conveyances recorded within the last 24 months: none
NOTE TO ALL BUYERS, SELLERS, BORROWERS, LENDERS AND ALL PARTIES INTERESTED IN THE TRANSACTION COVERED BY THE COMMITMENT. THE FOLLOWING CONSTITUTES A MAJOR CHANGE IN THE PROCEDURES AND REQUIREMENTS FOR DISBURSEMENT OF FUNDS BY THE TITLE AGENT. THE STATE BOARD OF INSURANCE HAS ADOPTED PROCEDURAL RULE P-27 WHICH WILL REQUIRE THAT "GOOD FUNDS" BE RECEIVED AND DEPOSITED BEFORE A TITLE AGENT MAY DISBURSE FROM ITS TRUST FUNDS ACCOUNT. "GOOD FUNDS" IS DEFINED AS:

a. Cash or wire transfers;

b. Cashier's check. For purposes of this Rule, a cashier's check is defined to mean a check that is (1) drawn on a financial institution; (2) signed by an officer or employee of the financial institution on behalf of the financial institution as drawer; (3) a direct obligation of the financial institution; and (4) provided to a customer of the financial institution or acquired from the financial institution for remittance purposes.

c. Certified check. For purposes of this Rule, a certified check is defined to mean a check with respect to which the drawee financial institution certifies by signature on the check of an officer or other authorized employee of the financial institution that: (1) the signature of the drawer on the check is genuine; (2) the financial institution has set aside funds that are equal to the amount of the check and will be used to pay the check; or (3) the financial institution will pay the check upon presentment.

d. Teller's check. For purposes of this Rule, a teller's check is defined to mean a check (1) provided to a customer of a financial institution or acquired from a financial institution for remittance purposes, (2) that is drawn by the financial institution, and (3) is drawn on another financial institution or payable through or at a financial institution.

e. Any other instrument that has been determined by the Board of Governors of the Federal Reserve System to be the functional equivalent of a cashier's, certified or teller's check.

f. Uncertified funds in amounts less than $1,500, including checks, traveler's checks, money orders, and negotiable orders of withdrawal; provided multiple items shall not be used to avoid the $1,500 limitation;

g. Uncertified funds in amounts of $1,500 or more, drafts, and any other items when collected by the financial institution;

h. State of Texas Warrants;

i. United States Treasury Checks;

j. Checks drawn on an insured financial institution and for which a transaction code has been issued pursuant to, and in compliance with, a fully executed Immediately Available Funds Procedure Agreement or a fully executed Immediately Available Funds Procedure Agreement (Agent Designation for Federally-insured Lender) with such financial institution;

k. Checks by city and county governments located in the State of Texas.

Countersigned:

[Signature]

Authorized Signatory

Old Republic National Title Insurance Company
Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment:

   **DIRECTORS OF OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

<table>
<thead>
<tr>
<th>Name</th>
<th>Name</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>HARRINGTON BISCHOF</td>
<td>JOHN M. DIXON</td>
<td>STEVE R. WALKER</td>
</tr>
<tr>
<td>JAMES HELLAUER</td>
<td>ARNOLD L. STEINER</td>
<td>A. C. ZUCARO</td>
</tr>
<tr>
<td>DENNIS P. VAN MIEGHEM</td>
<td>JIMMY A. DEW</td>
<td>FREDERICKA TAUBITZ</td>
</tr>
<tr>
<td>RANDE K. YEAGER</td>
<td>CHARLES F. TITTERTON</td>
<td>SPENCER LEROY, III</td>
</tr>
<tr>
<td>STEVEN J. BATEMAN</td>
<td>GLENN W. REED</td>
<td></td>
</tr>
</tbody>
</table>

   **OFFICERS OF OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

<table>
<thead>
<tr>
<th>Name</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>MARK A. BILBREY, President</td>
<td>RANDE K. YEAGER, Chairman and CEO</td>
</tr>
<tr>
<td>CURTIS J. HOFFMAN, Executive Vice President</td>
<td>JEFFERY J. BLUHM, Executive Vice President</td>
</tr>
<tr>
<td>DANIEL M. WOLD, Executive Vice President, Secretary, General Counsel</td>
<td>MARK M. BUDZINSKI, Executive Vice President</td>
</tr>
<tr>
<td>GARY J. HORN, Executive Vice President</td>
<td>PATRICK A. CONNOR, Executive Vice President</td>
</tr>
<tr>
<td>CAROLYN J. MONROE, Executive Vice President</td>
<td>MIKE TARPEY, Vice President, Treasurer</td>
</tr>
<tr>
<td>CHERYL JONES, Executive Vice President</td>
<td>ROGER A. GAIO, Executive Vice President</td>
</tr>
<tr>
<td>CHRIS G. LIESER, Executive Vice President</td>
<td>ROBERT E. ZELLAR, Executive Vice President</td>
</tr>
<tr>
<td></td>
<td>MICHAEL B. SKALKA, Executive Vice President</td>
</tr>
</tbody>
</table>

2. The following disclosures are made by the Title Insurance Agent issuing this commitment:

   **OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

   (a) A listing of each shareholder, owner, partner or other person having, owning or controlling one (1%) or more of the Title Insurance Agent that will receive a portion of the premium as follows: Old Republic Title Insurance Companies, Inc.—100%

   (b) A listing of each shareholder, owner, partner, or other person having, owning, or controlling ten percent (10%) or more of an entity that has, owns, or controls one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium are as follows. Same as Section 1.

   (c) If the Agent is a corporation: (i) the name of each director of the Title Insurance Agent, and (ii) the names of the President, the Executive or Senior Vice-President, the Secretary and the Treasurer of the Title Insurance Agent. Directors: Same as Section 1.

   MARK A. BILBREY, President
   JEFFERSON C. WEBB, Vice President, Houston Div. Manager
   CURTIS HOFFMAN, Executive Vice President, SW Regional Mgr.
   AMY RODRIGUEZ, Vice President, DFW Manager

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or
corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium is:

<table>
<thead>
<tr>
<th>Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners Policy</td>
<td>TBD</td>
</tr>
<tr>
<td>Loan Policy</td>
<td>TBD</td>
</tr>
<tr>
<td>Total</td>
<td>TBD</td>
</tr>
</tbody>
</table>

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company; 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

<table>
<thead>
<tr>
<th>Amount</th>
<th>To Whom</th>
<th>For Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>40%</td>
<td>East Texas Title Company</td>
<td>Furnishing Title Evidence</td>
</tr>
</tbody>
</table>

The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A, B, and C are attached.
IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact
(Old Republic National Title Insurance Company 713-682-4144).

You may call Old Republic National Title Insurance Company’s toll-free telephone number for information or to make a complaint at:

1-888-678-1700

You may also write to Old Republic National Title Insurance Company at:

400 Second Avenue South
Minneapolis, Minnesota 55401
Attn: Claims Department

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

PREMIUM OR CLAIM DISPUTES:
Should you have a dispute concerning your premium or about a claim you should contact the Old Republic National Title Insurance Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY
This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener información o para someter una queja:

Puede comunicarse con su
(Old Republic National Title Insurance Company 713-682-4144).

Usted puede llamar al número de teléfono gratis de Old Republic National Title Insurance Company’s para información o para someter una queja al:

1-888-678-1700

Usted también puede escribir a Old Republic National Title Insurance Company:

400 Second Avenue South
Minneapolis, Minnesota 55401
Attn: Claims Department

Puede comunicarse con el Departamento de Seguros de Texas para obtener información acerca de compañías, coberturas, derechos o quejas al:

1-800-252-3439

DISPUTAS SOBRE PRIMAS O RECLAMOS:
Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con Old Republic National Title Insurance Company primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de información y no se convierte en parte o condición del documento adjunto.

(i)

Old Republic National Title Insurance Company
DELETION OF ARBITRATION PROVISION
(Not Applicable to the Texas Residential Owner’s Policy)

ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Insurance Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The Arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

I request deletion of the Arbitration provision.

________________________________________________________________________   ___________________________________________________________________
SIGNATURE     DATE
PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Old Republic National Title Insurance Company.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms.
- Information about your transactions we secure from our files, or from others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information.
Instrument Number: 2008-R00012815

Recorded On: March 18, 2008

Parties: MSJ PROPERTIES LTD ETAL

To: RYNO TEXAS HOLDINGS INC

Comment:

( Parties listed above are for Clerks reference only )

** Examined and Charged as Follows: **

Recordings - Land 60.00

Total Recording: 60.00

File Information:

Document Number: 2008-R00012815
Receipt Number: 466015
Recorded Date/Time: March 18, 2008 03:38:21P
User / Station: C Aparicio - Cash Station 1

Record and Return To:

SMITH COUNTY TITLE
MANUAL PICK UP
TYLER TX 75702

I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Judy Carnes
County Clerk
Smith County, Texas
SPECIAL WARRANTY DEED WITH VENDOR’S LIEN

State of Texas §

County of Smith §

Know all men by these presents:

That MSJ Properties Ltd., a Texas limited partnership, Tradd Street, LLC, a South Carolina limited liability company, and Richard Lilly, as agent for Cherokee Of VA LLC, Edward G. R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., and Sandra S. Bennett (collectively, “Grantor”), for and in consideration of the sum of ten dollars and other good and valuable consideration paid to Grantor by Ryno Texas Holdings Inc., a Texas corporation, as Trustee (“Grantee”), the receipt and sufficiency of which are hereby acknowledged, and for the additional consideration of Grantee’s execution of the promissory notes described below, has sold, granted, and conveyed and by these presents does sell, grant, and convey to Grantee the real property described on Exhibit A attached hereto, together with all and singular the improvements situated thereon, if any, and the rights and appurtenances of Grantor pertaining thereto, including, but not limited to, all right, title, and interest of Grantor in and to adjacent streets, alleys and rights-of-way (all of which real property, improvements, rights, and appurtenances, other than the Reserved Interests, are hereinafter collectively called the “Property”); provided, however, that Grantor reserves to itself and excludes from this conveyance all oil, gas, liquid and gaseous hydrocarbons, and minerals in, on, under, or that may be produced from the land described on Exhibit A (the “Reserved Interests”). This conveyance is expressly made subject to the matters described on Exhibit B attached hereto (the “Permitted Exceptions”). In addition, this conveyance is expressly made subject to the retention by Grantor of vendor’s liens and superior title as provided below.

TO HAVE AND TO HOLD the Property (other than the Reserved Interests), subject to the Permitted Exceptions and the vendor’s liens and superior title retained herein, to Grantee and Grantee’s successors and assigns forever and Grantor hereby binds itself and its successors and assigns to WARRANT and FOREVER DEFEND all and singular the Property (other than the Reserved Interests), subject to the Permitted Exceptions and to the vendor’s lien and superior title retained herein, to Grantee and its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise.

Contemporaneously with the execution of this deed, Grantee is executing (a) a promissory note dated as of even date herewith (the "First Note") in the amount of $6,005,000.00, which is payable to the order of Texas Bank and Trust Company (“First Beneficiary”), and First Beneficiary is advancing proceeds of the loan evidenced by the First Note to Grantor at the request of Grantee and (b) a promissory note dated as of even date herewith (the "Second Note"; and each being a “Note”) in the amount of $3,000,000.00, which is payable to the order of Smith Tucker Ark-La-Tex Joint Venture (“Second Beneficiary”), and Second Beneficiary is advancing proceeds of the loan evidenced by the Second Note to Grantor at the request of Grantee. Each Note will bear interest according to its terms. All remaining unpaid principal of the First Note and accrued, unpaid interest on the First Note will become finally due and payable according to its terms on March 17, 2009. All remaining unpaid principal of the Second Note and accrued, unpaid interest on the Second Note will become finally due and payable according to its terms on April 17, 2009. To secure the Notes, Grantor is
reserving and retaining, and does hereby reserve and retain, a vendor's lien against and superior title in and to the Property. The First Note will also be secured by a deed of trust to Rogers Pope, Jr., as Trustee, for the benefit of First Beneficiary, dated as of the date hereof, which will encumber the Property. The Second Note will also be secured by a deed of trust to Ronald R. Stringer, as Trustee, for the benefit of Second Beneficiary, dated as of the date hereof, which will encumber the Property.

In consideration of the payment of the above mentioned loan proceeds to Grantor by First Beneficiary, Grantor hereby transfers, sets over, assigns, and conveys to First Beneficiary and its successors and assigns, the superior vendor's lien and superior title herein retained, in the same manner and to the same extent as if the First Note had been executed in Grantor's favor and assigned and endorsed by Grantor to First Beneficiary without recourse to or warranty by Grantor. Such vendor's lien and superior title will be retained by First Beneficiary or subsequent owners and holders of the First Note until the Notes and all interest thereon are fully paid, when this deed will become absolute.

In consideration of the payment of the above mentioned loan proceeds to Grantor by Second Beneficiary, Grantor hereby transfers, sets over, assigns, and conveys to Second Beneficiary and its successors and assigns, the inferior vendor's lien and superior title herein retained, in the same manner and to the same extent as if the Second Note had been executed in Grantor's favor and assigned and endorsed by Grantor to Second Beneficiary without recourse to or warranty by Grantor. Such inferior vendor's lien and superior title will be retained by Second Beneficiary or subsequent owners and holders of the Second Note until the Notes and all interest thereon are fully paid, when this deed will become absolute.

If Grantee defaults in payment of First Note or any instrument securing its payment, First Beneficiary will have the independent right to foreclose the vendor's lien reserved in this deed. Likewise, if Grantee defaults in payment of the Second Note or any instrument securing its payment, Second Beneficiary will have the independent right to foreclose the vendor's lien reserved in this deed. However, as between First Beneficiary and Second Beneficiary, their rights vis-à-vis one another will be governed by a separate writing between them.

THE PROPERTY IS BEING SOLD AND CONVEYED HEREUNDER "AS IS" WITH ANY AND ALL FAULTS AND LATENT AND PATENT DEFECTS WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY BY SELLER. SELLER HAS NOT MADE AND DOES NOT HEREBY MAKE AND HEREBY SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR CHARACTER WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY (OTHER THAN THE SPECIAL WARRANTY OF TITLE CONTAINED HEREIN), ITS CONDITION (INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY REGARDING SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE), ITS COMPLIANCE WITH ENVIRONMENTAL LAWS OR OTHER LAWS, AVAILABILITY OF ACCESS, INGRESS OR EGRESS, INCOME TO BE DERIVED THEREFROM OR EXPENSES TO BE INCURRED WITH RESPECT THERETO, THE OBLIGATIONS, RESPONSIBILITIES OR LIABILITIES OF THE OWNER THEREOF, OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY.

Current ad valorem taxes on the Property having been prorated, Grantee hereby assumes the payment thereof.

Executed to be effective the 17th day of March, 2008.

SPECIAL WARRANTY DEED
RICHARD LILLY, as agent for Cherokee of VA LLC, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr. and Sandra S. Bennett

STATE OF South Carolina

COUNTY OF Charleston

This Special Warranty Deed was acknowledged before me on this the 14th day of March, 2008, by Richard M. Lilly, as agent for Cherokee of VA LLC, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr. and Sandra S. Bennett, on behalf of said persons and entities.

Brenda F. Nelson
Notary Public State of South Carolina

My Commission Expires: 12/12/2015

(Print Name)
TRADD STREET, LLC, a South Carolina limited liability company

By: Lasca H. Lilly, Manager

STATE OF ____________________  $ 

COUNTY OF ____________________  $ 

This Special Warranty Deed was acknowledged before me on this the 14th day of March, 2008, by Lasca H. Lilly, in her capacity as Manager of Tradd Street, LLC, a South Carolina limited liability company, on behalf of said limited liability company.

Brenda F. Nelson
Notary Public State of South Carolina

My Commission Expires: 12/12/2015

(Print Name)

SIGNATURE PAGES TO SPECIAL WARRANTY DEED
[Signature pages to Special Warranty Deed]

MSJ PROPERTIES, LTD., a Texas limited partnership

By: MSJ Management, Inc., a Texas corporation, its general partner

By: Margaret M. Mebus, President

STATE OF TEXAS §

COUNTY OF DALLAS §

This Special Warranty Deed was acknowledged before me on this the 13th day of March, 2008, by Margaret M. Mebus, in her capacity as President of MSJ Management, Inc., a Texas corporation, in its capacity as the sole general partner of MSJ Properties Ltd., a Texas limited partnership, on behalf of said corporation and limited partnership.

DIANNE M. JERNIGAN
Notary Public, State of Texas
My Commission Expires 2-17-2011

My Commission Expires: 2-17-2011

Dianne M. Jernigan
(Print Name)

AFTER RECORDING
RETURN TO:

Smith County Title Company
5040 Kinsey Drive
Tyler, Texas 75703

# 71425
Ryno Texas Holdings
EXHIBIT A

Being a 178.55 acre tract in the Marshall University Survey, Abstract No. 624, part of a called 226 acre tract, (Parcel 1) from James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr. to Cherokee of Va., L. L. C. described in a Deed recorded in Volume 5593, Page 93 of the Official Public Records of Smith County, Texas, said 178.55 acre tract being more completely described as follows:

Beginning at a ½" iron rod found in the North boundary line of said 226 acre Marsh-McIlwaine tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records;

Then to North 86 degrees 18 minutes 22 seconds East, with the North boundary line of said 226 acre Marsh-McIlwaine tract and the South boundary line of said 0.708 acre Crow Towing Service, Inc. tract, at a distance of 1095.98 feet and a perpendicular distance of 0.44 feet North, pass a ½" iron rod found at the Southeast corner of a called 8.055 acre tract from E. Alice Garrard Prichard to Leonard Leifer and Jim Berry described in a Deed recorded in Volume 5906, Page 26 of said Smith County Official Public Records, at a distance of 1194.58 feet and a perpendicular distance of 0.38 feet North, pass a railroad spike found near the West edge of pavement of County Road No. 1211 at the Southeast corner of a called 0.328 acre tract from Ronald W. Blue to Linda F. Darnell described in a Deed recorded in Volume 3505, Page 292 of said Smith County Official Public Records, and continuing across the occupied right of way of said County Road No. 1211, and with the South boundary line of a called 0.346 acre tract from Reid Troxell to Carl Troxell et ux, Linda Troxell described in a Deed recorded in Volume 2790, Page 633 of said Smith County Official Public Records for a total distance of 1323.23 feet to a ½" iron rod to be set in the North boundary line of said 226 acre Marsh-McIlwaine tract, in the West boundary line of a called 5.5 acre tract from Gary David Baldwin et al to Charles Mark Gibson described in a Deed recorded in Volume 3893, Page 680 of said Smith County Official Public Records, and in the South boundary line of said 0.346 acre tract;

Then to South 02 degrees 32 minutes 18 seconds East, a distance of 182.52 feet with the North boundary line of said 226 acre Marsh-McIlwaine tract and the West boundary line of said 5.5 acre tract to a 60-penny nail found in same and in the centerline of County Road No. 159, (Crow Road);

Then to South 78 degrees 05 minutes 24 seconds East, a distance of 189.30 feet with the North boundary line of said 226 acre Marsh-McIlwaine tract and the centerline of said County Road No. 159 to a ½" iron rod found in same;

Then to South 86 degrees 45 minutes 19 seconds East, a distance of 904.53 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract and the centerline of said County Road No. 159 to a 60-penny nail found in same;

Then to South 87 degrees 14 minutes 05 seconds East, a distance of 985.90 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract County Road No. 159 to a ½" iron rod found in same, 0.82 feet South of the North edge of pavement of same, from which a ½" iron rod found at the Southeast corner of a called 43.18 acre tract from J. E. Heath to Rabon Hitt described in a Deed recorded in Volume 1123, Page 590 of said Smith County Official Public Records, bears North 09 degrees 34 minutes 56 seconds West, a distance of 28.66 feet;
Thence South 65 degrees 32 minutes 31 seconds East, a distance of 591.86 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract and generally with said County Road to a P.K. Nail set in same, near the centerline of said County Road No. 159, and in the West boundary line of a called 19.63 acre tract to the State of Texas which adjoins the West right of way of Farm to Market Highway No. 2493, (Old Jacksonville Highway), described in a Deed recorded in Volume 3817, Page 570 of said Smith County Official Public Records;

Thence South 25 degrees 53 minutes 57 seconds West, a distance of 2114.29 feet with the East boundary line of said 226 acre Marsh-McIlwaine tract and the West boundary line of said 19.63 acre tract to a Texas Department of Transportation Type II, (brass disc in concrete flush with ground), concrete right of way monument found at the intersection of same with the North right of way line of State Highway No. 57, (Grande Boulevard), whose right of way width varies, said Type II monument found also being at the beginning of a curve in a clockwise direction;

Thence with said North right of way line of State Highway No. 57 and said curve having a radius of 912.07 feet, a delta angle of 08 degrees 35 minutes 23 seconds, an arc length of 136.74 feet, a tangent of 68.50 feet, and a chord of North 68 degrees 42 minutes 48 seconds West, a chord distance of 136.61 feet to a Type II concrete right of way monument found in same;

Thence North 64 degrees 25 minutes 51 seconds West, a distance of 386.00 feet continuing with said North right of way line to a Type II concrete right of way monument found in same at the beginning of a curve in a counterclockwise direction;

Thence continuing with said North right of way line and with said curve having a radius of 1220.47 feet, a delta angle of 26 degrees 31 minutes 15 seconds, an arc length of 564.93 feet, a tangent of 287.62 feet, and a chord of North 77 degrees 39 minutes 44 seconds West, a chord distance of 559.90 feet to a ½" iron rod set in same;

Thence South 89 degrees 05 minutes 00 seconds West, a distance of 1334.33 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 87 degrees 56 minutes 35 seconds West, a distance of 506.32 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence North 89 degrees 06 minutes 05 seconds West, a distance of 209.58 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence South 87 degrees 00 minutes 40 seconds West, a distance of 184.10 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence South 89 degrees 01 minute 47 seconds West, a distance of 262.47 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence North 25 degrees 26 minutes 18 seconds West, a distance of 12.37 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence North 02 degrees 40 minutes 43 seconds West, a distance of 78.81 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 06 degrees 48 minutes 26 seconds East, a distance of 64.20 feet continuing with said North right of way line to a ½" iron rod set in same;
Thence North 04 degrees 23 minutes 19 seconds East, a distance of 127.47 feet continuing with
said North right of way line to a Type II concrete right of way monument found in same;

Thence North 10 degrees 43 minutes 00 seconds East, a distance of 124.65 feet continuing with
said North right of way line to a 1/2" iron rod set in same;

Thence North 16 degrees 28 minutes 17 seconds East, a distance of 131.96 feet continuing with
said North right of way line to a 1/2" iron rod set in same;

Thence North 73 degrees 36 minutes 39 seconds West, a distance of 13.27 feet to continuing
with said North right of way line to a 1/2" iron rod set in same;

Thence South 16 degrees 24 minutes 39 seconds West, a distance of 83.90 feet continuing with
said North right of way line to a 1/2" iron rod set in same, at the beginning of a curve in a
clockwise direction;

Thence continuing with said North right of way line and with said curve having a radius of
1531.11 feet, a delta angle of 14 degrees 51 minutes 47 seconds, an arc length of 397.18 feet, a
tangent of 199.71 feet, and a chord of South 08 degrees 58 minutes 56 seconds West, a chord
distance of 396.07 feet to a 1/2" iron rod set in same;

Thence North 88 degrees 56 minutes 00 seconds West, a distance of 29.67 feet continuing with
said North right of way line to a P.K. nail set in the centerline of County Road No. 192, (Old
Noonday Road), at the Southeast corner of said 10.238 acre tract to Phillip B. Monigold
described in Instrument No. 2006 060022053 of said Smith County Official Public Records;

Thence North 01 degree 21 minutes 38 seconds East, a distance of 48.10 feet with said
centerline of County Road No. 192, (Old Noonday Road), and the East boundary line of said
Phillip Monigold 10.238 acre tract to a P.K. nail set in same, also being at the beginning of a
curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and
with said curve having radius of 1560.62 feet, a delta angle of 07 degrees 25 minutes 22 seconds,
an arc length of 202.19 feet, a tangent of 101.23 feet, and a chord of North 06 degrees 35
minutes 16 seconds East, a chord distance of 202.04 feet to a P.K. nail set in same, also being at
the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and
with said curve having radius of 2059.50 feet, a delta angle of 05 degrees 23 minutes 40 seconds,
an arc length of 193.91 feet, a tangent of 97.02 feet, and a chord of North 14 degrees 44 minutes
48 seconds East, a chord distance of 193.83 feet to a P.K. nail set in same;

Thence North 16 degrees 53 minutes 31 seconds East, a distance of 284.68 feet continuing with
said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 16 degrees 56 minutes 58 seconds East, a distance of 303.23 feet continuing with
said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;
Thence North 16 degrees 52 minutes 07 seconds East, a distance of 596.22 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 16 degrees 30 minutes 47 seconds East, a distance of 192.45 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 4410.18 feet, a delta angle of 02 degrees 35 minutes 07 seconds, an arc length of 199.00 feet, a tangent of 99.52 feet, and a chord of North 18 degrees 13 minutes 29 seconds East, a chord distance of 198.98 feet to a P.K. nail set in same;

Thence North 21 degrees 20 minutes 18 seconds East, a distance of 46.81 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 38 degree 03 minutes 19 seconds East, a distance of 14.27 feet continuing with said centerline of County Road No. 192 and said East boundary line to the place of beginning and containing 178.55 acres of land of which 5.68 acres lie within the proposed right of ways of County Roads 192, 159, and 1211.
EXHIBIT B
Permitted Encumbrances

1. Standby fees, taxes and assessments by any taxing authority for the year 2008 and subsequent years, and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership.

2. Terms and conditions of RESTRICTIVE COVENANT AND EASEMENT AGREEMENT entered into by and between MSJ Properties, Ltd., Tradd Street, LLC, Cherokee of VA LLC, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., and Sandra S. Bennett ("Sellers") and Ryno Texas Holdings, Inc. ("Purchaser"); and recorded under Clerk’s File No. ______________, of the Official Public Records of Smith County, Texas.


4. TP&L Pole Easement recorded in Volume 1113, Page 102, Deed Records of Smith County, Texas, and as shown on plat of survey dated November 17, 2006, prepared by Roland Navarro, RPLS No. 5876.

5. Right of Way granted to the City of Tyler, recorded in Volume 5288, Page 31, Official Public Records of Smith County, Texas, and as shown with water line blow off valves and water valves on plat of survey dated November 17, 2006, prepared by Roland Navarro, RPLS No. 5876.

6. All matters shown on plat of survey dated December 6, 2007, prepared by Roland Navarro, RPLS No. 5876 which includes:
   a. Southwestern Bell manholes, buried telephone cable posts, signs and pedestals, power poles, lines and guys, Entex Gas pipeline markers and lines, fiber optic cable signs, Centerpoint Energy Regulation Station, valve station, Entex Gas pipeline markers, water line blow off valves, and water valve;
   b. Flood zones;
   c. Fence encroachment at Northerly Northeast corner;
   d. Portion of subject property situated within roadways.

7. Rights of way granted to Texas Power & Light Co. by instruments recorded in Volume 263, Page 238; Volume 359, Page 375; Volume 448, Page 59; Volume 448, Page 69;
8. Oil, gas, and mineral lease granted to Humble Oil & Refining Co., by instrument dated February 17, 1960, recorded in Volume 973, Page 449; amended in Volume 1211, Page 174, Deed Records of Smith County, Texas. (Title to this lease has not been investigated subsequent to the date thereof.)

9. Oil, gas, and mineral lease granted to Humble Oil & Refining Co., by instrument dated December 21, 1962, recorded in Volume 1066, Page 108; amended in Volume 1107, Page 96, Deed Records of Smith County, Texas. (Title to this lease has not been investigated subsequent to the date thereof.)

10. Unit Designation filed by Humble Oil & Refining Co. & Phillips Petroleum Co. for the Elkton Gas Unit #1, recorded in Volume 1090, Page 38; Amended in Volume 1188, Page 454, Deed Records, Amended in Volume 2443, Page 534, Land of Smith County, Texas.

11. Unit Designation filed by Humble Oil & Refining Co., et al. for the Elkton Gas Unit #2, recorded in Volume 1137, Page 171, Deed Records of Smith County, Texas.

12. Permit for Above-ground Appurtenances from Margaret Marsh Mebus to Eastman Kodak Co., of which Texas Eastman Co. is a division, recorded in Volume 2843, Page 611, Land Records of Smith County, and as referenced on plat of survey dated December 6, 2007, prepared by Roland Navarro, RPLS No. 5876.

13. Mineral Deed dated October 7, 1992, to First City, Texas-Tyler, N.A., Trustee of the Margaret M. Mebus Living Trust, recorded in Volume 3285, Page 841, Deed Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

14. Assignment of Mineral, Royalty, Overriding Royalty Interest to LW/EW Family Partners, LTD., #1, by instrument recorded in Volume 3303, Page 395, Land Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

15. Assignment of Mineral, Royalty, Overriding Royalty Interest to LW/EW Family Partners, LTD., #1, by instrument recorded in Volume 3303, Page 397, Land Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

16. Assignment of Mineral, Royalty, Overriding Royalty Interest to Duer Wagner & Co., by instrument recorded in Volume 3416, Page 228, Land Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)
17. Oil, gas & mineral Assignment, Conveyance and Bill of Sale to Jacque Oil & Gas Limited, et al., by instrument recorded in Volume 3535, Page 700, Land Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

18. Oil, gas & mineral Assignment, Conveyance and Bill of Sale to Jacque Oil & Gas Limited, et al., by instrument recorded in Volume 3688, Page 279, Land Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

19. Royalty Deed dated April 22, 1994, to Royalty Reserve Group, by instrument recorded in Volume 3544, Page 430, Official Public Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

20. Stipulation of Mineral Interest executed by Duer Wagner & Co., et al., to each other, recorded in Volume 4523, Page 329, Official Public Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

21. Oil, gas & mineral Assignment, Conveyance and Bill of Sale to Samson Lone Star Limited Partnership, by instrument recorded in Volume 4897, Page 127, Land Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

22. Oil, gas & mineral Assignment, Conveyance and Bill of Sale to Lariat Petroleum, Inc., by instrument recorded in Volume 5226, Page 247, Land Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to the date of said instrument.)

23. All oil, gas and other minerals reserved by MSJ Properties, Ltd., Tradd Street, LLC, Cherokee of VA LLC, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., and Sandra S. Bennett in instrument recorded Under Clerk’s File No. ___________ of the Official Public Records of Smith County, Texas. (Title to said interest has not been investigated subsequent to date of said instrument.)
OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 17th day of February in the year of Our Lord nineteen hundred and thirty, between

Mattie Marsh, Marshall Marsh and Lucy Marsh, all Females, sole and Martha

Mellowne Frazier, a Widow

Lease (whom hereinafter shall be called the "Lessee") and

Humble Oil & Refining Company

Lessee, WITNESSETH

That the Lessee will pay to the lessors, the sum of Ten Dollars ($10.00), in hand paid, at the receipt hereof, and as a condition precedent to the right of the Lessee to operate or produce from the premises hereinafter described, the Lessee will execute a deed in trust to the benefit of the lessors, or their designee, for the purpose of assuring the Lessee's compliance with the terms of this lease. The lessors hereby reserve the right to terminate this lease upon written notice to the Lessee, if the Lessee fails to comply with any of the terms of this lease.

IN WITNESS WHEREOF, the Lessee and lessors have hereunto set their hands and seals, this 17th day of February, in the year of Our Lord nineteen hundred and thirty.

[Signatures]

Dollars ($10.00), in hand paid, at the receipt hereof, and as a condition precedent to the right of the Lessee to operate or produce from the premises hereinafter described, the Lessee will execute a deed in trust to the benefit of the lessors, or their designee, for the purpose of assuring the Lessee's compliance with the terms of this lease. The lessors hereby reserve the right to terminate this lease upon written notice to the Lessee, if the Lessee fails to comply with any of the terms of this lease.

IN WITNESS WHEREOF, the Lessee and lessors have hereunto set their hands and seals, this 17th day of February, in the year of Our Lord nineteen hundred and thirty.

[Signatures]
THE STATE OF TEXAS

COUNTY OF: SMITH

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

Mittie Marsh, Sarah Marsh and

Leroy Marsh, fema solas

known to me to be the identical persons, whose names above subscribed to the foregoing instrument, and acknowledged containing the written acknowledgment for the purpose and consideration therein expressed.

Gave under my hand and seal of office this the 25th day of February, A.D. 1925

Notary Public in and for the County of Smith

THE STATE OF VIRGINIA

COUNTY OF RICHMOND

BEFORE ME, the undersigned authority, on this day personally appeared

Martha Bellew Frasier, a Widow

knowing to me to be the identical person whose name above subscribed to the foregoing instrument and acknowledged containing the written acknowledgment for the purpose and consideration therein expressed.

Gave under my hand and seal of office this the 19th day of February, A.D. 1925

ALFRED E. WILLIAMS, Esq.

Notary Public in and for the City of Richmond

State of Virginia

SINGLE ACKNOWLEDGMENT
OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 18th day of January, 1960 between Charles Cooper, whose marital status has not changed since the acquisition of the interest covered herein, and E. O. Donnell, Farmersville, Texas, and Burt Aber, Farmersville, Texas.

WHEREAS: The lessee named above is desirous of acquiring the oil, gas and mineral rights in the land described herein, and the lessor named above is desirous of conveying the same to the lessee, and the双方 agree to the terms and conditions of this agreement.

NOW, THEREFORE, the parties agree as follows:

1. The lessor hereby conveys to the lessee the oil, gas and mineral rights described herein.

2. The lessee agrees to pay the lessor ten dollars ($10.00) per acre for the term of the lease, in advance, payable in the manner provided for herein.

3. The terms of this lease shall be for a period of ten years, commencing on the date hereof.

4. At the expiration of the term of this lease, the lessor shall receive no further compensation for the oil, gas and mineral rights conveyed.

5. The lessee shall have the right to engage in the exploration, development and production of oil, gas and minerals on the land described herein.

6. The lessee shall be responsible for all costs and expenses incurred in the exploration, development and production of oil, gas and minerals on the land described herein.

7. The lessee shall act in good faith with respect to all operations conducted on the land described herein.

8. The lessor shall be entitled to receive all rents and royalties derived from the oil, gas and mineral rights conveyed.

9. The lessee shall indemnify the lessor against all losses, damages and expenses incurred in connection with the exploration, development and production of oil, gas and minerals on the land described herein.

10. The lessee shall be responsible for the payment of all taxes levied against the oil, gas and mineral rights conveyed.

11. The lessee shall be responsible for the payment of all taxes levied against the land described herein.

12. This lease may be terminated by either party upon ninety (90) days written notice to the other party.

13. This lease shall be binding upon and inure to the benefit of the parties and their respective assigns.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first above written.

[Signatures]

All that certain tract or parcel of land a part of the HARVEY HALL SURVEY, M.T. No. 267, and GEORGE CO. SURVEY, M.T. No. 268, situated in Smith County, Texas, and being the same land described in a deed dated November 22nd, 1924, from J. O. Towns and wife, S. M. Towns to Basic Warren, recorded in Volume 173, Page 428 Smith County Deed Records, and being more particularly described as follows:

BEGONNING at a point in the South line of the George Cope Survey, being the N.E. corner of the Joe Hill tract; Thence South, along the east line of the Joe Hill tract, 1600.3 feet to an iron stake for corner, a P.O. 11" in dia. brs. S. 88° E. 60 feet; Thence East 1701.2 feet, along the most Southernly North line of the Joe Hill tract to an iron stake for corner, a pine 8" in dia. brs. 15° 12 E. 6 feet, same being the S.W. corner of a 5 acre tract owned by Kittrell Lumber Company; Thence North 1015.7 feet, along the West line of the Kittrell Lumber Company tract to a stake for corner in the South line of the Wash Harper tract; Thence South 52 degrees, W. 501.8 feet, highway property line to a stake for corner; Thence South 83 degrees, 30" West 1238 feet to the place of beginning, containing 65.57 acres of land, more or less.

SAVE AND EXCEPT: 20 acres of land, of which about one acres is a part of the said George Cope Survey and about 19 acres is a part of the Survey Hall Survey, and being the same land described in a deed dated October 1st, 1926 from Basic Warren and wife, S. M. Warren to Board of County School Trustees of Smith County, Texas, recorded in Volume 173, Page 428 Smith County Deed Records, and described as follows:

BEGONNING on the W. line of Joe Hall's Land out of the N.W. corner of said Hall survey and at a point about 104 Yards S. of said Hall's N.W. corner, at an iron stake in the older Tyler and Ragan's Ferry Road at the N.W. corner of Basic Warren's acre tract of land, a S.G. 10° in dia. brs N. 6° 8.2 vrs; Thence with said road as follows: W. 85 deg. 29" E. 60.6 vrs. N. 78° 1/2 E. 307.7 vrs. S. a corner in said road, which point is now in new road, iron stake S. 10.1 vrs. on S. Bank of old road for witness; Thence S. 353.1 vrs. to iron stake, pine 12 S. 11 W. 7.8 vrs; Thence West 366.8 vrs to iron stake on E. line of said Hill land on the West side of fence.
MINERAL DEED

THE STATE OF TEXAS

COUNTY OF SMITH

KNOW ALL MEN BY THESE PRESENTS:

That I, MARGARET M. MEBUS, of the County of Dallas, State of Texas, for and in consideration of the sum of $10.00 cash and other good and valuable consideration to me in hand paid by FIRST CITY, TEXAS-TYLER, N.A., Trustee of the Margaret M. Mebus Living Trust dated February 26, 1991, of Smith County, Texas, whose address is P. O. Box 2020, Tyler, Texas 75710, hereinafter called "Grantor," the receipt of which is hereby acknowledged, have granted, sold, conveyed, assigned, and delivered, and by these presents do GRANT, SELL, CONVEY, ASSIGN, and DELIVER unto the said Grantee, all of my right, title and interest in and to all of the oil, gas and other minerals that I was devised under the Last Will and Testament of Lucy Marsh, which said Will was admitted to probate by Order of the County Court of Smith County, Texas, dated February 2, 1992, in Cause No. 24,233, styled "Estate of Lucy Marsh, Deceased," including, but not limited to, the oil, gas and other minerals described on Exhibit "A" attached hereto and made a part hereof, together with the right of ingress and egress at all times for the purpose of mining, drilling, and exploring said land for oil, gas and other minerals and removing the same therefrom.

TO HAVE AND TO HOLD the above described property and rights, together with all and singular the rights and appurtenances thereto in any wise belonging, unto the said Grantee, and to Grantee's successors and assigns, forever, subject to the terms and conditions of the above-mentioned Living Trust Agreement.

EXECUTED this the 7th day of October, 1992.

MARGARET M. MEBUS

THE STATE OF TEXAS

COUNTY OF SMITH

This instrument was acknowledged before me on the 7th day of October, 1992, by MARGARET M. MEBUS.

CAROL KELLY

Notary Public for the State of Texas
Notary's printed name: Carol Kelly
My commission expires: 4-13-94
EXHIBIT "A"

1. .020834 RI in Hitts Lake Unit, Tract 2
   .032986 RI in Hitts Lake Unit, Tract 11
   .032986 RI in Shamberger Lake Unit, Tract 23
   all out of 92.55 acres and 147 acres,
   John Lane Survey, Abstract 557, Smith
   County, Texas.

2. .0052888 RI, Elkton Gas Unit No. 1, 455.17
   acres, Marshall University Survey, Abstract
   624, et al, Smith County, Texas. Leased and
   producing.

3. 1/3 oil, gas and mineral interest, 96 acres,
   G. E. Boo Survey, Abstract 165, Smith
   County, Texas.

4. 1/3 oil, gas and mineral interest, 7 acres,
   James A. Burruss Survey, Abstract 150,
   Smith County, Texas.

5. 1/3 oil, gas and mineral interest in 27.8 acres
   and 50 acres, C. Green Survey, Abstract 378,
   Smith County, Texas.

6. 1/2 oil, gas and mineral interest in 425.1 acres,
   Manuel Gutierrez Survey, Abstract 364, Smith
   County, Texas.

7. 1/6 oil, gas and mineral interest in
   100 acres, William Luce Survey, Abstract 14,
   Smith County, Texas.

8. Undetermined interest in oil, gas and other
   minerals in 27 acres, Francis Mulhausen
   Survey, Abstract 716, Smith County, Texas.

9. 1/3 oil, gas and mineral interest in 83.363
   acres, Jackson Smith Survey, Abstract 874,
   Smith County, Texas.

10. 1/3 oil, gas and mineral interest in 40 acres,
    Skelwell Box Survey, Abstract 168, Smith
    County, Texas.

11. 1/6 oil, gas and mineral interest in 51 acres,
    Henry Mickelborough Survey, Abstract 651,
    Smith County, Texas.

12. 1/6 of 100.83/110 of 110 acres and 37.22/54.142
    of 54.142 acres, William Ray Survey, Abstract 829,
    et al, Smith County, Texas.

13. 1/6 oil, gas and mineral interest in 186.4 acres,
    M. Culbertson Survey, Abstract 256, and A. R.
    Clark Survey, Abstract 280, et al, Smith County,
    Texas.

14. 1/6 oil, gas and mineral interest in 76.4 acres,
    James H. Sanders Survey, Abstract 860, Smith
    County, Texas.

15. 1/6 of 60 acre mineral interest in 107.55 acres,
    and 1/6 of 38.59/47.55 of 47.55 acres, John Lane
    Survey, Abstract 557, Smith County, Texas.

16. 1/6 of 3/4 oil, gas and mineral interest in 91.43
    acres, Marshall University Survey, Abstract 636,
    Smith County, Texas.
17. 1/6 of 3/4 oil, gas and mineral interest in 50 acres, Stillwell Box Survey, Abstract 168, Smith County, Texas.

18. 1/6 of 6.989/50 oil, gas and mineral interest in 50 acres, Stillwell Box Survey, Abstract 168, Smith County, Texas.

19. 1/6 of 1/2 oil, gas and mineral interest in 102.471 acres, Ventura Tejada Survey, Abstract 21, Smith County, Texas.

20. 1/6 oil, gas and mineral interest in 79.08 acres, John Lane Survey, Abstract 557, Smith County, Texas.


22. 1/6 oil, gas and mineral interest in 114.25 acres, George Myers Survey, Abstract 643, Smith County, Texas.

23. 1/6 of 1/2 oil, gas and mineral interest in 57 acres, William Luce Survey, Abstract 14, Smith County, Texas.
OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 21st day of December, 1962, between

MATTIE MASH, SARAH MASH, LUCY MASH, each a Yeom ane, and MARTHA McILWaine

OMER FRISER, a widow,

Lessee (whether one or more) whose address is: 865 South Broadway, Tyler, Texas

and

BRASH COIL & REFINING COMPANY,

Lessor, WITNESSETH:

1. Lessee to consideration of

Dollars 1,000.00

1., in hand paid, for the premises herein provided, and all the appurtenances of Lease herein contained, hereto grants, bounds and 100.00 per acre, and the Lessee is hereby made for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and other minerals, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures therein and the water and streams

as paid for by Lessee conveying to and conferring thereto in possession, use, take care of, treat, transport and use oil, products, and

hunting for employees, the following described land

in

Smith County, Texas, to wit:

FIRST TRACT: Part of the Marshall University Survey No. 572, Abst. No. 624, described as follows:

BEGINNING on the EBL of the Don Thomas Quevedo Seven-League Grant, with the SBL of the

Hammond University Survey, R.J. 230 W. 6-5/10 vrs.; THENCE N. 25-2/10 vrs. with the

EBL of Quevedo and WBL of Marshall University Survey to SLC of a 226 acre tract

belonging to Lessors, P.O. S. 76 E. 9 vrs.; P.O. S. 76-1/4 E. 12-6/10 vrs.; THENCE

N. 942-1/10 vrs. with the SBL of said 226 acre tract to corner thereof in EBL of

the Parsonage land; THENCE N. 15 E. 92 vrs. to inner corner of said 226 acre tract;

THENCE East 130 vrs. another corner of said 226 acres in Old Palestine Road; THENCE

N. 21 E. with said road 67 vrs. to NWC of old gin lot; THENCE East with branch to

WBL of old gin lot; THENCE East about 127 vrs. to west eastern SEC of said 226 acres in WBL of

St. Louis & S.W. R.R. right-of-way; THENCE S. 27 deg 30' E. 1226 vrs. with the

WBL of said right-of-way to corner in SBL of said Marshall University Survey; THENCE West

773-4/10 vrs. with the SBL of said Survey to the place of BEGINNING, containing 176

acres, SAVE AND EXCEPT: 3 acres embraced by the right-of-way of the Old Palestine or

Pine Road, said right-of-way being 13-7/10 vrs. wide and 1226 vrs. long and adjoining

said rail road right-of-way leaving 175 acres in this first tract.

SECOND TRACT: Being a part of the Thomas Price Survey, Abstract No. 724, as described as

BEGINNING at the NWC of said Price Survey on the EBL of the Don Thomas Quevedo 7-

League Grant; THENCE East 800 vrs. with the WBL of said Price Survey to a point where

same intersects the WBL of the St. Louis and S.W. R.R. Co. Right-of-way; THENCE in a

Southwesterly direction with the WBL of the right-of-way to a point which is the EBL of

the J. M. Sanders tract; THENCE N. 77-1/2 W. 925 vrs. with the WBL of

said J. M. Sanders tract to its NWC on the WBL of said Price Survey; THENCE North

328-7/10 vrs. to the place of BEGINNING, containing 52.35 acres of land, more or less.

SIGNED FOR IDENTIFICATION:

Lucy Mash
This lease also covers and includes all land owned or claimed by Lessor, adjacent or contiguous to the land particularly described above, which may be used in connection with the lessee's business and which is situated with or adjacent to the premises described herein, in such a manner as to be consistent with the boundaries of the land particularly described above. For the purpose of calculating the rental payments hereinafter provided for said land it is estimated to comprise 2,371.35 acres.

2 Subject to the further terms herein contained, the lessee shall be for a term of five years, this parcel of land described or called "primary area" and the above adjoining and contiguous land shall be leased to Lessee for a term of five years, and at the end of the term of five years, unless extended for an additional term of five years, Lessee shall remove all improvements on the land and shall restore the land to the condition it was in when this lease was entered into.

It is understood that at the end of the primary lease term, the lessee shall have the option to renew the lease for an additional term of five years, subject to the same terms and conditions as the primary lease term, unless otherwise agreed upon by the parties to this lease.

In the event of a dispute arising between the parties to this lease, the lessee shall be entitled to a ten-day notice to cure any violation of the terms of this lease. If the lessee fails to cure such violation within the ten-day period, the landlord shall have the right to terminate this lease and the lessee shall be responsible for all damages incurred by the landlord as a result of such violation.
THE STATE OF TEXAS

COUNTY OF
t

Executed, the undersigned authority, on this day personally appeared.

MARTHA MACLAINE FRAZER,
known to me to be the

Notary Public in and for

The State of Texas

July 3, 1966

December 26, 1962

December 26, 1962

Single Acknowledgment
THAT WHEREAS, herefore, under date of February 17, 1950, Mittle Marsh, Sarah Marsh, Roy Marsh, each as a lessee, and Martha Mellwine Frasier, a widow

Lessee, did execute and deliver to Humble Oil & Refining Company, as Lessee, the oil, gas and mineral lease, recorded in Volume 973, at Page 3, 53rd A. D. Records of Smith County, Texas, covering certain land situated in the Marshall University Survey, No. 372, A-624, in Smith County, Texas, said land being more fully described in said lease, reference to said lease and to the record thereof being here made for all purposes; and,

WHEREAS, said lease and all rights and privileges thereunder are now owned and held by

HUMBLE OIL & REFINING COMPANY; and,

WHEREAS, it is the desire of the undersigned parties heretofore to amend said lease so as to correct the description of the land intended to be included in said lease;

NOW, THEREFORE, in consideration of the premises and One Dollar ($1.00) cash in hand paid by

HUMBLE OIL & REFINING COMPANY, hereinafter referred to as Lessee, to the other parties who execute this instrument, hereinafter referred to as Lessors (whether one or more), the receipt and sufficiency of which are hereby acknowledged and confessed, we, the undersigned, as Lessors, do hereby agree with

HUMBLE OIL & REFINING COMPANY that said instrument shall be, and the same is hereby reformed and amended so that the land covered and to be covered thereby is described as follows:

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Marshall University Survey, A-624, Smith County, Texas, and being more fully described as follows:

BEGINNING at the northwest corner of the Mittle Marsh et al called 175 ac. tract (resurveyed 182.37 acres), same being in the west boundary line of the Marshall University Survey, A-624, and 2999.2 feet north of its original southwest corner, also being on the west edge of a road;

THENCE SOUTH with the west line of the Marshall University Survey and the road as it was originally located, 2999.5 feet to the south corner of the Charles Fritchard 3-56 acres tract, this corner also being in the west edge of a bend in the abandoned road;

THENCE N 49° 00' E with Fritchard's southeast line 845.0 feet to the southwest corner of the A. J. Fritchard 21.13 acre tract;

THENCE N 85° 19' E, generally with a public road along the south line of said Fritchard tract, 1334.0 feet to the northwest corner of the W. E. Baldwin 6 acre tract;

THENCE SOUTH with the west line of said 6 acre tract, 500.0 feet to its southwest corner, in an old roadway;

THENCE S 85° 44' E with the south line of said Baldwin 6 acre tract and the south line of the J. E. Heath 83.36 acre tract, same being along the center line of a public road, 2611.8 feet to the south line of the Annie E. Carden 30.7 acre tract, this corner being S 85° 14' E 35.0 feet from Heath's southwest corner and Annie Carden's southwest corner;

THENCE S 61° 26' E with Annie Carden's south line, 607.6 feet to the center line of the Cotton Belt Railroad.

THENCE S 27° 32' W with the center line of the railroad track, 1781.7 feet to the northeast corner, as resurveyed, of the Mittle Marsh et al 182.37 acre tract;
THENCE WEST 393.9 feet to an interior corner of said 182.37 acre tract;

THENCE NORTH 223.1 feet, a northeast corner of said 182.37 acre tract;

THENCE WEST 208.3 feet, a northwest corner of said 182.37 acre tract;

THENCE SOUTH 21° 00' W 236.9 feet to another interior corner of said 182.37 acre tract, same being the northeast corner of the old Church Lot, a 2"x2" Cypress Stake from which a 26" Post Oak (marked with an old X on the east face) bears West 29.3 feet;

THENCE N 89° 27' W 352.7 feet to another northwest corner of said Mittie Marsh et al 182.37 acre tract, also being a northwest corner of the old Church Lot, a 2"x2" Cypress Stake for corner, from which a large Post Oak stump bears S 87° 15' E, 55.8 feet;

THENCE S 15° 00' W, 443.0 feet along an old fence line to another interior corner of the Marsh 182.37 acre tract, a 2"x2" Cypress Stake on the north edge of a public road from which a 1½" Post Oak marked with an old X on the southeast side, bears N 9° 10' E, 32.2 feet;

THENCE WSW with the most westerly north line of the Mittie Marsh et al 182.37 acre tract, same being along the north edge of the public road, 2630.7 feet to the place of beginning, and containing 223.16 acres of land.

The parties hereto make this agreement, with the express understanding that the lands hereinbefore described, or portions thereof, have heretofore been included within SOUTH TYLER GAS UNIT Unit No. 1 as fully set forth and shown in designation of said unit dated July 30, 1960, recorded in Volume 1090, Page 33, Real Estate Records, Smith County, Texas, reference to which Unit Designation and the record thereof is here made for all purposes, and that a well has been drilled on said Unit, and notwithstanding anything to the contrary elsewhere herein contained, the parties hereto expressly agree that this lease shall be deemed effective as of one day prior to the designation of said unit, or one day prior to the commencement of the well on said unit, whichever is the earlier, and that all royalties, including shut-in gas royalties, shall be computed from the first day of production on said well, or a payment of shut-in royalties, and that such royalty and/or shut-in royalty may be paid to the lessee herein or to his credit in the depository named in said lease, said payments to be calculated and paid or tendered in accordance with the provisions of this lease.

It is also further understood and agreed that the lands hereinbefore described, or that portion thereof included in SOUTH TYLER GAS UNIT Unit No. 1 together with this lease, insofar as the gas and gas rights therein situated are affected thereby, are hereby pooled and combined with the other tract or tracts included in said unit together with the leases therefor for the purposes of developing and operating said unit for the production, storage, processing and marketing of the gas therefrom; and the drilling or reworking operations on or the production of gas from any portion of the said pooled unit shall be considered for all purposes including specifically any obligation imposed upon the lessee under the terms of this lease (except the payment of royalties) as if operations were on and production were from this lease, and, insofar as said drilling operations, production, or reworking operations are concerned, this pooling agreement shall be deemed to have been executed prior to the commencement thereof, and it shall not be necessary to drill offset wells between this tract and any other tract included in said unit.
containing 221.6 acres of land, more or less. This said lease shall also cover and include all land owned or claimed by Lessee adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

Lessee hereby, in all things acts, ratifies and confirms said lease as the same is hereby amended, and hereby demise and lets all of the acreage above described and referred to unto Lessee, subject to and under the terms and provisions of said lease.

The provisions hereof shall extend to and be binding upon the heirs, legal representatives, successors and assigns of the parties hereunder.

WITNESS our hands and seals this 11th day of February, A.D., 1938.

MIDDLE OIL & REFINING COMPANY

EXECUTORS OF THE ESTATE OF

MARSHA MCLAIN FRAZER, DECEASED

SARAH MARCH

LUCY MARSH

REBECCA FRAZER M менее

ATTEST:

Aust. Sec'y.

BY H. J. MILLER

Agent and Attorney in Fact

THE STATE OF SOUTH CAROLINA
County of \[signature\]

Before me, the undersigned authority, on this day personally appeared, ELIZABETH FRAZER MLESS, Executrix of the Estate of Martha Mcilwaine Frazier, Deceased,

ACKNOWLEDGED by the above named person, who is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

THE STATE OF VIRGINIA

County of \[signature\]

Before me, the undersigned authority, on this day personally appeared, WILLIAM S. FRAZER, Executor of the Estate of Martha Mcilwaine Frazier, Deceased,

ACKNOWLEDGED by the above named person, who subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.
THE STATE OF TEXAS  
COUNTY OF SMITH  

Before me, the undersigned authority, on this day personally appeared KITTE MARSH, SARAH MARSH and RAY MARSH, each a femme sole, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this the 11 day of Feb, A.D., 19...  

Notary Public in and for Smith County, Texas  

THE STATE OF TEXAS  
COUNTY OF HARRIS  

Before me, the undersigned authority, on this day personally appeared H. Jack Baumann, known to me to be the person whose name is subscribed to the foregoing instrument, as Agent and Attorney-in-Fact of Humble Oil & Refining Company and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said Humble Oil & Refining Company.

Given under my hand and seal of office, this the 3rd day of February A.D., 19...  

Notary Public in and for Harris County, Texas  

FILED AT 8 O'CLOCK A.M. ON THE 19 DAY OF OCTOBER, 19... 
RECORDED AT 10 O'CLOCK A.M. ON THE 21 DAY OF OCTOBER, 19... 
ERNEST CHRISTIAN, COUNTY CLERK, BY JOHN W. IBAUS, DEPUTY
THE STATE OF TEXAS
COUNTY OF SMITH

KNOW ALL MEN BY THESE PRESENTS.

THAT WHEREAS, hereinafore, under date of December 21, 1962, Mittie Marsh, Sarah Marsh, Lucy Marsh, each a Femme Sole, and Martha McElvaine Fraser, a widow, as Lessee, did execute and deliver to Humble Oil & Refining Company, as Lessee, an oil, gas and mineral lease, recorded in Volume 1962, at Page 108 of the Deed Records of Smith County, Texas, covering certain land situated in Marshall University Survey, #527, A-624 and Thomas Price Survey, A-794, in Smith County, Texas, said land being more fully described in said lease, reference to said lease and to the record thereof being made for all purposes; and,

WHEREAS, said lease and all rights and privileges thereunder are now owned and held by Humble Oil & Refining Company; and,

WHEREAS, it is the desire of the undersigned parties hereto to amend said lease so as to correct the description of the land intended to be included in said lease;

NOW, THEREFORE, in consideration of the premises and One Dollar ($1.00) cash in hand paid by Humble Oil & Refining Company, hereinafter referred to as Lessee, to the other parties who execute this instrument, hereinafter referred to as Lessee (whether one or more), the receipt and sufficiency of which are hereby acknowledged and confessed, we, the undersigned, as Lessee, do hereby agree with Humble Oil & Refining Company that said instrument shall be, and the same is hereby reformed and amended so that the land covered and to be covered thereby is described as follows:

FIRST TRACT:

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Marshall University Survey, A-624, Smith County, Texas, more particularly described as follows:

BEGINNING at the southwest corner of the Marshall University Survey, A-624, which point is also the northwest corner of the Thomas Price Survey, A-794, and in the east boundary line of the Thomas Quevedo Survey, A-18, a 2" x 2" Cypress Stake for corner, from which a 30° Black Jack (X on northwesterly face) bears S 30° E, 25.5 feet;

THENCE NORTH along the division line between the Marshall University Survey, A-624 and the Thomas Quevedo Survey, A-18, 2392.2 feet to stake in said division line on north side of public road, which point is also the southwest corner of the Mittie Marsh et al 226.0 acre tract;

THENCE EAST along the north side of the public road and with the westerly south boundary line of the Mittie Marsh et al 226.0 acre tract, 2635.7 feet to a 2" x 2" Cypress Stake for corner, from which a 14° Post Oak (marked with an old "X" on the southwest face) bears N 9° 10' W, 32.2 feet, which point is the most southerly southeast corner of the Mittie Marsh et al 226.0 acre tract;

THENCE N 25° 02' E along signs of an old fence, 443.0 feet to a 2" x 2" Cypress Stake for corner, from which a large Post Oak Stump bears S 87° 15' W, 55.8 feet;

THENCE S 89° 27' E, 352.7 feet to a 2" x 2" Cypress Stake for corner, from which a 26° Post Oak (marked with an old "X" on the east face) bears West 26.3 feet;

THENCE N 21° 00' E, 238.9 feet to stake for corner;

THENCE EAST 208.3 feet to stake for corner;

THENCE SOUTH 223.1 feet to stake for corner;
THENCE EAST 393.9 feet to stake for corner in the center line of the St. Louis-Southern Railway Company of Texas' main line;

THENCE S 27° 30' W along the center line of the St. Louis-Southern Railway Company of Texas' main line, 393.9 feet to stake for corner in the center line of said railroad, which point is also in the division line between the Marshall Survey, A-624 and the Thomas Price Survey, A-794;

THENCE S 89° 35' W along the division line between the Marshall Survey, A-624 and the Thomas Price Survey, A-794, 2221.5 feet to the place of beginning, and containing 182.37 acres of land.

SECOND TRACT:

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Thomas Price Survey, Abstract No. 794, Smith County, Texas, more particularly described as follows:

BEGINNING at the NWC of said Price Survey on the EBL of the Don Thomas Quevedo's 7 League Grant;

THENCE EAST 600 vrs. with the NBL of said Price Survey to a point where same intersects the WBL of the St. Louis and S.-U.R.R. Co., Right-of-Way;

THENCE in a Southwesterly direction with the WBL of the right-of-way to a point which is the NWC of the J. M. Sanders 24.28 acre tract;

THENCE NORTH 71/2 W. 592 vrs. with the NBL of said J. M. Sanders tract to its NWC on the WBL of said Price Survey;

THENCE NORTH 332-7/10 vrs. to the Place of Beginning, containing 92.35 acres of land, more or less.

The parties hereto make this agreement with the express understanding that the lands hereinabove described, or portions thereof, have herebefore been included within South Tyler Gas Unit No. 1 as fully set forth and shown in Designation of said unit dated July 20, 1927, recorded in Volume 1099, Page 39, Dead Records, Smith County, Texas, reference to which Unit Designation and the record thereof is here made for all purposes, and that a well has been drilled on said unit, and notwithstanding anything to the contrary elsewhere herein contained, the parties hereto expressly agree that this lease shall be deemed effective as of one day prior to the designation of said unit, or one day prior to the commencement of the well on said unit, whichever is the earlier, and that all royalties, including shut-in gas royalties, shall be computed from the first day of production on said well, or a payment of shut-in royalties, and that such royalty and/or shut-in royalty may be paid to the lessee herein or to his credit in the depositary named in said lease, said payments to be calculated and paid or tendered in accordance with the provisions of this lease.

It is also further understood and agreed that the land hereinabove described, or that portion thereof included in South Tyler Gas Unit No. 1 together with this lease, insofar as the gas and gas rights therein situated are affected hereby, are hereby pooled and combined with the other tract or tracts included in said unit together with the lease thereon for the purposes of developing and operating said unit for the production, storage, processing and marketing of the gas therefrom; and the drilling or reworking operations on or the production of gas from any portion of the said pooled unit shall be considered for all purposes including specifically any obligation imposed upon the lessee under the terms of this lease (except the payment of royalties) as if operations were on production were from this lease, and, insofar as said drilling operations, production, or reworking operations are concerned, this lease and pooling agreement shall be deemed to have been executed prior to the commencement thereof, and it shall not be necessary to drill offset wells between this tract and any other tract included in said unit.

Signed for Identification:

[Signature]

Lucy [Signature]
taining 23.72 acres of land, more or less. This said lease shall also cover and include all
owned or claimed by Lessee adjacent or contiguous to the land particularly described above, whether the same
in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land par-
dually described above.

Lessee hereby in all things adopts, ratifies and confirms said lease as the same is hereby amended, and
ably leases, demises and lets all of the acreage above described and referred to unto Lessee, subject to and under
terms and provisions of said lease.

The provisions hereof shall extend to and be binding upon the heirs, legal representatives, successors and
grants of the parties hereto.

WITNESS our hands and seals this the 16th day of October A.D. 1963.

SITUITORS OF THE ESTATE OF
RHETA MCMILLAIN FRAZIER, DECEASED

Minnie Frazier
Nellie Frazier
Sarah Frazier
Lucy Frazier

TEST.

Ralph M. Dawson
AGENT AND ATTORNEY-IN-FACT

Virginia

Before me, the undersigned authority, on this day personally appeared, WILLIAM S. FRAZIER, Executor of the
tate of Martha Mcmillain Frazier, Deceased,

as to me to be the identical 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, and in the capacity therein stated.

Given under my hand and seal of office this the 21st day of October A.D. 1963.

South Carolina

Before me, the undersigned authority on this day personally appeared, ELIZABETH FRAZIER LILLY, Executor of

Estate of Martha Mcmillain Frazier, Deceased,

as to me to be the identical 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, and in the capacity therein stated.

Given under my hand and seal of office this the 21st day of October A.D. 1963.
THE STATE OF TEXAS

COUNTY OF BEXAR}

Before me, the undersigned authority, on this day personally appeared SADIE MARSH, SARAH MARSH, and Sitta MARSH, each a female, all known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and considerations therein expressed.

Given under my hand and seal of office, this the 10th day of October, A. D. 1953.

Notary Public in and for Bexar County, Texas

COUNTY OF DALLAS

Before me, the undersigned authority, on this day personally appeared RALPH N. DAVISON, known to me to be the person whose name is subscribed to the foregoing instrument, as Agent & Attorney-in-Fact of HUMBLE OIL & REFINING COMPANY and acknowledged to me that he executed the same for the purposes and considerations therein expressed, in the capacity stated, and as the act and deed of said HUMBLE OIL & REFINING COMPANY.

Given under my hand and seal of office, this the 15th day of January, A. D. 1954.

Notary Public in and for Dallas County, Texas

JO MUNCEY
My Commission Expires 6-1-68

HUMBLE

CHANGE OF
LEASE DESCRIPTION

FROM

NO. 1,251

TO

NO. 1,252

FILED AT 8:59 O'CLOCK A. M. ON THE 10th DAY OF October, 1954
RECORDED AT 117 O'CLOCK A. M. ON THE 14th DAY OF February, 1954
ERNEST CHRISTIAN, COUNTY CLERK, BY: VERNON PERDUE, DEPUTY.
KNOW ALL MEN BY THESE PRESENTS:

THAT, DENNIS D. CORKRAN, a/k/a Dennis Corkran and DAVID JOHN ANDREWS, a/k/a David J. Andrews, each having offices at 1001 Loop 360 South, Building L, Suite 100, Austin, Texas 78746, herein collectively called "Assignor," in consideration of Ten Dollars ($10.00) and other good and valuable consideration to it in hand paid, the receipt and sufficiency of which are hereby acknowledged, does hereby grant, convey, sell, assign, and transfer unto

SAMSON LONE STAR LIMITED PARTNERSHIP, a Texas limited partnership, whose address is Samson Plaza, Two West Second Street, Tulsa, Oklahoma 74103, herein called "Assignee," the following interests:

1. all of Assignor's right, title, and interest in and to the leases (whether one or more) and lands described on Exhibit "A" attached hereto and made a part hereof (the "Leases"), whether said interests are created under contracts or otherwise, said lands being located in Smith County, State of Texas, together with the rights incident thereto, the personal property thereon, appurtenant thereto, or used or obtained in connection with said Leases; AND for the same consideration stated hereinabove, Assignor does hereby grant, convey, sell, assign, and transfer unto the said Assignee all of Assignor's right, title, and interest in and to the wells located upon the above-described Leases, or on lands pooled or unitized with any portion thereof, or on lands located within any governmental drilling and spacing unit which includes any portion thereof, together with all casing, leasehold equipment, and personal property in or on or used in connection with said wells or lands (hereinafter collectively referred to as the "Property");

2. identical interests in the production of oil, gas or other minerals, inclusive of royalties, overriding royalties, production payments, rights to take royalties in kind, or other interests in production of oil, gas or other minerals; rights and actions to enforce such rights which Assignor now has, has ever had, or may have in the future against any purchaser of production from Assignor's Property assigned herein, insofar as said rights may relate to pricing, payment and take-or-pay provisions of gas purchase contracts executed by said purchaser, regardless of when such claims may have arisen and insofar as said rights relate to the Property;

3. identical interests derived from unit agreements, orders and decisions of state and federal regulatory authorities establishing units, joint operating agreements, gas balancing agreements, gas purchase agreements, enhanced recovery and injection agreements, farmout agreements and farm-in agreements, options, drilling agreements, exploration agreements, assignments of operating rights, working interests, subleases and rights above or below certain footage depths or geological formations, and all rights provided by statute or common law relating to participation in proceeds of production sold, whether or not accruing prior to the effective date of this Assignment and Bill of Sale, to the extent same is attributable to the Property; and

4. identical interests in all rights-of-way, easements, servitudes, and franchises acquired or used in connection with operations for the exploration and production of oil, gas or other minerals on or from the Property, including the rights to permits and licenses of any nature owned, held or operated in connection with said operations.

Assignor and Assignee, in consideration of the mutual benefits to be derived hereunder, understand and agree to the following terms and conditions:

a. Assignee hereby agrees that as to those matters attributable to the period of time from and after the effective date of this instrument, as hereinafter set forth, to assume its proportionate part of any and all terms and provisions of the Leases and any and all existing royalties, excess royalties, overriding royalty interests or other burdens out of production with which said Leases may be burdened. Assignor hereby retains responsibility for the performance and payment of, as to those matters attributable to the period of time prior to the effective date, its proportionate part of any and all terms and provisions of the Leases and any and all existing royalties, excess royalties, overriding royalty interests or other burdens out of production with which said Leases may be burdened.
b. Assignee hereby agrees to assume Assignor's proportionate share of all responsibility for said well, the casing, leasehold equipment, plugging requirements or exceptions thereto, including bonding requirements, in and on said well or wells, and all other personal property used or obtained in connection therewith, as to matters attributable to the period of time from and after the effective date of this Assignment and Bill of Sale, and Assignee agrees to protect, defend, indemnify and hold Assignor and its employees free and harmless from and against any and all costs, expenses, claims, demands and causes of action of every kind and character attributable to the period of time on or after the effective date of this Assignment and Bill of Sale arising out of, incident to, or connection with the above-described Leases, lands, wells, casing, leasehold equipment and other personal property.

c. Assignor agrees to protect, defend, indemnify and hold Assignee and its employees free and harmless from and against any and all costs, expenses, claims, demands and causes of action of every kind and character attributable to the period of time prior to the effective date of this Assignment and Bill of Sale arising out of, incident to or in connection with the interests assigned herein in the above-described Leases, lands, wells, casing, leasehold equipment and other personal property.

d. Notwithstanding anything to the contrary herein, Assignee assumes all rights or obligations associated with gas imbalances attributable to the Property, regardless of when such imbalances occurred or accrued.

Assignor does hereby agree to warrant and defend title to the interest conveyed herein against the claims and demands of all persons whomsoever claiming or attempting to claim the same by, through or under Assignor, but not otherwise. Notwithstanding the limited nature of this warranty, Assignee is hereby granted the right to full subrogation and substitution of warranties heretofore made or given, and all such covenants of warranty are hereby transferred and assigned to Assignee. Execution of this conveyance by any individual herein shall be considered for all purposes as a relinquishment of any and all community property rights held or acquired by Assignor in and to the lands described in Exhibit "A" hereof.

TO HAVE AND TO HOLD the same unto the said Assignee forever. The provisions hereof shall be covenants running with the land and shall inure to the benefit of and be binding upon Assignor and Assignee, their personal representatives, successors and assigns.

Upon request by Assignee hereafter, Assignor agrees to execute, acknowledge, and deliver to Assignee any additional instruments, notices, division orders, transfer orders, authorizations, consents, documents requested by purchasers of production, agencies of the government or other parties and to do any other acts and things which in Assignee's opinion may be necessary to effectuate the purposes of this instrument.

IN WITNESS WHEREOF, the undersigned have executed this instrument on the date of acknowledgments annexed hereto, but to be effective for all purposes from and after 7:00 a.m., C.S.T., the 1st day of March, 1999.

ASSIGNOR:

Dennis D. Corkran, a/k/a Dennis Corkran

Peggy J. Corkran, wife of Dennis D. Corkran

David John Andrews, a/k/a David J. Andrews, a/k/a David Andrews
ASSIGNEE:

SAMSON LONE STAR LIMITED PARTNERSHIP, a
Texas limited partnership

By: Samson Resources Company
General Partner

By: [Signature]

Jack A. Canan
Attorney-in-Fact for
Samson Resources Company
General Partner

STATE OF Texas
COUNTY OF Travis

This instrument was acknowledged before me on July 12, 1997, by Dennis D. Conkran,
aka Dennis Conkran, and Peggy J. Conkran, husband and wife.

Susan Smith [Signature]
Notary Public in and for
Travis County, Texas

My Commission Expires:

STATE OF Texas
COUNTY OF Travis

This instrument was acknowledged before me on July 17, 1997, by David John Andrews,
aka David J. Andrews, aka David Andrews, an individual.

Susan Smith [Signature]
Notary Public in and for
Travis County, Texas

My Commission Expires:

STATE OF OKLAHOMA
COUNTY OF TULSA

This instrument was acknowledged before me on July 10, 1999, by Jack A. Canan, Attorney-in-
Fact for Samson Resources Company, an Oklahoma corporation, as General Partner for Samson Lone Star Limited
Partnership, a Texas limited partnership, on behalf of the partnership.

Mary Lakes
Notary Public in and for Tulsa County, Oklahoma

F.K. Bright Gas Unit No. 1


Elkton Gas Unit No. 1


Rabon Hitt No. 1


Hollytree (Paluxy) Unit


Kickapoo Creek Gas Unit No. 1


Shamburger Lake Unit Tract No. 17
Declaration of Pooled Unit for the American Petrofina Company of Texas-J.F. Ware Gas Unit #1, dated August 16, 1982, recorded in Volume 2015, page 360 of the Deed Records of Smith County, Texas, as amended, covering 644.077 acres, more or less, in the Benijah Lafferty Survey, A-13, Smith County, Texas.

J.F. Ware Gas Unit #1


Vernon B. Wilson Gas Unit No. 1

Declaration of Pooled Unit for the American Petrofina Company of Texas-Woolf Gas Unit No. 1, dated April 24, 1978, recorded in Volume 1963, page 786 of the Deed Records of Smith County, Texas, covering 699.24 acres, more or less, in the M.G. Henriquez Survey, A-11, Smith County, Texas, insofar as said Unit covers 80.0 acres, more or less, within the above described 699.24 acres, being described by metes and bounds in Pooling Declaration dated September 12, 1957, recorded in Volume 889, page 583 of the Deed Records of Smith County, Texas.

Woolf Gas Unit No. 1


Brittain Balfour #1


Helen Y. Sherman #1


Jack B. York #1

Harris R. Fender, et al Craig N. Steed Oil Unit, dated January 24, 1983, recorded in Volume 2074, Page 296 of the Deed Records of Smith County, Texas, as amended by that certain instrument dated March 1, 1984, recorded in Volume 2262, Page 806, of the Deed Records of Smith County, Texas.

Craig N. Steed #1
Harris R. Fender Maxine Neill Gas Unit, dated September 30, 1974, recorded in Volume 1517, Page 882 of the Deed Records of Smith County, Texas, as amended by that certain instrument dated May 12, 1976, recorded in Volume 1582, Page 658 of the Deed Records of Smith County, Texas.

Maxine Neill #1


Frank G. Brown #3

Harris R. Fender, et al Palmer oil Unit, dated August 1, 1973, recorded in Volume 1459, Page 473 of the Deed Records of Smith County, Texas, as amended by that certain instrument dated recorded in Volume 1518, Page 39 of the Deed Records of Smith County, Texas and that certain instrument dated June 1, 1989, recorded in Volume 2918, Page 103 of the Deed Records of Smith County, Texas.

Palmer #1-U

Harris R. Fender, et al Frank R. McCauley Oil Unit, dated August 1, 1973, recorded in Volume 1459, Page 484 of the Deed Records of Smith County, Texas.

Frank R. McCauley #1

Oil and Gas Lease from Thelma Kirby Riddle, as Lessor, to Richard L. Davis, as Lessee, dated May 17, 1974, recorded in Volume 1494, Page 739, Records of Smith County, Texas, as extended and amended by instruments dated November 3, 1980 and September 1, 1982, recorded in Volume 1838, Page 261 and in Volume 2030, Page 824, respectively, Records of Smith County, Texas.

Fender Fee #2 and #3

Fender #5
Unit Designation dated July 12, 1984, counterpart copies of which are recorded in Volume 2287, page 315 and in Volume 2291, page 531 of the Deed Records of Smith County, Texas, as amended by Amendment to Unit Designation dated October 24, 1985, recorded in Volume 2485, page 166, of the Deed Records of Smith County, Texas, and covering 80.0 acres out of the Robert Tombs Survey, A-987 and the B.L. Robbin Survey, A-925, Smith County, Texas.

R.H. Allen Estate Oil Unit No. 1


A.B. Dark Oil Unit No. 1

END OF EXHIBIT 'A'
ASSIGNMENT, BILL OF SALE AND CONVEYANCE

Redstone Oil & Gas, L.P., d/b/a Redstone Oil & Gas Company, a Texas limited partnership ("Assignor"), in consideration of value received, the sufficiency of which is hereby acknowledged and confessed, does hereby grant, bargain, sell, convey, assign, transfer, set over and deliver unto Lariat Petroleum, Inc., whose address is 110 West 7th, Suite 1300, Tulsa, Oklahoma 74119 ("Assignee") the following (collectively, the "Properties"):

(a) All right, title and interest of Assignor in and to the mineral interests, royalty interests, overriding royalty interests, and oil, gas and mineral leases described on Exhibit A hereto (and any ratifications, amendments and extensions to such interests, whether or not such ratifications, amendments or extensions are described on Exhibit A) insofar as such interests (and such ratifications, amendments and extensions) cover the lands described on Exhibit A, inclusive of all depths in which Assignor has rights (collectively, the "Leases"), including, but not limited to Assignor's oil and gas and associated hydrocarbons ("Oil and Gas") produced from or attributable to the Leases; and

(b) All right, title and interest of Assignor in and to, or otherwise derived from, all presently existing and valid oil, gas and mineral unitization, pooling, and communization agreements, declarations and/or orders (including, but not limited to, all units formed under orders, rules, regulations, or other official acts of any federal, state, or other authority having jurisdiction, and voluntary unitization agreements, designations and/or declarations) relating to the Leases; and

(c) All right, title and interest of Assignor in and to all presently existing and valid production sales contracts, operating agreements, easements and rights-of-way and other agreements and contracts which relate or apportion to any of the Leases and properties described in subsections (a) and (b) above, to the extent and only to the extent such rights, titles and interests are attributable to the Leases and properties described in subsections (a) and (b) above (the contracts, agreements, and instruments described in subsections (a) and (b) above are collectively called the "Contracts"); and

(d) All right, title and interest of Assignor in and to (i) all materials, supplies, machinery, equipment, improvements and other personal property and fixtures (including, but not by way of limitation, all wells, wellhead equipment, pumping units, flowlines, tanks, buildings, injection facilities, saltwater disposal facilities, compression facilities, gathering systems, and other equipment) located on the Leases or the properties described in subsections (a) and (b) above and used in connection with the exploration, development, operation or maintenance thereof, or with respect to the gathering, transportation, treatment or marketing of the Oil and Gas therefrom, and (ii) all permits, licenses, rights of way, easements, and other rights of surface use used in connection with the exploration, development, operation or maintenance of the Leases and properties described in subsections (a) and (b) above, or with respect to the gathering, transportation, treatment or marketing of the Oil and Gas therefrom, to the extent and only to the extent such rights, titles and interests are attributable to the Leases and properties described in subsections (a) and (b) above.

(e) All right, title and interest of Assignor in all of the files, records and data relating to the items described in subsections (a), (b), (c), and (d) above, including, but not limited to, all wells, wellhead equipment, pumping units, flowlines, tanks, buildings, injection facilities, saltwater disposal facilities, compression facilities, gathering systems, and other equipment) located on the Leases or the properties described in subsections (a) and (b) above and used in connection with the exploration, development, operation or maintenance thereof, or with respect to the gathering, transportation, treatment or marketing of the Oil and Gas therefrom, and (ii) all permits, licenses, rights of way, easements, and other rights of surface use used in connection with the exploration, development, operation or maintenance of the Leases and properties described in subsections (a) and (b) above.

(f) Any and all other rights or assets of Assignor located on or appurtenant to or associated with the Leases or the properties described in subsection (b) and used solely in connection with the operation or maintenance of the Leases and/or properties described in subsections (a) and (b) above.

The Leases, properties, rights and interests specified in the foregoing subsections (a) through (f) are herein sometimes collectively called the "Properties."

EXRESSLY EXCLUDED from the description of the Properties are all of Assignor's right, title and interest in and to the following (the "Excluded Assets"):

(a) all corporate, financial and tax records of Assignor; however Assignee shall be entitled to receive copies of any such records which Assignee may reasonably request; and

(b) claims of Assignor for refund with respect to overpayments attributable to any period prior to the Effective Time, made by Assignor or its predecessors in interest with regard to the Properties, including without limitation, joint interest billings, payments to royalty owners, production, severance, ad valorem, income or franchise taxes or other taxes.
(c) claims of Assignor against other working interest owners of the Leases with respect to any amounts due to Assignor by such working interest owners, and relating to operations on or respecting the Properties before the Closing Date.

Notwithstanding the foregoing, and without limitation of the special warranty set forth below, it is Assignor’s intention to convey, and Assignor does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER AND DELIVER unto Assignee, all of Assignor’s right, title and interest in, to and under the Leases, even though such interests, the lands covered thereby, or the Leases themselves be incorrectly or insufficiently described in, or a description of any such interest, Leases or lands be omitted from, Exhibit A.

TO HAVE AND TO HOLD all and singular the Properties, together with all rights, titles, interests, estates, remedies, powers and privileges thereto appertaining unto Assignee and Assignor’s successors and assigns forever; and Assignor does by these presents bind itself and its successors and assigns to Warrant and Forever Defend, all and singular, the Properties unto Assignee and Assignor’s successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, BY THROUGH AND UNDER ASSIGNOR ONLY, BUT NOT OTHERWISE.

Assignor also hereby grants and transfers to Assignee, its successors and assigns, to the extent so transferable, the benefit of and the right to enforce the covenants and warranties, if any, that Assignor is entitled to enforce with respect to the Properties against Assignor’s predecessors in title or interest to the Properties. PROVIDED, HOWEVER, WITH RESPECT TO THE PERSONAL PROPERTY AND THE FIXTURES HERIN CONVEYED, ASSIGNOR EXPRESSLY DISCLAIMS AND NECATES ALL WARRANTIES EXPRESS OR IMPLIED INCLUDING WITHOUT LIMITATION (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, AND (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

This Assignment is made subject to the terms of that certain Purchase and Sale Agreement dated February 24, 2000 by and between Assignor and Assignee. However, it is expressly understood and agreed, and third parties may rely without inquiry, on this Assignment to (i) entitle Assignor and its predecessors in title to receive all revenues attributable to Oil & Gas produced from the Properties prior to the Effective Time, (ii) entitle Assignee to receive all revenues attributable to Oil & Gas produced from the Properties after the Effective Time, and (iii) except for Excluded Assets and as provided in (i) immediately above, convey to Assignee all of Assignor’s right, title and interest in the Properties.

This Assignment may be executed in any number of counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute but one assignment.

This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

EXECUTED this 31 day of March, 2000, but effective for all purposes as of January 1, 2000 at 12:01 p.m. local time at the location of the Properties (the “Effective Time”).

ASSIGNOR:
REDSTONE OIL & GAS, L.P., d/b/a
REDSTONE OIL & GAS COMPANY

By: Eric Luck, LLC, General Partner

By
Eric Luck, General Manager

THE STATE OF TEXAS


COUNTY OF DALLAS


This instrument was acknowledged before me on March 31, 2000, by Eric Luck, General Manager of Eric Luck, LLC, General Partner of Redstone Oil & Gas, L.P., d/b/a Redstone Oil & Gas Company, on behalf of said corporation.
EXHIBIT "A"

Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance dated effective January 1, 2000, from Redstone Oil & Gas Company, as Assignor, and Lariat Petroleum, Inc., as Assignee, covering lands in Smith County, Texas.

Those certain oil gas and mineral leases described as follows, to wit:

ELKTON PROSPECT

ELKTON GAS UNIT NO.1


Elkton GU 11L
.27026200 Working Interest
.22697000 Net Revenue Interest

RETURN:
LARIAT PETROLEUM, INC
110 W. 4TH, SUITE 1300
TULSA, OK 74119
ATTN: PAR CABBINNESS

Filed for Record in
SMITH COUNTY, TEXAS
JUDY CARNES, COUNTY CLERK

On Apr 11 2000
At 11:15pm
Deputy - Janis Farrell

STATE OF TEXAS COUNTY OF SMITH
I hereby verify that this instrument was delivered to the clerk and time stamped herein by me and was duly recorded in the Official Public records of Smith County, Texas.

APR 11 2000
JUDY CARNES
COUNTY CLERK, SMITH COUNTY, TEXAS
Instrument Number: 2008-R00039997
As
Release
Parties: RYNX TEXAS HOLDINGS INC
To: MOTHER FRANCES HOSPITAL REGIONAL HEALTH

Billable Pages: 5
Number of Pages: 6

Comment:
( Parties listed above are for Clerks reference only )

** Examined and Charged as Follows: **

Release
32.00

Total Recording:
32.60

File Information:
Document Number: 2008-R00039997
Receipt Number: 484332
Recorded Date/Time: August 25, 2008 01:48:59P
User / Station: C Aparicio - Cash Station 1

Record and Return To:
BURFORD & RYBURN LLP
100 THROCKMORTON STREET STE 520
FORT WORTH TX 76102

I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Judy Carnes
County Clerk
Smith County, Texas
Partial Assignment Agreement

Date: August 22, 2008

Assignor: Ryno Texas Holdings, Inc.

Assignor's Mailing Address:
Ryno Texas Holdings Inc.
1902 Brandon Drive
Tyler, Texas 75703

With a copy to: Jerry L. Atherton
909 ESE Loop 323, Suite 750
Tyler, TX 75701-9612

Assignee: Mother Frances Hospital Regional Health Care Center

Assignee's Mailing Address:
Mother Frances Hospital Regional Health Care Center
Attn: Mr. Ray Thompson
President/CEO
800 E. Dawson
Tyler, Texas 75701

With a copy to: Andy Navarro
514 S. Beckham St.
Tyler, Texas 75702

Transferred Contracts and Permits:

(a) A Wetland/Stream Mitigation Purchase Agreement dated October 7, 2005 between West Mud Reserve, LLC and Cherokee of VA LLC, Edward G. R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., Sandra S. Bennett, Tradd Street, LLC, and MSJ Properties, Ltd.

(b) A Section 404 Permit issued by the U.S. Army Corps of Engineers to Cherokee of VA LLC, Edward G. R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., Sandra S. Bennett, Tradd Street, LLC, and MSJ Properties, Ltd. dated August 11, 2006.

(c) A Designation of Drillsite and Waiver of Surface Rights dated March 14, 2008 between Ryno Texas Holdings, Inc. and Cherokee of VA LLC, Edward G. R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., Sandra S. Bennett, Tradd Street, LLC, and MSJ Properties, Ltd., recorded as Instrument No. 2008-R00012816 in the Official Records of Smith County, Texas.
(d) A Designation of Drillsite and Waiver of Surface Rights dated March 14, 2008 between Ryno Texas Holdings, Inc. and Roosth Production Company, recorded as Instrument No. 2008-R00012817 in the Official Records of Smith County, Texas.

**Governing Law.** This Assignment Agreement is governed by, and must be construed in accordance with, Texas law.

**Successors and Assigns.** This Assignment Agreement is binding upon, inures to the benefit of, and is enforceable by the parties hereto and their respective successors and assigns.

**Consideration.** Cash and other valuable consideration.

For the Consideration, Assignor transfers to Assignee the Transferred Contracts and Permits, to the extent they pertain to the property described in Exhibit A attached to this Assignment Agreement, including without limitation all of Assignor's interests, rights, and powers under the Transferred Contracts and Permits.

To have and to hold the Transferred Contracts and Permits to Assignee and Assignee's heirs, successors, and assigns forever. Assignor binds Assignor and Assignor's heirs and successors to warrant and forever defend all and singular the Transferred Contracts and Permits to Assignee and Assignee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Assignor but not otherwise.

Assignor shall notify the counterparties to each of the Transferred Contracts and Permits of this Assignment. Assignor shall sign and deliver any additional documents and perform any additional acts reasonably necessary or appropriate to carry out the intent of this instrument in transferring the Transferred Contracts and Permits to Assignee.

When the context requires, singular nouns and pronouns include the plural.

This Assignment Agreement is being entered into pursuant to a Contract of Sale between Assignor and Assignee dated as of June 30, 2008 for the sale of the property described in Exhibit A attached to this Assignment Agreement.

Ryno Texas Holdings, Inc.

By: [Signature]

Name: Brandon T. Steele

Title: President

- 2 -

459523 4 258-5002
STATE OF TEXAS  
COUNTY OF SMITH  

This instrument was acknowledged before me on August 22, 2008, by Brandon T. Steele as President of Ryno Texas Holdings, Inc.

AFTER RECORDING RETURN TO:

Jeb Loveless  
Burford & Ryburn, L.L.P.  
100 Throckmorton Street, Suite 520  
Fort Worth, TX 76102  
Tel: (817) 423-6944  
Fax: (817) 423-6952
EXHIBIT A

All that certain lot, tract or parcel of land within the Marshall University Survey, Abstract No. 624, City of Tyler, Smith County, Texas, and being part of called 178.55 acre tract of land described in Deed from MSU Properties, Ltd., Tradd Street, LLC., Richard Lilly, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., & Sandra S. Bennett to Ryno Texas Holdings Inc., dated March 17, 2008, and recorded in Clerk’s File No. 2008-R0012815 of the Official Public Records of Smith County, Texas, and this Tract No. 2 – 30.977 acre tract being more completely described as follows:

BEGINNING at a ½" Iron Rod set, for the Southwest corner of this 30.977 acre tract, the Northwest corner of Tract No. 1 – 30.000 acre tract, from which a Type II Concrete Right-of-way Monument found for the Southeast corner of said called 178.55 acre tract, at the intersection of the North Right-of-way line of State Highway No. 57 (Grande Boulevard) and the West Right-of-way line of Farm to Market Road No. 2493 (Old Jacksonville Road) bears South 65 deg. 53 min. 34 sec. East a distance of 3,112.41 feet;

THENCE North 14 deg. 35 min. 40 sec. East a distance of 341.03 feet to a ½" Iron Rod set;

THENCE North 84 deg. 53 min. 06 sec. East a distance of 301.59 feet to a ½" Iron Rod set;

THENCE North 16 deg. 30 min. 47 sec. East a distance of 818.84 feet to a Point for Corner in the centerline of the driving surface of County Road No. 159 (Crow Road), in a curve to the Right, from which a ½" Iron Rod set for reference to the Northwest corner of this 30.977 acre tract, in the proposed South Right-of-way of said County Road No. 159 (Crow Road) bears South 16 deg 30 min. 47 sec. West a distance of 35.78 feet;

THENCE with said curve and the centerline of said County Road No. 159 (Crow Road) having a Radius of 648.68 feet, a Delta Angle of 09 deg. 40 min. 01 sec., and Arc Length of 109.44 feet, a Chord Bearing of South 80 deg. 20 min. 56 sec. East and a Chord Length of 109.32 feet to a Point of Tangency in same;

THENCE South 75 deg. 30 min. 55 sec. East, with the centerline of said County Road No. 159 (Crow Road), a distance of 439.68 feet to a Point for Corner in the most Westerly East boundary line of said called 178.55 acre tract, in said County Road No. 159 (Crow Road);

THENCE South 02 deg. 33 min. 08 sec. East, a distance of 0.46 feet to a 60d Nail found for the Southwest corner of a called 5.5 acre tract described in a Deed to Charles Mark Gibson and recorded in Volume 3893 on Page 680 of the Official Public Records of Smith County, Texas, also being a corner of said called 178.55 acre tract, in said County Road No. 159 (Crow Road);

THENCE South 78 deg. 09 min. 52 sec. East, with said County Road No. 159 (Crow Road), a distance of 189.21 feet to a ½" Iron Rod found for corner in said County Road No. 159 (Crow Road);

THENCE South 86 deg. 45 min. 21 sec. East, with said County Road No. 159 (Crow Road), a distance of 424.75 feet to a Point for Corner in same, from which a ½" Iron Rod set for reference in the proposed South Right-of-way of said County Road No. 159 (Crow Road) bears South 02 deg. 52 min. 17 sec. West a distance of 37.70 feet;

THENCE South 02 deg. 52 min. 17 sec. West, with the centerline of said proposed 70 foot wide shared access easement, a distance of 64.13 feet to a ½" Iron Rod set at the beginning of a curve to the Right;

THENCE with said curve and the centerline of said proposed 70 foot wide shared access easement having a Radius of 329.94 feet, a Delta Angle of 17 deg. 14 min. 04 sec., and Arc Length of 99.24 feet, a Chord Bearing of South 11 deg. 29 min. 19 sec. West and a Chord Length of 98.87 feet to a ½" Iron Rod set;
THENCE South 20 deg. 06 min. 21 sec. West, with the centerline of said proposed 70 foot wide shared access easement, a distance of 872.19 feet to a ¾" Iron Rod set for the Southeast corner of this 30.000 acre tract, also being the Northeast corner of Tract No. 1 – 30.000 acre tract;

THENCE North 88 deg. 49 min. 17 sec. West a distance of 1439.39 feet to the PLACE OF BEGINNING AND CONTAINING 30.977 ACRES OF LAND of which 0.977 acre lies within said County Road No. 159 (Crow Road).

The bearings hereon were oriented to agree with the Deed Record call along the monumented East boundary line of said called 178.55 acre tract of land described in Clerk’s File No. 2008-R0012815 of the Official Public Records of Smith County, Texas.
Ten dollars and other valuable consideration

(10.00) cash in hand paid, the receipt of which is hereby acknowledged.

Margaret Marah Nebus

for themselves, their heirs, executors, administrators and assigns, hereby grant to Eastman Kodak Company, of which Texas Eastman Company is a division, its successors and assigns, the right to survey, construct, inspect, operate, protect, maintain, repair, alter, change the size of, remove, or replace a Mainline Valve Site with necessary fittings and appurtenances in connection with the construction, operation and maintenance of Grantee's pipelines together with the right of unlimited ingress and egress to and from same, over, under and through the property set forth in Easement for Right-of-Way dated May 8, 1964.

The location of said appurtenance to be as follows:

South side of road

East side of existing pipeline

The Grantee and its successors and assigns shall have the right to erect a fence around said appurtenance.

Said area to be fenced will be 15 feet by 25 feet.

The rights herein granted may be assigned in whole or in part.

WITNESS THE EXECUTION HEREOF THE 21st DAY OF February A.D. 1988

GRANTORS:

Margaret Marah Nebus

GRANTORS:

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

Lanny Cowey

RIGHT-OF-WAY AGENT

DRAFT NO. 1161 TRACT NO. 96-21.1
Ten Dollars and
FOR AND IN CONSIDERATION of the sum of __________ other valuable consideration ____________
$10.00 _________ cash in hand paid, the receipt of which is hereby acknowledged,

Buck Cain, Sr. V.P. & T.O.,
of Citizens First National Bank of Tyler,
Agent & Attorney in Fact for Lucy Marsh

for themselves, their heirs, executors, administrators and assigns, hereby grant to Eastman Kodak Company,
of which Texas Eastman Company is a division, its successors and assigns,
the right to survey, construct, inspect, operate, protect, maintain, repair, alter, change the size of,
remove, or replace a Mainline Valve Site

with necessary fittings and appurtenances in connection with the construction, operation and maintenance of Grantee's
pipelines together with the right of unlimited ingress and egress to and from same, over, under and
through the property set forth in Easement for Right-of-Way dated May 8 __________, 19__.

The location of said appurtenance to be as follows: South side of road -

East side of existing pipeline

The Grantee and its successors and assigns shall have the right to erect a fence around said
appurtenance.

Said area to be fenced will be ______ feet by ______ feet.

The rights herein granted may be assigned in whole or in part.

WITNESS THE EXECUTION HEREOF THE 8th DAY OF MARCH __________, A.D. __________.

GRANTORS:

Buck Cain
Sr. V.P. & T.O.
of Citizens First National Bank of Tyler
Agent & Attorney in Fact for Lucy Marsh

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

Lanny Cowley
AGENT OF GRANTORS:

DRAFT NO. 116-2
TRACT NO. 98-21.1
WITNESS ACKNOWLEDGMENT

THE STATE OF TEXAS }
COUNTY OF HOUSTON }

BEFORE ME, the undersigned authority, on this day personally appeared ______________

Lanny Cowey

known to me to be the person whose name is subscribed as a witness to the foregoing instrument of writing and after being duly sworn by me stated on oath that he saw __________________________

Margaret Marsh Mobus
the Grantor(s) or person(s) who executed the foregoing instrument, subscribe the same, and that he signed the same as a witness at the request of the Grantor(s) or person(s) who executed the same.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 24th day of February

Richard T. Bartlett
Notary Public in and for The State of Texas

My Commission Expires: 1988

WITNESS ACKNOWLEDGEMENT

THE STATE OF TEXAS }
COUNTY OF HOUSTON }

BEFORE ME, the undersigned authority, on this day personally appeared ______________

Lanny Cowey

known to me to be the person whose name is subscribed as a witness to the foregoing instrument of writing and after being duly sworn by me stated on oath that he saw Richard Cain, Esq. V.P. & T.O. of Citizens First National Bank of Tyler, Bank & Attorney in Fact for Lucy Marsh the Grantor(s) or person(s) who executed the foregoing instrument, subscribe the same, and that he signed the same as a witness at the request of the Grantor(s) or person(s) who executed the same.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of March

Richard T. Bartlett
Notary Public in and for The State of Texas

My Commission Expires: 1988
CERTIFICATE OF ACKNOWLEDGMENT FOR INDIVIDUALS

THE STATE OF TEXAS

BEFORE ME, the undersigned authority, on this day personally appeared

A. S. SHREVER

known to me to be the person whose signature is (here) subscribed to the foregoing instrument, and acknowledged to me that
he has signed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 22nd day of October, A.D. 1953.

Notary Public

Smith

County, Texas

EAST CHRISTIAN, COUNTY CLERK, By

DEPUTY

RECEIVED AT 9:50 O'CLOCK A.M. ON THE 14 DAY OF APRIL 1964

RECORDED AT 11:34 O'CLOCK A.M. ON THE 15 DAY OF APRIL 1964

THE STATE OF TEXAS

ESTATES OF A. G. McILWaine and H. B. Marsh, deceased

of Smith County, Texas, hereinafter called "Grantor", whether one or more, in consideration of the advantages which will accrue to Grantor from the construction of the electric power line hereinafter described, hereby grants to TEXAS POWER & LIGHT COMPANY, of Dallas, Texas, an easement and right of way for an electric power line consisting of a variable number of wires and one or more electric circuits, and all necessary or desirable appurtenances, and for a communication line and appurtenances, upon, over and across Grantor's land in the

Marshall University

Survey, Abstract No. 624

Smith County, Texas

The center line of said power line shall be located across said land as follows:

Beginning at a point in existing line, said point being located 35 feet south of and 800 feet west of grantor's northeast property corner, said property corner being same as intersection of west right of way of Old Jacksonville Highway and north right of way of county road, located 2½ miles south of city limits of Tyler. At said point a pole to be installed.
The above described property constitutes no part of my homestead.

This description is based on a preliminary survey, and it is understood that said Company may relocate said line in the same general direction before or at any time after construction, and may relocate any of its structures along the course of said line.

Said Company shall have the right to erect, set, and guy anchorages along the course of said line, together with the right of ingress and egress for the purpose of constructing, improving, inspecting, maintaining, operating and removing said line and appurtenances; the right to relocate said line in the same relative position to any adjacent road if and when said road is widened in the future; the right to install additional electric circuits along said line; and the right at all times to cut away and keep clear of said line and appurtenances all trees and other obstructions which, in the sole judgment of said Company, may endanger or interfere with the proper maintenance and operation of said line.

TO HAVE AND TO HOLD the above described easement and rights unto the said Company, its successors and assigns, until said line shall be abandoned.

EXECUTED this 12th day of November, 1963.

Witnessed by:

ESTATES OF A. G. McILWaine AND H. B. Marsh, Deceased

[Signature]

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF SMITH

BEFORE ME, William W. Burnett, a Notary Public in and for Smith County, Texas, on this day personally appeared LOGY MARSH, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same individually and as agent of the Estates of A. G. McILWaine AND H. B. MARSH, deceased, for the purposes and consideration therein expressed, and in the capacity therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22nd day of November, 1963.

William W. Burnett
Notary Public
Smith County, Texas

FILLED AT 10:00 O'CLOCK A.M. ON THE 2 DAY OF APRIL, 1964.

RECORDED AT 11:00 O'CLOCK A.M. ON THE 15 DAY OF APRIL, 1964.

ERNEST CHRISTIAN, COUNTY CLERK, BY [Signature]
DEPUTY.
THE STATE OF TEXAS

County of Smith

That

M. I. BEASLY AND WIFE CREME BEASLY

KNOW ALL MEN BY THESE PRESENTS:

That

Smith County, Texas, herein called "Grantor," whether one or more, for and in consideration of the advantages which will accrue to Grantor from construction of a certain electric transmission line adjacent to Grantor's land in the Survey, Smith County, Texas, hereby grants to TEXAS POWER & LIGHT COMPANY, of Dallas, Texas, an easement to locate, establish and maintain on said land a guy anchorage and such guy wires as are necessary to safeguard the construction and operation of said electric transmission or distribution line where it passes adjacent to said land, said guy wires to be attached as a permanent part of a pole or structure of said Company at its Survey Station 120.

Said guy anchorage and guy wires shall be located a distance of 30 feet in a westerly direction from an existing pole. Said pole being located 1 foot west of and 180 feet south of grantor's northeast property corner. Said property corner being the same as intersection of grantor's north property line and west Right-of-Way of Highway 69 located about 1 mile south of city limits of Lindale.

TO HAVE AND TO HOLD the above described easement unto the said Company, its successors and assigns, until the said line shall be abandoned.

Executed this 3rd day of February, A.D. 1964.

Witnessed by:

[Signature]

[Signature]

CERTIFICATE OF ACKNOWLEDGMENT FOR INDIVIDUALS

THE STATE OF TEXAS

County of Smith

M. I. Beasley

BEFORE ME, the undersigned authority, on the date personally appeared

[Signature]

M. I. Beasley

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 3rd day of February, A.D. 1964.

[Signature]

William W. Burnett

Notary Public

Smith County, Texas

CERTIFICATE OF ACKNOWLEDGMENT FOR MARRIED WOMAN

THE STATE OF TEXAS

County of Smith

Correne Beasley

BEFORE ME, the undersigned authority, on the date personally appeared

[Signature]

Correne Beasley

known to me to be the person whose name is subscribed to the foregoing instrument, and having been examined by me privately apart from her husband, and having the same fully explained to her, she, the said Correne Beasley, 22, acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purpose and consideration therein expressed and that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 3rd day of February, A.D. 1964.

[Signature]

William W. Burnett

Notary Public

Smith County, Texas
Instrument Number: 2008-R00012818

Recorded On: March 18, 2008

Parties: MSJ PROPERTIES LTD ETAL
To RYNO TEXZAS HOLDINGS INC

Comment:

( Parties listed above are for Clerks reference only )

** Examined and Charged as Follows: **

Recordings - Land 92.00
Total Recording: 92.00

********** DO NOT REMOVE THIS PAGE IS PART OF THE INSTRUMENT **********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:
Document Number: 2008-R00012818
Receipt Number: 466015
Recorded Date/Time: March 18, 2008 03:38:21P
User / Station: C Aparicio - Cash Station 1

Record and Return To:
SMITH COUNTY TITLE
MANUAL PICK UP
TYLER TX 75702

I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Judy Carnes
County Clerk
Smith County, Texas
RESTRICTIVE COVENANT AND EASEMENT AGREEMENT

This Restrictive Covenant and Easement Agreement (this “Agreement”) is made and entered into effective the [7] day of March, 2008, by and between MSJ Properties Ltd., a Texas limited partnership, Tradd Street, LLC, a South Carolina limited liability company, and Richard Lilly, as agent for Cherokee Of VA LLC, Edward G. R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., and Sandra S. Bennett (collectively, “Seller”) and Ryno Texas Holdings Inc., a Texas corporation, as Trustee (“Purchaser”).

RECITALS:

A. Seller has sold to Purchaser, and Purchaser is now the owner of, a certain parcel of land located in Smith County, Texas, being described by metes and bounds on Exhibit A attached hereto (the “Purchaser Parcel”).

B. Seller is the owner of certain parcels of land located adjacent to the Purchaser Parcel, which land is more particularly described by metes and bounds on Exhibit B attached hereto (the “Seller Parcel”). The Purchaser Parcel and the Seller Parcel are sometimes singularly referred to as “Parcel” and collectively as “Parcels”. A sketch of the Parcels is attached hereto as Exhibit C.

C. Seller and Purchaser desire to establish certain agreements, as set forth below.

For and in consideration of the premises hereinabove set forth, the mutual covenants and agreements hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Use Restrictions. From and after the date hereof, no part of the Purchaser Parcel or the Seller Parcel will be used for any of the following uses:

   (a) The uses listed on Schedule I attached hereto, as such terms are defined and used in the Code of Ordinances, City of Tyler, Texas, in effect on the date of this Agreement; or

   (b) (i) any use which emits an obnoxious odor, noise or sound which can be heard or smelled outside of any building on the Purchaser Parcel; (ii) prisons, jails or other detention or correctional facilities; (iii) a refining or smelting operation; (iv) any “second hand” store, “surplus” store, or pawn shop; (v) any mobile home park, trailer court, labor camp, junkyard, or stockyard; (vi) any sanitary landfill or dumping, disposing, incineration or reduction of garbage; provided, however, this prohibition will not be applicable to garbage compactors located near the rear of any building; (vii) any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation; (viii) any central laundry, dry cleaning plant or laundromat; (ix) any used automobile, truck, trailer, or recreational vehicle business whose primary business is a body shop repair operation or any commercial truck, trailer, or similar equipment business whose primary business is a body shop repair operation; (x) sexually-oriented business such as, but not limited to, x-rated movie or video sales, theater or rental facility, nude modeling studio, massage parlor, lounge or club featuring nude or semi-nude entertainers or escort
service; (xi) any establishment selling or exhibiting drug-related paraphernalia or which exhibits either live or by other means to any degree, nude or partially clothed dancers or wait staff; (xii) any flea market; (xiii) any gambling facility or operation, including but not limited to off-track or sports betting parlor; table games such as blackjack or poker; slot machines, video poker/blackjack/keno machines or similar devices; or bingo hall; (xiv) slaughterhouse or facility for the rendering of animal substances or for the skinning or tanning of animal hides; or (xv) the refining of minerals or hydrocarbons except under leases existing on the date hereof.

The Owner of either Parcel (or any part thereof) may enforce this restriction by any means permitted at law or in equity, including by a suit for damages or injunction.

2. Easement. Purchaser hereby grants to Seller, for the benefit of the Seller Parcel, a right to tie in, at no expense to Purchaser, in multiple locations mutually agreeable to Seller and Purchaser, to sanitary and storm sewer lines existing from time to time and running in a generally east-west direction along the full length of the southern side of the Property (the “Easement”). The Easement is appurtenant to the Seller Parcel, will run with the land, will inure to the benefit of the Seller Parcel and each part thereof, and will be binding upon and burden the Purchaser Parcel.

3. Default; Remedies. In the event of a breach of this Agreement by Purchaser or if the Purchaser Parcel is used in a manner prohibited by Section 1 hereof (a “Default”), the Seller shall be entitled to recover from Purchaser and Purchaser shall be obligated to pay to Seller (a) all costs and expenses reasonably incurred by the Seller to cure the Default, (b) all damages suffered or incurred by Seller by reason of the Default, (c) all reasonable attorneys’ fees, disbursements and expenses incurred by Seller incident to the cure of the Default, and (d) interest on the foregoing sums at the maximum rate allowed by law.

4. Runs with Land; Successors and Assigns. This Agreement shall run with the land and shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns or all or part of the Parcels. Any transferor shall, upon the consummation of such transfer, be relieved of all further obligations of this Agreement relating to that portion of the property so transferred.

5. Miscellaneous. This Agreement may be amended only by a written amendment executed by all owners of the Parcels. Any indulgence or departure at any time or by any party hereto from any of the provisions hereof or failure to exercise any of its rights and remedies shall not modify the same or relate to the future, or waive future compliance therewith by the other party. The provisions of this Agreement shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. This Agreement embodies the complete agreement between the parties hereto. The laws of the State of Texas shall govern the interpretation, validity and enforceability hereof.

Executed to be effective the ____ day of March, 2008.
Schedule I - Prohibited Uses

Terms below are used as defined in the Code of Ordinances, City of Tyler, Texas, in effect on the date of this Agreement.

1. Acid manufacturing plant
2. Airfields, airports, landing strips
3. Animal slaughtering, rendering, tanning
4. Asphalt/concrete batching plant
5. Auto/truck assembly plant
6. Auto/truck wrecking yard
7. Auto/truck/equipment auction facility
8. Bulk storage of highly flammable materials
9. Carnivals/circuses
10. Cattle pens
11. Chemicals/allied products mfg. plant
12. Electronic/electrical equipment manufacturing
13. Explosives manufacturing/storage
14. Fabricated metal production facility
15. Feed lot
16. Fertilizer plant
17. Flea market, indoors or outdoors
18. Food manufacturing/manufacturing plant
19. Foundry/metals manufacturing
20. Furniture/fixture manufacturing
21. Grain/feed processing plant
22. Hazardous liquid/solid waste treatment/disposal/mfg or storage facility
23. Heliport/helisop located within 400 feet of the north right-of-way boundary line of Grande Boulevard in Tyler, Texas
24. Home appliance manufacturing plant
25. Incinerator (Industrial)
26. Industrial recycling plant
27. Industrial/commercial equipment manufacturing
28. Junk/salvage yard
29. Livestock auction facility
30. Livestock exhibition
31. Meat/fish processing plant
32. Non-hazardous liquid/solid waste treatment/disposal
33. Ordnance manufacturing plant
34. Pawn brokerage shop
35. Petroleum refinery or tank farm
36. Poultry processing plant
37. Poultry production
38. Pulp/paper mill
39. Race track (horse, dog or motorized
40. Recycling center (cans, glass, paper or hazardous materials)
41. Recycling collection, indoors or outdoors
42. Rodeo grounds
43. Sheet metal fabrication shop
[Signature pages to Restrictive Covenant and Easement Agreement]

Seller:

\[Signature\]

RICHARD LILLY, as agent for Cherokee of VA LLC, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr. and Sandra S. Bennett

STATE OF SC §

COUNTY OF Charleston §

This Restrictive Covenant and Easement Agreement was acknowledged before me on this the 14th day of March, 2008, by Richard M. Lilly, as agent for Cherokee of VA LLC, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr. and Sandra S. Bennett, on behalf of said persons and entities.

\[Signature\]

Notary Public State of SC

My Commission Expires: 12/12/2015

Brenda F. Nelson
(Print Name)
[Signature pages to Restrictive Covenant and Easement Agreement]

Seller

TRADD STREET, LLC, a South Carolina limited liability company

By: Lasca H. Lilly, Manager

STATE OF SC

COUNTY OF Charleston

This Restrictive Covenant and Easement Agreement was acknowledged before me on this the 17th day of March, 2008, by Lasca H. Lilly, in her capacity as Manager of Tradd Street, LLC, a South Carolina limited liability company, on behalf of said limited liability company.

Notary Public State of SC

My Commission Expires: 12/12/2015

(Brenda F. Nelson)

(Print Name)
[Signature pages to Restrictive Covenant and Easement Agreement]

Seller:

MSJ PROPERTIES, LTD., a Texas limited partnership

By: MSJ Management, Inc., a Texas corporation, its general partner

By: ________________________________
Margaret M. Mebus, President

STATE OF TEXAS

COUNTY OF DALLAS

This Restrictive Covenant and Easement Agreement was acknowledged before me on this the 13th day of March, 2008, by Margaret M. Mebus, in her capacity as President of MSJ Management, Inc., a Texas corporation, in its capacity as the sole general partner of MSJ Properties Ltd., a Texas limited partnership, on behalf of said corporation and limited partnership.

My Commission Expires: 2-17-2011

Dianne M. Jernigan
Notary Public State of Texas
(Print Name)
Purchaser:

RYNO TEXAS HOLDINGS INC., a Texas corporation, as Trustee

By:

Name: Brandon T Steele
Title: CEO

STATE OF Texas

COUNTY OF Smith

This Restrictive Covenant and Easement Agreement was acknowledged before me on this the 17 day of March, 2008, by Brandon T Steele, in his/her capacity as CEO of Ryno Texas Holdings Inc., a Texas corporation, as Trustee, on behalf of said corporation.

Notary Public State of

My Commission Expires: ____________________________

(Print Name)

AFTER RECORDING RETURN TO:

Smith County Title Company
5040 Kinsey Drive
Tyler, Texas 75703
# 71425 Ryno Texas Holdings
Exhibit A

Purchaser Parcel
EXHIBIT A

Being a 178.55 acre tract in the Marshall University Survey, Abstract No. 624, part of a called 226 acre tract, (Parcel 1) from James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr. to Cherokee of Va., L. L. C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 178.55 acre tract being more completely described as follows:

Beginning at a ½" iron rod found in the North boundary line of said 226 acre Marsh-McIlwaine tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records;

Thence North 86 degrees 18 minutes 22 seconds East, with the North boundary line of said 226 acre Marsh-McIlwaine tract and the South boundary line of said 0.708 acre Crow Towing Service, Inc. tract, at a distance of 1095.98 feet and a perpendicular distance of 0.44 feet North, pass a ½" iron rod found at the Southeast corner of a called 8.055 acre tract from E. Alice Garrard Prichard to Leonard Leifer and Jim Berry described in a Deed recorded in Volume 5906, Page 26 of said Smith County Official Public Records, at a distance of 1194.58 feet and a perpendicular distance of 0.38 feet North, pass a railroad spike found near the West edge of pavement of County Road No. 1211 at the Southeast corner of a called 0.328 acre tract from Ronald W. Blue to Linda F. Darnell described in a Deed recorded in Volume 3505, Page 292 of said Smith County Official Public Records, and continuing across the occupied right of way of said County Road No. 1211, and with the South boundary line of a called 0.346 acre tract from Reid Troxell to Carl Troxell et ux, Linda Troxell described in a Deed recorded in Volume 2790, Page 639 of said Smith County Official Public Records for a total distance of 1323.23 feet to a ½" iron rod to be set in the North boundary line of said 226 acre Marsh-McIlwaine tract, in the West boundary line of a called 5.5 acre tract from Gary David Baldwin et al to Charles Mark Gibson described in a Deed recorded in Volume 3893, Page 680 of said Smith County Official Public Records, and in the South boundary line of said 0.346 acre tract;

Thence South 02 degrees 32 minutes 18 seconds East, a distance of 182.52 feet with the North boundary line of said 226 acre Marsh-McIlwaine tract and the West boundary line of said 5.5 acre tract to a 60-penny nail found in same and in the centerline of County Road No. 159, (Crow Road);

Thence South 78 degrees 05 minutes 24 seconds East, a distance of 189.30 feet with the North boundary line of said 226 acre Marsh-McIlwaine tract and the centerline of said County Road No. 159 to a ½" iron rod found in same;

Thence South 86 degrees 45 minutes 19 seconds East, a distance of 904.53 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract and the centerline of said County Road No. 159 to a 60-penny nail found in same;

Thence South 87 degrees 14 minutes 05 seconds East, a distance of 985.90 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract County Road No. 159 to a ½" iron rod found in same, 0.82 feet South of the North edge of pavement of same, from which a ½" iron rod found at the Southeast corner of a called 43.18 acre tract from J. E. Heath to Rabon Hitt described in a Deed recorded in Volume 1123, Page 590 of said Smith County Official Public Records, bears North 09 degrees 34 minutes 56 seconds West, a distance of 28.66 feet;
Thence South 65 degrees 32 minutes 31 seconds East, a distance of 591.86 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract and generally with said County Road to a P.K. Nail set in same, near the centerline of said County Road No. 159, and in the West boundary line of a called 19.63 acre tract to the State of Texas which adjoins the West right of way of Farm to Market Highway No. 2493, (Old Jacksonville Highway), described in a Deed recorded in Volume 3817, Page 570 of said Smith County Official Public Records;

Thence South 25 degrees 53 minutes 57 seconds West, a distance of 2114.29 feet with the East boundary line of said 226 acre Marsh-McIlwaine tract and the West boundary line of said 19.63 acre tract to a Texas Department of Transportation Type II, (brass disc in concrete flush with ground), concrete right of way monument found at the intersection of same with the North right of way line of State Highway No. 57, (Grande Boulevard), whose right of way width varies, said Type II monument found also being at the beginning of a curve in a clockwise direction;

Thence with said North right of way line of State Highway No. 57 and said curve having a radius of 912.07 feet, a delta angle of 08 degrees 35 minutes 23 seconds, an arc length of 136.74 feet, a tangent of 68.50 feet, and a chord of North 68 degrees 42 minutes 48 seconds West, a chord distance of 136.61 feet to a Type II concrete right of way monument found in same;

Thence North 64 degrees 25 minutes 51 seconds West, a distance of 386.00 feet continuing with said North right of way line to a Type II concrete right of way monument found in same at the beginning of a curve in a counterclockwise direction;

Thence continuing with said North right of way line and with said curve having a radius of 1220.47 feet, a delta angle of 26 degrees 31 minutes 15 seconds, an arc length of 564.93 feet, a tangent of 287.62 feet, and a chord of North 77 degrees 39 minutes 44 seconds West, a chord distance of 559.90 feet to a ½” iron rod set in same;

Thence South 89 degrees 05 minutes 00 seconds West, a distance of 1334.33 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 87 degrees 56 minutes 35 seconds West, a distance of 506.32 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence North 89 degrees 06 minutes 05 seconds West, a distance of 209.58 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence South 87 degrees 00 minutes 40 seconds West, a distance of 184.10 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence South 89 degrees 01 minute 47 seconds West, a distance of 262.47 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence North 25 degrees 26 minutes 18 seconds West, a distance of 12.37 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence North 02 degrees 40 minutes 43 seconds West, a distance of 78.81 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 06 degrees 48 minutes 26 seconds East, a distance of 64.20 feet continuing with said North right of way line to a ½” iron rod set in same;
Thence North 04 degrees 23 minutes 19 seconds East, a distance of 127.47 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 10 degrees 43 minutes 00 seconds East, a distance of 124.65 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence North 16 degrees 28 minutes 17 seconds East, a distance of 131.96 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence North 73 degrees 36 minutes 39 seconds West, a distance of 13.27 feet to continuing with said North right of way line to a ½" iron rod set in same;

Thence South 16 degrees 24 minutes 39 seconds West, a distance of 83.90 feet continuing with said North right of way line to a ½" iron rod set in same, at the beginning of a curve in a counterclockwise direction;

Thence continuing with said North right of way line and with said curve having a radius of 1531.11 feet, a delta angle of 14 degrees 51 minutes 47 seconds, an arc length of 391.57 feet, a tangent of 199.71 feet, and a chord of South 08 degrees 58 minutes 56 seconds West, a chord distance of 396.07 feet to a ½" iron rod set in same;

Thence North 88 degrees 56 minutes 00 seconds West, a distance of 29.67 feet continuing with said North right of way line to a P.K. nail set in the centerline of County Road No. 192, (Old Noonday Road), at the Southeast corner of said 10.238 acre tract to Phillip B. Monigold described in Instrument No. 2006 06002205 of said Smith County Official Public Records;

Thence North 01 degree 21 minutes 38 seconds East, a distance of 48.10 feet with said centerline of County Road No. 192, (Old Noonday Road), and the East boundary line of said Phillip Monigold 10.238 acre tract to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 1560.62 feet, a delta angle of 07 degrees 25 minutes 22 seconds, an arc length of 202.19 feet, a tangent of 101.23 feet, and a chord of North 06 degrees 35 minutes 16 seconds East, a chord distance of 202.04 feet to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 2059.50 feet, a delta angle of 05 degrees 23 minutes 40 seconds, an arc length of 193.91 feet, a tangent of 97.02 feet, and a chord of North 14 degrees 44 minutes 48 seconds East, a chord distance of 193.33 feet to a P.K. nail set in same;

Thence North 16 degrees 53 minutes 31 seconds East, a distance of 284.68 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 16 degrees 56 minutes 58 seconds East, a distance of 303.23 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;
Thence North 16 degrees 52 minutes 07 seconds East, a distance of 596.22 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 16 degrees 30 minutes 47 seconds East, a distance of 192.45 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 4410.18 feet, a delta angle of 02 degrees 35 minutes 07 seconds, an arc length of 199.00 feet, a tangent of 99.52 feet, and a chord of North 18 degrees 13 minutes 29 seconds East, a chord distance of 198.98 feet to a P.K. nail set in same;

Thence North 21 degrees 20 minutes 18 seconds East, a distance of 46.81 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 38 degree 03 minutes 19 seconds East, a distance of 14.27 feet continuing with said centerline of County Road No. 192 and said East boundary line to the place of beginning and containing 178.55 acres of land of which 5.68 acres lie within the proposed right of ways of County Roads 192, 159, and 1211.
Exhibit B
Seller Parcel

Being a 242.10 acre tract in the Marshall University Survey, Abstract No. 624 and the Thomas Price Survey, Abstract No. 794, part of a called 226 acre tract, (Parcel 1), all of the remainder of a called 177 acre tract, (Parcel 2), and part of a called 84 acre tract, (Parcel 3), from James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr. to Cherokee of Va., L. L. C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 242.10 acre tract being more completely described as follows:

Beginning at a ½” iron bolt found on the West boundary line of said 84 acre tract and said Thomas Price Survey, at the Northwest corner of a called 119.715 acre tract from BPG, Inc. to Larry J. Taylor described in a Deed recorded in Volume 3416, Page 128 of said Official Public Records of Smith County, Texas, and on the East boundary line of the Don Thomas Quevado Survey, Abstract No. 18, Section No. 5 and a called 49.61 acre tract from Timothy J. Beverley et al to Mollie A. Winston et al described in a Deed recorded in Volume 7356, Page 374 of said Official Public Records of Smith County, Texas;

Thence North 01 degree 02 minutes 08 seconds West, a distance of 39.75 feet with the West boundary line of said 84 acre tract and said Thomas Price Survey and the East boundary line of said 49.61 acre tract and said Don Thomas Quevado Survey, Section No. 5 to a Rock found in same at the Northeast corner of said 49.61 acre tract and said Don Thomas Quevado Survey, Section No. 5, also being at the Southeast corner of Section No. 6 of said Don Thomas Quevado Survey and a called 46.185 acre tract from M. G. Moore to Joe C. Moore described in a Deed recorded in Volume 1521, Page 511 of said Official Public Records of Smith County, Texas;

Thence North 01 degree 54 minutes 42 seconds West, a distance of 2070.09 feet with the West boundary line of said 84 acre tract, said Thomas Price Survey, said Marshall University Survey, and said 177 acre tract and the East boundary line of said 46.185 acre tract, and Section No. 6 of said Don Thomas Quevado Survey, Abstract No. 18 to a 3/8” iron rod found in the West boundary line of said 177 acre tract and said Marshall University Survey, in the East boundary line of Section No. 6 of said Quevado Survey, and at the Northeast corner of said 46.185 acre tract and the Southeast corner of a called 1.32 acre tract from M. L. Stripling to Glenn C. Starnes described in a Deed recorded in Volume 1282, Page 368 of said Official Public Records of Smith County, Texas;

Thence North 00 degrees 23 minutes 34 seconds West, a distance of 404.92 feet with West boundary line of said 177 acre tract and said Marshall University Survey and the East boundary line of said 1.32 acre tract and Section No. 6 of said Quevado Survey to a 5/8” iron rod found in same at the Northeast corner of said 1.32 acre tract;

Thence North 01 degree 52 minutes 03 seconds West, a distance of 572.61 feet with the West boundary line of said 177 acre tract and said Marshall University Survey and the East boundary line of Section No. 6 of said Quevado Survey to a 60 penny nail set in same in County Road No. 262, (Old Noonday Road), also being in the South right of way line of State Highway No. 57, (Grande Boulevard);
Thence South 88 degrees 07 minutes 45 seconds East, a distance of 31.14 feet with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½” iron rod set in same;

Thence North 01 degree 52 minutes 15 seconds East, a distance of 69.73 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½” iron rod set in same;

Thence North 00 degrees 55 minutes 07 seconds East, a distance of 329.08 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½” iron rod set in same;

Thence North 00 degrees 49 minutes 38 seconds West, a distance of 374.29 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a Texas Department of Transportation Type II (brass disc in concrete flush with the ground) right of way monument found in same;

Thence North 13 degrees 27 minutes 17 seconds East, a distance of 67.96 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a Texas Department of Transportation Type II right of way monument found in same;

Thence North 89 degrees 05 minutes 00 seconds East, a distance of 262.23 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a Texas Department of Transportation Type II right of way monument found in same;

Thence South 79 degrees 36 minutes 24 seconds East, a distance of 66.92 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½” iron rod set in same;

Thence South 89 degrees 46 minutes 15 seconds East, a distance of 328.15 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½” iron rod set in same;

Thence North 86 degrees 06 minutes 35 seconds East, a distance of 505.93 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½” iron rod set in same;

Thence North 89 degrees 48 minutes 46 seconds East, a distance of 515.51 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½” iron rod set in same;

Thence North 88 degrees 37 minutes 28 seconds East, a distance of 819.27 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½” iron rod set in same at the beginning of a curve in a clockwise direction;

Thence continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), and around said curve in a clockwise direction having a delta angle of 27 degrees 20 minutes 08 seconds, an arc distance of 497.99 feet, a radius of 1043.79 feet, and a chord of South 77 degrees 42 minutes 28 seconds East, a chord distance of 493.28 feet to a Texas Department of Transportation Type II right of way monument found in same;
Thence South 64 degrees 02 minutes 24 seconds East, a distance of 385.91 feet continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), to a ½" iron rod set in same at the beginning of a curve in a counterclockwise direction;

Thence continuing with the South right of way line of said State Highway No. 57, (Grande Boulevard), and around said curve in a counterclockwise direction having a delta angle of 07 degrees 22 minutes 48 seconds, an arc distance of 136.07 feet, a radius of 1056.41 feet, and a chord of South 67 degrees 43 minutes 47 seconds East, a chord distance of 135.98 feet to a ½" iron rod set at the intersection of same with the East boundary line of said 177 acre tract, the West right of way line of Farm to Market Highway No. 2493, (Old Jacksonville Highway), and the West boundary line of a called 19.63 acre tract to the State of Texas described in a Deed recorded in Volume 3817, Page 570 of said Official Public Records of Smith County, Texas;

Thence South 25 degrees 54 minutes 14 seconds West, a distance of 3976.00 feet with the East boundary line of said 177 acre tract and said 84 acre tract, the West right of way line of said Farm to Market Highway No. 2493, (Old Jacksonville Highway), and the West boundary line of said 19.63 acre State of Texas tract to a ½" iron rod set in the East boundary line of said 84 acre tract, the West right of way line of said Highway, the West boundary line of said 19.63 acre tract, and at the beginning of a curve in a clockwise direction;

Thence with the East boundary line of said 84 acre tract, the West right of way line of said Highway, the West boundary line of said 19.63 acre tract, and around said curve in a clockwise direction having a delta angle of 12 degrees 03 minutes 26 seconds, an arc distance of 415.50 feet, a radius of 1974.45 feet, and a chord of South 31 degrees 56 minutes 34 seconds West, a distance of 414.74 feet to a ½" iron rod set in same in the North boundary line of said 119.715 acre tract;

Thence North 78 degrees 57 minutes 00 seconds West, a distance of 1479.14 feet with the North boundary line of said 119.715 acre tract to the place of beginning containing 242.10 acres of land.

Save and except Tract One and Tract Two as follows:

TRACT ONE:
All that certain lot, tract or parcel of land situated in Smith County, Texas, being all of Lot No. 9, New City Block 1660-A, OAK HILL UNIT 1, part of the M. University Survey, A-624 and the T. Price Survey, A-794, as shown on the final plat of said addition recorded in Cabinet D, Slide 354-C of the Plat Records of Smith County, Texas.

TRACT TWO:
All that certain tract or parcel of land situated in the Marshall University Survey, Abstract 624, and the Thomas Price Survey, Abstract 794, Smith County, Texas, being out of and a part of that certain Parcel 2, called 177 acres, and Parcel 3, called 84 acres, described in a Deed and Assignment from James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr., to Cherokee of Va., L.L.C., dated November 27, 2000, and recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, and being more particularly described by metes and bounds as follows:
BEGINNING at a 1½” iron rod set for the southwest corner of the herein described tract, same being in the west line of said called 84 acre tract, same being in the west line of said Thomas Price Survey, A-794; said corner also being the northwest corner of that certain called 119.715 acre tract described in a Correction Warranty Deed with Vendor’s Lien from BPG, Inc., et al, to Larry J. Taylor, dated August 27, 1993, and recorded in Volume 3416, Page 128 of the Land Records of Smith County;

THENCE, North 01°01′40″ West, with the west line of said 84 acre tract, same being said west line of said Thomas Price Survey, a distance of 39.75 feet to a 1/2″ iron rod set for the southeast corner of that certain called 46.185 acre tract described in a Deed from M.G. Moore to Joe C. Moore, and recorded in Volume 1521, Page 511 of the Deed Records of Smith County;

THENCE, North 01°54′32″ West, continuing with said west line of said 84 acre tract, same being said west line of said Thomas Price Survey, and along the west line of said called 177 acre tract, same being the west line of said Marshall University Survey, A-624, a distance of 2,070.09 feet to a 1/2″ iron rod set for the northeast corner of said 46.185 acre tract, same being the southeast corner of that certain called 1.32 acre tract described in a Deed from M.L. Stripling to Glenn C. Starnes, and recorded in Volume 1282, Page 368 of said Deed Records;

THENCE, North 00°23′23″ West, continuing with said west line of said 177 acre tract, same being said west line of said Marshall University Survey, a distance of 404.92 feet to a 1/2″ iron rod set for the northeast corner of said 1.32 acre tract;

THENCE, North 01°51′52″ West, continuing with said west line of said 177 acre tract, same being said west line of said Marshall University Survey, a distance of 572.61 feet to a steel spindle set for a corner in the pavement of County Road 192 (Old Noonday Road), same being in the south right-of-way line of State Highway 57 (Grande Boulevard);

THENCE, South 88°07′00″ East, a distance of 31.14 feet to a 1/2″ iron rod set for a corner of said State Highway 57 right-of-way;

THENCE, North 01°52′24″ East, a distance of 69.73 feet to a 1/2″ iron rod set for a corner of said State Highway 57 right-of-way;

THENCE, North 00°55′17″ East, continuing with said east right-of-way line of said State Highway 57, a distance of 104.98 feet to a 1/2″ iron rod set for the northernmost northwest corner of the herein described tract, same being in the centerline of an aerial power line;

THENCE, North 89°11′45″ East, with said centerline of said aerial power line, as defined by the centerline of metal towers supporting said line, a distance of 1,060.97 feet to a 1/2″ iron rod set for a corner in the center of a metal tower;

THENCE, North 86°10′08″ East, continuing with said centerline of said aerial power line, a distance of 1,014.96 feet to a 1/2″ iron rod set for a corner in the center of a metal tower;

THENCE, North 88°35′59″ East, continuing with said centerline of said aerial power line, a distance of 435.28 feet to a 1/2″ iron rod set for a corner in the west line of Grande Hills Unit 2 (final plat not recorded as of this date), same being the west line of a 4.848 acre tract;

THENCE, South 01°24′53″ East, with said west line of said Grande Hills Unit 2, a distance of 35.03 feet to a 1/2″ iron rod found for the southwest corner of same;
THENCE, North 88°35'51" East, a distance of 246.79 feet to a 1/2" iron rod found for the southeast corner of said Grande Hills Unit 2;

THENCE, South 00°59'35" East, a distance of 122.68 feet to a 1/2" iron rod set for a corner in the south line of a 30-foot wide easement granted to Mobile Pipeline Company, of record in Volume 1406, Page 709 of said Deed Records;

THENCE, North 88°08'58" East, with said south line of said 30-foot wide easement, a distance of 261.64 feet to a 1/2" iron rod set for a corner;

THENCE, South 64°05'35" East, a distance of 209.60 feet to a 1/2" iron rod set for the easternmost northeast corner of the herein described tract, same being in the east line of said 177 acre tract, same being the west line of that certain called 7.49 acre tract described in a Deed Without Warranty from St. Louis Southwestern Railway Company to the State of Texas, dated June 24, 1996, and recorded in Volume 3817, Page 570 of said Official Public Records;

THENCE, South 25°54'25" West, with said east line of said 177 acre tract and the east line of said 84 acre tract, same being said west line of said 7.49 acre tract, a distance of 2,631.02 feet to a 1/2" iron rod set for the northeast corner of a proposed street right-of-way;

THENCE, North 63°53'56" East, with said proposed street right-of-way, a distance of 47.40 feet to a 1/2" iron rod set for a corner, same being a point of curvature and the beginning of a curve to the right having a radius of 1,114.82 feet;

THENCE, continuing with said proposed street right-of-way, and along said curve to the right having a radius of 1,114.82 feet, a central angle of 02°07'03"", and a chord bearing and distance of North 69°26'32" West, 41.20 feet, an arc length of 41.20 feet to a 1/2" iron rod set for a corner and the end of said curve, same being a point of compound curvature and the beginning of a curve to the right having a radius of 845.00 feet;

THENCE, continuing with said proposed street right-of-way, and along said curve to the right having a radius of 845.00 feet, a central angle of 09°57'50"", and a chord bearing and distance of North 59°48'18" West, 146.76 feet, an arc length of 146.95 feet to a 1/2" iron rod set for a corner and the end of said curve, same being a point of compound curvature and the beginning of a curve to the right having a radius of 855.00 feet;

THENCE, continuing with said proposed street right-of-way, and along said curve to the right having a radius of 855.00 feet, a central angle of 25°46'06"", and a chord bearing and distance of North 38°20'48" West, 381.30 feet, an arc length of 384.53 feet to a 1/2" iron rod found for the southwest corner of a proposed 6.030 acre school site;

THENCE, North 65°06'08" East, a distance of 275.64 feet to a 1/2" iron rod found for the southeast corner of said 6.030 acre tract;

THENCE, North 21°00'55" East, a distance of 192.14 feet to a 1/2" iron rod found for an east corner of said 6.030 acre tract;

THENCE, North 21°16'34" East, a distance of 327.60 feet to a 1/2" iron rod found for the northeast corner of said 6.030 acre tract;

THENCE, North 66°56'17" West, at 459.77 feet pass a 1/2" iron rod found for the northwest corner of said 6.030 acre tract, same being the northeast corner of said proposed street right-of-
way, and continuing in all a total distance of 529.81 feet to a 1/2" iron rod set for the northwest corner of said street right-of-way;

THENCE, South 21°00'40" West, with said proposed street right-of-way, a distance of 116.76 feet to a 1/2" iron rod set for a corner, same being a point of curvature and the beginning of a curve to the left having a radius of 925.00 feet;

THENCE, continuing with said proposed street right-of-way, and along said curve to the left having a radius of 925.00 feet, a central angle of 72°16'02"", and a chord bearing and distance of South 15°07'24" East, 1,090.89 feet, an arc length of 1,166.71 feet to a 1/2" iron rod set for a corner and the end of said curve, same being a point of compound curvature and the beginning of a curve to the left having a radius of 935.00 feet;

THENCE, continuing with said proposed street right-of-way, and along said curve to the left having a radius of 935.00 feet, a central angle of 08°29'09", and a chord bearing and distance of South 52°11'02" East, 138.35 feet, an arc length of 138.48 feet to a 1/2" iron rod set for a corner and the end of said curve, same being a point of compound curvature and the beginning of a curve to the left having a radius of 511.50 feet;

THENCE, continuing with said proposed street right-of-way, and along said curve to the left having a radius of 511.50 feet, a central angle of 07°31'57", and a chord bearing and distance of South 60°11'50" East, 67.20 feet, an arc length of 67.24 feet to a 1/2" iron rod set for a corner and the end of said curve;

THENCE, South 63°54'25" East, continuing with said proposed street right-of-way, a distance of 47.69 feet to a 1/2" iron rod set for the southeast corner of said street right-of-way, same being in said east line of said 84 acre tract, same being in the west line of that certain called 29.84 acre tract described in a Deed from East Texas Rails to Trails to the State of Texas, dated June 25, 1997, and recorded in Volume 4003, Page 144 of said Official Public Records;

THENCE, South 25°54'25" West, with said east line of said 84 acre tract, same being said west line of said 29.84 acre tract, a distance of 669.47 feet to a 1/2" iron rod set for a corner, same being a point of curvature and the beginning of a curve to the right having a radius of 1,974.45 feet;

THENCE, continuing with said east line of said 84 acre tract, same being said west line of said 29.84 acre tract, and along said curve to the right having a radius of 1,974.45 feet, a central angle of 12°03'26"; and a chord bearing and distance of South 31°56'57" West, 414.73 feet, an arc length of 415.50 feet to a 1/2" iron rod found for the southeast corner of the herein described tract, same being the northeast corner of said 119.715 acre tract;

THENCE, North 78°56'52" West, with the north line of said 119.715 acre tract, a distance of 1,479.12 feet to the POINT OF BEGINNING and containing 184.007 acres of land.
Exhibit C
Drawing of Parcels
Instrument Number: 2007-R00033495
As
No Fee w/inst#

Recorded On: July 10, 2007

Parties: CHEROKEE OF VA ETAL
To SMITH COUNTY OF

Number of Pages: 5

Comment:

( Parties listed above are for Clerks reference only )

** Examined and Charged as Follows: **

No Fee w/inst# 0.00
Total Recording: 0.00

*********** DO NOT REMOVE THIS PAGE IS PART OF THE INSTRUMENT ***********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:
Document Number: 2007-R00033495
Receipt Number: 437975
Recorded Date/Time: July 10, 2007 09:10:30A
User / Station: C Aparicio - Cash Station 1

Record and Return To:
DEANA MILLER
MANUAL PICK UP
TYLER TX 75702

I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Judy Carnes
County Clerk
Smith County, Texas
RIGHT OF WAY EASEMENT

THE STATE OF TEXAS

COUNTY OF SMITH

WHEREAS, the COUNTY OF SMITH has been authorized under the Texas Transportation Code to acquire such other property rights deemed necessary for the purposes of operating a designated county road, with control of access as necessary to facilitate the flow of traffic and promote the public safety and welfare on both non-controlled access facilities, as well as facilitating the construction.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That, Richard M. Lilly, Agent for Chambers et al. of the County Of Smith, State of Texas, hereinafter referred to as Grantors, whether one or more, for and in consideration of the sum of one Dollars ($1.00) to Grantors in hand paid by the COUNTY OF SMITH, acting by and through the Texas Transportation Commission, receipt of which is hereby acknowledged, and for which no lien is retained, either expressed or implied, have this day Sold and by these presents do Grant, Bargain, Sell and Convey unto the COUNTY OF SMITH an easement on CR. 1211, a distance of approximately 100’, some sixty (60) feet in total width, that being thirty (30) feet either side of a center line for purposes of laying out, opening, constructing, operating, maintaining and reconstructing a county road thereon, together with necessary incidentals and appurtenances thereto, in, along, upon and across the tract or parcel of land in SMITH County, Texas, that center line being more particularly described in Exhibit "A," which is attached hereto and incorporated herein for any and all purposes.

And for the same consideration described above and upon the same conditions, the Grantors have this day granted and conveyed and by these presents do grant and convey unto the COUNTY OF SMITH any and all improvements presently existing upon the property described in said Exhibit "A;" SAVE and EXCEPT, HOWEVER, it is expressly understood and agreed that Grantors are retaining title to the following improvements located upon the aforesaid property, to wit: NONE.

Grantors covenant and agree to remove the above-described improvements from said land by the 20th day of June, 2007, subject, however, to such extensions of time as may be granted by Grantee, its successor and assigns, in writing; and if, for any reason, Grantors fail or refuse to remove same within said period of time prescribed, then, without any further consideration, the title to all or any part of such improvements not so removed shall pass to and vest in the Grantee, its successors and assigns, forever.
It is hereby understood and by the acceptance of this instrument it is recognized that Grantors retain title to all of the oil, gas and sulphur and other mineral interests in and under said land, but waive any and all rights of ingress and egress to the surface thereof for the purpose of exploring, developing, mining or drilling for same; provided, however, that operations for exploration or recovery of any such minerals shall be permissible so long as all surface operations in connection therewith are located at a point outside of the property described in said Exhibit "A," and upon the condition that none of such operations shall be conducted so near the surface of said land as to interfere with the intended use thereof or in any way interfere with, jeopardize, or endanger the facilities of the SMITH COUNTY ROAD & BRIDGE DEPARTMENT, or create a hazard to the public users thereof; it being intended, however, that nothing herein shall affect the rights of the COUNTY to take and use without additional compensation any water, stone, earth, gravel, caliche, iron ore gravel or any other road building materials upon, in and under said land for the construction and maintenance of the SMITH COUNTY ROAD & BRIDGE DEPARTMENT.

Grantors hereby acknowledge that their use of and access to the county facilities and/or toll project (hereafter called county facility) to be constructed in conjunction with the county facility of which the land included in the easement area and described above and hereby conveyed shall become a part, shall be and forever remain subject to the same regulation by legally constituted authority as applies to the public's use thereof; and Grantors further acknowledge that the design and operation of such county facility requires that rights of ingress and egress and the right of direct access to and from Grantors' remaining property (if any) to said COUNTY facility, shall hereafter be governed by the provisions set out in said Exhibit "A", SAVE AND EXCEPT in the event access, or access points may be specifically allowed or permitted in said Exhibit "A", such access shall be subject to such regulation as is determined by the SMITH COUNTY ROAD AND BRIDGE DEPARTMENT to be necessary in the interest of public safety and in compliance with approved engineering principles and practices and subject to compliance with any applicable local municipal or county zoning, platting and/or permit requirements.

TO HAVE AND TO HOLD the easement herein described and herein conveyed together with all and singular the rights and appurtenances thereto in any wise belonging unto the COUNTY OF SMITH and its assigns forever; and Grantors do hereby bind ourselves, our heirs, executors, administrators, successors and assigns to Warrant and Forever Defend all and singular the said easement herein conveyed unto the COUNTY OF SMITH and its assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

IN WITNESS WHEREOF, this instrument is executed on this the 26 day of June 2007.

Grantor:  [Signature]
Grantor:  [Signature]
Grantee:  [Signature]

(Smith County Judge)
Acknowledgement

State of Texas
County of Charleston

This instrument was acknowledged before me on 20th day of June, 2007 by

Richard M. Wilson, Notary Public of VA, et al.

Breneke J. Nelson
Notary Public's Signature

Corporate Acknowledgment

State of Texas
County of SMITH

This instrument was acknowledged before me on July 3, 2007 by

Joel Baker

of ____________________________

a __________________________ corporation, on behalf

of said corporation.

TOMMYE CHILDERS
Notary Public
STATE OF TEXAS
My Comm. Exp. 6-1-2010

Notary Public's Signature

Return To: Deana Miller
County Clerk's Office
THE STATE OF TEXAS
COUNTY OF SMITH ()

KNOW ALL MEN BY THESE PRESENTS:

That we, H. E. March and J. W. Fitzgerald, independent Executors of the Estate of A. G. Mallwne, Dec. of Smith County Texas for and in consideration of One Hundred fifty-seven & 50/100 Dollars cash ($157.50) to us (us) in hand paid by TEXAS POWER & LIGHT COMPANY of Dallas, Texas have granted, sold and conveyed and by these presents do grant, sell and convey unto the said company, an easement of right-of-way for an electric transmission and distributing line consisting of variable numbers of wires, and all necessary or desirable appurtenances (including towers, H-Frames or poles made of wood, metal or other materials, telephone and telegraph wire, props and guys) at or near the location and along the general course now located and staked out by the said company over, across and upon the following described lands located in Smith County Texas, to-wit:

Being a description of the Texas Power & Light Company's Traveled - Overton 130 kv transmission line, as now surveyed and located across the land of Henry Marsh in the maximal university survey, Smith County Texas.

Beginning at survey station 0 plus 84, same being a point in center running northeasterly and southeasterly between the land of Henry Marsh and St. L & S Ry Co. said point being 473 feet southeasterly of the intersection of such fence line with the center line of a road.

Thence North 89 degrees and 00 minutes west 1181.2 feet to survey station 18 plus 8/3 angle pole 1/3;

Thence south 85 degrees and 56 minutes west 2089.8 feet to survey station 33 plus 52 same being a point in center line of a fence dividing the land of Henry Marsh and a road.

Together with the right of ingress and egress over my (our) adjacent lands to or from said right-of-way for the purpose of constructing, reconstructing, inspecting, patrolling, hanging new wire on, maintaining, and removing said line and appurtenances; the right to relocate along the same general direction of said lines; the right to remove from said lands all trees and parts thereof or other obstructions, which endanger or may interfere with the efficiency of said line or its appurtenances; and the right of exercising all other rights hereby granted.

TO HAVE AND TO HOLD the above described easement and rights unto the said company its successors and assigns, until said line shall be abandoned.

Not more than 0 towers, 6 H-Frames 1-pole structure, 0 poles and 0 guy wires shall be erected along the course of said line unless the said company its successors or assigns, shall pay to me (us) my (our) heirs and legal representatives at the rate of Ten & 00/100 Dollars ($10.00) for each tower, H-Frame pole and guy erected in excess of said number, and upon such payment the said company its successors or assigns, shall have the right and the right is hereby granted, to erect, towers, H Frames poles and guys along said course in excess of said number

And (we) do hereby bind myself (ourselves) my (our) heirs and legal representatives to warrant and forever defend all and singular the above described easement and rights unto the said company its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.
WITNESSES our hand this 15th day of August 1932.

H. E. Marsh
J. W. Fitzgerald, Independent
Executor Estate of A. E. Holloway Deed

Sealed and delivered in the presence of:
R. E. Holloway

STATE OF TEXAS
COUNTY OF SMITH

BEFORE ME T. W. SHANK, a Notary Public in and for Smith County, Texas, on this day personally appeared H. E. Marsh and J. W. Fitzgerald, Independent Executor, and in the capacity therein stated by J. W. Fitzgerald known to me to be the person whose name are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 15th day of August A.D. 1932.

T. W. Shank, Notary Public
Smith County Texas

[Seal]

Filed for record at 11 A.M. Sept. 8, 1932
Recorded at 4:20 P.M. Sept. 14, 1932

U. R. Ward, Clerk
S. T. Payne, Deputy

THE STATE OF TEXAS
COUNTY OF SMITH

KNOW ALL MEN BY THESE PRESENTS:

That we, Mrs. R. N. Jenkins and L. C. Jenkins and wife, Jennie Gray Jenkins of Smith County, Texas, for and in consideration of the sum of $50.00 to us in hand paid by Texas Power & Light Company of Dallas, Texas, have granted, sold and conveyed and by these presents do grant, sell and convey unto the said company an easement of right of way for an electric transmission and distributing line consisting of varying numbers of wires, and all necessary or desirable appurtenances including towers, H-frames or poles made of wood, metal or other materials, telephone and telegraph lines, props and guys) at or near the location and along the general course now located and staked out by the said company, across and upon the following described land located in Smith County, Texas to-wit:

Being a description of the Texas Power & Light Company's Trinidad-Overton 132 kV transmission line, as now surveyed and located across the land of L. C. Jenkins in the Marshall University survey, Smith County, Texas.

Beginning at survey station 30 plus 60 east being a point in center line of a fence running north and south between the land of L. C. Jenkins and...
H. B. March, Ind. Exec. of the Will of H. B. March, Dec., of Smith County, Texas, and
Larrie Lellwize Frater, residuary legatee of the will of H. B. March, Dec., of Richmond, Va.

NOTE: For and in consideration of the above described land which will accrue to me by the execution of the above
recitations and in consideration of the condition and price hereinafter described, I hereby agree, sell, and convey to you this
property, the same as Ind., executors of the estate of H. B. March, deceased, for the purpose and consideration therein expressed, and
the premises constitute all the estate of H. B. March as Ind., executors of the estate of H. B. March, deceased, heretofore
conveyed to me for the purpose and consideration therein expressed.

COUNTY OF SMITH

KNOW ALL MEN BY THESE PRESENTS:

The above described land in Smith County, Texas, being a part of the above described land passed and conveyed by
the above described property to the above described legatee, being a part of the estate of the above described deceased,

TO HAVE AND TO HOLD the above described estate and all appurtenances thereto, in fee simple, without any
reversion or remainder, or other estate or interest, to be and remain the property of the above described legatee.

WITNESS MY HAND this 8th day of July, 1944.

Martha H. Lellwize Frater, residuary legatee of the will of H. B. March, Dec.

The above described land is located on the north line of a county road, west of the above described
property corner on the land of H. B. March and A. C. Gollweizen. It is a part of the

COUNTY OF SMITH

THE STATE OF TEXAS

No. 459

Code 32-26 Tex. 205.

Filed for Record at Richmond, Va., on the 24th day of Jan., 1943, and recorded at 4:15 o'clock p.m., on the 24th day of Feb., 1943.

HARRY ALBERTSON, County Clerk.

By: Florence Taft, Deputy.
And I (we) do hereby bind myself (ourselves), my (our) heirs and legal representatives, to warrant and forever defend all and singular the above described easement and rights unto the said Company, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Witness my hand this 9th day of March, 1927.

Gus F. Taylor

Sealed and delivered
in the presence of

THE STATE OF TEXAS
COUNTY OF SMITH:

BEFORE ME, R. B. Starr, a Notary Public in and for Smith County, Texas, on this day personally appeared Gus F. Taylor, known to me to be the person whose name is hereinafter 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 9th day of March, A.D. 1927.

R. B. Starr, Notary Public,

(SEAL)

Smith County, Texas.

Filed June 8th, 1927 at 8:40 A.M.
Recorded June 9th, 1927 at 2:00 P.M.
Harry Alberson County Clerk
Climie Adams Deputy

NO. 2 EASEMENT

ELETON RURAL DISTRIBUTION PROJECT NO. 887

THE STATE OF TEXAS
COUNTY OF SMITH:

KNOW ALL MEN BY THESE PRESENTS:

That H. B. Marsh and Martha Wellwane Fraser, joined by her husband Pat Frager of Smith County, Texas, for and in consideration of the advantages which will accrue to me (us) by the construction of the electric transmission and/or distribution line hereinafter described, have granted, sold and conveyed and by these presents do grant, sell and convey unto Texas Power & Light Company an easement and right-of-way for an electric transmission and/or distribution line, consisting of variable numbers of wires, and all necessary or desirable appurtenances (including poles made of wood, metal or other materials, telephone and telegraph wires, props and guys), at or near the location and along the general course now located and staked out by the said Company, over, across and upon the following described lands located in Smith County, Texas, to-wit:

BEGINNING at a point in the northwest right of way line of the St. Louis-Southwestern Railroad, at Survey Station 2 plus 07. Said point being located 115 feet, more or less, southwest of the intersection of said right-of-way line with the south right of way line of a county road.

THENCE in a westerly direction a distance of 473 feet, more or less, to a point in the south right of way line of said county road at Survey Station 6 plus 60. Said point being located 550 feet, more or less, southwest of the intersection of said right of way line with the northwest right of way line of the St. Louis-Southwestern Railroad.

BEGINNING again at a point in the north right of way line of said road at Survey Station 11 plus 25. Said point being located 1000 feet, more or less, southwest of the intersection of said right of way line with the northwest right of way line of the St. Louis-Southwestern Railroad.

THENCE in a westerly direction along and parallel with the north right of way line of said county road a distance of 2500 feet, more or less, to a point in the east right of way line of another county road. Said point being located 1 foot, more or less, north of the intersection of said right of way line with the north right of way line of a county road.

BEGINNING again at a Texas Power & Light Co’s Distribution pole located at Survey Station 33 plus 50. THENCE in a southerly direction for a distance of 1 foot, more or less to a property line running East and West dividing the land of H. B. Marsh and a county road.

THENCE across a county road a distance of 50 feet, more or less, to a property line running East and West dividing the land of H. B. Marsh and South R/W of said County Road. THENCE in a southerly direction for a distance of 650 feet, more or less, to a point in a property line running north and south dividing the land of H. B. Marsh and Monroe Garner. Said point being located 1 foot, more or less, south of the point of intersection of said property line and county road.

Not more than 8 poles, 0 stub, and 2 guys, shall be erected along the course of said line.

Together with the right of ingress and egress over my (our) adjacent lands to or from said right-of-way for the purpose of constructing, reconstructing, inspecting, patrolling, hanging new wires on, maintaining and removing said lines and appurtenances, the right to re-locate the lines in the same relative position to the adjacent road if and as widened in the future; the right to remove from said land all trees and parts thereof, or other obstructions which endanger or may interfere with the efficiency of said lines or their appurtenances.

To have and to hold the above described easement and rights unto the said Company, its successors and assigns, until said line shall be abandoned.

And I (we) do hereby bind myself (ourselves), my (our) heirs, and legal representatives, to warrant and forever defend all and singular the above described easement and rights unto the said company, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same or any part thereof.

Witness my hand this 7th day of Jan. 1927.

H. B. Marsh
Martha Hollweine Fraser
Nat Fraser
Sealed and delivered
in the presence of
C. O. Shelton

THE STATE OF TEXAS
COUNTY OF SMITH:

BEFORE ME, C. O. Shelton, a Notary Public in and for Smith County, Texas,
on this day personally appeared H. B. March, known to me to be the person whose name
is set-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 7th day of Jan. A.D. 1937.

C. O. Shelton, Notary
Public, Smith County, Texas.

(SEAL)

THE STATE OF VIRGINIA
CITY OF RICHMOND:

BEFORE ME, the undersigned authority, on this day personally appeared Martha
McLain Fraser and Nat Fraser, husband and wife, known to me to be the persons whose
names are subscribed to the foregoing instrument, and the said Nat Fraser acknowledged
to me that he executed the same for the purposes and consideration therein expressed,
and the said Martha McLain Fraser, having been examined by me privately and apart
from her husband and having the same fully explained to her, she, the said Martha
McLain Fraser acknowledged to me that she had willingly signed the same and
that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 1st day of February, 1937.

Mrs. Kate Barlow, Notary Public in
and for City of Richmond, Virginia
My Commission Expires Nov. 9, 1938

(SEAL)

Filed June 5th, 1937 at 8:46 A.M.
Recorded June 9th, 1937 at 8:45 P.M.
Harry Albertson County Clerk

Glimmie Adams Deputy

4420

NO. 15 EASEMENT

TYLER RURAL DISTRIBUTION
PROJECT NO. 908

THE STATE OF TEXAS
COUNTY OF SMITH

KNOW ALL MEN BY THESE PRESENTS:

That Leo Johnson and wife, Maudie Johnson of Smith County, Texas, for and in
consideration of the advantages which will accrue to me (us) by the construction of the
electric transmission and/or distribution line hereinafter described, have granted, sold
and conveyed and by these presents do grant, sell and convey unto Texas Power & Light
Company an easement and right-of-way for an electric transmission and/or distribution
line, consisting of variable numbers of wires, and all necessary or desirable appurtenances
(including poles made of wood, metal or other materials, telephone and tele-
graph wires, props and guys), at or near the location and along the general course now
H. B. Marsh and A. G. McLain
THE STATE OF TEXAS

COUNTY OF

1922
Code 32-3-88 Pre.275

KNOW ALL MEN BY THESE PRESENTS --

The Sarah E. Marsh, Ind. Exeq. of the Will of H. B. Marsh, Deed. of Smith County, Texas and Martha McLain Fraser, residuary devisee of the Will of A. G. McLain, Sec. of of Richmond, Virginia.

ACKNOWLEDG

for in consideration of the above premises and the sum of one dollar paid to me, the said Sarah Marsh, by the said Martha McLain Fraser, I hereby transfer and convey to her

and the remaining premises described above.

BEING a description of the Texas Power & Light Company's Tyler rural distribution line as now surveyed and located across the land of H. B. Marsh and A. G. McLain

in the Marshall University survey, Abstract No. 524, Smith County, Texas.

BEGINNING at a present angle pole station 8 plus 40, now in place, located 36 feet, more or less, south of a south right line of a county road and 510 feet, more or less, west of H. B. Marsh's and A. G. McLain's Northeast property corner;

THENCE in a southerly direction 50 feet, more or less, to a Texas Power & Light Company's iron pole.

BEGINNING at a survey station 8 plus 40;

THENCE in a southerly direction 440 feet, more or less, to a Texas Power & Light Company's dead end pole and its attached down guy. Said down guy extending in the same southerly direction 50 feet, more or less. Said pole and guy being located 3 feet, more or less, east of a county road.

Not more than

POLE:
0
wires, and
2.

shall be strung along the course of said line.

Together with the right of ingress and egress over said (not) adjacent lands to and from said right of way for the purpose of constructing, connecting, maintaining, operating, and replacing the wires and poles and apparatus herein described, to the extent and manner that may be necessary for the efficient operation of said system.

TO HAVE AND TO HOLD the above described easement and right over the said Company's, runs and wagens, and line and said easement and rights into the said Company's, runs and wagens, against every person whatsoever lawfully claiming or claiming to claim the same or any part thereof.

WITNESS: Out. No. 194 42

February 9th

9th

February, 1918

K. Callie E. Foss

Martha McLain Fraser

THE STATE OF VIRGINIA

THE STATE OF TEXAS

COURT OF RICHMOND

BEFORE ME, Mrs. Callie E. Foss, Secretary Public in and for Richmond, Virginia,

on this day personally appeared Mrs. Martha McLain Fraser, a widow, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that

she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this

9th day

February, 1918.

K. Callie E. Foss

Secretary Public Richmond, Virginia

My Commission expires Mar. 1, 1942.

[Seal]

THE STATE OF TEXAS

COUNTY OF SMITH

BEFORE ME, A Notary Public, in and for Smith County, Texas, on this day personally appeared Sarah E. Marsh, a widow, known to me to be the person whose name is subscribed to the foregoing instrument, and having been examined by me personally and sworn by her husband, and having the same fully explained to her, she, the said

acknowledged such instrument to be her act and deed, and declared that she had willingly signed the same for the purpose and consideration therein expressed and that she did so wish to execute it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 12th day of February, 1942.

Lucy Marsh, Notary Public, in and for Smith County, Texas.

[Seal]

File for Record at

2 20

March

194 2.

and recorded

2

A. M.

2

A. M.

2

A. M.

HARRY ALBERTSON, County Clerk.

By Lula E. Dobson, Deputy.
THE STATE OF TEXAS

H. B. Marsh and A. G. Wellwine

COUNTY OF Smith

KNOW ALL MEN BY THESE PRESENTS:

Sarah Z. Marsh, Ind. Executrix of the will of H. B. Marsh, dec., of Smith Co., Tex., and

Martha Wellwine Fraser, residuary legatee of the will of A. G. Wellwine, dec.

of

RICHMOND, Virginia

EXECUTRIX and executrix of the administration which shall issue in me (we) by the execution of the decedent

Commencement and execution hereof will commence from and end on the last day of March, and the

name of the land, and number of acres included therein, shall be recorded in the office of the

notary public in and for Smith County, Tex., to wit:

Beginning at a present angle pole station 7 plus 40, nor in place, located 56 feet, more or less, south of a south right of way line of a county road and 310 feet, more or less, west of H. B. Marsh's and A. G. Wellwine's northeast property corner;

Thence in a northeasterly direction 50 feet, more or less, to a point in the west right of way line of a county road, said point being located 500 feet, more or less, north of a north right of way line of U. S. Highway No. 69.

Aerial right of way only

Pole No. 0

Road No. 0

Title No. 0

Date: Day of

Further described as a tract of land at the east right of way line of U. S. Highway No. 69, at the south right of way line of a county road, and at the north right of way line of the said U. S. Highway No. 69.

Subscribed and sworn to before me:

Sarah Z. Marsh

EXECUTRIX OF THE ESTATE OF H. B. MARSH

RICHMOND, Virginia

City

COUNTY OF

Before me, a notary public in and for Smith County, Tex., this day personally appeared

Sarah Z. Marsh, a widow, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same

as Executrix of the Estate of H. B. Marsh, deceased, for the purposes and consideration therein expressed, and in the presence of me.

Given under my hand and seal of office this the 9th day of March, 1943.

HARRY ALBRETT, County Clerk,

County, Tex.

COUNTY OF SMITH

Before me, a notary public in and for Smith County, Tex., on this day personally appeared

Sarah Z. Marsh, a widow, known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same

as Executrix of the Estate of H. B. Marsh, deceased, for the purposes and consideration therein expressed, and in the presence of me.

Given under my hand and seal of office this the 9th day of March, 1943.

HARRY ALBRETT, County Clerk,
THE STATE OF TEXAS

County of: Smith

KNOW ALL MEN BY THESE PRESENTS:

That: Estate of March A. Holcombe, deceased

and

of Smith County, Texas, for and in consideration of the advantages which will accrue to me (us) by the construction of the electric transmission and/or distribution line hereinafter described, have granted, sold and conveyed unto Texas Power & Light Company an easement and right-of-way

for an electric transmission and/or distribution line, consisting of variable numbers of wires, and all necessary or desirable appurtenances (including poles made of wood, metal or other materials, telephone and telegraph wires, poles and guys), all or near the location and along the general course now located and staked out by the said Company, over, across and upon the following described lands located in Smith County, Texas, to wit:

Being a description of the Texas Power & Light Company's Tyler rural distribution extension (project 1887, sheet 92) to serve A. A. Jeffrey as now surveyed and located on and across the property of March A. Holcombe in the N. University Survey, 16th County, Texas.

Beginning at a Texas Power & Light Company's distribution pole now in place on the property of March A. Holcombe described at survey station 5 plus 20 equals 0 plus 00.

Thence in a southerly direction 20 feet, more or less, to a guy anchorage. Beginning again at said distribution pole.

Thence in a northerly direction 12 feet, more or less, to a point in the south right-of-way line of a county road. Said point being located 474 feet, more or less, southwest of March A. Holcombe's property corner. Beginning again at a point in the north right-of-way line of a county road. Said point being located at survey station 0 plus 72.

Thence in a northerly direction 462 feet, more or less, to a Texas Power & Light Company's angle pole and its attached down guy at survey station 5 plus 31. Said down guy to extend in an easterly direction 20 feet, more or less, to a guy anchorage. Beginning again at said angle pole.

Thence in a northwesterly direction 533 feet, more or less, to a Texas Power & Light Company's deadend pole and its attached down guy, survey station 10 plus 65. Said down guy to extend in the same northwesterly direction 20 feet, more or less, to a guy anchorage. Said deadend pole being located 75 feet, more or less, southeast of a house occupied by A. A. Jeffrey.

Not more than 2 poles, 0 stiles, and 3 guys shall be erected along the course of said line.

Together with the right of ingress and egress over my (our) adjacent lands to or from said right-of-way for the purpose of constructing, maintaining, inspecting, patrolling, hanging new wires on, maintaining and removing said lines and appurtenances; the right to re-burial the lines in the same relative position to the adjacent road of as it widened in the future; and the right to remove from said land all trees and parts thereof, or other obstructions which may interfere with the efficiency of said lines or their appurtenances.

TO HAVE AND TO HOLD the above described easement and rights unto the said Company, its successors and assigns, until said line shall be abandoned.

And I (we) do hereby bind myself (ourselves), my (our) heirs and legal representatives, to warrant and forever defend all and maintain the above described easement and rights unto the said Company, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESSES:

Sealed and delivered in the Presence of:

March A. Holcombe

Lucy March Holcombe

[Signature]

[Signature]
STATE OF TEXAS
COUNTY OF SMITH

Before me, A. J. Akin, a notary public in and for the County of Smith, Texas, on this day personally appeared Lucy Marsh, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same as administratrix of the estate of Marshall & Schminke, deceased, for the purposes and consideration therein expressed, and in the capacity therein set forth.

I, A. J. Akin, having acknowledged to me that she executed the same as administratrix of the estate of Marshall & Schminke, deceased, for the purposes and consideration therein expressed, and in the capacity therein set forth.

[Signature]
(Notary Public, Smith County, Texas)

This instrument was acknowledged before me in the County of Smith, State of Texas, on the 3rd day of November, 1949.

[Signature]
(A. J. Akin)

Recorded at 12 O'CLOCK M ON THE 24TH DAY OF JUNE, 1950
ERNEST CHRISTIAN, COUNTY CLERK OF
THE STATE OF TEXAS

C. O. L. Taylor
County of Smith
Know all men by these presents:
That C. O. L. Taylor
And wife, Lottie Taylor
Of Smith
County, Texas, for and in consideration of the advantages which will accrue to me (us) by the construction of the electric transmission and/or distribution line hereinafter described, have granted, sold and conveyed unto Texas Power & Light Company an easement and right-of-way for an electric transmission and/or distribution line, consisting of variable numbers of wires, and all necessary or desirable appurtenances (including poles made of wood, metal or other materials, telephone and telegraph wires, poles and guywires, all or near the location and along the general course now located and staked out by the said Company, over, around and upon the following described lands located in Smith County, Texas, to-wit:

Being a description of the Texas Power & Light Company's Tyler rural distribution extension (project 2155, sheet 21) to serve C. O. L. Taylor as now surveyed and located on and across the property of C. O. L. Taylor in the Bryant Surveying Survey, Smith County, Texas.

This easement covers the installation of one pole to be placed in line on the property of C. O. L. Taylor; said pole being located one foot, more or less, northeast of C. O. L. Taylor's southeast property corner.

[Signature]
(C. O. L. Taylor)

[Signature]
(Deputy)

[Signature]
(County Clerk)
The State of Texas

County of Smith

Know all men by these presents:

That

Estate of Marsh & Hollmune, deceased

and

of

Smith

County, Texas, for and in consideration of the advantages which will accrue to me (us) by the construction of the electric transmission and/or distribution line hereinafter described, have granted, sold and conveyed and by these presents do grant, sell and convey unto Texas Power & Light Company an easement and right-of-way for an electric transmission and/or distribution line, consisting of variable numbers of wires, and all necessary or desirable appurtenances (including poles made of wood, metal or other materials, insulators and insulating wires, props and guys), as may be the location and alignment of the same and any and all easements now located and staked out by the said Company, over, across and upon the following described lands located in:

Smith County, Texas, to-wit:

Being a description of the Texas Power & Light Company's Rural Distribution System located on the Bingham in the Mexia area as now surveyed and located across the property of:

This easement covers the installation of 1 pole installed in an existing 7.2 kv line near Mexia County road. Said pole being located 96 feet, more or less, southwest and 110 feet, more or less, east of a northeast property corner.

Not more than 1 pole, 0 guys, and 0 guys shall be erected along the course of said line.

Together with the right of ingress and egress over my (our) adjacent lands to and from said right-of-way for the purpose of constructing, reconstructing, improving, patrolling, hanging new wires on, maintaining and removing said lines and appurtenances, the right to re-locate the lines in the same relative position to the adjacent road if and as needed in the future; and the right to remove from said land all trees and parts thereof, or other obstructions, which endanger or may interfere with the efficiency of said lines or their appurtenances.

TO HAVE AND TO HOLD the above described easement and rights unto the said Company, its successors and assigns, until said line shall be abandoned.

And I (we) do hereby bind myself (ourselves), my (our) heirs and legal representatives, to warrant and forever defend all and singular the above described easement and rights unto the said Company, its successors and assigns, against every person or persons whatsoever lawfully claiming to or claiming the same or any part thereof.

WITNESS:

Sealed and delivered at The Presence of:

ACKNOWLEDGEMENT FOR EXECUTOR OR ADMINISTRATRIX

STATE OF TEXAS

COUNTY OF SMITH

Before me, A. J. Akin, a notary public in and for the County of Smith, Texas, on this day personally appeared Lucy Marsh, known to me to be person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same as administratrix of the estate of Marsh & Hollmune, deceased, for the purposes and consideration therein expressed, and in the capacity therein set forth.

Given under my hand and seal of office, this the 26 day of April 1961.

A. J. Akin
Notary Public, Smith County, Texas
THE STATE OF TEXAS

Smith County

Know all men by these presents:

That Nathan Stokes by Robert Stokes, Attorney in Fact

This assent covers the installation of 1 pole in an existing 7.2 kv line. Said pole being located 30 feet, more or less, southwest of a property line running in a north westerly and southeasterly direction dividing the land of Nathan Stokes and Pearl Batill, and 68 feet, more or less, north of a southeast property corner.

Not more than ______ poles, ______ stake, and ______ guy shall be erected along the course of said line.

Together with the right of ingress and egress over my (our) adjacent lands to or from said right-of-way for the purpose of maintaining, reconstructing, repacking, laying new wires on maintaining and removing said lines and appurtenances; the right to erect the lines in the same relative position to the adjacent road if and as widened in the future; the right to remove from said land all trees and parts thereof, or other obstructions, which endanger or may interfere with the efficiency of said lines or their appurtenances.

TO HAVE AND TO HOLD the above described easement and rights unto the said Company, its successors and assigns, until such line shall be abandoned.

And I (we) do hereby bind myself (ourselves), my (our) heirs and legal representatives, to warrant and forever defend all and every part of the above described easement and rights unto the said Company, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS my hand this 17 day of April, 1951.

Sealed and delivered in the presence of:

By: Robert Stokes, Attorney in Fact

9-1-57
RIGHT-OF-WAY AGREEMENT

STATE OF TEXAS § KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF SMITH §

That, REGIONS BANK, TRUSTEE OF THE MARGARET MEBUS LIVING TRUST; EDWARD GUERRANT LILLY, JR.; TRADD STREET LIMITED PARTNERSHIP, a South Carolina limited partnership acting by and through its general partner, RICHARD M. LILLY; EDWARD G. R. BENNETT and wife, ADELAIDA U. BENNETT; CRAIG M. BENNETT, JR. and wife, SANDRA S. BENNETT; JAMES GORDON FRAZER; RICHARD McILWAINE FRAZER, JR.; AND JAMES STEVENSON FRAZER, herein called GRANTOR, for and in consideration of the sum of ONE DOLLAR ($1.00) and other good and valuable consideration in hand paid, receipt and sufficiency of which is hereby confessed and acknowledged, does hereby grant, bargain, sell and convey unto the CITY OF TYLER, TEXAS, whose address is 212 N. Bonner, Tyler, Texas 75702, herein called GRANTEE, and its successors and assigns, a permanent right of way and easement for the purposes of laying, constructing, maintaining, operating, altering, repairing, replacing, changing the size of, and removing three (3) pipelines with all necessary and convenient valves, connections, fittings and appurtenances for the transportation of water, and/or sanitary sewer, on, over, under through and across a strips of land described in Exhibits "A", "B", "C" and "D" attached hereto and made a part hereof, and being part of that certain property described as follows, to wit:

TRACT ONE: 52.35 acres, more or less, a part of the T. Price Survey, A-794, Smith County, Texas, and being the same land described as 84.0 acres, more or less, a part of the T. Price Survey, A-794, Smith County, Texas, and further described in that certain Deed dated January 9, 1907, from John F. Sanders and Ella M. Sanders to H. B. Marsh and A. G. McIlwaine, recorded in Volume 87, Page 262, Deed Records of Smith County, Texas; LESS AND EXCEPT that certain 31.65 acres, more or less, a part of the T. Price Survey, A-794, Smith County, Texas, and further described in that certain Special Warranty Deed dated September 15, 1943, from Sarah Marsh, et al to J. M. Sanders, recorded in Volume 475, Page 286 of the Deed Records of Smith County, Texas; leaving 52.35 acres, more or less.

TRACT TWO: 177 acres, more or less, a part of the Marshall University Survey, A-624, and more fully described in that certain Deed dated April 5, 1917, from John Blakel, et al to H. B. Marsh and A. G. McIlwaine, recorded in Volume 131, Page 43 of the Deed Records of Smith County, Texas.

TRACT THREE: 226.0 acres, more or less, a part of the Marshall University Survey, A-624, and more fully described in that certain Deed dated January 7, 1914, from E. O. Tarbutton to H. B. Marsh and A. G. McIlwaine, recorded in Volume 115, Page 459 of the Deed Records of Smith County, Texas.
TO HAVE AND TO HOLD unto said Grantee, its successors and assigns, for the purposes granted herein, in whole or in part, at the will of Grantee, for as long as said pipeline(s) is operated and maintained by Grantee, its successors and/or assigns.

This Right of Way Agreement is made subject to the following terms and conditions:

1. Grantee, its successors and assigns, shall have the rights and benefits necessary or convenient for the full enjoyment or use of the rights for water pipelines herein granted, including, but without limiting the same to, the reasonable right of ingress and egress from public roadways over and across said easement property, as may be required during construction and maintenance of said pipeline(s). Grantee’s access to Grantor’s property will be limited to the temporary and permanent easement areas described herein.

2. Grantee, its successors and assigns, is hereby expressly given and granted the right to assign this right of way and easement, or any part thereof, or interest therein, to other municipal entities and/or entities who have the power of eminent domain and the same shall be divided among two or more owners, as to any right or rights created hereunder, so that each assignee or owner shall have the full rights and privileges herein granted, to be owned and enjoyed either in common or severally.

3. Grantor, its heirs, successors or assigns may continue to use the surface of the easement strip conveyed hereby for all agricultural purposes, pasture or other purposes for which the land was used prior to the construction of the water pipeline(s) provided for herein; provided, however, Grantor shall not construct or permit to be constructed any houses, structures, lakes, ponds, dams or other obstructions within the bounds of the easement strip, except for fences, which would interfere with Grantee’s exercise of the rights hereby conveyed and the safe operation of its pipeline(s). It is understood that brick, stone or masonry walls shall not be used in the construction of fences; however, Grantor reserves the right to build a fence consisting of brick, stone or masonry columns and wood, plastic or iron located between the columns. Grantor reserves the right to build brick, stone or masonry walls at entrances to the property from public roads and the right to build fences of brick, stone or masonry along the perimeter of the easement area near the property lines.

4. The permanent easement area is described in Exhibits “A”, “B”, “C” and “D” attached hereto. It is also agreed that during construction of the pipeline(s), Grantee may utilize an additional strip of land parallel and adjacent to the permanent easement area for temporary workspace. The temporary easement area as related to the easement area described in Exhibit “A” shall be an additional ten (10’), foot wide strip of land parallel and adjacent to the north boundary line of the permanent easement area; furthermore, when the line turns in a northerly direction at the intersection of the west right-of-way line of FM 2493 the temporary easement will stop. The temporary easement area as related to the easement areas described in Exhibits “B”, “C” and “D” (which is that portion of the line paralleling CR 192) shall be an additional twenty (20’) feet wide strip of land parallel and adjacent to the east boundary line of the permanent easement area; however, it is agreed that the temporary easement will never cause the total width of the temporary and permanent easement area to exceed seventy (70’) feet from the existing centerline of CR 192. Grantee agrees to lay the sewer lines as gravity flow lines where feasible, which includes all of the sewer line laid along the east boundary of subject property and approximately one third to one-half of the sewer line laid along the south boundary of subject property.

5. Grantee will install proper bracing for crossing of all fences, leaving said bracing after construction, and install locked gates or repair the fence to as good or better condition as when crossed by the pipeline(s) as is reasonably practical. If there are gates or roadways now existing along the
pipeline route Grantor grants to Grantee permission to use such existing gates and roadways in the exercise of all rights conferred herein, damages and/or repairs to the facilities to be promptly addressed. Grantee agrees to install or to pay for the installation of two (2) commercial water taps and one (1) commercial sanitary sewer line “stub out” during the initial construction period on the easement area; and, to install or pay for the installation of one (1) additional commercial water tap and one (1) additional commercial sanitary sewer line “stub out” on the easement area described in Exhibits “A”, “B”, “C” and “D” attached hereto at a later date to accommodate the Grantor’s desire to develop the subject property. The location of the water taps and sewer “stub out” will be at a mutually agreeable location along the easement.

(6) Grantee shall have the right from time to time to cut and keep clear all trees, undergrowth and other obstructions on said right of way and easement that may injure, endanger or interfere with the use, operation and maintenance of said pipeline(s) or appurtenances to said pipeline(s).

(7) Grantor hereby binds himself, his heirs, executors, administrators, successors and assigns to warrant and forever defend all and singular said premises unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

(8) Grantee agrees to bury the said pipeline(s) so as to have a minimum thirty-six (36) inches ground cover except if solid rock is encountered the minimum cover shall be eighteen (18) inches through that area.

(9) Grantee shall pay for any damages to crops, fences, timber, pasture, grasses, terraces and waterways which may arise from altering, repairing, replacing, removing or changing the size of said pipeline(s). Grantee shall promptly backfill and adequately reinforce and secure any excavation required during maintenance, operation, alteration, repair, replacement, size change, and removal so that the surface of the land shall be in the same or better condition as existed prior to said excavation. Grantee shall not be required to pay for damages resulting from keeping clear the right of way and easement strip, which may include the removal of trees (see clause 6).

(10) This instrument may be executed in counterparts and each Grantor shall receive payment hereunder in such proportion as his respective interest bears to the entire fee simple title.

(11) It is further understood and agreed that the consideration recited above and receipt of which has been acknowledged by GRANTOR, is also full, complete and final payment for any and all injuries and damages of whatsoever nature and character to land, crops, timber, fences and improvements on, over and across the premises and for the enjoyment and use by GRANTEE of its rights hereunder and GRANTOR hereby covenants that any and all claims that they have or may have because of the GRANTEE’S initial construction operations upon said right-of-way and within the easement area described in Exhibit “A” have been paid and satisfied in full. It is the GRANTEE’S intent to lay one pipeline during the initial construction period and when, and if, an additional pipeline is laid the damages for the construction of such additional line will be handled at that time.

(12) The undersigned hereby acknowledges receipt of Form ERW 4-0 (1997) promulgated by the Texas Real Estate Commission for mandatory use by registered easement or right-of-way agents.

(13) This right of way and easement grant as originally written covers all of the agreements and stipulations between the parties and no representations or statements verbal or written have been made, modifying, adding to, or changing the terms of said original Right of Way Agreement.

This instrument and the covenants and agreements herein contained shall inure to the benefit of and be binding and obligatory upon the heirs, executors, administrators, successors and assigns of the parties hereto.
IN TESTIMONY WHEREOF the Grantors herein have executed this conveyance this 84th day of May, 2000.

REGIONS BANK, TRUSTEE OF THE MARGARET MEBUS LIVING TRUST

By:                       EDWARD GUERRANT LILLY, JR.
Tax ID#:                    SS#

TRADD STREET LIMITED PARTNERSHIP

By: RICHARD M. LILLY
Tax ID#:                    EDWARD G. R. BENNETT

ADELAIDA U. BENNETT
SS#:                     CRAIG M. BENNETT, JR.

SANDRA S. BENNETT
SS#:                    JAMES GORDON FRAZER
                       SS#: 225-407-1449

RICHARD MELWANE FRAZER, JR.
SS#: 226-36-9614

JAMES STEVENSON FRAZER
SS#: 227-42-7047

ACKNOWLEDGMENTS

STATE OF TEXAS §

COUNTY OF SMITH §

This instrument was acknowledged before me this ______ day of ____________________, 2000, by ____________________________ as ______________________________ of REGIONS BANK as Trustee of the MARGARET MEBUS LIVING TRUST.

Notary Public in and for the State of Texas
STATE OF

COUNTY OF

This instrument was acknowledged before me this _____ day of __________________________, 2000, by EDWARD GUERRANT LILLY, JR.

Notary Public in and for the State of

STATE OF

COUNTY OF

This instrument was acknowledged before me this _____ day of __________________________, 2000, by Richard M. Lilly, as General Partner of TRADD STREET LIMITED PARTNERSHIP.

Notary Public in and for the State of

STATE OF

COUNTY OF

This instrument was acknowledged before me this _____ day of __________________________, 2000, by EDWARD G. R. BENNETT.

Notary Public in and for the State of

STATE OF

COUNTY OF

This instrument was acknowledged before me this _____ day of __________________________, 2000, by ADELAIDA U. BENNETT.

Notary Public in and for the State of
STATE OF __________________ $ 
COUNTY OF __________________ $ 

This instrument was acknowledged before me this ______ day of __________________, 2000, by CRAIG M. BENNETT, JR.

Notary Public in and for the State of _______________

STATE OF __________________ $ 
COUNTY OF __________________ $ 

This instrument was acknowledged before me this ______ day of __________________, 2000, by SANDRA S. BENNETT.

Notary Public in and for the State of _______________

STATE OF TEXAS $ 
COUNTY OF Smith $ 

This instrument was acknowledged before me this 8th day of May, 2000, by JAMES GORDON FRAZER.

Notary Public in and for the State of Texas

STATE OF TEXAS $ 
COUNTY OF Smith $ 

This instrument was acknowledged before me this 8th day of May, 2000, by RICHARD McILWAINE FRAZER, JR. by James G. Frazier, Attorney-in-Fact.

Notary Public in and for the State of Texas

Page 1 of 6
STATE OF Texas §
COUNTY OF Smith §

This instrument was acknowledged before me this 8th day of May, 2000, by JAMES STEVENSON FRAZER.

[Signature]
Notary Public in and for the State of Texas

Return to: Dixon Services Inc
P.O. Box 13103
Tyler, TX 75713
EXHIBIT "A"
MARSH - McILWAINE ESTATE
PART OF A CERTAIN 84 ACRE TRACT
98081531

BEING a 2.381 acre tract of land in the Thomas Price Survey, Abstract No. 794, Smith County, Texas and being a part of a certain 84 acre tract of land conveyed by John F. Sanders and wife, Ella M. Sanders to H.B. Marsh and A.G. McIlwaine in a deed dated January 19, 1907 and recorded in Volume 87, Page 262 of the Land Records of Smith County, Texas, said 2.381 acres of land being more fully described as follows;

BEGINNING at a ½" Iron Rod set for corner in the West line of said 84 acre tract, South 1 degree 54 minutes 42 seconds East a distance of 999.82 feet from the Northwest corner of same and being in the occupied West line of said Thomas Price survey;

THENCE South 78 degrees 56 minutes 58 seconds East, a distance of 1474.14 feet to a ½" Iron Rod set for corner, being the beginning of a curve to the left;

THENCE with said curve to the left having a delta angle of 11 degrees 11 minutes 15 seconds, an arc distance of 379.67 feet, a radius of 1944.45 feet, a tangent of 190.44 feet and a chord of North 31 degrees 30 minutes 29 seconds East, a distance of 379.07 feet to a ½" Iron Rod set for the end of said curve;

THENCE North 25 degrees 54 minutes 14 seconds East, a distance of 1082.89 feet to a ½" Iron Rod set for corner;

THENCE North 88 degrees 15 minutes 15 seconds East, a distance of 33.87 feet to a ½" Iron Rod set for corner in the East line of said 84 acre tract;

THENCE South 25 degrees 54 minutes 14 seconds West, a distance of 1098.61 feet with the East line of said 84 acre tract to a ½" Iron Rod found for corner in same, being the beginning of a curve to the right;

THENCE continuing with the East line of said 84 acre tract and with said curve to the right having a delta angle of 12 degrees 03 minutes 26 seconds, an arc distance of 415.50 feet, a radius of 1974.45 feet, a tangent of 208.52 feet and a chord of South 31 degrees 56 minutes 34 seconds West, a distance of 414.74 feet to a ½" Iron Rod set for the end of said curve, being the Southeast corner of the residue of said 84 acre tract and the most Easterly Northeast corner of a certain 119.715 acre tract conveyed to Larry J. Taylor in a deed recorded in Volume 3998, Page 885 of the Smith County Land Records;

THENCE North 78 degrees 56 minutes 58 seconds West, a distance of 1479.14 feet with the South line of the residue of said 84 acre tract and with the most Northerly East line of said 119.715 acre tract to a ½" Iron Rod found for the Southwest corner of the residue of said 84 acre tract, being an
Ell corner in the North line of said 119.715 acre tract and being in the occupied West line of said Thomas Price survey;

THENCE North 1 degrees 01 minutes 58 seconds West, a distance of 39.73 feet with the West line of said 84 acre tract and with the occupied West line of said Thomas Price survey to a Rock found for corner in same;

THENCE North 1 degrees 54 minutes 42 seconds West, a distance of 1.18 feet continuing with the West line of said 84 acre tract and with the occupied West line of said Thomas Price survey to the PLACE OF BEGINNING and containing 2.381 acres of land.


I, Kevin L. Kilgore, Registered Professional Land Surveyor No. 4687, do hereby certify that this boundary description represents the results of a survey made on the ground.

Kevin L. Kilgore  
K.L. Kilgore & Co., Inc.  
6712 Paluxy Drive  
Tyler, Texas 75703

Date 5/15/2000
EXHIBIT "B"
MARSH - MCILWAINE ESTATE
PART OF A 177 ACRE TRACT AND 226 ACRE TRACT
98081185

BEING a 1.008 acre tract of land in the Marshall University Survey, Abstract No. 624, Smith County, Texas and being a part of a certain 177 acre tract of land conveyed by John Blake, Et Al to H.B. Marsh and A.G. McIlwaine in a deed dated April 5, 1917 and recorded in Volume 131, Page 43 of the Land Records of Smith County, Texas, and part of a certain 226 acre tract of land conveyed by E.O. Tarrington, Special Commissioner for Smith County, Texas to H.B. Marsh and A.G. McIlwaine in a deed dated January 7, 1914 and recorded in Volume 115, Page 459 of the Land Records of Smith County, Texas, said 1.008 acres of land being more fully described as follows;

BEGINNING at a ½” Iron Rod set for corner in the West line of said 177 acre tract, North 1 degree 54 minutes 42 seconds West a distance of 1069.08’, North 0 degrees 23 minutes 34 seconds West a distance of 344.23’ from the Southwest corner of same, said beginning corner also being South 0 degrees 23 minutes 34 seconds East a distance of 60.69 feet from a ½” Iron Rod found for the Northeast corner of a called 1.32 acre tract of land conveyed to Glynn Starnes in a deed recorded in Volume 1282, Page 369 of the Smith County Land Records, and being in the occupied West line of said Marshall University survey;

THENCE North 1 degree 43 minutes 35 seconds West, a distance of 633.29 feet with the West line of said 170.5 acre tract and with the occupied West line of said Marshall University survey to a 60d Nail set for corner in same and being in the centerline of County Road No. 192;

THENCE South 88 degrees 07 minutes 45 seconds East, a distance of 31.14 feet to a ½” Iron Rod set for corner in the East right-of-way line of County Road No. 192 and the South right-of-way line of State Highway No. 57;

THENCE North 1 degree 52 minutes 15 seconds East, a distance of 69.73 feet with the East right-of-way line of County Road No. 192 and the South right-of-way line of State Highway No. 57 to a ½” Iron Rod set for corner in same;

THENCE North 0 degrees 55 minutes 07 seconds East, a distance of 329.08 feet continuing with the East right-of-way line of County Road No. 192 and the South right-of-way line of State Highway No. 57 to a ½” Iron Rod set for corner in same;

THENCE North 0 degrees 49 minutes 38 seconds West, a distance of 374.29 feet continuing with the East right-of-way line of County Road No. 192 and the South right-of-way line of State Highway No. 57 to a Type II Highway Monument found for corner in same;

THENCE North 13 degrees 27 minutes 17 seconds East, a distance of 67.96 feet continuing with the East right-of-way line of County Road No. 192 and the South right-of-way line of State Highway No. 57 to a Type II Highway Monument found for corner in same;
THENCE North 89 degrees 05 minutes 00 seconds East, a distance of 20.65 feet continuing with the South right-of-way line of State Highway No. 57 to a ½” Iron Rod set for corner in same;

THENCE South 13 degrees 27 minutes 17 seconds West, a distance of 70.58 feet to a ½” Iron Rod set for corner;

THENCE South 0 degrees 49 minutes 38 seconds East, a distance of 372.09 feet to a ½” Iron Rod set for corner;

THENCE South 0 degrees 55 minutes 07 seconds West, a distance of 329.55 feet to a ½” Iron Rod set for corner;

THENCE South 1 degree 52 minutes 15 seconds West, a distance of 78.11 feet to a ½” Iron Rod set for corner;

THENCE South 1 degree 31 minutes 43 seconds East, a distance of 265.48 feet to a ½” Iron Rod set for corner;

THENCE South 0 degrees 54 minutes 42 seconds East, a distance of 95.48 feet to a ½” Iron Rod set for corner;

THENCE South 1 degree 26 minutes 52 seconds West, a distance of 100.64 feet to a ½” Iron Rod set for corner;

THENCE South 9 degrees 19 minutes 22 seconds West, a distance of 111.09 feet to a ½” Iron Rod set for corner;

THENCE South 20 degrees 31 minutes 35 seconds West, a distance of 55.68 feet to the PLACE OF BEGINNING and containing 1.008 acres of land of which 0.240 acres lies within the occupied right-of-way of County Road No. 192 leaving a net acreage of 0.768 acres.


I, Kevin L. Kilgore, Registered Professional Land Surveyor No. 4687, do hereby certify that this boundary description represents the results of a survey made on the ground.

[Signature]

Kevin L. Kilgore
K.L. Kilgore & Co., Inc.
6712 Paluxy Drive
Tyler, Texas 75703
EXHIBIT "C"
MARSH - MCIWaine ESTATE
PART OF A CALLED 226 ACRE TRACT
98081232C

BEING a 0.246 acre tract of land in the Marshall University Survey, Abstract No. 624, Smith County, Texas and being a part of a certain 226 acre tract of land conveyed by H.O. Tarbutton, Special Commissioner for Smith County, Texas to H.B. Marsh and A.G. McIlwaine in a deed dated January 7, 1914 and recorded in Volume 115, Page 459 of the Land Records of Smith County, Texas, said 0.246 acres of land being more fully described as follows;

BEGINNING at a Type II Highway Monument found for corner at the intersection of the North right-of-way line of State Highway No. 57 with the East right-of-way line of County Road No. 192, and being North 5 degrees 39 minutes 02 seconds East a distance of 606.20 feet from the Southwest corner of said 226 acre tract;

THENCE North 25 degrees 26 minutes 18 seconds West, a distance of 12.37 feet with the North right-of-way line of State Highway No. 57 and with the East right-of-way line of County Road No. 192 to a Type II Highway Monument found for corner in same;

THENCE North 2 degrees 40 minutes 43 seconds West, a distance of 78.81 feet continuing with the North right-of-way line of State Highway No. 57 and the East right-of-way line of County Road No. 192 to a Type II Highway Monument found for corner in same;

THENCE North 6 degrees 48 minutes 26 seconds East, a distance of 64.20 feet continuing with the North right-of-way line of State Highway No. 57 and the East right-of-way line of County Road No. 192 to a Type II Highway Monument found for corner in same;

THENCE North 4 degrees 16 minutes 59 seconds East, a distance of 127.22 feet continuing with the North right-of-way line of State Highway No. 57 and the East right-of-way line of County Road No. 192 to a Type II Highway Monument found for corner in same;

THENCE North 10 degrees 48 minutes 38 seconds East, a distance of 124.93 feet continuing with the North right-of-way line of State Highway No. 57 and the East right-of-way line of County Road No. 192 to a Type II Highway Monument found for corner in same;

THENCE North 16 degrees 28 minutes 17 seconds East, a distance of 131.96 feet continuing with the North right-of-way line of State Highway No. 57 and the East right-of-way line of County Road No. 192 to a Type II Highway Monument found for corner in same;

THENCE South 73 degrees 36 minutes 39 seconds East, a distance of 20.00 feet to a ½" Iron Rod set for corner;
THENCE South 16 degrees 28 minutes 17 seconds West, a distance of 131.00 feet to a ½” Iron Rod set for corner;

THENCE South 10 degrees 48 minutes 38 seconds West, a distance of 122.80 feet to a ½” Iron Rod set for corner;

THENCE South 4 degrees 16 minutes 59 seconds West, a distance of 126.52 feet to a ½” Iron Rod set for corner;

THENCE South 6 degrees 48 minutes 26 seconds West, a distance of 62.98 feet to a ½” Iron Rod set for corner;

THENCE South 2 degrees 40 minutes 43 seconds East, a distance of 73.13 feet to a ½” Iron Rod set for corner;

THENCE South 25 degrees 26 minutes 18 seconds East, a distance of 17.45 feet to a ½” Iron Rod set for corner in the North right-of-way line of State Highway No. 57;

THENCE South 89 degrees 01 minutes 47 seconds West, a distance of 21.97 feet with the North right-of-way line of State Highway No. 57 to the PLACE OF BEGINNING and containing 0.246 acres of land.


I, Kevin L. Kilgore, Registered Professional Land Surveyor No. 4687, do hereby certify that this boundary description represents the results of a survey made on the ground.

[Signature]

K. L. Kilgore & Co., Inc.
6712 Paluxy Drive
Tyler, Texas 75703

5/5/2000  Date
EXHIBIT "D"
MARSH - MCILWAINE ESTATE
PART OF A CALLED 226 ACRE TRACT
98081232D

BEING a 1.818 acre tract of land in the Marshall University Survey, Abstract No. 624, Smith County, Texas and being a part of a certain 226 acre tract of land conveyed by E.O. Tarbutton, Special Commissioner for Smith County, Texas to H.B. Marsh and A.G. McIlwaine in a deed dated January 7, 1914 and recorded in Volume 115, Page 459 of the Land Records of Smith County, Texas, said 1.818 acres of land being more fully described as follows;

BEGINNING at a 60d Nail set for corner in the centerline of County Road No. 192, and being North 4 degrees 21 minutes 51 seconds East a distance of 1148.49 feet from the Southwest corner of said 226 acre tract;

THENCE North 16 degrees 53 minutes 41 seconds East, a distance of 1429.69 feet with the centerline of County Road No. 192 to a 60d Nail set for corner in same;

THENCE North 19 degrees 38 minutes 55 seconds East, a distance of 147.45 feet continuing with the centerline of County Road No. 192 to a 60d Nail set for corner in same at its intersection with the centerline of County Road No. 159;

THENCE South 86 degrees 45 minutes 03 seconds East, a distance of 55.58 feet with the centerline of County Road No. 159 to a 60d Nail set for corner in same;

THENCE South 29 degrees 09 minutes 10 seconds West, a distance of 20.13 feet to a ½" Iron Rod set for corner;

THENCE South 19 degrees 38 minutes 55 seconds West, a distance of 142.10 feet to a ½" Iron Rod set for corner;

THENCE South 16 degrees 53 minutes 41 seconds West, a distance of 1428.04 feet to a ½" Iron Rod set for corner;

THENCE North 73 degrees 36 minutes 39 seconds West, a distance of 50.00 feet to the PLACE OF BEGINNING and containing 1.818 acres of land of which 0.767 acres lies within the occupied right-of-way of County Road No. 192 and County Road No. 159 leaving a net acreage of 1.051 acres.

I, Kevin L. Kilgore, Registered Professional Land Surveyor No. 4687, do hereby certify that this boundary description represents the results of a survey made on the ground.

[Signature]
Kevin L. Kilgore
K.L. Kilgore & Co., Inc.
6712 Paluxy Drive
Tyler, Texas 75703

5/5/2000
Date

STATE OF TEXAS, COUNTY OF SMITH
I hereby certify that the instrument was filed on the 5th day of May in the year 2000 and
was duly recorded in the Official Public records of Smith County, Texas.

MAY 25 2000

JUDY CARNES
COUNTY CLERK, Smith County, Texas

Filed for Record in:
SMITH COUNTY, TEXAS
JUDY CARNES, COUNTY CLERK

On May 25 2000
At 11:35am
Deputy - Janis Farrell
STIPULATION OF INTEREST

STATE OF TEXAS

COUNTY OF SMITH

THAT, by virtue of various conveyances of record in Smith County, Texas, DUER WAGNER & CO., a Texas corporation, TRADE EXPLORATION CORP., a Delaware corporation, JACQUE OIL & GAS LIMITED, a Texas limited partnership, DUER WAGNER, JR., BYIAN C. WAGNER, NORIAS L.P., a Texas limited partnership, JAMES D. FINLEY, MONOLITH L.P., H. E. PATTERSON, and GYSLE R. SHELLUM, all of whose address is 3400 City Center Tower II, 301 Commerce Street, Fort Worth, Texas 76102; DUER WAGNER III and NORTON OIL & GAS, L.P., a Texas limited partnership, both of whose address is 2930 City Center Tower II, 301 Commerce Street, Fort Worth, Texas 76102, DENNIS D. CORKRAN and DAVID J. ANDREWS both of whose address is 1001 Loop 360 South, Building L, Suite 100, Austin, Texas 78746, (hereinafter referred to collectively as the “Parties”), are the owners of certain undivided interests in and to the following (all of which are hereinafter collectively referred to as the “Assets”):

(i) the Oil and Gas (or Oil, Gas and Mineral) Leases, leasehold interests, mineral interests, royalty interests, overriding royalty interests, reversionsary interests and all rights and interests attributable or allocable thereto by virtue of pooling, unitization, communization, and operating agreements, assignments, licences, permits and other agreements, described on Exhibit “A” attached hereto and made a part hereof, or described in or held by production from the unit declarations, pooling orders, unitization agreements or assignments described on Exhibit “A”, together with identical undivided interests in and to all of the property and rights incident thereto, including but not limited to, all rights in, to and under all agreements, product purchase and sale contracts, leases, permits, rights-of-way, easements, licenses, farmouts, farms, options, orders and all other contracts or agreements of a similar nature to the extent the same relate to the leases (all of the foregoing collectively referred to herein as the “Leases”);

(ii) the wells (whether producing, disposal, shut-in or temporarily abandoned), pipelines, equipment, materials and all other personal property, fixtures, and improvements, on the Leases, appurtenant thereto or used or obtained in connection with the Leases or with the production, treatment, sale or disposal of hydrocarbons or waste produced therefrom or attributable thereto, and all other appurtenances thereto belonging (all of the foregoing collectively referred to herein as the “Equipment”); and

(iii) all unitization, communization, pooling and operating agreements and the units created thereby which relate to the Leases or interests therein or which relate to any units or wells located on the Leases, including any and all units formed under orders, regulations, rules, and other official acts of the governmental authority having jurisdiction, together with any right, title and interest created thereby in the Leases;

Due to the number and complexity of the conveyances affecting title to the Assets, it may be difficult to determine the Parties respective interests therein. Therefore, the Parties have agreed to execute this instrument in order to clarify the record title to the Assets.

Therefore, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned owners agree and stipulate that as to each well listed on Exhibit B, the Assets attributable to such wells are owned by the Parties in the percentages shown in Exhibit B except as to any portion of the Leases identified as exceptions in Exhibit C, if any. Any portion of the Leases listed as exceptions are owned in the manner set forth in Exhibit C. For the purposes of this agreement, the Assets “attributable to” a particular well shall mean: (i) in the case of a well included in a pooled unit on which there is a single well, or multiple wells for which the interests stated in Exhibit B are identical, all of the Assets insofar as they are included in, or relate to the pooled unit; (ii) in cases where there is a pooled unit on which there are multiple wells listed on Exhibit B in which the interests of the Parties are not identical, all of the Assets insofar as they are included in, or relate to, each proration unit for each such well including the oil and gas produced therefrom; (iii) in cases where there is a lease or leases on which there is a single well or multiple wells for which the interests stated in Exhibit B are identical, which are not included in a pooled unit for such well or wells, the entire leasehold estate upon which the well is located (save and except any portion thereof included in a pooled unit for another well) and the other Assets insofar as they are related thereto; (iv) in cases
where multiple wells are located on a lease or leases which are not included in a pooled unit for such wells and for which the interests stated in Exhibit B are not identical, the leasehold estate upon which each such well is located insofar as it is included in the proration unit for each such well, and the other assets insofar as they are included in, or related to, the proration unit surrounding each such well.

For any portion of the Leases listed as an "exception" in Exhibit C, the Assets attributable to such portion of the Leases shall be owned in the manner set forth in Exhibit C. The Parties hereby grant and convey unto each other a sufficient interest in the Assets to result in the Assets being owned as stipulated herein.

There may be instances in which the interests of the Parties in a well or in a proration unit are not uniform as to all depths. In those instances, the Assets "attributable" to the well or proration unit shall be modified to accord with the interests owned by the Parties at the various depths.

The Parties agree to execute whatever additional conveyances as may be deemed necessary to carry out the intent of the Parties as expressed in this agreement. To the extent the Parties own any portion of the Assets which are not specifically attributable to a well as described above, if the record ownership thereof is not as the Parties have previously agreed, the Parties agree to execute whatever additional documents as may be deemed necessary to further correct or clarify the record ownership thereof.

The interests as stipulated, assigned and conveyed hereunder are subject to all agreements affecting the Leases and the Equipment and all burdens of record in the county or parish where the Assets are situated.

Until further notice from any one of the following named parties, Trade Exploration Corp., Jacque Oil and Gas Limited, Duer Wagner, Jr., Bryan C. Wagner, Norias L.P., James D. Finley, Monolith L.P., H.E. Patterson and Gysle R. Shellum all hereby appoint Duer Wagner & Co. to act as their agent for the following purposes as such relate to their respective interests in the Assets:

(i) to receive all revenue payments for the sale of oil or gas produced from the Assets;
(ii) to receive for payment all joint interest billings attributable to the Assets; and,
(iii) to receive all notices and make all decisions regarding any and all proposals or other matters arising under the joint operating agreements, farmout agreements, and other similar agreements covering the Assets.

This instrument may be executed in any number of multiple original counterparts and each executed counterpart shall be binding upon the signers thereof as if all had executed the same instrument, and this instrument may be combined into one instrument for recording purposes.

IN WITNESS WHEREOF, this instrument is executed this 24th day of October, 1997 and shall be binding upon the undersigned parties, their respective heirs, successors, personal representatives and assigns.

TRADE EXPLORATION CORP.
By:
Title: President

Duer Wagner, Jr.

Duer Wagner III

DUER WAGNER & CO.
By:
Title: President

JACQUE OIL & GAS LIMITED
By: Bruno Corp., Managing General Partner
By: James A. Wagner
Title: President
NORTON OIL & GAS, L.P.
By: Douglas Corporation, Managing General Partner
   By:
   Title: President

NORIAS L.P.
By: Turonia Corp., Managing General Partner
   By:
   Title: President

MONOLITH L.P.
By: Oregeny Corp., Managing General Partner
   By:
   Title: President

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997 by BRYAN C. WAGNER, Vice President of Bruno Corp., Managing General Partner of JACQUE Oil & Gas Limited, a Texas limited partnership, on behalf of the partnership.

SUSAN S. HUGHES
Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997 by JAMES D. RINLEY, Vice President of Duier Wagner & Co., a Texas corporation, on behalf of the corporation.

SUSAN S. HUGHES
Notary Public
STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997, by James D. Finley, Vice President of TRADE EXPLORATION CORP., a Delaware corporation, on behalf of the corporation.

[Signature]

SUSAN S. HUGHES
Notary Public
State of Texas
My Commission Expires
SEPTEMBER 23, 1999

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 11th day of February, 1997, by Durr Wagner III, President of Delbury Corporation, Managing General Partner of NORTON OIL & GAS L.P., a Texas limited partnership, on behalf of the partnership.

[Signature]

SUSAN S. HUGHES
Notary Public
State of Texas
My Commission Expires
SEPTEMBER 23, 1999

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997, by Durr Wagner III, President of Turonian Corp., Managing General Partner of NORIAS L.P., a Texas limited partnership, on behalf of the partnership.

[Signature]

SUSAN S. HUGHES
Notary Public
State of Texas
My Commission Expires
SEPTEMBER 23, 1999

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997, by James D. Finley, Vice President of Orogeny Corp., Managing General Partner of MONOLITH L.P., a Texas limited partnership, on behalf of the partnership.

[Signature]

SUSAN S. HUGHES
Notary Public
State of Texas
My Commission Expires
SEPTEMBER 23, 1999
STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997 by DUER WAGNER, JR.

SUSAN S. HUGHES
Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997 by BRYAN C. WAGNER.

SUSAN S. HUGHES
Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997 by JAMES D. FINLEY.

SUSAN S. HUGHES
Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 11th day of February, 1997 by DUER WAGNER III.

Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997 by H. E. PATTERSON.
STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 24th day of October, 1997 by GYSLE R. SHELLUM.

SUSAN S. HUGHES
Notary Public

SUSAN S. HUGHES
Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 14th day of May, 1997 by DAVID J. ANDREWS.

CANDACE JOERSZ
Notary Public

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on this the 14th day of May, 1997 by DENNIS D. CORKRAN.

CANDACE JOERSZ
Notary Public

Returns: Dwan Wagner & Co
3400 City Center North
301 Commerce St
Cars Worth 76103
EXHIBIT A

SMITH COUNTY, TEXAS


Partial Assignment of Oil and Gas Lease dated September 26, 1990 from Marvin N. Wilson, Assignor, to Duer Wagner & Co. et al, Assignee, Recorded in Vol. 3048, Page 815 of the Public Records of Smith County, TX.


Assignment dated August 30, 1990 from Duer Wagner & Co., Assignor, to Trade Exploration Corp. et al, Assignee, as Recorded in Vol. 3042, Page 352 of the Public Records of Smith County, TX.

Assignment and Bill of Sale dated August 23, 1993 from A.C. DeMoss, Assignor, to Duer Wagner & Co., Assignee, Recorded in Vol. 3416, Page 228 of the Public Records of Smith County, TX.


Assignment and Bill of Sale dated December 3, 1992 from New First City, Texas-Tyler, N.A., Trustee for the Walker Family Trust, Assignor, to Duer Wagner & Co., Assignee, Recorded in Vol. 3310, Page 260 of the Public Records of Smith County, TX.


Assignment dated March 10, 1993 from Louis D. Cross, Assignor, to Duer Wagner & Co., Assignee, Recorded in Vol. 3349, Page 849 of the Public Records of Smith County, TX.

Assignment and Bill of Sale date January 11, 1993 from Gordon Campbell, Assignor, to Duer Wagner & Co., Assignee, Recorded in Vol. 3323, Page 264 of the Public Records of Smith County, TX.

Assignment and Bill of Sale date December 7, 1992 from Bettye C. Phillips, Assignor, to Duer Wagner & Co., Assignee, Recorded in Vol. 3319, Page 840 of the Public Records of Smith County, TX.
Assignment and Bill of Sale date January 11, 1993 from Gordon Campbell, Assignor, to Duer Wagner & Co., Assignee, Recorded in Vol. 3323, Page 264 of the Public Records of Smith County, TX.

Assignment and Bill of Sale date November 24, 1992 from Curtis H. Walker et al, Assignor, to Duer Wagner & Co., Assignee, Recorded in Vol. 3307, Page 874 of the Public Records of Smith County, TX.


Assignment of Undivided Interest in Oil, Gas and Mineral Leases dated May 19, 1992 from J.D. Hairston et al, Assignor, to Duer Wagner & Co., Assignee, as Recorded in Vol. 3240, Page 293 of the Public Records of Smith County, Texas.

Assignment, Conveyance and Bill of Sale dated August 16, 1994 from Duer Wagner & Co., Assignor, to Jacque Oil & Gas Ltd., et al, Assignee, as Recorded in Vol 3575, Page 485 of the Public Records of Smith County, Texas.


Assignment, Conveyance and Bill of Sale dated December 16, 1994 from Jacque Oil & Gas, Limited, Assignor, to Texas Vanguard Oil Company, Assignee, as Recorded in Vol 3613, Page 39 of the Public Records of Smith County, Texas.


Assignment and Bill of Sale dated effective June 1, 1995 from Itag Exploration, Inc., Assignor, to Jacque Oil and Gas Limited et al, Assignee, as Recorded in Vol. 3729, Page 593 of the Public Records of Smith County, Texas.


Assignment and Bill of Sale dated effective January 1, 1995 from Etta Spivey et al, Assignor, to Jacque Oil and Gas Limited et al, Assignee, as Recorded in Vol. 3670, Page 821 of the Public Records of Smith County, Texas.

Assignment and Bill of Sale dated effective January 1, 1995 from H.R. Stroube, Jr., Assignor, to Jacque Oil and Gas Limited et al, Assignee, as Recorded in Vol. 3670, Page 802 of the Public Records of Smith County, Texas.

Assignment and Bill of Sale dated effective January 1, 1995 from B.J. Wooley, Assignor, to Jacque Oil and Gas Limited et al, Assignee, as Recorded in Vol. 3670, Page 808 of the Public Records of Smith County, Texas.

Assignment and Bill of Sale dated June 20, 1996 from Marshall Spivey, Trustee II, Assignor, to Duer Wagner & Co., Assignee, as Recorded in Vol. 3821, Page 276 of the Public Records of Smith County, Texas.

Assignment, Conveyance and Bill of Sale dated March 20, 1995 from Trade Exploration Corp., Grantor, to Jacque Oil and Gas Limited, Grantee, as Recorded in Vol. 3647, Page 409 of the Public Records of Smith County, Texas.

Assignment, Conveyance and Bill of Sale dated June 8, 1994 from S. Chris Herndon, Assignor, to Jacque Oil and Gas Limited et al, Assignee, as Recorded in Vol. 3535, Page 700, of the Public Records of Smith County, Texas.

Assignment, Conveyance and Bill of Sale dated June 8, 1994 from S. Chris Herndon, Assignor, to Jacque Oil and Gas Limited et al, Assignee, as Recorded in Vol. 3535, Page 698, of the Public Records of Smith County, Texas.

which lease (1), described in Exhibit "A" attached hereto, covers and affects, among other lands, 52.50 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 52.50 acres of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT "A," and being more particularly described as such in Exhibit "C" attached hereto;

which lease (2), described in Exhibit "A" attached hereto, covers and affects 2 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 2 acres of land being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "B";

which lease (3), described in Exhibit "A" attached hereto, covers and affects 125.3 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 125.3 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "C";

which leases (4), (5), and (6), described in Exhibit "A" attached hereto, together cover and affect 52.87 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 52.87 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "D";

which lease (7), described in Exhibit "A" attached hereto, covers and affects 47.32 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 47.32 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "E";
which lease (8), described in Exhibit "A" attached hereto, covers and affects 1.0 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 1.0 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "P";

which lease (9), described in Exhibit "A" attached hereto, covers and affects 1.14 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 1.14 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "G";

which lease (10), described in Exhibit "A" attached hereto, covers and affects 83.36 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 83.36 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "H";

which lease (11), described in Exhibit "A" attached hereto, covers and affects, among other lands, 11.61 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 11.61 acres of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT "I," and being more particularly described as such in Exhibit "C" attached hereto;

which lease (12), described in Exhibit "A" attached hereto, covers and affects, among other lands, 143.26 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 143.26 acres of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT "J," and being more particularly described as such in Exhibit "C" attached hereto;

which lease (13), described in Exhibit "A" attached hereto, covers and affects, among other lands, 29.55 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 29.55 acres of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT "K," and being more particularly described as such in Exhibit "C" attached hereto;

which leases (14) through (18), both inclusive, described in Exhibit "A" attached hereto, together cover and affect, among other lands, 0.87 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.87 acre of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT "L," and being more particularly described as such in Exhibit "C" attached hereto;
which lease (19), described in Exhibit "A" attached hereto, covers and affects 59.45 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 59.45 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "M";

which lease (20), described in Exhibit "A" attached hereto, covers and affects 38.58 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 38.58 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "N";

which lease (21), described in Exhibit "A" attached hereto, covers and affects 16.53 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 16.53 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "O";

all of the said Exhibit "C" being attached hereto, incorporated herein, and made a part hereof for all purposes; and

WHEREAS, said leases provided as originally executed, or have been amended to provide (which amendments are of record in the Deed Records of Smith County, Texas) that the lessees shall have and are thereby given the right and power to pool and combine the land covered by said leases, or portions thereof, with other lands and leases in the vicinity thereof to form a pooled unit of the size and type hereinafter described, and provided further that the lessees shall execute an instrument, in writing, identifying and describing the said pooled acreage; and,  

WHEREAS, in the judgment of the undersigned, it is necessary and advisable to pool and combine the several tracts of land covered and affected by said leases, together with said leases, which leases, together with the tracts included in said unit, are more specifically described in Exhibits "A" and "C" attached hereto, in order to properly develop and operate said unitized premises for the production of gas therefrom, and in order to promote the conservation of gas in and under that which may be produced from said premises:

NOW, THEREFORE, acting under and by virtue of the power and authority conferred and granted by said leases, amendments thereto, or ratifications thereof, Humble Oil & Refining Company, a Delaware Corporation; and Phillips Petroleum Company, a Delaware Corporation, as the owners of the oil, gas and mineral leases described in Exhibit "A" attached
hereto, do hereby pool and combine the several tracts of land hereinabove specifically described and identified as UNIT TRACTS "A," "B," "C," "D," "E," "F," "G," "H," "I," "J," "K," "L," "M," "N," and "O," together with the leases herein described, insofar as the gas and gas rights situated in and under said unit may be affected thereby, into a pooled gas unit, hereby creating a single unitized area designated as SOUTH TYLER GAS UNIT NO. 1, containing 665.34 acres of land, more or less, for the purposes of developing and operating said pooled gas unit for the production, storage, processing, and marketing of gas therefrom, all as provided for in said leases, amendments thereto, or ratifications thereof, said pooled gas unit containing 665.34 acres of land, more or less, being more particularly described by metes and bounds in Exhibit "B," attached hereto, incorporated herein, and made a part hereof for all purposes.

As of the dates hereof, the undersigned are in the process of surveying the several tracts of land hereinabove identified and included in the unit herein described, and upon completion of a survey of the several tracts above described, an amended unit designation will be filed, giving the calculated acreage in each tract developed as a result of said survey to the end that an exact determination may be made of the percentage of the total acreage included in the unit represented by each of the several tracts included therein.

IN WITNESS WHEREOF, these presents are executed this 30th day of July, A.D., 1963.

HUMBLE OIL & REFINING COMPANY

By Ralph M. Dawson
Agent and Attorney-in-Fact

PHILLIPS PETROLEUM COMPANY

By J. C. S. Van
Vice President

APPROVED BY

[Signature]

CONSTRUCTION

[Signature]

PHILLIPS PETROLEUM CO.
THE STATE OF TEXAS

COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Ralph M. Dawson, known to me to be the person whose name is subscribed to the foregoing instrument as Agent and Attorney-In-Fact for HUMBLE OIL & REFINING COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed in the capacity stated, and as the act and deed of the said HUMBLE OIL & REFINING COMPANY.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 30th day of September, A.D., 1963.

[Signature]
Notary Public in and for Dallas County, Texas

THE STATE OF OKLAHOMA

COUNTY OF WASHINGTON

BEFORE ME, the undersigned authority, on this day personally appeared C. C. Vail, known to me to be the person whose name is subscribed to the foregoing instrument as President of PHILLIPS PETROLEUM COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of the said PHILLIPS PETROLEUM COMPANY.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 7th day of August, A.D., 1963.

[Signature]
Notary Public in and for Washington County, Texas
EXHIBIT "A"

SOUTH TULSA GAS UNIT NO. 1

A. Leases Contributed by Humble Oil & Refining Company.

1. Humble Lease No. 910777, dated December 7, 1962, recorded in Volume 1066, Page 99, between J. S. Runnels et al, as lessor, and Humble Oil & Refining Company, as lessee;

2. Humble Lease No. 912731, dated May 14, 1963, recorded in Volume 1086, Page 392, between Bruce Westley et al, Trustees of the Hickory Grove Cemetery of Smith County, Texas, as lessor, and S. A. Cochran, as lessee;

3. Humble Lease No. 919008, dated August 21, 1953, recorded in Volume 745, Page 132, between Max Rice et ux, as lessor, and Humble Oil & Refining Company, as lessee;

4. Humble Lease No. 911088, dated December 19, 1962, recorded in Volume 1066, Page 99, between J. R. Ellerd, as lessor, and Humble Oil & Refining Company, as lessee;

5. Humble Lease No. 911104, dated December 19, 1962, recorded in Volume 1066, Page 873, between Oma Stanley, as lessor, and Humble Oil & Refining Company, as lessee;

6. Humble Lease No. 911122, dated December 19, 1962, recorded in Volume 1066, Page 877, between Orvis Stanley et al, as lessor, and Humble Oil & Refining Company, as lessee;

7. Humble Lease No. 208818, dated January 26, 1954, recorded in Volume 750, Page 99, between Roy Griffin et ux, as lessor, and Humble Oil & Refining Company, as lessee;

8. Humble Lease No. 911908, dated April 2, 1963, recorded in Volume 1080, Page 255, between Dowl Weaver et al, as lessor, and S. A. Cochran, as lessee;

9. Humble Lease No. 911899, dated April 2, 1963, recorded in Volume 1080, Page 257, between Max Rice et ux, as lessor, and S. A. Cochran, as lessee;

10. Humble Lease No. 910832, dated December 19, 1962, recorded in Volume 1065, Page 504, between J. E. Heath et ux, as lessor, and Humble Oil & Refining Company, as lessee;

11. Humble Lease No. 912542, dated May 28, 1953, recorded in Volume 1082, Page 20, between St. Louis Southwestern Railway Company et al, as lessor, and Humble Oil & Refining Company, as lessee;

12. Humble Lease No. 903815, dated February 7, 1960, recorded in Volume 973, Page 430, between Mottie Marsh et al, as lessor, and Humble Oil & Refining Company, as lessee;

13. Humble Lease No. 910944, dated December 21, 1956, recorded in Volume 1066, Page 106, between Mottie Marsh et al, as lessor, and Humble Oil & Refining Company, as lessee;


15. Humble Lease No. 912315, dated May 7, 1963, recorded in Volume 1063, Page 103, between Mary Alice Utterback et vir, as lessor, and S. A. Cochran, as lessee;
(EXHIBIT "A" - CONTINUED)

(16) Humble Lease No. 912510, dated May 17, 1963, recorded in Volume 1084,
Page 106, between Mattie Nicholsom Blake et al, as lessor, and S. A. Cochran, as lessee;

(17) Humble Lease No. 912798, dated May 17, 1963, recorded in Volume 1084,
Page 113, between Mary Blake Hancorn et vir, as lessor, and S. A. Cochran, as lessee;

(18) Humble Lease No. 913103, dated June 21, 1963, recorded in Volume ______,
Page ______, between Mattie Blake Chambers et vir, as lessor, and S. A. Cochran, as lessee;

B. Leases Contributed by Phillips Petroleum Company.

(19) Phillips Lease No. 102126, dated May 10, 1958, recorded in Volume 911,
Page 88, between Annie L. Carter et al, as lessor, and Phillips Petroleum
Company, as lessee;

(20) Phillips Lease No. 102123, dated May 10, 1958, recorded in Volume 910,
Page 689, between M. A. Rice et ux, as lessor, and Phillips Petroleum
Company, as lessee;

(21) Phillips Lease No. 0-24-1536, dated March 15, 1963, recorded in Volume
1074, Page 39, between C. H. Farr et ux, as lessor, and Phillips Petroleum
Company, as lessee;

to which leases, any amendments thereto, ratifications thereof, and the
respective records thereof reference is here made for all purposes.

The recording references set forth above under the several oil, gas and
mineral leases refer to the Deed Records of Smith County, Texas.
EXHIBIT "B"

SOUTH ELKIN GAS UNIT NO. 1

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Marshall University Survey, A-624, and Mary M. Long Survey, A-561, Smith County, Texas, more particularly described as follows:

BEGINNING at the northeast corner of the Roy Griffin 47.32 acre tract (D/R 490-347) which point is also in the division line between the Mary M. Long Survey, A-561, and Marshall University Survey, A-624, stake for corner;

THENCE WESTERLY with the north boundary lines of the Roy Griffin 47.32 acre tract, Dow Weaver et al. 1.0 acre tract (D/R 342/512), Max Rice et ux 56.36 acre tract (D/R 290/528) and the C. H. Parr et ux 16.53 acre tract (D/R 206/131) to stake at the northwest corner of the Parr 16.53 acre tract, which point is also in the east boundary line of the J. E. Heath et ux 83.36 acre tract (D/R 695/214);

THENCE NORTH 23 deg. EAST with the east boundary line of the J. E. Heath 83.36 acre tract to stake in the north boundary line of the Marshall University Survey, A-624, which point is also the northeast corner of the J. E. Heath 83.36 acre tract;

THENCE WESTERLY along the north boundary line of the Marshall University Survey, A-624, and with the north boundary lines of the J. E. Heath 83.36 acre tract and the Max Rice et ux 1.14 acre tract (D/R 424/555) to stake at the northwest corner of the Max Rice et ux 1.14 acre tract;

THENCE South 29 deg. 44 min. West with the west boundary lines of the Max Rice 1.14 acre tract and the J. E. Heath et ux 83.36 acre tract to stake at the most northerly southwest corner of the J. E. Heath 83.36 acre tract;

THENCE South 64 deg. 00 min. East to stake at a re-entrant corner of the Heath 83.36 acre tract;

THENCE South 23 deg. West along the lower west boundary line of the J. E. Heath 83.36 acre tract to stake at the lower southwest corner of the Heath 83.36 acre tract, which point is also in a north boundary line of the Mittie Marsh et al 226.0 acre tract (D/R 115/669);

THENCE North 85 deg. 10 min. West with the north boundary line of the Heath 226.0 acre tract to stake on west side of public road; which point is also a re-entrant corner of the Heath 226.0 acre tract;

THENCE NORTH 185.0 feet to stake in road, which point is also a northeast corner of the Heath 226.0 acre tract;

THENCE South 89 deg. 19 min. West along the road to stake at the southwest corner of the 143.26 acres being assigned to South Tyler Gas Unit No. 1, out of the Mittie Marsh et al 226.0 acre tract;

THENCE SOUTH across the Heath 226.0 acre tract and on the Mittie Marsh et al 175.0 acre First Tract (D/R 714/131) to stake at the southwest corner of the 69.55 acres being assigned to South Tyler Gas Unit No. 1 out of the Mittie Marsh et al 175.0 acre First Tract;

THENCE EASTERLY with the south boundary line of the 69.55 acres being assigned to South Tyler Gas Unit No. 1 out of the Mittie Marsh et al 175.0 acre First Tract, passing the southwest corner of the J. R. Ellerd 52.87 acre tract (D/R 104/628) continuing with the south boundary line of the J. R. Ellerd 52.87 acre tract and the Max Rice et ux 125.3 acre tract (D/R 620/107) passing the easterly northwest corner of the Marshall University Survey, A-624, which point is also the southwest corner of the Mittie M. Long Survey, A-561, and the lower southwest corner of the J. S. Reddall 213.85
(EXHIBIT "B" - CONTINUED)

acre First Tract (B/R 927/68%), continuing with the south boundary line of the Hadnall 213.85 acre First Tract to stake at the southeast corner of the 52.50 acres being assigned to South Tyler Gas Unit No. 1, out of the Hadnall 213.85 acre First Tract;

THENCE NORTHWESTLY with the east boundary line of the 52.50 acres being assigned to South Tyler Gas Unit No. 1 out of the Hadnall et al 213.85 acre tract to stake for corner in the northerly north boundary line of the J. S. Hadnall et al 213.85 acre First Tract, which point is also the northeast corner of the 52.50 acres being assigned to South Tyler Gas Unit No. 1 out of the Hadnall 213.85 acre First Tract;

THENCE WESTERLY with the northerly north boundary line of the Hadnall 213.85 acre First Tract to stake at the northwest corner of the J. S. Hadnall 213.85 acre First Tract, which point is also in the east boundary line of the Max Rice et ux 125.3 acre tract;

THENCE NORTHERLY along the east boundary line of the Max Rice et ux 125.3 acre tract and the Roy Griffin et ux 47.32 acre tract, and with the division line between the Marshall University Survey, A-60%, and the Map N. Long Survey, A-60%, to the place of beginning and containing 665.94 acres of land, more or less.
EXHIBIT "E"

SOUTH TYLER GAS UNIT NO. 1

UNIT TRACT 'A'

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Mary M. Long Survey, A-561, Smith County, Texas, and being 52.50 acres out of the J. S. Hudnall 213.85 acre First Tract, as recorded in Volume 527, page 694, Deed Records, Smith County, Texas, and more particularly described as follows:

BEGINNING at the southwest corner of the J. S. Hudnall et al 213.85 acre First Tract, which point is also the southwest corner of the 52.50 acres being assigned to South Tyler Gas Unit No. 1, out of the Hudnall 213.85 acre First Tract;

THENCE North 0 deg. 32 min. West 430.9 feet to stake at the southwest corner of the Hickory Grove Cemetery;

THENCE South 85 deg. 38 min. East along the south boundary of the Hickory Grove Cemetery, 304.6 feet to stake at the southeast corner of the Hickory Grove Cemetery, on west margin of old abandoned road;

THENCE North 0 deg. 09 min. West along the west margin of the old abandoned road and with the east boundary line of the Hickory Grove Cemetery 292.5 feet to stake at the northeast corner of the Hickory Grove Cemetery;

THENCE South 87 deg. 27 min. West, 303.3 feet to stake at the northwest corner of the Hickory Grove Cemetery tract;

THENCE North 0 deg. 12 min. West with the west boundary line of the J. S. Hudnall 213.85 acre First Tract, 1785.9 feet to stake at the northeast corner of the 52.50 acres being assigned to South Tyler Gas Unit No. 1, out of the J. S. Hudnall et al 213.85 acre First Tract;

THENCE North 89 deg. 38 min. East with the upper north boundary line of the Hudnall 213.85 acre First Tract to stake at the northeast corner of the 52.50 acres being assigned to South Tyler Gas Unit No. 1, out of the Hudnall 213.85 acre First Tract;

THENCE SOUTHERLY across the Hudnall 213.85 acre First Tract to stake in the south boundary line of said tract, which point is in the south boundary line of the Mary M. Long Survey, A-561, and is also the southeast corner of the 52.50 acres being assigned to South Tyler Gas Unit No. 1, out of the Hudnall 213.85 acre tract;

THENCE North 89 deg. 41 min. East along the south boundary line of the Hudnall 213.85 acre First Tract, and with the south boundary line of the Mary M. Long Survey, A-561, to the place of beginning and containing 52.50 acres of land, more or less.

UNIT TRACT 'I'

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Marshall University Survey, A-564, Smith County, Texas, and being 11.61 acres out of the St. Louis-Southwestern Ry. Company of Texas, 43.262 acre tract, and more particularly described as follows:

BEGINNING at a point in the west right of way line of the St. Louis-Southwestern Ry. Company of Texas, which point is 50.0 feet perpendicular to the center line of said railroad, is the northeast corner of the C. H. Par ett and ux 16.13 acre tract, and is the northwest corner of the 11.61 acres being assigned to South Tyler Gas Unit No. 1 out of the St. Louis-Southwestern Ry. Company of Texas 43.262 acre tract;
(EXHIBIT "C", UNIT TRACT 'I' - CONTINUED)

THERE'S EASTWARD across said railroad right of way to a point 50 feet perpendicular to the center line of the railroad, which point is also the northwest corner of the Max Rice et ux 30.50 acre tract, and is the northeast corner of the 11.61 acres being assigned to South Tyler Gas Unit No. 1 out of the St. Louis-Southwestern Railway Company of Texas 43.262 acre tract;

THERE'S SOUTH 27 deg. 38 min. WEST along the east right of way line of the St. Louis-Southwestern Railway Company of Texas, and with the west boundary lines of the Max Rice et ux 30.50 acre tract, Annie L. Carden et al 59.45 acre tract, and the J. R. Ellerd 52.87 acre tract, to stake at the southwest corner of the J. R. Ellerd 52.87 acre tract, which point is also in the east boundary line of the St. Louis-Southwestern Railway Company of Texas right of way, at a point 50.0 feet perpendicular to the center line of said railroad, and which point is also the southeast corner of the 11.61 acres being assigned to South Tyler Gas Unit No. 1, out of the St. Louis-Southwestern Railway Company 43.262 acre tract;

THERE'S WEST across the railroad right of way to the west right of way line of the St. Louis-Southwestern Railway Company of Texas, which point is 50.0 feet perpendicular to the center line of said railroad and is the southwest corner of the 11.61 acres, being assigned to South Tyler Gas Unit No. 1 out of the St. Louis-Southwestern Railway Company of Texas 43.262 acre tract, and is in the east boundary line of the Blake Heirs 3.6 acre tract;

THERE'S North 27 deg. 38 min. East with the west right of way line of the St. Louis-Southwestern Railway Company of Texas, and with the east boundary lines of the Blake Heirs 1.0 acre tract, Mittie Marsh et al 226.0 acre tract, and the C. H. Parr et ux 16.93 acre tract to the place of beginning and containing 11.61 acres of land, more or less.

UNIT TRACT 'J'

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Marshall University Survey, A-624, Smith County, Texas, and being 143.26 acres out of a called 226.0 acre tract as recorded in Volume 113, Page 459, Deed Records, Smith County, Texas, more particularly described as follows:

BEGINNING at the most northerly northeast corner of the Marsh 226.0 acre tract, stake for corner on north side of public road;

THERE'S South 89 deg. 19 min. West along the road, to stake at the northwest corner of the 143.26 acres being assigned to South Tyler Gas Unit No. 1 out of the Marsh 226 acre tract;

THERE'S SOUTH across the Marsh 226.0 acre tract to stake for corner in the division line between the Marsh 226.0 acre tract and the Mittie Marsh et al 175.0 acre First Tract, which point is also the southwest corner of the 143.26 acres being assigned to South Tyler Gas Unit No. 1 out of the Marsh 226.0 acre tract;

THERE'S EAST along the division line between the Marsh 226.0 acre tract and the Marsh 175 acre First Tract to a 2" x 2" Cypress stake for corner from which a 14" Post Oak marked with an old 14" bears North 69 deg. 10 min. East 32.2 feet;

THERE'S North 15 deg. 02 min. East 443.0 feet to a 2" x 2" Cypress stake from which a large Post Oak Stump bears South 59 deg. 15 min. West 55.8 feet;

EXHIBIT "C"
Page 2
(EXHIBIT "C", UNIT TRACT 'J' - CONTINUED)

THENCE South 89 deg. 27 min. East 352.7 feet to a 2" x 2" Cypress stake for corner from which a 26" Post Oak, marked with an old 'X' bears West 28.3 feet;

THENCE North 21 deg. 00 min. East 238.9 feet to stake for corner;

THENCE EAST 208.3 feet to stake for corner;

THENCE SOUTH 223.1 feet to stake for corner;

THENCE EAST 337.3 feet to stake for corner in the west right of way line of the St. Louis-Southwestern Ry. Company of Texas, which point is also the upper and most easterly southeast corner of the 143.26 acres being assigned to South Tyler Gas Unit No. 1 out of the Mittie Marsh et al 226.0 acre tract;

THENCE North 37 deg. 38 min. East along the west right of way line of the St. Louis-Southwestern Ry. Company of Texas, parallel to and 50.0 feet from the center line of said railroad track, 1814.1 feet to stake at the most easterly northeast corner of the Mittie Marsh et al 226.0 acre tract;

THENCE North 61 deg. 26 min. West along the road 561.1 feet to stake for corner;

THENCE North 05 deg. 14 min. West along the road 2121.2 feet to stake for corner on west side of public road, which point is also a re-entrant corner of the March 226.0 acre tract;

THENCE NORTH 186.0 feet to the place of beginning, and containing 143.26 acres of land, more or less.

UNIT TRACT 'K'

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Marshall University Survey, A-60, Smith County, Texas, and being 29.55 acres out of the Mittie Marsh et al called 175.0 acre First Tract, and more particularly described as follows:

BEGINNING at the most easterly northeast corner of the Mittie Marsh et al 175.0 acre First Tract as recorded in Volume 131, Page 43, 3/2, Smith County, Texas, which point is also the northwest corner of the Blake Heirs 3.0 acre tract, a stake for corner;

THENCE South 27 deg. 38 min. West along the division line between the March 175 acre First Tract and the Blake Heirs 3.0 acre tract, stake at the southeast corner of the 29.55 acres being assigned to South Tyler Gas Unit No. 1 out of the March 175.0 acre First Tract;

THENCE WEST on the March 175.0 acre First Tract to stake at the southwest corner of the 29.55 acres being assigned to South Tyler Gas Unit No. 1 out of the Mittie Marsh et al 175.0 acre First Tract;

THENCE NORTH to the division line between the Mittie Marsh et al 175 acre First Tract and the Mittie Marsh et al 226.0 acre tract, which point is also the westerly northwest corner of the 29.55 acres being assigned to South Tyler Gas Unit No. 1 out of the March 175.0 acre First Tract and is the southwest corner of the 143.26 acres being assigned to South Tyler Gas Unit No. 1, out of the Mittie Marsh et al 226.0 acre tract;

THENCE EAST with the division line between the March 175.0 acre First Tract and 226.0 acre tract to a 2" x 2" Cypress stake for corner, from which a 14" Post Oak marked with an old 'X' bears North 09 deg. 10 min. East 32.2 feet;

EXHIBIT "C"
(EXHIBIT "C", UNIT TRACT 'K' - CONTINUED)

THENCE North 15 deg. 02 min. East 443.0 feet to a 2" x 2" Cypress stake for corner, from which a large Post Oak stump bears South 87 deg. 25 min. West 55.8 feet;

THENCE SOUTH 89 deg. 27 min. EAST 352.7 feet to a 2" x 2" Cypress stake from which a 26" Post Oak marked with an old "X" bears West 28.3 feet;

THENCE NORTH 21 deg. 00 min. EAST 238.9 feet to stake for corner;

THENCE EAST 208.3 feet to stake for corner;

THENCE SOUTH 223.1 feet to stake for corner;

THENCE EAST 294.5 feet to the place of beginning and containing 29.55 acres of land, more or less.

UNIT TRACT 'L'

ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Marshall University Survey, A-63b, Smith County, Texas, and being 0.67 acre out of the Blake Heirs 3.0 acre tract, as recorded in Volume 16, Page 285, and Volume 90, Page 408, Deed Records, Smith County, Texas, and more particularly described as follows:

BEGINNING at the northwest corner of the Blake Heirs 3.0 acre tract, which point is also the northwest corner of the 0.67 acre tract being assigned to South Tyler Gas Unit No. 1 out of the Blake Heirs 3.0 acre tract, stake for corner;

THENCE EAST 43.0 feet to stake for corner in the west right of way line of the St. Louis-Southwestern Railway Company of Texas, which point is 50.0 feet perpendicular to the center line of said railroad, and is the northeast corner of the 3.0 acre Blake Heirs tract;

THENCE South 27 deg. 30 min. West along the west right of way line, 50.0 feet from, and parallel to, the center line of said railroad to a stake for corner in the west right of way of said railroad, which point is also the southeast corner of the 0.67 acre being assigned to South Tyler Gas Unit No. 1, out of the Blake Heirs 3.0 acre tract;

THENCE WEST to the west boundary line of the Blake Heirs 3.0 acre tract, stake for corner, which point is also the southwest corner of the 0.67 acre being assigned to South Tyler Gas Unit No. 1, out of the Blake Heirs 3.0 acre tract;

THENCE North 27 deg. 30 min. East along the west boundary line of the Blake Heirs 3.0 acre tract to the place of beginning and containing 0.67 acre of land, more or less.
The State of Texas, County of Smith

Know All Men by These Presents:

WHEREAS, on the 5th day of April, A.D. 1963, JOSEPH L. WHITEHEAD and wife, CATHARINE WHITEHEAD did execute one certain note, described as follows:

Being in the principal sum of $12,000.00, dated and executed as aforesaid, due on or before six (6) months after date, payable to F. M. Burke or order, with interest thereon from date until maturity at the rate of six percent (6%) per annum, the interest payable at maturity, both principal and interest payable at Tyler, Texas;

and which said note is set out and described in a certain Mechanic’s and Materialman’s Lien Contract executed by JOSEPH L. WHITEHEAD and wife, CATHARINE WHITEHEAD to F. M. BURKE and recorded in volume 92, page 281, records of Mechanic’s Lien of Smith County, Texas, and secured by the Mechanic’s Lien therein expressed, as the National City Bank of New York, a National Banking Association located at the City of New York, National Bank by Transfer dated April 5, 1963, and recorded in Vol. 1076, page 446, Deed Records of Smith County, Texas, reference to which is hereby made for all purposes.
THE STATE OF TEXAS

COUNTY OF SMITH

I KNOW ALL MEN BY THESE PRESENTS: THAT,

WHEREAS, Humble Oil & Refining Company, a Delaware Corporation, is the present owner and holder of leases (1) to (39), both inclusive, described in Exhibit "A," attached hereto, incorporated therein, and made a part hereof for all purposes;

WHEREAS, Edwin L. Cox of Dallas County, Texas, is the present owner and holder of leases (40) and (41), described in said Exhibit "A";

WHEREAS, A. S. Genescov; Isadore Roost; Isadore Roost, Executor and Trustee under the Will of Benzie Roost; deceased; Isadore Roost, Substitute Executor and Trustee under the Will of Harold Roost; deceased; Hyman P. Roost; Isadore Roost, Individually; Isadore Roost, Successor Trustee for the Jake Roost; Trust; Solomon Roost; and Wiley Roost, all of Smith County, Texas, are the present owners and holders of that certain mineral fee interest described as item (42) in said Exhibit "A";

WHEREAS, Watson W. Wise and Ruth W. Ranck, a female, both of Smith County, Texas, are the present owners and holders of that certain mineral fee interest described as item (43) in said Exhibit "A";

WHEREAS, Watson W. Wise of Smith County, Texas is the present owner and holder of certain mineral fee interests described as items (44) and (45) in said Exhibit "A";

WHEREAS, Bryan W. Payne and L. C. Johnston, both of Smith County, Texas, are the present owners and holders of that certain mineral fee interest described as item (46) in said Exhibit "A";

WHEREAS, A. O. Phillips and B. F. Phillips, Jr., Individually, and as Independent Executors of the Estate of Belle Phillips, deceased; and the Estate of B. F. Phillips, Sr., deceased, are the present owners and holders of that certain mineral fee interest described as item (47) in said Exhibit "A";
which lease (1), described in Exhibit "A" attached hereto, covers and affects 7.084 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 7.084 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 1;

which lease (2), described in Exhibit "A" attached hereto, covers and affects 0.012 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 0.012 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 2;

which lease (2), described in Exhibit "A" attached hereto, covers and affects two tracts of land, one containing 4.890 acres of land, more or less, and the other tract containing 6.770 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 4.890 acres of land, more or less, and 6.770 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACTS 3 and 4 respectively;

which leases (3), (4), and (5), described in Exhibit "A" attached hereto, together cover and affect, among other lands, 38.920 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 38.920 acres of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT 5, and being more particularly described as such in Exhibit "C," attached hereto;

which leases (6), (3), (4), and (5), described in Exhibit "A" attached hereto, together cover and affect (the said leases 3, 4, and 5 covering and affecting, among other lands, certain undivided interests in UNIT TRACT 6, hereinafter described) 10.030 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 10.030 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 6;

which lease (7), described in Exhibit "A" attached hereto, covers and affects 61.670 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 61.670 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 7;

which lease (8), described in Exhibit "A" attached hereto, covers and affects, among other lands, 1.940 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 1.940 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 8;
which lease (10), described in Exhibit "A" attached hereto, covers and affects 1.165 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 1.165 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 9;

which lease (9), described in Exhibit "A" attached hereto, covers and affects 3.800 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 3.800 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 10;

which lease (14), described in Exhibit "A" attached hereto, covers and affects 28.890 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 28.890 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 11;

which lease (11), described in Exhibit "A" attached hereto, covers and affects 1.000 acre of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 1.000 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 12;

which lease (12) and the mineral fee interests described as items (46) and (47) in Exhibit "A" attached hereto, together cover and affect (the said mineral fee interests covering and affecting, among other lands, UNIT TRACT 13, hereinafter described) 22.020 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 22.020 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 13;

which lease (13) and the mineral fee interests described as items (46) and (47) in Exhibit "A" attached hereto, together cover and affect (the said mineral fee interests covering and affecting, among other lands, UNIT TRACT 14, hereinafter described) 71.450 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 71.450 acres of land being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 14;

which lease (13), described in Exhibit "A" attached hereto, covers and affects 20.31 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 20.31 acres of land, more or less, being
included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 15;

which lease (16), described in Exhibit "A" attached hereto, covers and affects 0.520 acre of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 0.520 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 16;

which lease (17), described in Exhibit "A" attached hereto, covers and affects 2.060 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 2.060 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 18;

which lease (8), described in Exhibit "A" attached hereto, covers and affects, among other lands, 0.961 acre of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 0.961 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 18;

which lease (18), described in Exhibit "A" attached hereto, covers and affects 0.8029 acre of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 0.8029 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 19;

which lease (19), described in Exhibit "A" attached hereto, covers and affects 0.5363 acre of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 0.5363 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 20;

which lease (20), described in Exhibit "A" attached hereto, covers and affects 23.0115 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 23.0115 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 21;

which lease (21), described in Exhibit "A" attached hereto, covers and affects 1.3063 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 1.3063 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 22;
which lease (22), described in Exhibit "A" attached hereto, covers and affects, among other lands, 159.150 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 159.150 acres of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT 23, and being more particularly described as such in Exhibit "C" attached hereto;

which lease (40), described in Exhibit "A" attached hereto, covers and affects 10.226 acres of land, more or less, a part of the Hugh Curry Survey, A-269, in Smith County, Texas, all of the said 10.226 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 24;

which lease (41), described in Exhibit "A" attached hereto, covers and affects 31.410 acres of land, more or less, a part of the Hugh Curry Survey, A-269, and the John Hope Survey, A-443, in Smith County, Texas, all of the said 31.410 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 25;

which lease (22), described in Exhibit "A" attached hereto, covers and affects, among other lands, 14.75 acres of land, more or less, a part of the John Hope Survey, A-443, in Smith County, Texas, all of the said 14.75 acres of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT 26, and being more particularly described as such in Exhibit "C" attached hereto;

which mineral fee interest, described as item (43) in Exhibit "A" attached hereto, covers and includes 114.560 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 114.560 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT:TRACT 27;

which mineral fee interest, described as item (44) in Exhibit "A" attached hereto, covers and includes 4,880 acres of land, more or less, a part of the Mary M. Long Survey, A-561, in Smith County, Texas, all of the said 4,880 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 28;

which leases (23), (24), and (25), described in Exhibit "A" attached hereto, together cover and affect (the said leases 23 and 25 covering and affecting, among other lands, UNIT TRACT 29, hereinafter described) 4,780 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 4,780 acres of land,
more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 29;

which leases (23), (25), (26), and the mineral fee interests described as items (42) and (45) in Exhibit "A" attached hereto, together cover and include, among other lands, 9.670 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 9.670 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 30;

which leases (23), (27), and (25), described in Exhibit "A" attached hereto, together cover and affect (the said leases 23 and 25 covering and affecting, among other lands, UNIT TRACT 31, hereinafter described) 13.030 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 13.030 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 31;

which leases (23), (25), and (28), described in Exhibit "A" attached hereto, together cover and affect (the said leases 23 and 25 covering and affecting, among other lands, UNIT TRACT 32, hereinafter described) 0.650 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.650 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 32;

which leases (23), (25), (26), (29), and the mineral fee interest described as item (42) in Exhibit "A" attached hereto, together cover and include (the said leases 23, 25, 26, and the mineral fee interest described as item 42 covering and affecting, among other lands, UNIT TRACT 33, hereinafter described) 0.536 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.536 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 33;

which leases (23), (25), (30), and the mineral fee interest described as item (42) in Exhibit "A" attached hereto, together cover and include (the said leases 23, 25, and the mineral fee interest described as item 42 covering and affecting, among other lands, UNIT TRACT 34, hereinafter described) 0.536 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.536 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 34;
which leases (23), (25), (31), and the mineral fee interest described as item (42) in Exhibit 'A' attached hereto, together cover and include (the said leases 23, 25, and the mineral fee interest described as item 42 covering and affecting, among other lands, UNIT TRACT 35, hereinafter described) 0.823 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.823 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 35;

which leases (23), (25), (32), and the mineral fee interest described as item (42) in Exhibit 'A' attached hereto, together cover and include (the said leases 23, 25, and the mineral fee interest described as item 42 covering and affecting, among other lands, UNIT TRACT 36, hereinafter described) 0.561 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.561 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 36;

which leases (23), (25), (33), and the mineral fee interest described as item (42) in Exhibit 'A' attached hereto, together cover and include, among other lands, 0.565 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.565 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 37;

which lease (33) and the mineral fee interest described as item (42) in Exhibit 'A' attached hereto, together cover and include, among other lands, 0.661 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.661 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 38;

which leases (23), (25), (34), and the mineral fee interest described as item (42) in Exhibit 'A' attached hereto, together cover and include (the said leases 23 and 25 and the mineral fee interest described as item 42 covering and affecting, among other lands, UNIT TRACT 39, hereinafter described) 2.464 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 2.464 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 39;

which leases (23), (25), (36), and the mineral fee interest described as item (42) in Exhibit 'A' attached hereto, together cover and include (the said leases 23 and 25, and the mineral fee interest described as item 42 covering and affecting, among other lands, UNIT TRACT 40, hereinafter
described) 0.960 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.960 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 40;

which leases (23), (25), (35), (36), and the mineral fee interest described as item (42) in Exhibit "A" attached hereto, together cover and include (the said leases 23, 25, and 35, and the mineral fee interest described as item 42 covering and affecting, among other lands, UNIT TRACT 41, hereinafter described) 0.957 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.957 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 41;

which leases (23), (25), (35), and the mineral fee interest described as item (42) in Exhibit "A" attached hereto, together cover and include, among other lands, 0.956 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.956 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 42;

which leases (23), (25), (37), and the mineral fee interest described as item (42) in Exhibit "A" attached hereto, together cover and include (the said leases 23 and 25, and the mineral fee interest described as item 42, together covering and affecting, among other lands, UNIT TRACT 43, hereinafter described) 0.962 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.962 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 43;

which leases (23), (25), (26), and the mineral fee interests described as items (42) and (45) in Exhibit "A" attached hereto, together cover and include, among other lands, 0.966 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.966 acre of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT 44;

all of the said Exhibit "C," attached hereto, being incorporated herein, and made a part hereof for all purposes; and,

WHEREAS, said leases provided as originally executed, or have been amended to provide (which amendments are of record in the Deed Records of Smith County, Texas) that the lessees
shall have and are thereby given the right and power to pool and combine the land covered by said leases, or portions thereof, with other lands and leases in the vicinity thereof to form a pooled unit of the size and type hereinafter described, and provided further that the lessees shall execute an instrument, in writing, identifying and describing the said pooled acreage; and,

WHEREAS, in the judgment of the undersigned, it is necessary and advisable to pool and combine the several tracts of land covered and affected by said leases, together with said leases and mineral fee interests, which leases and mineral fee interests, together with the tracts included in said unit, are more specifically described above and in Exhibits "A" and "C," attached hereto, in order to properly develop and operate said unitized premises for the production of gas therefrom, and in order to promote the conservation of gas in and under and that may be produced from said premises;

NOW, THEREFORE, the undersigned, acting under and by virtue of the power and authority conferred and granted by said leases, amendments thereto, or ratifications thereof, or as the owner or owners of the mineral fee interests described herein, do hereby pool and combine UNIT TRACTS 1 to 44, both inclusive, herein described, together with the leases and mineral fee interests thereon and therein, more particularly described above and in Exhibit "A" attached hereto, as far as the gas and gas rights situated in the interval between the base of the Paluxy formation and the base of the Travis Peak formation beneath the surface of said gas unit, may be affected thereby, into a pooled gas unit, hereby creating a single unitized area designated as ELKTON GAS UNIT NO. 2, containing 683.302 acres of land, more or less, for the purposes of developing and operating said pooled acreage for the production, storage, processing and marketing of gas from formations, stratum or strata situated at the interval between the base of the Paluxy formation and the base of the Travis Peak formation beneath the surface of said gas unit, all as provided for in said leases, amendments thereto, or ratifications thereof, the said 683.302-acre pooled gas unit being more particularly described by metes and bounds in Exhibit "B" attached hereto, incorporated herein and made a part hereof for all purposes.

As of the date hereof, the parties hereto are in the process of completing ground surveys of the several tracts of land hereinabove identified and included in the unit herein described, and upon completion of such surveys, an amended unit designation will be filed giving the calculated acreage in each tract developed as a result of said surveys to the end that an exact determination may be made of the percentage of the total acreage included in the unit represented by each of the several tracts included therein.
For the convenience of the parties hereto, this instrument is executed in multiple originals, each of which shall be a counterpart and all of which shall be construed together as but one and the same instrument. Any person, firm, or corporation which becomes a party to this agreement may execute such counterpart and the date on which said party executes said counterpart shall be shown thereon.

The terms and provisions hereof shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, these presents are executed this 23rd day of May, A.D., 1964.

Date Executed:

July 6, 1964

June 30, 1964

June 13, 1964

June 13, 1964

HUMBLE OIL & REFINING COMPANY

By Ralph M. Dawson

Attorney in Fact

Edwin L. Cox

A. S. Genov

Henderson Rooseth, Individually and as Executor and Trustee under the Will of Semmie Rooseth, deceased; Substitute Executor and Trustee under the Will of Harold Rooseth, deceased; and as Successor Trustee for the Jake Rooseth Trust

June 13, 1964

Hyman P. Rooseth

June 13, 1964

Solomon Rooseth
Date Executed:

June 13, 1964

May 27, 1964

June 10, 1964

June 5, 1964

August 4, 1964

July 29, 1964


THE STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Ralph M. Davidson, known to me to be the person whose name is subscribed to the foregoing instrument as AGENT AND ATTORNEY IN FACT for HUMBLE OIL & REFINING COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of the said HUMBLE OIL & REFINING COMPANY.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 6th day of July, A. D., 1964.

Notary Public, Dallas County, Texas

THE STATE OF TEXAS
COUNTY OF DALLAS

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 50th day of June, A. D., 1964.

Notary Public, Dallas County, Texas

THE STATE OF TEXAS
COUNTY OF SMITH

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 15th day of January, A. D., 1964.

Notary Public, Smith County, Texas
THE STATE OF TEXAS |
COUNTY OF SMITH |

BEFORE ME, the undersigned authority, on this day personally appeared ISADORE ROOSTH, known to me to be the person whose name is subscribed to the foregoing instrument, individually, and as Executor and Trustee under the Will of Bennie Roosth, deceased; Substitute Executor and Trustee under the Will of Harold Roosth, deceased; and as Successor Trustee for the Jake Roosth Trust, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacities therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 12th day of June, A. D., 1964.

Notary Public, Smith County, Texas

THE STATE OF TEXAS |
COUNTY OF SMITH |

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 12th day of June, A. D., 1964.

Notary Public, Smith County, Texas

THE STATE OF TEXAS |
COUNTY OF SMITH |

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 12th day of June, A. D., 1964.

Notary Public, Smith County, Texas
THE STATE OF TEXAS  I
COUNTY OF SMITH  I

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 12th day of June, A. D., 1964.

Notary Public, Smith County, Texas

THE STATE OF TEXAS  I
COUNTY OF SMITH  I

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of May, A. D., 1964.

Notary Public, Smith County, Texas

THE STATE OF TEXAS  I
COUNTY OF SMITH  I

BEFORE ME, the undersigned authority, on this day personally appeared RUTH W. RANCK, a female sole, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 16th day of June, A. D., 1964.

Notary Public, Smith County, Texas
THE STATE OF TEXAS I
COUNTY OF SMITH I

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 5th day of June, A.D., 1964.

Notary Public, Smith County, Texas

THE STATE OF TEXAS I
COUNTY OF SMITH I

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 5th day of June, A.D., 1964.

Notary Public, Smith County, Texas

THE STATE OF TEXAS I
COUNTY OF DALLAS I

BEFORE ME, the undersigned authority, on this day personally appeared A. O. PHILLIPS, known to me to be the person whose name is subscribed to the foregoing instrument individually, and as Independent Executor of the Estate of Belle Phillips, deceased, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacities stated; and as Independent Executor of the Estate of O. F. Phillips.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 4th day of August, A.D., 1964.

Notary Public, Dallas County, Texas
THE STATE OF TEXAS

COUNTY OF SMITH

WHEREAS, by instrument, hereinafter called "Designation Instrument", dated July 30, 1963, recorded in Volume 1090, Page 38, Deed Records of Smith County, Texas, HUMBLE OIL & REFINING COMPANY and PHILLIPS PETROLEUM COMPANY, acting under and by virtue of the power and authority conferred and granted under the terms and provisions of certain Oil, Gas and Mineral Leases therein described, did pool and combine the several tracts of land, together with the leases thereon, to form a pooled gas unit designated therein as SOUTH TYLER GAS UNIT NO. 1, containing 665.34 acres of land, more or less, in Smith County, Texas, for the purposes of developing and operating said pooled acreage for the production, storage, processing and marketing of gas therefrom, to which Designation Instrument and the record thereof reference is here made for all purposes; and

WHEREAS, the said Designation Instrument provided that the same would be amended upon completion of several ground surveys then being conducted on the several unit tracts therein described; and

WHEREAS, said surveys have been completed and it is the desire of HUMBLE OIL & REFINING COMPANY and PHILLIPS PETROLEUM COMPANY to supplement the said Designation Instrument by setting forth the calculated acreage in the unit and in each unit tract developed as a result of said surveys, together with a more accurate and complete description of said unit; and

WHEREAS, HUMBLE OIL & REFINING COMPANY is the present owner and holder of that certain Oil, Gas and Mineral Lease hereinafter called "the Methodist lease", dated December 18, 1963, recorded in Volume 1106, Page 607 et seq., Deed Records of Smith County, Texas, between Board of Trustees of the Texas Annual Conference of The Methodist Church, South Central Jurisdiction, Inc., as Lessor, and Humble Oil & Refining Company, as Lessee, which lease, and lease (13) described in Exhibit "A" to the Designation Instrument as herein amended, cover and affect 2.43 acres of land (called 2-1/2 acres of land, more or less, in the Methodist lease), a part of the Marshall University Survey, A-624, in Smith County, Texas, being identified in the Designation instrument, as herein amended, as UNIT TRACT "F"; and

WHEREAS, it is the desire of HUMBLE OIL & REFINING COMPANY and PHILLIPS PETROLEUM COMPANY to: (a) designate and include the Methodist lease as a part of the above mentioned
unit as herein amended; (b) include said lease to the extent
and subject to all of the terms and provisions set forth in
the Designation Instrument, except as herein amended, as if
said lease had been originally included therein; (c) amend
the Designation Instrument by deleting therefrom Exhibit "A",
attached thereto, and substituting in lieu thereof Exhibit "A",
attached thereto; (d) amend the Designation Instrument by
deleting therefrom Exhibit "B", attached thereto, and substi-
tuting in lieu thereof Exhibit "B", attached thereto; (e) amend
the Designation Instrument by deleting therefrom Exhibit "C",
attached thereto, and substituting in lieu thereof Exhibit "C",
attached thereto; (f) further amend the Designation Instrument
by deleting therefrom the name of the unit appearing therein
as "SOUTH TYLER GAS UNIT NO. 1" and substituting in lieu
thereof ELKTON GAS UNIT NO. 1; and (g) further amend the
Designation Instrument as hereinafter set forth; and

WHEREAS, each of the leases listed in the Designation
Instrument, as well as the Methodist lease, provided as
originally executed or have been amended to provide (which
amendments are of record in the Deed Records of Smith County,
Texas) that Lessee shall have and is thereby granted the right
and power to pool and combine the land covered by said leases,
or portions thereof, with other lands or leases in the vicinity
thereof to form a pooled gas unit of the size and type as
ELKTON GAS UNIT NO. 1, and provided further that the Lessee
shall execute an instrument in writing identifying and describing
the pooled acreage:

NOW, THEREFORE, the Designation Instrument is hereby
supplemented and amended as follows:

I.

The calculated area of UNIT TRACT "A", being 52.24
acres of land, is hereby substituted for the called area of
UNIT TRACT "A", being 52.50 acres of land, more or less,
appearing in the Designation Instrument and the said UNIT
TRACT "A" is herein redescribed in Exhibit "C", attached hereto:

II.

The calculated area of UNIT TRACT "B", being 2.13
acres of land, is hereby substituted for the called area of
UNIT TRACT "B", being 2.00 acres of land, more or less,
appearing in the Designation Instrument.

III.

The calculated area of UNIT TRACT "C", being 123.41
acres of land, is hereby substituted for the called area of
UNIT TRACT "C", being 125.3 acres of land, more or less,
appearing in the Designation Instrument.
IV.

The calculated area of UNIT TRACT "D", being 53.84 acres of land, is hereby substituted for the called area of UNIT TRACT "D", being 52.87 acres of land, more or less, appearing in the Designation Instrument.

V.

The calculated area of UNIT TRACT "E", being 47.91 acres of land, is hereby substituted for the called area of UNIT TRACT "E", being 47.32 acres of land, more or less, appearing in the Designation Instrument.

VI.

The calculated area of UNIT TRACT "F", being 1.06 acres of land, is hereby substituted for the called area of UNIT TRACT "F", being 1.00 acre of land, more or less, appearing in the Designation Instrument.

VII.

The calculated area of UNIT TRACT "G", being 1.21 acres of land, is hereby substituted for the called area of UNIT TRACT "G", being 1.14 acres of land, more or less, appearing in the Designation Instrument.

VIII.

The calculated area of UNIT TRACT "H", being 81.15 acres of land, is hereby substituted for the called area of UNIT TRACT "H", being 83.36 acres of land, more or less, appearing in the Designation Instrument.

IX.

The calculated area of UNIT TRACT "I", being 5.13 acres of land, is hereby substituted for the called area of UNIT TRACT "I", being 11.61 acres of land, more or less, appearing in the Designation Instrument and the said UNIT TRACT "I" is herein redescribed in Exhibit "C", attached hereto.

X.

The calculated area of UNIT TRACT "J", being 151.69 acres of land, is hereby substituted for the called area of UNIT TRACT "J", being 143.26 acres of land, more or less, appearing in the Designation Instrument and the said UNIT TRACT "J" is herein redescribed in Exhibit "C", attached hereto.
XI.

The calculated area of UNIT TRACT "K", being 30.19 acres of land, is hereby substituted for the called area of UNIT TRACT "K", being 29.55 acres of land, more or less, appearing in the Designation Instrument and the said UNIT TRACT "K" is herein redescribed in Exhibit "C", attached hereto.

XII.

The calculated area of UNIT TRACT "L", being 0.86 acre of land, is hereby substituted for the called area of UNIT TRACT "L", being 0.87 acre of land, more or less, appearing in the Designation Instrument and the said UNIT TRACT "L" is herein redescribed in Exhibit "C", attached hereto.

XIII.

The calculated area of UNIT TRACT "M", being 58.28 acres of land, is hereby substituted for the called area of UNIT TRACT "M", being 59.45 acres of land, more or less, appearing in the Designation Instrument.

XIV.

The calculated area of UNIT TRACT "N", being 37.98 acres of land, is hereby substituted for the called area of UNIT TRACT "N", being 38.58 acres of land, more or less, appearing in the Designation Instrument.

XV.

The calculated area of UNIT TRACT "O", being 16.66 acres of land, is hereby substituted for the called area of UNIT TRACT "O", being 16.53 acres of land, more or less, appearing in the Designation Instrument.

XVI.

The 2.43 acres of land, a part of the Marshall University Survey, A-624, in Smith County, Texas, covered by Leases (13) and (19) described in Exhibit "A", attached hereto, and formerly a part of Unit Tract "K", herein described, is hereby designated as UNIT TRACT "M" in ELKTON GAS UNIT NO. 1, and is more particularly described as such in said Lease (19) hereinabove mentioned.

The foregoing do not alter or change the perimeter of the gas unit as described in the Designation Instrument; however, in order to furnish a more accurate and complete

HUMBLE OIL & REFINING COMPANY and PHILLIPS PETROLEUM COMPANY, acting herein under and by virtue of the power and authority granted by the several leases hereinabove mentioned, do hereby pool and combine the land covered and affected by the said lease, together with said lease, with the remaining lands and leases described in the Designation Instrument to the same extent and subject to all of the terms and provisions set forth in the Designation Instrument as if said lease had been originally included therein. In this connection, the Designation Instrument is hereby further amended by adding thereto immediately after the description of Unit Tract "O", on page 3 thereof, the following:

"which Leases (13) and (19) described in Exhibit "A", attached hereto, cover and affect (the said Lease (13) covering and affecting, among other lands, Unit Tract "P", hereinafter described) 2.43 acres of land, a part of the Marshall University Survey, A-624, in Smith County, Texas, more particularly described in Lease (19) above mentioned, all of the said 2.43 acres of land being included in the unit hereinafter described and being hereinafter referred to as UNIT TRACT "P";"

HUMBLE OIL & REFINING COMPANY and PHILLIPS PETROLEUM COMPANY do further amend the Designation Instrument by deleting therefrom the following:

"which Leases (14) through (18), both inclusive, described in Exhibit "A" attached hereto, together cover and affect, among other lands, 0.87 acre of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.87 acre of land, more or less, being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT "L", and being more particularly described as such in Exhibit "C" attached hereto;"

and substituting in lieu thereof the following:
“which Leases (13) through (18), both inclusive, described in Exhibit "A", attached hereto, together cover and affect, among other lands, 0.86 acre of land, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 0.86 acre of land being included in the unit hereinafter described, being hereinafter referred to as UNIT TRACT "L", and being more particularly described as such in Exhibit "C", attached hereto:”.

HUMBLE OIL & REFINING COMPANY and PHILLIPS PETROLEUM COMPANY do further amend the Designation Instrument by deleting therefrom the following:

“which lease (19), described in Exhibit "A" attached hereto, covers and affects 59.45 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 59.45 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "M";

“which lease (20), described in Exhibit "A" attached hereto, covers and affects 38.58 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 38.58 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "N";

“which lease (21), described in Exhibit "A" attached hereto, covers and affects 16.53 acres of land, more or less, a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 16.53 acres of land, more or less, being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "O";

and substituting in lieu thereof the following:

which lease (20), described in Exhibit "A" attached hereto, covers and affects 58.28 acres of land (called 59.45 acres of land, more or less, in said lease), a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 58.28 acres of land being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "M";
which lease (21), described in Exhibit "A" attached hereto, covers and affects 37.98 acres of land (called 38.58 acres of land, more or less, in said lease), a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 37.98 acres of land being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "N";

which lease (22), described in Exhibit "A" attached hereto, covers and affects 16.66 acres of land (called 16.53 acres of land, more or less, in said lease), a part of the Marshall University Survey, A-624, in Smith County, Texas, all of the said 16.66 acres of land being included in the unit hereinafter described, and being hereinafter referred to as UNIT TRACT "O";

HUMBLE OIL & REFINING COMPANY and PHILLIPS PETROLEUM COMPANY do hereby further amend the Designation Instrument by deleting therefrom the name of the unit appearing therein as "SOUTH TYLER GAS UNIT NO. 1", and substituting in lieu thereof ELKTON GAS UNIT NO. 1.

HUMBLE OIL & REFINING COMPANY and PHILLIPS PETROLEUM COMPANY do further Adopt, Ratify and Confirm the act of creating and designating ELKTON GAS UNIT NO. 1, and do hereby agree and declare that said unit is in full force and effect in accordance with the terms and provisions of the Designation Instrument and the terms and provisions hereof.

EXECUTED THIS 30th day of November, A.D. 1965.

HUMBLE OIL & REFINING COMPANY

By: Ralph H. Duncan

PHILLIPS PETROLEUM COMPANY

By: H. J. Tyler

Attorney-in-Fact

APPROVED BY

M. C. Williams

CONTRACT/project

PHILLIPS PETROLEUM CO.
THE STATE OF TEXAS

COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Ralph W. Dawson, known to me to be the person whose name is subscribed to the foregoing instrument as Agent and Attorney-In-Fact for HUMBLE OIL & REFINING COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of the said HUMBLE OIL & REFINING COMPANY.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 12th day of November, A. D. 1965.

[Signature]
Notary Public in and for Dallas County, Texas

MARGUERITE SPURGEON
My Commission Expires June 1, 19...
EYTON GAS UNIT NO. 1

Exhibit "A"

A. Leases Contributed by Humble Oil & Refining Company.

(1) Humble Lease No. 910797, dated December 7, 1962, recorded in Volume 1066, Page 99, between J. S. Hudnall et al., as lessor, and Humble Oil & Refining Company, as lessee;

(2) Humble Lease No. 912733, dated May 14, 1963, recorded in Volume 1086, Page 132, between Bruce Weakley et al., Trustees of the Hickory Grove Cemetery of Smith County, Texas, as lessor, and S. A. Cochran, as lessee;

(3) Humble Lease No. 193083, dated August 21, 1951, recorded in Volume 745, Page 22, between Max Rice et ux, as lessor, and Humble Oil & Refining Company, as lessee;

(4) Humble Lease No. 911068, dated December 19, 1962, recorded in Volume 1066, Page 143, between J. R. Ellerd, as lessor, and Humble Oil & Refining Company, as lessee;

(5) Humble Lease No. 911104, dated December 19, 1962, recorded in Volume 1066, Page 523, between Oma Stanley, as lessor, and Humble Oil & Refining Company, as lessee;

(6) Humble Lease No. 911110, dated December 19, 1962, recorded in Volume 1066, Page 272, between Orlis Stanley et al., as lessor, and Humble Oil & Refining Company, as lessee;

(7) Humble Lease No. 202819, dated January 26, 1974, recorded in Volume 1080, Page 99, between Roy Griffin et ux, as lessor, and Humble Oil & Refining Company, as lessee;

(8) Humble Lease No. 911892, dated April 2, 1963, recorded in Volume 1080, Page 255, between Doyal Weaver et al., as lessor, and S. A. Cochran, as lessee;

(9) Humble Lease No. 911899, dated April 2, 1963, recorded in Volume 1080, Page 257, between Max Rice et ux, as lessor, and S. A. Cochran, as lessee;

(10) Humble Lease No. 910352, dated December 19, 1962, recorded in Volume 1066, Page 504, between J. E. Heath et ux, as lessor, and Humble Oil & Refining Company, as lessee;

(11) Humble Lease No. 912542, dated May 28, 1963, recorded in Volume 1082, Page 20, between St. Louis Southwestern Railway Company et al., as lessor, and Humble Oil & Refining Company, as lessee;

(12) Humble Lease No. 903015, dated February 17, 1960, recorded in Volume 973, Page 440, between Mitty March et al., as lessor, and Humble Oil & Refining Company, as lessee;

(13) Humble Lease No. 910941, dated December 21, 1962, recorded in Volume 1066, Page 108, between Mitty March et al., as lessor, and Humble Oil & Refining Company, as lessee;

(14) Humble Lease No. 912314, dated May 7, 1963, recorded in Volume 1083, Page 301, between Robert H. Blake et al., as lessor, and S. A. Cochran, as lessee;

(15) Humble Lease No. 912315, dated May 7, 1963, recorded in Volume 1083, Page 353, between Mary Alice Utterback et vir, as lessor, and S. A. Cochran, as lessee;

EXHIBIT "A"

Page 2
(16) Humble Lease No. 912610, dated May 17, 1963, recorded in Volume 1064, Page 105, between Mattie Nicholson Blake et al, as lessor, and S. A. Cochran, as lessee;

(17) Humble Lease No. 912798, dated May 17, 1963, recorded in Volume 1064, Page 113, between Mary Blake Runcorn et vir, as lessor, and S. A. Cochran, as lessee;

(18) Humble Lease No. 913103, dated June 21, 1963, recorded in Volume 1088, Page 471, between Mattie Blake Chambers et vir, as lessor, and S. A. Cochran, as lessee;

(19) Humble Lease No. 914028, dated December 18, 1963, recorded in Volume 1106, Page 607, between Board of Trustees of the Texas Annual Conference of the Methodist Church, South Central Jurisdiction, Inc., as lessor; and Humble Oil & Refining Company, as lessee;

B. Leases Contributed by Humble Oil & Refining Company and Phillips Petroleum Company.

(20) Phillips Lease No. 102126, dated May 10, 1958, recorded in Volume 911, Page 88, between Annie L. Carden et al, as lessor, and Phillips Petroleum Company, as lessee;

(21) Phillips Lease No. 102123, dated May 10, 1958, recorded in Volume 910, Page 665, between M. A. Rice et ux, as lessor, and Phillips Petroleum Company, as lessee;


to which leases, any amendments thereto, ratifications thereof, and the respective records thereof reference is here made for all purposes.

The recording references set forth above under the several oil, gas and mineral leases refer to the Deed Records of Smith County, Texas.
ALL THAT CERTAIN TRACT OR PARCEL OF LAND situated in the Marshall University Survey, A-624, Mary M. Long Survey, A-561 and Oliver Anderson Survey, A-30, Smith County, Texas, and being more particularly described as follows:

BEGINNING at the northwest corner of the Max Rice et ux 1.21 acre tract (called 1.14 acres) and the northeast corner of the Charles Frichard 33.5 acre tract, which point is also in the division line between the Oliver Anderson and Marshall University Surveys, and in the south boundary line of the Max Rice 80.0 acre tract, buggy axle at fence corner for corner;

THENCE N 89° 31½' E along the division line between the Oliver Anderson and Marshall University Surveys 876.3 feet to a re-entrant corner of the J. E. Heath et ux 81.15 acre tract (called 85.36 ac.) and the southwest corner of the Max Rice 80.0 acre tract, stake for corner;

THENCE SOUTH along the east boundary line of the Max Rice 80.0 acre tract 70.4 feet to a southwest corner of the E. M. Sherlock et al 119.9 acre tract and the most northerly northwest corner of the J. E. Heath et ux 81.15 acre tract, stake for corner;

THENCE N 89° 52' E, 534.6 feet to the northeast corner of the J. E. Heath et ux 81.15 acre tract and a re-entrant corner of the E. M. Sherlock et al 119.9 acre tract, stake for corner;

THENCE S 20° 08' W along the east boundary line of the J. E. Heath et ux 81.15 acre tract 71.8 feet to the most southerly southwest corner of the E. M. Sherlock et al 119.9 acre tract and the northwest corner of the Bobbie J. Camp et ux 3.558 acre tract, rock at fence corner for corner;

THENCE S 28° 14½' W along the east boundary line of the J. E. Heath et ux 81.15 acre tract 1187.7 feet to the southwest corner of the Barry C. Steele et ux 2.25 acre tract and the northwest corner of the C. N. Farr et ux 15.66 acre tract (called 15.53 acres), stake for corner;

THENCE N 89° 43½' E, 2708.5 feet to the northeast corner of the Roy Griffin et ux 67.91 acre tract (called 67.32 acres) and the southeast corner of the T. H. Winn et ux 5.0 acre tract, which point is also in the west boundary line of the Watson Wise 113.0 acre tract 1/4" x 1/4" iron strap, in road, for corner from which 18" Post Oak (marked X, two bucks above and two below, fairly old) brs. N 51' W, 45.8 feet (2/R 49/117);

THENCE S 0° 12½' E along the east boundary lines of the Roy Griffin 57.91 acre tract and the Max Rice 123.41 acre tract (called 125.3 acres) 1928.7 feet to the southwest corner of the Watson Wise 113.0 acre tract and the upper northwest corner of the J. S. Mudall et al 211.39 acre First Tract (called 213.65 acres), stake for corner;

THENCE N 89° 38½' E along the division line between the Watson Wise 113.0 acre tract and the J. S. Mudall et al 211.39 acre First Tract 964.0 feet to a stake for corner;

THENCE SOUTH 2473.5 feet to the division line between the Mary M. Long and John Hope Surveys, same being the division line between the

EXHIBIT "B"
J. S. Hudnall 211.39 acre First Tract and 111.44 acre Second Tract (called 112.26 acres), stake for corner;

THERM N 89° 41' W along the north boundary line of the John Hope Survey 955.4 feet to the southwest corner of the Mary M. Long Survey, the upper southeast corner of the Marshall University Survey, the lower southwest corner of the J. S. Hudnall 211.39 acre First Tract and the southeast corner of the Max Rice 123.41 acre tract, which point is also in the north boundary line of the J. S. Hudnall 207.14 acre tract (called 206.68 acres), stake for corner;

THERM N 89° 32' W, 4271.6 feet to the southwest corner of the J. R. Killard 51.84 acre tract (called 52.87 acres), which point is also in the lower east boundary line of the Mittie Marsh et al 182.37 acre First Tract, stake for corner in the center line of the St. Louis and Southwestern Railroad;

THERM WEST 2095.8 feet to a stake for corner;

THERM NORTH 3087.4 feet to the division line between the Mittie Marsh et al 223.16 acre tract (called 226.0 acres) and the A. J. Prichard 21.13 acre tract, stake for corner;

THERM N 89° 19' E along the south boundary line of the A. J. Prichard 21.13 acre tract 759.7 feet to the most northerly northeast corner of the Mittie Marsh et al 223.16 acre tract and the northwest corner of the Flavil Langston 6.0 acre tract, stake for corner;

THERM SOUTH 185.0 feet to the southwest corner of the Flavil Langston 6.0 acre tract and a re-entrant corner of the Mittie Marsh et al 223.16 acre tract, stake for corner;

THERM S 89° 14' E, 975.8 feet to the southeast corner of the Flavil Langston 6.0 acre tract and the lower southwest corner of the J. E. Heath et ux 81.15 acre tract, which point is also in a north line of the Mittie Marsh et al 223.16 acre tract, stake for corner;

THERM N 23° 09' E, 1593.6 feet to a re-entrant corner of the J. E. Heath et ux 81.15 acre tract and the lower northeast corner of the Charles Prichard 43.3 acre tract, stake for corner;

THERM N 66° 10' W, 992.5 feet to the upper southwest corner of the J. E. Heath 81.15 acre tract and a re-entrant corner of the Charles Prichard 43.3 acre tract, buggy axle at fence corner for corner;

THERM E 28° 38' E, 1250.6 feet to the place of beginning and containing 666.17 acres of land.
THE STATE OF TEXAS $  
COUNTY OF SMITH $  

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, on July 30, 1963 Humble Oil and Refining Company and Phillips Petroleum Company did by instrument called "Designation Instrument" dated July 30, 1963 and recorded in Volume 1090, page 38 of the Deed Records of Smith County, Texas, pool and combine several tracts of land together with the leases thereon to form a pooled gas unit, designated therein as South Tyler Gas Unit No. 1, containing 665.34 acres of land, more or less; and

WHEREAS, thereafter by instrument dated November 12, 1965, and of record in Volume 1188, page 454 of the Deed Records of Smith County, Texas, Humble Oil and Refining Company and Phillips Petroleum Company did amend said Unit Declaration by adding thereto certain leases and by changing the name of the unit from South Tyler Gas Unit No. 1 to Elkton Gas Unit No. 1; and

WHEREAS, HARRY S. PHILLIPS is the present owner and holder of the Oil, Gas and Mineral Leases described in the Exhibit attached to the Amended Unit Designation of record in Volume 1188, page 454 of the Deed Records of Smith County, Texas, except insofar as said leases cover and include those intervals covered by the Phillips Petroleum Company Farr Oil Unit No. 1 of record in Volume 1530, page 560, of the Deed Records of Smith County, Texas, Exxon — Rabon Hitt Oil Proration Unit and the Cape Operating Company — Max Rice Oil Proration Unit; and

WHEREAS, it is the desire of HARRY S. PHILLIPS to amend said Elkton Gas Unit No. 1 by deleting those tracts as hereinafter set forth and by adding those leases hereinafter set out insofar as they cover tracts hereinafter described.
NOW, THEREFORE, the Unit Designation is hereby AMENDED as follows:

There is deleted all of that certain 47.32 acre tract in the Marshall University Survey, A-624, described in an Oil and Gas Lease from Roy Griffin et ux, as Lessor to Humble Oil and Refining Company as Lessee, dated January 26, 1954, of record in Volume 758, page 99 except the South 40.44 acres thereof. There is further deleted therefrom all of that certain 52.50 acre tract being part of tract described in an Oil, Gas and Mineral Lease from J. S. Hudnall et al as Lessor to Humble Oil and Refining Company as Lessee, dated December 7, 1967, of record in Volume 1066, page 99 of the Deed Records of Smith County, Texas.

There is added to said Elkton Gas Unit the following:

1. Oil, Gas and Mineral Lease from J. S. Hudnall et al as Lessors to Harry S. Phillips, as Lessee, dated August 21, 1984 and filed for record in Volume 2321, page 446, of the Land Records of Smith County, Texas, insofar as said lease covers 89.67 acres in the John Hope Survey, A-443 and shown as Tract 19 on the Well Unit Plat attached hereto as Exhibit "A".

2. Oil, Gas and Mineral Lease from James Cave, et ux as Lessors, to Harry S. Phillips, as Lessee, dated September 28, 1984, filed for record in Volume 2321, page 456 of the Land Records of Smith County, Texas, insofar as said lease covers 1.57 acres and shown as Tract 18 on the Plat attached hereto as Exhibit "A".

3. Oil, Gas and Mineral Lease from Sam Bailey, et ux, as Lessors to Harry S. Phillips, as Lessee, dated October 29, 1984, and filed for record in Smith County, Texas, under Clerk's File No. 36,968, insofar as said lease covers Tracts 11, 17 and 18 as shown on the plat attached hereto as Exhibit "A".
4. Oil, Gas and Mineral Lease from Gerald Kyle, et ux as Lessors, to Harry S. Phillips as Lessee, dated October 17, 1984, recorded Smith County, Texas, under Clerk's File No. 39,932, covering .93 acres and being shown as Tract 11 on the Plat attached hereto as Exhibit "A".

The acreage contained in said Unit is hereby amended to be 700 acres and is described by metes and bounds in Exhibit "B" attached hereto.

HARRY S. PHILLIPS does hereby ADOPT, RATIFY and CONFIRM the act of creating and designating the Elkton Gas Unit No. 1 and does hereby AGREE and DECLARE that said unit is in full force and effect in accordance with the terms and provisions of the Designation Instrument as amended by the terms and provisions hereof.

EXECUTED this 6th day of December, 1984, EFFECTIVE as of December 1, 1984.

HARRY S. PHILLIPS

THE STATE OF TEXAS $
COUNTY OF SMITH $

This instrument was acknowledged before me on the 6th day of December, 1984, by HARRY S. PHILLIPS.

NOTARY PUBLIC - STATE OF TEXAS

My commission expires: M.E. McDONOUGH
- Notary Public, State of Texas
Commission Expiration 1-10-37
Field Notes describing the Basin Operating Co., Ltd. "Elkton Gas Unit" No. 1 containing 700 acres of land, more or less, located in the Marshall University Survey, Abstract No. 624, the Mary M. Long Survey, Abstract No. 561, and the Jno. Hope Survey, Abstract No. 443 and situated in Smith County, Texas and being more fully described as follows:

BEGINNING at the Northeast corner of a called 83.36 acre J. E. Heath tract and located in the North line of the afore-mentioned Marshall University Survey A-624;

THENCE Southwesterly with the Southeast line of said Heath tract to the Northwest corner of a called 16.55 acre C. H. Farr, et ux tract;

THENCE Easterly with the North line of said Farr tract, passing the Northeast corner of same and continuing across a St. Louis-Southwestern R.R. tract, passing the East R.O.W. line of same and continuing with the North line of a called 38.58 acre Max A. Rice, et ux tract to the Northwest corner of a called 1.00 acre Dowl Weaver, et al tract and continuing to the Northeast corner of same also being the Northwest corner of a called 47.32 acre Roy Griffin tract;

THENCE Southeasterly with the East line of said Weaver tract, same being the West line of said Griffin tract to a unit corner in same;

THENCE Easterly across said Griffin tract to the East line of same, also being the East line of the afore-mentioned Marshall University Survey and the West line of the afore-mentioned Mary M. Long Survey A-561;

THENCE Southerly with said division line and with the East line of said Griffin tract passing the Southeast corner of same, also being the Northeast corner of a called 125.3 acre Max Rice tract continuing to the Northwest corner of a called 2.00 acre Hickory Grove Cemetery tract;

THENCE Easterly with the North line of said cemetery tract to the Northeast corner of same;

THENCE Southerly with the East line of said cemetery tract to the Southeast corner of same;

THENCE Northwesternly with the South line of said cemetery tract to the Southwest corner of same, also being the West line of the afore-mentioned Long Survey and the East line of the afore-mentioned Marshall University Survey;

THENCE Southerly with said division line passing the Southwest corner of said Long Survey same being the Southeast corner of said Marshall University Survey same being the North line of the afore-mentioned Jno. Hope Survey A-443 and the North line of a called 200 acre J. S. Hudnall tract and continuing across said Hudnall tract to a unit corner in same;
THENCE Westerly across said Hudnall tract to a unit corner in same;
THENCE Northerly across said Hudnall tract to a unit corner in same;
THENCE Westerly across said Hudnall tract to a unit corner in same;
THENCE Southerly across said Hudnall tract to a unit corner in same;
THENCE Westerly across said Hudnall tract to the West line of same, also being the
West line of the afore-mentioned Hope Survey same being the most Southerly Southeast
corner of the afore-mentioned Marshall University Survey;
THENCE Northerly with the most Southerly East line of said Marshall University Survey
and West line of said Hope Survey to the Southeast corner of a called 1.57 acre
J. Cave tract;
THENCE Westerly with the South line of said Cave tract to the Southwest corner of
same;
THENCE Northerly with the West line of said Cave tract to the Northwest corner of
same;
THENCE Easterly with the North line of said Cave tract to the Northeast corner of
same located in the most Southerly East line of said Marshall University Survey
and the West line of said Hope Survey;
THENCE Northerly with said division line to the Southeast corner of a called 1.57
acre J. Harsh tract;
THENCE Westerly with the South line of said Harsh tract to the Southwest corner
of same;
THENCE Northerly with the West line of said Harsh tract to the Northwest corner
of same;
THENCE Easterly with the North line of said Harsh tract to the Northeast corner
of same located in the most Southerly East line of said Marshall University Survey
and the West line of said Hope Survey;
THENCE Northerly with said division line to the Southeast corner of a called 0.93
acre G. Kyles tract;
THENCE Westerly with the South line of said Kyles tract to the Southwest corner
of same;
THENCE Northerly with the West line of said Kyles tract to the Northwest corner
of same located in the South line of a called 52.87 acre J. R. Ellerd tract;
THENCE Westerly with the South line of said Ellerd tract passing the Southwest corner
of same and continuing across the afore-mentioned St. Louis-Southwestern R.R. tract passing the West line of same and continuing with the South line of a called 0.87 acre Blake Heirs tract to the Southwest corner of same, also being a re-entrant corner of a called 227.35 acre Mittie Marsh tract and continuing across said Marsh tract to a unit corner in same;

THENCE Northerly across said Marsh tract passing the North line of same, also being the South line of a called 226 acre Mittie Marsh tract and continuing across said 226 acre Marsh tract to the North line of same;

THENCE Easterly with the North line of said Marsh tract to the most Northerly Northeast corner of same;

THENCE Southerly with the most Northerly East line of said Marsh tract to a re-entrant corner of same;

THENCE Southeasterly with the most Easterly North line of said Marsh tract to the Southwest corner of a called 83.36 acre J. E. Heath tract;

THENCE Northeasterly with the most Southerly West line of said Heath tract to a re-entrant corner of same;

THENCE Northwesterly with the Northerly South line of said Heath tract to an ell corner of same;

THENCE Northeasterly with the most Northerly West line of said Heath tract passing the Southwest corner of a called 1.14 acre Max A. Rice, et ux tract and continuing to the Northwest corner of same located in the North line of the afore-mentioned Marshall University Survey;

THENCE Easterly with the North line of said Marshall University Survey to the Place of Beginning and containing 700 acres of land, more or less, and being comprised of the following tracts or parcels:

1) Mittie Marsh 143.26 Acres in Unit
2) Max Rice 125.3 Acres
3) Roy Griffin 40.44 Acres in Unit
4) St. Louis-Southwestern R.R. 11.61 Acres in Unit
5) Mittie Marsh 27.15 Acres in Unit
6) J. E. Heath 83.36 Acres
7) Dowl Weaver, et al 1.00 Acres
8) Max A. Rice, et ux 1.14 Acres
9) J. R. Ellerd 52.87 Acres
10) Blake Heirs 0.87 Acre
11) G. Kyles 1.13 Acre
12) Hickory Grove Cemetery 2.00 Acres
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**STATE OF TEXAS**
**COUNTY OF SMITH**

**MARY MORRIS**
CLERK, SMITH COUNTY, TEXAS

**AUG 22, 1985**

**HARRY L. JOHNSON & ASSOCIATES, INC.**

**Bill H. Burton**
Registered Public Surveyor
State of Texas NO. 1657

**Signature**

**Additional Notes**

1522-26 541
Instrument Number: 2008-R00039992


As Recordings - Land

Parties: RYNO TEXAS HOLDINGS INC
To MOTHER FRANCES HOSPITAL REGIONAL HEALTH

Billable Pages: 5
Number of Pages: 6

Comment:

( Parties listed above are for Clerks reference only )

** Examined and Charged as Follows: **

Recordings - Land 32.00
Total Recording: 32.00

********** DO NOT REMOVE. THIS PAGE IT IS PART OF THE INSTRUMENT **********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:
- Document Number: 2008-R00039992
- Receipt Number: 484332
- Recorded Date/Time: August 25, 2008 01:48:59P
- User / Station: C Aparicio - Cash Station 1

Record and Return To:
- MOTHER FRANCES HOSPITAL REGIONAL HEALTH
  514 S BECKHAM STREET
  TYLER TX 75701

I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Judy Carnes
County Clerk
Smith County, Texas
SPECIAL WARRANTY DEED

Date: August 22, 2008

Grantor: Ryno Texas Holdings, Inc., Trustee
1809 Brandon Drive
Tyler TX 75703

Grantee: MOTHER FRANCES HOSPITAL REGIONAL HEALTH CARE CENTER
a Texas nonprofit corporation
800 East Dawson Street
Tyler TX 75701

Consideration: TEN AND NO/100 ($10.00) DOLLARS and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged by Grantor

Property: All that certain tract or parcel of land situated in Tyler, Smith County, Texas, and being 30.977 acres, more or less, as more completely described on Exhibit "A" attached hereto and incorporated herein for all purposes (the "Property")

AS A MATERIAL PART OF THE CONSIDERATION FOR THIS CONVEYANCE, GRANTOR AND GRANTEE AGREE THAT GRANTEE IS TAKING THE PROPERTY "AS IS" AND "WITH ALL FAULTS" WITH ANY AND ALL LATENT AND PATENT DEFECTS AND THAT THERE IS NO WARRANTY BY GRANTOR THAT THE PROPERTY IS FIT FOR A PARTICULAR PURPOSE. GRANTEE ACKNOWLEDGES THAT GRANTEE IS NOT RELYING UPON ANY REPRESENTATION, STATEMENT OR OTHER ASSERTION BY OR ON BEHALF OF GRANTOR WITH RESPECT TO THE PROPERTY CONDITION, BUT IS RELYING SOLELY UPON GRANTEE'S OWN EXAMINATIONS AND INSPECTIONS OF THE PROPERTY. GRANTEE TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THERE ARE NO EXPRESS OR IMPLIED WARRANTIES. THE PROPERTY IS SOLD "AS IS" WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, OF HABITABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER WARRANTY OR ASSURANCE, EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH IN WRITING HEREIN, IT BEING UNDERSTOOD AND AGREED THAT GRANTEE ACQUIRES THE PROPERTY SUBJECT TO ANY AND ALL DEFECTS.

Grantor expressly reserves and excepts all of the oil, gas and other minerals in and under and that may be produced from the Property, or any part thereof, together with all of the rights of ingress and egress for the purposes of exploration, drilling, mining, production, developing, transporting and marketing of same; provided, however, Grantor, for itself, its successors and assigns, hereby perpetually waives all its rights to use the surface of the Property for any purpose related to this reservation, including, without limitation, mining, drilling, exploring, operating, producing, and developing the Property for oil, gas and other minerals, and further agrees to include in any future oil, gas, and/or mineral lease, or in any other instrument involving the right to explore for and produce oil, gas, or other minerals, a provision which restricts the use of the surface of the Property in a manner consistent with the above waiver. The obligation of Grantor, its successors and assigns, to include such a provision in any oil, gas and/or mineral lease or other instrument involving the right to explore for and produce oil, gas or other minerals shall constitute a covenant running with the land, however, nothing in this paragraph shall be construed to preclude Grantor, its successors and assigns, from mining, drilling, exploring, operating, producing, and developing the reserved oil, gas or other minerals by inclusion of the Property in a pooled unit or by or through a directional well which may enter beneath the surface of the Property from a location upon lands other than the Property.
Special Warranty Deed – Page 2

This conveyance is made subject to any and the easements, rights-of-way, mineral reservations and conveyances, and other reservations and restrictions relating to the hereinabove described real property which are described on Exhibit "B" which is attached hereto and incorporated herein for all purposes (the "Permitted Exceptions").

Grantor, for the Consideration and subject to the reservations from conveyance set forth above, grants, sells and conveys the Property to Grantee, TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in any way belonging, unto the said Grantee, Grantee’s successors and assigns forever; and Grantor does hereby bind Grantor, Grantor's successors and assigns to WARRANT AND FOREVER DEFEND all and singular the said Property unto the said Grantee, Grantee’s successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise.

Current ad valorem taxes on the Property having been prorated, Grantee hereby assumes the payment thereof.

EXECUTED on the date first above written.

RYNO TEXAS HOLDINGS, INC., TRUSTEE
a Texas corporation

BY:  

BRANDON T. STEELE, President

STATE OF TEXAS  §
COUNTY OF SMITH  §

This instrument was acknowledged before me on the 22nd day of August, 2008 by Brandon T. Steele, President of Ryno Texas Holdings, Inc., a Texas corporation, Trustee, on behalf of said corporation.

JERRY L. ATHERTON  
Notary Public  
STATE OF TEXAS  
My Comm. Exp. 5-3-2010

AFTER RECORDING RETURN TO:

Mr. Andy Navarro
Vice President - Legal Counsel
Mother Frances Hospital Regional Health Care Center
514 S. Beckham Street
Tyler, TX 75701
EXHIBIT A

All that certain lot, tract or parcel of land within the Marshall University Survey, Abstract No. 624, City of Tyler, Smith County, Texas, and being part of called 178.55 acre tract of land described in Deed from MSJ Properties, Ltd., Tradd Street, LLC, Richard Lilly, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., & Sandra S. Bennett to Ryno Texas Holdings Inc., dated March 17, 2008, and recorded in Clerk's File No. 2008-R0012815 of the Official Public Records of Smith County, Texas, and this Tract No. 2 – 30.977 acre tract being more completely described as follows:

BEGINNING at a ½" Iron Rod set, for the Southwest corner of this 30.977 acre tract, the Northwest corner of Tract No. 1 – 30.000 acre tract, from which a Type II Concrete Right-of-way Monument found for the Southeast corner of said called 178.55 acre tract, at the intersection of the North Right-of-way line of State Highway No. 57 (Grande Boulevard) and the West Right-of-way line of Farm to Market Road No. 2493 (Old Jacksonville Road) bears South 65 deg. 53 min. 34 sec. East a distance of 3,112.41 feet;

THENCE North 14 deg. 35 min. 40 sec. East a distance of 341.03 feet to a ½" Iron Rod set;

THENCE North 84 deg. 53 min. 06 sec. East a distance of 301.59 feet to a ½" Iron Rod set;

THENCE North 16 deg. 30 min. 47 sec. East a distance of 818.84 feet to a Point for Corner in the centerline of the driving surface of County Road No. 159 (Crow Road), in a curve to the Right, from which a ½" Iron Rod set for reference to the Northwest corner of this 30.977 acre tract, in the proposed South Right-of-way of said County Road No. 159 (Crow Road) bears South 16 deg 30 min. 47 sec. West a distance of 35.78 feet;

THENCE with said curve and the centerline of said County Road No. 159 (Crow Road) having a Radius of 648.68 feet, a Delta Angle of 09 deg. 40 min. 01 sec., and Arc Length of 109.44 feet, a Chord Bearing of South 80 deg. 20 min. 56 sec. East and a Chord Length of 109.32 feet to a Point of Tangency In same;

THENCE South 75 deg. 30 min. 55 sec. East, with the centerline of said County Road No. 159 (Crow Road), a distance of 439.68 feet to a Point for Corner in the most Westerly East boundary line of said called 178.55 acre tract, in said County Road No. 159 (Crow Road);

THENCE South 02 deg. 33 min. 08 sec. East a distance of 0.46 feet to a 60d Nail found for the Southwest corner of a called 5.5 acre tract described in a Deed to Charles Mark Gibson and recorded in Volume 3893 on Page 680 of the Official Public Records of Smith County, Texas, also being a corner of said called 178.55 acre tract, in said County Road No. 159 (Crow Road);

THENCE South 78 deg. 09 min. 52 sec. East, with said County Road No. 159 (Crow Road), a distance of 189.21 feet to a ½" Iron Rod found for corner in said County Road No. 159 (Crow Road);

THENCE South 86 deg. 45 min. 21 sec. East, with said County Road No. 159 (Crow Road), a distance of 424.75 feet to a Point for Corner in same, from which a ½" Iron Rod set for reference in the proposed South Right-of-way of said County Road No. 159 (Crow Road) bears South 02 deg. 52 min. 17 sec. West a distance of 37.70 feet;

THENCE South 02 de.6. 52 min. 17 sec. West, with the centerline of said proposed 70 foot wide shared access easement, a distance of 64.13 feet to a ½" Iron Rod set at the beginning of a curve to the Right;

THENCE with said curve and the centerline of said proposed 70 foot wide shared access easement having a Radius of 329.94 feet, a Delta Angle of 17 deg. 14 min. 04 sec., and Arc Length of 99.24 feet, a Chord Bearing of South 11 deg. 29 min. 19 sec. West and a Chord Length of 98.87 feet to a ½" Iron Rod set;
THENCE South 20 deg. 06 min. 21 sec. West, with the centerline of said proposed 70 foot wide shared access easement, a distance of 872.19 feet to a 3/8" Iron Rod set for the Southeast corner of this 30.000 acre tract, also being the Northeast corner of Tract No. 1 – 30.000 acre tract;

THENCE North 88 deg. 49 min. 17 sec. West a distance of 1439.39 feet to the PLACE OF BEGINNING AND CONTAINING 30.977 ACRES OF LAND of which 0.977 acre lies within said County Road No. 159 (Crow Road).

The bearings hereon were oriented to agree with the Deed Record call along the monumented East boundary line of said called 178.55 acre tract of land described in Clerk's File No. 2008-R0012815 of the Official Public Records of Smith County, Texas.
EXHIBIT "B"

Permitted Exceptions


2. Permit for above-ground appurtenances from Margaret Mebus to Eastman Kodak Co., of which Texas Eastman Co. is a division, recorded in Volume 2843, Page 611 of the Official Public Records of Smith County, Texas.

3. Restrictive Covenant and Easement Agreement executed by and between MSJ Properties, Ltd., a Texas limited partnership, Tradd Street, LLC, a South Carolina limited liability company, Cherokee of VA, LLC, Edward G. R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., Sandra S. Bennett and Ryno Texas Holdings, Inc., a Texas corporation, recorded under Clerk’s File No. 2008-R00012818 in the Official Public Records of Smith County, Texas.

4. Designation of Drillsite and Waiver of Surface Rights, including 30’ easement set forth therein, dated March 14, 2008 and recorded under Clerk’s File No. 2008-R00012816 in the Official Public Records of Smith County, Texas, executed by and between Ryno Texas Holdings, Inc., a Texas corporation, and Cherokee of VA, LLC, Edward G. R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., Sandra S. Bennett, and Tradd Street, LLC, a South Carolina limited liability company.


6. All rights of owners incident to overhead utility lines and power poles located throughout the Property as shown on plat of survey dated August 19, 2008 prepared by Daniel R. Arthur, RPLS No. 5933, Job No. 08-060066.
ROYALTY CONVEYANCE

THE STATE OF TEXAS

COUNTY OF Smith

25430

The Mildred Stanley
hereinafter called Grantor (whether one or more) for and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration, cash in hand paid by
ROYALTY RESERVE GROUP, P.O. Box 671183, Houston, Texas 77267-1183, hereinafter called Grantee, the receipt of which is hereby acknowledged, has granted, conveyed, assigned and delivered, and by these presents does grant, sell, convey, assign, set over and deliver unto the said Grantee all of the oil royalty, gas royalty, in-casinghead gas, gasoline, and royalty on other minerals ("other minerals" includes coal, lignite, uranium, sulphur, iron ore, and every other "mineral" now or hereafter recognized as such under the laws of Texas) in and under, and that may be produced and mixed from the following described lands, to-wit:

SEE EXHIBIT "A"

(REVERSE SIDE)

together with all the rights of ingress and egress at all times for the purpose of mining, drilling and exploring said lands and lands pooled or utilized therewith for oil, gas and other minerals, and measuring, receiving and removing the same therewith. This conveyance also covers and includes, in addition to that above described, all unpatented mineral interests.

2. This conveyance is made subject to the terms and conditions of all existing oil and gas leases, if any, covering all or any portions of said lands, insofar as they cover said lands and insofar as they cover the above-described royalty interest. This conveyance covers and includes all royalty due and to be paid, including any money in suspense, or delivered under said leases, insofar as they cover said lands.

3. If Grantor, or the heirs, successors, assignees, and assigns of the Grantor, as fee owners of any portion of said lands, shall operate and develop the minerals therein, Grantor hereby shall own and be entitled to receive as a free royalty hereunder, an undivided one-fifth of all the oil produced and saved from the premises, delivered to Grantor's credit free of cost in the pipeline, and the same fraction of the value of or proceeds of the sales of the said oil. This conveyance is subject to the terms of the oil and gas leases, if any, covering all or any portions of said lands, insofar as they cover said lands.

4. In the event of any dispute (as defined herein below) arising out of or relating to this contract, or the breach thereof, the parties first agree to participate in at least one (1) hour of mediation in accordance with the commercial mediation rules of the American Arbitration Association, before having recourse to arbitration, or judicial resolution of the dispute. The parties agree that all disputes between the parties shall be resolved by binding arbitration administered by the American Arbitration Association in accordance with its commercial arbitration rules and pursuant to the Federal Arbitration Act, 9 U.S.C. Section 1 et seq. Judgment upon the award rendered by the arbitrator may be entered in any Court having jurisdiction, but shall not include substantial damages, interest, costs, or attorneys' fees or any remedy of any kind, whether in contract or in tort, under either Statutory of Common Law or both, nor any claim for intentional or reckless.

5. By execution of this instrument, Grantor also authorizes and directs all persons responsible for paying and delivering the royalty subject to this instrument (the "subject royalties") to commence paying and delivering the subject royalties to the Grantor in accordance with this instrument.

6. TO HAVE AND TO HOLD the above-described property and rights, together with all and singular the rights and appurtenances thereto in any wise belonging, unto said Grantor, and the Grantee’s heirs, successors, assignees, and assigns forever, and the Grantor does hereby bind himself and his heirs, assigns and her, and the heirs and assigns of any grantor, unto said Grantor, and Grantee’s heirs, successors, assignees, and assigns, against every person whosoever lawfully claims to have, or to assert the same or any part thereof.

WITNESS the following signatures, this the 22nd day of April, 1995.

Mildred Stanley, S.S.I.

[Signature]

[Signature]
STATE OF TEXAS  
COUNTY OF HUNTER

This instrument was acknowledged before me on 22nd of April 19__, by Mildred Stanley.

Rose C. Mowel  
Notary Public, State of Texas  
Notary's name printed: Rose C. Mowel

My Commission expires: 12/31/98

EXHIBIT "A"

Attached to and made a part of Royalty Conveyance with Mildred Stanley, as grantor, and ROYALTY RESERVE GROUP, as grantee, covering lands situated in Smith County, Texas.


Reference is made to the above leases or units for descriptive purposes only and shall not limit this conveyance to any particular depths or wellbores.

STATE OF TEXAS COUNTY OF SMITH  
I hereby certify that this instrument was filed on the date and time stamped hereon by the seal and wax stamp, as required in the Land Records of Smith County, Texas.

JUL 20 1994  
MARY MORRIS  
COUNTY CLERK, Smith County, Texas  
Deputy

Royalty Reserve Group
ASSIGNMENT OF MINERAL, ROYALTY, OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: That LACY H. WILLIAMS, M.D. and EDITH BROYLES WILLIAMS, husband and wife, with address of 416 Travis St., Suite 1200, Shreveport, Louisiana 71101, hereinafter called Grantor (whether one or more), for and in consideration of the sum of Ten and More Dollars ($10.00 & More) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged, do hereby sell, convey, transfer, assign and deliver unto L&M/EN FAMILY PARTNERS, LTD. #1 (a Colorado Limited Partnership with address of 416 Travis St., Suite 1200, Shreveport, Louisiana 71101), hereinafter called Grantee, an undivided all of Grantor's right, title and interest in and to all of the oil, gas and other minerals, royalty, and/or overriding royalty in and under and that may be produced from the lands described on Exhibit "A" attached hereto and made a part hereof for all purposes. It is specifically agreed and understood that Grantee herein is not being assigned, nor does Grantee herein receive, any leasehold working interest or any other liability.

TO HAVE AND TO HOLD unto the said Grantee, its heirs, successors, administrators, and assigns, such overriding royalty interest in and to the said oil, gas, and other minerals so produced and saved from said lands as set forth to Grantor, to be delivered free of cost to the royalty owner in the pipe lines serving said premises or tanks erected thereupon for the purpose of storing such products; and Grantee does agree to warrant and defend the title to the same and does warrant that Grantor has lawful authority to sell and convey said mineral, royalty, and/or overriding royalty interest.

WITNESS my hand this 16th day of November, 1992.

WITNESSES:

[Signatures]

LACY H. WILLIAMS

EDITH BROYLES WILLIAMS

STATE OF LOUISIANA
PARISH OF CADDO

BEFORE me, the undersigned authority, a Notary Public in and for said Parish and State, on this day personally appeared LACY H. WILLIAMS and EDITH BROYLES WILLIAMS, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 16th of November, 1992.

[Notary Public in and for Caddo Parish, Louisiana]

HELEN NICKMAN

NOTARY PUBLIC IN AND FOR CADDO AND BOSSIER PARISHES, LA.
MY COMMISSION IS FOR LIFE
EXHIBIT "A"

DUER WAGNER & CO. - ELKTON GAS UNIT #1


(Note: the interest being assigned is that described in and which creates the royalty interest decimal attributable to Dr. Lacy H. Williams, being 0.0000421000 mti, pursuant to that certain Duer Wagner & Co. Division Order dated October 1, 1992, for Property No. 679003, effective as of the date of first production.)

(Also Note: No working interest, if any, is being assigned.)

STATE OF TEXAS COUNTY OF SMITH

I hereby certify that the instrument was filed on the date and time stamped herein by me and was duly recorded in the Land Records of Smith County, Texas.

Nov 30 1992

MARY MORRIS
COUNTY CLERK, SMITH COUNTY, TEXAS

FELICIA J. MCKEOWN, Deputy

FELICIA J. MCKEOWN, Deputy
ASSIGNMENT OF MINERALS, ROYALTY, OVERRIDING ROYALTY INTEREST

KNOW ALL MEN BY THESE PRESENTS: That LACY H. WILLIAMS, M.D. and EDITH BROYLES WILLIAMS, husband and wife, with address of 416 Travis St., Suite 1200, Shreveport, Louisiana 71101, hereinafter called Grantor (whether one or more), for and in consideration of the sum of Ten and More Dollars ($10.00 & More) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged, do hereby sell, convey, transfer, assign and deliver unto LM/EW FAMILY PARTNERS, LTD. #1 (a Colorado Limited Partnership with address of 416 Travis St., Suite 1200, Shreveport, Louisiana 71101), hereinafter called Grantee, an undivided all of Grantor’s right, title and interest in and to all of the oil, gas and other minerals, royalty, and/or overriding royalty in and under and that may be produced from the lands described on Exhibit “A” attached hereto and made a part hereof for all purposes. It is specifically agreed and understood that Grantee herein is not being assigned, nor does Grantee herein receive, any leasehold working interest or any other liability.

TO HAVE AND TO HOLD unto the said Grantee, its heirs, successors, administrators, and assigns, such overriding royalty interest in and to the said oil, gas, and other minerals so produced and saved from said lands as set forth to Grantor, to be delivered free of cost to the royalty owner in the pipe lines serving said premises or tanks erected thereupon for the purpose of storing such products; and Grantor does agree to warrant and defend the title to the same and does warrant that Grantor has lawful authority to sell and convey said mineral, royalty, and/or overriding royalty interest.

WITNESS my hand this 11th day of November, 1992.

WITNESSES:

LUCY EVANGELINE

Jeannie Pollen

LACY H. WILLIAMS

EDITH BROYLES WILLIAMS

STATE OF LOUISIANA
PARISH OF CADDIO

BEFORE me, the undersigned authority, a Notary Public in and for said Parish and State, on this day personally appeared LACY H. WILLIAMS and EDITH BROYLES WILLIAMS, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 11th day of November, 1992.

Notary Public in and for Caddo Parish, Louisiana

HELEN HICKMANN
NOTARY PUBLIC IN AND FOR
CADDIO AND BOSSIER PARISHES, LA
MY COMMISSION IS FOR LIFE

...
EXHIBIT "A"

DUE WAGNER & CO. - HOLLYTREE UNIT #1


(Note: the interest being assigned is that which creates the royalty interest decimal attributable to Lacy H. Williams, being .000044800, pursuant to the Duer Wagner & Co. Division Order dated October 1, 1990, effective as of date of first production.)

(Also Note: No working interest, if any, is being assigned.)

STATE OF TEXAS COUNTY OF SMITH

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the Land Records of Smith County, Texas.

NOV 30 1992
MARY MORRIS
COUNTY CLERK, SMITH COUNTY, TX
ASSIGNMENT AND BILL OF SALE

A. C. DeMoss, whose address is 104 West Hoyt Drive, Longview, Texas 75601 ("Assignor"), for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby transfer, assign, convey and quitclaim (without warranty or covenant of title, express or implied) unto Duer Wagner & Co., a Texas corporation, whose mailing address is 3400 City Center Tower II, 301 Commerce Street, Fort Worth, Texas 76102 ("Assignee"), effective as of July 1, 1993, at 7:00 o'clock a.m. local time (the "Effective Time"), the following assets, together with all rights incident thereto (all of which are herein called the "Assets"): A. All of Assignor's right, title and interest, including but not limited to any royalty or overriding royalty interest owned by Assignor, as to all depths, in and to the oil and gas leases, which are pooled or unitized in those units described on Exhibit "A", attached hereto and made a part hereof (the "Subject Property"); (i) Together with Assignor's corresponding right, title and interest in and to and derived from all presently existing and effective unitization, pooling and communization agreements, declarations and orders (including, but not limited to, all units and pooled areas formed under order, regulations, rules, or other official actions of any federal, state or other governmental agency having jurisdiction to which the Subject Property (or any part thereof) is committed, INSOPAR and ONLY INSOPAR as they are attributable to and allocable to Assignor's interest in the Subject Property (the "Pooled Interests"); and (ii) TOGETHER WITH Assignor's corresponding right, title and interest in and to all easements, rights-of-way, licenses, surface leases, servitudes, natural gas and natural gas liquid purchase and sale agreements, and other contracts, agreements and instruments (excepting any insurance contracts and bonds) relating to and appurtenant to the Subject Property and Pooled Interests, INSOPAR and ONLY INSOPAR as they are assignable and are attributable to or allocable to Assignor's interest in the Subject Property and Pooled Interests (collectively, the "Other Interests").

B. All of Assignor's right, title and interest in and to all oil and gas wells, all water wells, all salt water disposal wells, injection wells, all personal property, all equipment, all structures and all fixtures (including, but not limited to, tanks, pumps, pipelines, flowlines and waterlines) now or as of the Effective Time located upon or appurtenant to the Subject Property and the Pooled Interests, or used or obtained solely and directly in connection with the operation thereof or with the production, treatment, sale or disposal of hydrocarbons or water produced therefrom or attributable thereto (collectively, the "Other Property").

1) This Assignment and Bill of Sale is made subject to, and Assignee hereby accepts it subject to, all valid contracts, agreements, instruments and orders, if any, relating to the Assets including, but not limited to: all matters of record; all unit, pooling and communization agreements; all operating agreements; all easements and licenses; all farmout and farmin agreements; all surface lease agreements; all lease burdens, and all encumbrances.

2) Assignee, by acceptance of this Assignment and Bill of Sale, hereby covenants and agrees, effective as of the Effective Time, to assume, pay for, perform and comply with all of the duties, liabilities and obligations (express or implied), if any, relating to the Assets, including, without limitation, the terms and conditions
of: all valid operating, unit, pooling and communitization agreements; all valid lease burdens; all valid and applicable governmental laws, rules, regulations, orders and ordinances; and all other valid agreements, contracts, orders and instruments described or referred to in this Assignment and Bill of Sale and at Exhibit "A". Without limiting the generality of the foregoing, Assignee covenants and agrees, effective as of the Effective Time, to assume, perform and comply with all contractual, statutory and regulatory obligations (express or implied) to plug and abandon all wells (including, but not limited to, any temporarily abandoned wells) currently located on the Subject Property or leases and lands unitized, pooled, communitized or jointly operated therewith, and to remove all equipment and facilities and to restore the surface of the Subject Property and of leases and lands unitized, pooled, communitized or jointly operated therewith.

3) Assignee agrees to indemnify, defend and hold harmless Assignor, its' officers, directors, employees, agents, representatives and affiliated or parent companies from and against any and all claims, liabilities, losses, causes of actions, costs and expenses (including, without limitation court costs and reasonable attorney's fees), if any, that are attributable to the leases on or after the Effective Date including, but not limited to the obligation to properly plug and abandon all wells now located on the leases and damage to property, or injury or death to persons, occurring after the Effective Date.

4) Assignor agrees to indemnify, defend and hold harmless Assignee, its' officers, directors, employees, agents, representatives and affiliated or parent companies from and against any and all claims, liabilities, losses, causes of actions, costs and expenses (including, without limitation court costs and reasonable attorney's fees), if any, that are attributable to the leases prior to the Effective Date.

5) The reference in this Assignment and Bill of Sale to leasehold burdens, encumbrances, agreements, instruments, contracts and other matters shall not be deemed to ratify or create any rights in third parties, except where expressly stated.

6) INDEPENDENT INVESTIGATION AND DISCLAIMS: Assignee acknowledged the Assignee has relied solely on the basis of its own independent investigation of the Assets. Accordingly, Assignee agrees and hereby acknowledges that Assignor has not made, AND ASSIGNOR HEREBY EXPRESSLY DISCLAIMS AND NEGATES, AND THIS ASSIGNMENT AND BILL OF SALE IS MADE BY ASSIGNOR WITHOUT ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT COMMON LAW, BY STATUTE, OR OTHERWISE RELATING TO: (1) TITLE TO THE ASSETS (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, OR OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS); AND (2) ANY INFORMATION, DATA, OR OTHER MATERIALS (WRITTEN OR ORAL) FURNISHED TO ASSIGNEE BY OR ON BEHALF OF ASSIGNOR (INCLUDING, WITHOUT LIMITATION, IN RESPECT OF GEOLOGICAL DATA, THE EXISTENCE OR EXTENT OF OIL, GAS OR OTHER MINERAL RESERVES, THE RECOVERABILITY OF OR THE COST OF RECOVERING ANY SUCH RESERVES, THE VALUE OF SUCH RESERVES, ANY PRODUCT PRICING ASSUMPTIONS, PRESENT OR PAST PRODUCTION RATES, COMPLIANCE WITH LEASE TERMS, THE CONDITION OF ANY WELL, AND THE ABILITY TO SELL OIL OR GAS PRODUCTION AFTER THE EFFECTIVE TIME). Assignee covenants that Assignee has inspected the Assets and accepts the same "AS IS" and "WHERE IS".

7) This Assignment and Bill of Sale shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns. Assignor hereby agrees to bind Assignor and Assignor's successors and assigns, to warrant and to defend the title to the
Properties, unto Assignee and Assignee's successors and assigns against every person lawfully claiming or to claim the same, or any part thereof, by, through and under Assignor, but not otherwise. To the extent that any of the Properties consist of personal property or fixtures, the same are conveyed "as is" and "where is" and the IMPLIED WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY EXPRESSLY NEGATED.

8) It is not the intent of this Assignment and Bill of Sale to cover any royalty, overriding or fee mineral interest owned by Assignor in the lands described on Exhibit "A", and Assignor hereby reserves unto itself any and all overriding royalty, royalty or fee mineral interest that Assignor may own in and to those lands described on Exhibit "A".

Executed on the date contained in the acknowledgements of this instrument, to be effective for all purposes as of the Effective Time.

ASSIGNOR:
By: A. C. Demoss

THIS ASSIGNMENT IS AGREED TO AND ACCEPTED BY:
ASSIGNEE:
By: Duerr Wagner & Co.

STATE OF TEXAS
COUNTY OF TARRANT

BEFORE ME, the undersigned authority, a Notary Public in and for said county and state, on this day personally appeared DUERR WAGNER III, PRESIDENT for DUERR WAGNER & CO., a Texas corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 3rd day of September, 1993.

Notary Public

STATE OF
COUNTY OF

BEFORE ME, the undersigned authority, a Notary Public in and for said county and state, on this day personally appeared A. C. DEMOSS, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 2nd day of August, 1993.

Notary Public
EXHIBIT "A"

NACOGDOCHES COUNTY, TEXAS

1. Bates & Dorsey Gas Unit No. 1

Unit Designation of the Bates & Dorsey Gas Unit No. 1, Nacogdoches County, Texas, dated effective March 31, 1983, recorded in Volume 493, Page 403, Oil and Gas Records, Nacogdoches County, Texas, covering 674.63 acres, more or less, in the John Skelton Survey, A-53 and the Miguel Sacco Survey, A-49, Nacogdoches County, Texas.

2. Roy F. Davis No. 1


3. No. 1 Reavley Gas Unit

Unit Designation of the Inexco Oil Company-No. 1 Reavley Gas Unit, Nacogdoches County, Texas, dated July 27, 1972, recorded in Volume 116, Page 715, Oil and Gas Lease Records of Nacogdoches County, Texas, executed by Harry S. Phillips, et al, creating the Inexco Oil Company-No. 1 Reavley Gas Unit, and in any amendment or supplement to said Unit Designation and amendments and supplement thereto for a more particular description of said leases, said unit covering 695.0 acres, in the David Cook Survey, A-14 and other surveys, all in Nacogdoches County, Texas.

4. Southland Paper Mills, Inc. 1-D Gas Unit

Unit Designation of the Southland Paper Mills, Inc. 1-D Gas Unit, Nacogdoches County, Texas dated November 4, 1974, and recorded in Volume 121, Page 328, Oil and Gas Lease Records of Nacogdoches County, Texas, and in any amendment or supplement to said Unit Designation including (without limitation) instrument dated February 10, 1974, and recorded in Volume 122, Page 1, Oil and Gas Lease Records of Nacogdoches County, Texas, covering 672.148 acres in the John Durst Survey, A-26 and A-25, Nacogdoches County, Texas.

5. Spangler Gas Unit

Unit Designation of the Basin Operating Company Ltd.-Spangler Gas Unit, Nacogdoches County, Texas, dated February 1, 1974, recorded in Volume 120, Page 23, Oil and Gas Lease Records of Nacogdoches County, Texas, covering 668.45 acres in the John Durst Survey, A-26, Nacogdoches County, Texas.

6. Graham P. Stewart No. 1

1771.39 acres, more or less; included in the Exxon Corporation-Graham P. Stewart, Jr. Well No. 1, located in the Jefferson Wilson Survey, A-59, Nacogdoches County, Texas.

7. Talley-Campbell Gas Unit No. 1

Unit Designation of the Talley-Campbell Gas Unit No. 1, Nacogdoches County, Texas, dated May 8, 1972, recorded in Volume 116, Page 323, Oil and Gas Lease Records of Nacogdoches County, Texas, executed by Harry S. Phillips, creating the Talley-Campbell Gas Unit No. 1 and in any amendment or supplement to said Unit Designation including (without
limitation) instrument dated August 22, 1972, recorded in Volume 116, Page 837, Oil and Gas Lease Records of Nacogdoches County, Texas, executed by Harry S. Phillips, reference being here made to said Unit Designation and amendments and supplements thereto for a more particular description of said leases, said unit covering 660.0 acres, in the Miguel Sacco Survey, A-49 and other surveys, all in Nacogdoches County, Texas.

8. V. F. Yates Gas Unit 1-1

Unit Designation of the Exxon Corporation V. F. Yates Gas Unit 1-1, Nacogdoches County, Texas, dated recorded in Volume _____, Page _____, Oil & Gas Lease Records, Nacogdoches County, Texas, as amended, covering 685.827 acres, more or less, in the John Durst Survey, A-25, the John Durst Survey, A-26 and the John W. Holman Survey, A-33, Nacogdoches County, Texas.

9. P. W. Jenkins Gas Unit No. 1

Containing 660.71 acres of land in Cherokee County, Texas, John R. Taylor Survey, A-830 et al, as more fully described in Unit Designation dated August 24, 1977, recorded in Volume 727, Page 54, Deed Records of Cherokee County, Texas.

ANDERSON COUNTY, TEXAS

1. Colley Heirs Gas Unit No. 1

Unit Designation of the Colley Heirs Gas Unit No. 1, Anderson County, Texas, dated August 23, 1982, recorded in Volume 969, Page 711 of the Deed Records of Anderson County, Texas, covering 653.62 acres, more or less, in the Washington Lewis Survey, A-36, and the Robert S. Rayburn Survey, A-682, Anderson County, Texas, as corrected by Corrected Unit Designation of the Colley Heirs Gas Unit No. 1, Anderson County, Texas, dated August 23, 1982, recorded in Volume 975, Page 802 of the Deed Records of Anderson County, Texas.

CHEROKEE COUNTY, TEXAS

1. Henry O. Guenzel Gas Unit No. 1


2. A. J. Ramey Gas Unit No. 1

Declaration of Pooled Unit of the Basin Operating Company, Ltd.-A. J. Ramey Gas Unit No. 1, Cherokee County, Texas, dated November 18, 1985, recorded in Volume 990, Page 855 of the Deed Records of Cherokee County, Texas covering 347.34 acres, more or less, in the John Taylor Survey, A-844, the Joshua Leach Survey, A-520 and Juan Arrendaris Survey, A-80, Cherokee County, Texas.

3. Sessions S. James Gas Unit No. 1

Unit Designation of the Sessions S. James Gas Unit No. 1, Cherokee County, Texas, dated February 2, 1982, recorded in Volume 838, Page 43 of the Deed Records of Cherokee County, Texas.
Texas, covering 650.78 acres, more or less, in the Thomas Stanford Survey, A-758, the John Taylor Survey, A-844, the Joshua Leach Survey, A-520, and the Jose Maria Musquiz Survey, A-554, Cherokee County, Texas; as supplemented in Supplement to Unit Designation dated June 1, 1982, recorded in Volume Page of the Deed Records of Cherokee County, Texas.

HOUSTON COUNTY, TEXAS

1. Temple Industries No. 1 Gas Unit


SMITH COUNTY, TEXAS

1. R. H. Allen Estate Oil Unit No. 1

Unit Designation dated July 12, 1984, counterpart copies of which are recorded in Volume 2287, Page 315 and in Volume 2291, Page 531 of the Deed Records of Smith County, Texas, as amended by Amendment to Unit Designation dated October 24, 1984, recorded in Volume 2485, Page 166, of the Deed Records of Smith County, Texas, and covering 80.0 acres out of the Robert Tombs Survey, A-987 and the B. L. Robbin Survey, A-925, Smith County, Texas.

2. A. B. Dark Oil Unit No. 1


3. Elkton Gas Unit No. 1


4. Johnston-Hairston Oil Unit No. 1

5. Johnston-Hairston Oil Unit No. 2
Unit Declaration dated May 4, 1989, recorded in Volume 2911, Page 705 of the Land Records of Smith County, Texas, covering 88.0 acres out of the John Hope Survey, A-443, Smith County, Texas.

6. W. J. McMinn Gas Unit #1-UT
W. J. McMinn Gas Unit #1-LT
Unit Designation of the W. J. McMinn Gas Unit #1, Smith County, Texas, dated August 3, 1983, recorded in Volume 2151, Page 28 of the Land Records of Smith County, Texas, as amended in First Amendment to Unit Designation dated March 28, 1984, recorded in Volume 2256, Page 554, in Supplemental Unit Designation dated April 23, 1985, recorded in Volume 2398, Page 484, and in Amendment to Unit Designation dated June 4, 1987, recorded in Volume 2689, Page 50 of the Land Records of Smith County, Texas, covering 693.48 acres, more or less, in the Mary M. Long Survey, A-0562, the Thomas Price Survey, A-794, the N. A. Cowar Survey, A-235, the Hugh Curry Survey, A-268 and the F. Williams Survey, A-1033, Smith County, Texas.

7. W. J. McMinn A No. 1
Oil, Gas and Mineral Lease dated July 26, 1966 from Winnie Jack McMinn to Harry S. Phillips, recorded in Volume 1206, Page 92 of the Deed Records of Smith County, Texas, and covering 60.0 acres out of the Thomas Price Survey, A-794, Smith County, Texas.
STATE OF TEXAS  
COUNTY OF SMITH  

S. CHRIS HERDON ("Grantor"), for Ten Dollars and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), does hereby GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER, and DELIVER unto JACQUE OIL AND GAS LIMITED ("Jacque"), DUREN WAGNER III ("DWIII"), BRYAN C. WAGNER ("BCW"), JAMES D. FINLEY ("Finley"), H. E. PATTISON ("Patterson"), DENNIS D. CORKRAN ("Corkran") and DAVID JOHN ANDREWS ("Andrews"), each of whose address is 3400 City Center Tower II, 101 Commerce Street, Fort Worth, Texas 76102, (each of JACQUE OIL AND GAS LIMITED, DUREN WAGNER III, BRYAN C. WAGNER, JAMES D. FINLEY, H. E. PATTISON, DENNIS D. CORKRAN AND DAVID JOHN ANDREWS, herein individually called a "Grantee" and herein collectively called "Grantees") all of Grantor's interests in the following described properties, rights and interests (the "Assets"):  

(a) All of Grantor's undivided interests in and to the lands covered by the oil and gas (or oil, gas, and mineral) leases described in and/or held by production from the unit declarations, pooling orders, unitization agreements, deeds, licenses, permits and other agreements described in attached Exhibit A or related to or affecting the Assets described in Exhibit A (the "Leases").  

(b) All of Grantor's undivided interests in and to all of the following located on the land covered by the Leases (the "Land"): oil, condensate, or natural gas wells, water source wells, water injection wells, and salt water disposal wells, whether producing, operating, shut-in, or temporarily abandoned; all tubular goods, well equipment, and production equipment; pipelines and all severed oil and natural gas, and other substances; and all other personal property, improvements or fixtures on, in, and under any of the Leases or the Land.  

(c) All of Grantor's undivided interests in, to and under all agreements, including but not limited to, all operating agreements, farmout agreements, product purchase and sale contracts, surface leases, easements, permits, licenses, and rights of way to the extent the same relate to or are unitized in connection with the Leases or the Land.  

(d) Without limiting the foregoing, all of Grantor's presently owned undivided interests in the present and future rights, titles, and interests in the Land, at all depths, including working interests, royalty interests, overriding royalty interests, production payments, mineral interests, reversionary interests, and all other interests in oil, gas and other mineral.  

TO HAVE AND TO HOLD the Assets unto Grantees, their respective successors and assigns, forever.  

THIS ASSIGNMENT, CONVEYANCE AND BILL OF SALE IS EXECUTED WITHOUT ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION AS TO THE MERCHANTABILITY OF ANY OF THE ASSETS OR THEIR FITNESS FOR ANY PURPOSE, AND EXCEPT FOR THE LIMITED SPECIAL WARRANTY OF TITLE, WITHOUT ANY OTHER EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER. IN ADDITION, EXCEPT AS EXPRESSLY SET FORTH IN THE PURCHASE AGREEMENT, GRANTOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED GRANTEES IN CONNECTION WITH THE EVALUATED INTERESTS (AS SUCH TERM IS DEFINED IN THE PURCHASE AGREEMENT), OR AS TO THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO SUCH EVALUATED
INTERESTS OR THE ABILITY OF SUCH EVALUATED INTERESTS TO PRODUCE HYDROCARBONS; PROVIDED, GRANTOR IS NOT AWARE OF ANY MATERIAL INACCURACY, OR LACK OF COMPLETENESS, REGARDING SUCH DATA, INFORMATION OR MATERIALS. GRANTEES EXPRESSLY WAIVE THE PROVISIONS OF CHAPTER 17, SUBCHAPTER E, SECTIONS 17.41 THROUGH 17.63, INCLUSIVE (OTHER THAN SECTION 17.555, WHICH IS NOT WAIVED), VERNON'S TEXAS CODE ANNOTATED BUSINESS & COMMERCIAL CODE.

The Assets are conveyed to and accepted by Grantees in the respective undivided percentage interests set forth below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jacque</td>
<td>33.952%</td>
</tr>
<tr>
<td>DWIII</td>
<td>21.016%</td>
</tr>
<tr>
<td>BCW</td>
<td>21.016%</td>
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<tr>
<td>Finley</td>
<td>21.016%</td>
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<tr>
<td>Patterson</td>
<td>1.000%</td>
</tr>
<tr>
<td>Corkran</td>
<td>1.000%</td>
</tr>
<tr>
<td>Andrews</td>
<td>1.000%</td>
</tr>
</tbody>
</table>

100.000%

In addition to the specific conveyance provided for above, it is the intent of this instrument to convey any and all of S. Chris Herndon's right, title and interest (regardless of the nature of such interest) that is owned of record by S. Chris Herndon in Smith County, Texas and which was acquired by instrument of conveyance from October 1, 1983 through and including April 30, 1994 whether or not such interest(s) are specifically described herein.

IN WITNESS WHEREOF, this Assignment, Conveyance and Bill of Sale has been executed and delivered on June 8, 1994, effective as to runs of oil and deliveries of gas, and for all other purposes, as of 7:00 o'clock a.m. Central Daylight Time on May 1st, 1994 (the "Effective Time").

"GRANTOR"

S. Chris Herndon

STATE OF TEXAS   
COUNTY OF HARRIS  

This instrument was acknowledged before me on this the 8th day of June, 1994, by S. CHRIS HERNDON.

Notary Public

0694RS31.AST
SMITH COUNTY, TEXAS


R.H. Allen Estate Oil Unit No. 1


F.K. Bright Gas Unit No. 1


A.B. Dark Oil Unit No. 1


Elkton Gas Unit No. 1

5. Pooling Declaration of the Greiling Estates-Franklin-Smith Unit, Smith County, Texas, dated July 26, 1957, recorded in Volume 884, page 546, Deed Records of Smith County, Texas, covering 80.0 acres, more or less, in the Benijin Lafferty Survey, A-13, Smith County, Texas.

Franklin-Smith Unit
8. Unit Agreement for the UPX Energy Company-Hitts Lake Unit, Smith County, Texas, dated June 1, 1976, recorded in Volume 1604, page 595, Deed Records of Smith County, Texas, insofar as said Unit Agreement applies to Tract Four, of said Unit covering 19.88 acres, more or less, in the John Lane Survey, A-154, described in Pooling Declaration dated February 5, 1954, recorded in Volume 738, page 152, Deed Records, Smith County, Texas.

Hitts Lake Unit Phase I & II


Rabon Hitt No. 1


Hollytree (Paluxy) Unit

9.pooling declaration of the Ohio Oil Company-Jarvis-White Unit, Leon County, Texas, dated September 12, 1957, recorded in Volume 889, page 585 of the Deed Records of Smith County, Texas, covering 80.0 acres, more or less, in the M.G. Henriquez Survey, A-11, Smith County, Texas.

Jarvis-White Unit


Johnston-Hairston Oil Unit No. 1


Johnston-Hairston Oil Unit No. 2


Kickapoo Creek Gas Unit No. 1

W.J. McMinn Gas Unit #1-UT

W.J. McMinn Gas Unit #1-LT


W.J. McMinn A No. 1

15. Unit Designation of the Phillips No. 1-Fee Mineral Gas Unit, Smith County, Texas, dated October 2, 1985, recorded in Volume 2464, page 863 of the Land Records of Smith County, Texas, as amended by Amended Unit Designation dated November 7, 1985, recorded in Volume 2486, page 154 of the Land Records of Smith County, Texas, covering 641.52 acres, more or less, in the Thomas Quevedo Survey, A-18 and the Thomas Price Survey, A-794, Smith County, Texas.

Phillips No. 1 Fee Mineral Gas Unit


Shamburg Lake Unit Tract No. 17


South Tyler (Paluxy) Unit

18. Declaration of Pooled Unit for the American Petrofina Company of Texas-J.F. Ware Gas Unit #1, dated August 16, 1982, recorded in Volume 2015, page 360 of the Deed Records of Smith County, Texas, as amended, covering 644.077 acres, more or less, in the Benijah Lafferty Survey, A-13, Smith County, Texas.

J.F. Ware Gas Unit #1

Vernon B. Wilson Gas Unit No. 1

20. Declaration of Pooled Unit for the American Petrofina Company of Texas-Woolf Gas Unit No. 1, dated April 24, 1978, recorded in Volume 1963, page 786 of the Deed Records of Smith County, Texas, covering 699.24 acres, more or less, in the M.G. Henriquez Survey, A-11, Smith County, Texas, insofar as said unit covers 60.0 acres, more or less, within the above described 699.24 acres, being described by metes and bounds in Pooling Declaration dated September 12, 1957, recorded in Volume 889, page 583 of the Deed Records of Smith County, Texas.

Woolf Gas Unit No. 1

exhibits
File No 764026, Austin County, Texas
50% 166.23 acre
Henry & Rose Phillips Tract
Kuykendall Survey
Austin County, Texas

Substitute Trustee Deed
Vol 2590, p. 183
4.851 acres O "L" Tract
M.M. Long 561 Survey
Smith County, Texas

4 lots
Raintree Tract
M.M. Long 561 Survey
Smith County, Texas

Vol 2301, p. 354,
Vol 2119, p. 662,
Vol 1599, p. 860
176.159 acres
Sanders & McWhorter tracts
Don Thomas Quevado 18 Survey
Smith County, Texas

Vol 1607, p. 763
23.1499 acres
Williams Tract
Williams Keys 526 Survey
Smith County, Texas

Vol 1732, p. 238,
Vol 1607, p. 763
43.4587 acres
Ellerd Tract, Marshall
University 624 Survey
Smith County, Texas

Vol 1650, p. 592
Vol 1473, p. 170.
Vol 1643, p. 86,
Vol 1963, p. 674,
Vol 1592, p. 379
71.186 acres
Pink, Massey, Massey, Hinton
Tract, Williams Keys 526 Survey
Smith County, Texas

Vol 1607, p. 763
Vol 2154, p. 851
Vol 2201, p. 635
Vol 2014, p. 478
Vol 2092, p. 424
464.2 acres
Byars, Dark, Tyler
Packing Tract
Thomas Price 794.M.M.
Long 562, John Hope 443
Survey, Smith County
Texas

Vol 1438, p. 681
Vol 1603, p. 154
109.27 acres
Hal, Yarbrough Tract
Williams Keys 526 Survey
Smith County, Texas

Vol 1633, p. 399
66.561 acres
Jordan Tract
Uisman Jernigan 521 Survey
Smith County, Texas

SKORD TRACT - 18 acres Smith County, Texas
Vol 2878, p 14, Vol 2023, p 858

WEAVER TRACT - 50 acres Smith County, Texas
Vol 2876, p 14, Vol 2043, p 551

KNIGHT TRACT - 53.5 acres Smith County, Texas
Vol 2878, p 14, Vol 2104, p 221

NORTH BROADWAY INDUSTRIAL PARK - 398.76 acres, Smith County, Texas
Vol 1489, p 347

HOLLITREE - 342 acres Smith County, Texas
Vol 1921, p 265
Vol 2900, p 814

RECORD REFERENCE ABOVE IS FOR INFORMATIONAL PURPOSES ONLY.
WHEREAS, W. D. MCMAHON, whose address is P. O. Box 889, Longview, Texas 75606 (hereinafter called "Assignor"), is the owner and/or holder of certain undivided interests in the following (collectively called the "Assets"): 

1. The oil and gas (or oil, gas, and mineral) leases, pooled units, unit declarations, unitization agreements, deeds, licenses, permits and other agreements described in attached Exhibit "A" or related to or affecting the Assets described in Exhibit "A" (the "Leases");

2. The following located on the land covered by the Leases (the "Land"): oil, condensate, or natural gas wells, water source wells, water injection wells, and salt water disposal wells, whether producing, operating, shut-in, or temporarily abandoned; all tubular goods, well equipment, compressors and production equipment; pipelines and all severed oil and natural gas, and other substances; and all other personal property, improvements or fixtures on, in, and under any of the Leases or the Land;

3. Agreements, including but not limited to, operating agreements, farmout agreements, product purchase and sale contracts, surface leases, easements, permits, licenses, and rights of way that relate to or are utilized in connection with the Leases or the Land;

4. Present and future rights, titles, and interests in the Leases and the Land, at all depths, including working interests, royalty interests, overriding royalty interests, production payments, mineral interests, reversionary interests, and all other interests in oil, gas, and other minerals; and

WHEREAS, Assignor desires to assign to the hereinafter named Assignee, and said Assignee desires to acquire from Assignor, subject to any Reservations and Limitations set forth in Exhibit "A", ALL of Assignor's undivided interests in and to the Assets in the percentages set forth opposite each of the Assignee's respective names;

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration in hand paid by JACQUE OIL & GAS LIMITED, DUER WAGNER III, BRYAN C. WAGNER, JAMES D. FINLEY, H. E. PATTERSON, DENNIS D. CORKRAN, DAVID J. ANDREWS AND GYSLE SHELLUM, (herein collectively called "Assignee"), whose address is 3400 City Center Tower II, 301 Commerce Street, Fort Worth, Tarrant County, Texas 76102, to Assignor, the receipt and sufficiency of which is hereby acknowledged, Assignor has BARGAINED, SOLD, CONVEYED, ASSIGNED, and TRANSFERRED, and by these presents does hereby BARGAIN, SELL, CONVEY, ASSIGN, and TRANSFER, unto Assignee in the percentages set forth opposite each Assignee named below, all of Assignor's right, title and interest in and to the Assets, as stated in Exhibit "A", which includes but is not limited to all leasehold equipment and fixtures located in, on, and about and used in connection with those certain wells referred to on said Exhibit "A", and all associated rights appertaining to said interests in said wells and leasehold lands:

<table>
<thead>
<tr>
<th>ASSIGNEE</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>JACQUE OIL &amp; GAS LIMITED</td>
<td>23.50%</td>
</tr>
<tr>
<td>DUER WAGNER III</td>
<td>23.50%</td>
</tr>
<tr>
<td>BRYAN C. WAGNER</td>
<td>23.50%</td>
</tr>
<tr>
<td>JAMES D. FINLEY</td>
<td>23.50%</td>
</tr>
<tr>
<td>H. E. PATTERSON</td>
<td>1.50%</td>
</tr>
<tr>
<td>DENNIS D. CORKRAN</td>
<td>1.50%</td>
</tr>
<tr>
<td>DAVID J. ANDREWS</td>
<td>1.50%</td>
</tr>
<tr>
<td>GYSLE SHELLUM</td>
<td>1.50%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>
The Assets are assigned subject to and/or burdened by the following:

(a) The terms, provisions and conditions of the Leases;

(b) The terms, provisions and conditions of the Operating Agreements and all other agreements, documents and instruments affecting the Assets;

(c) The terms, provisions and conditions of all other agreements, documents and instruments of record in Smith County, Texas relating to the Assets;

(d) The lessors' reserved royalty provided for in the Leases; and

(e) The Purchase Agreement dated June 27, 1995, between Assignor and Duer Wagner & Co.

The leasehold equipment and fixtures conveyed hereby are conveyed "WHERE IS", "AS IS" and "WITH ALL FAULTS," and no warranties are to be implied, including, but not limited to, any warranty for a particular purpose or any warranty of merchantability.

TO HAVE AND TO HOLD the Assets together with all and singular the rights and appurtenances thereto in anywise belonging, unto Assignee, its successors and assigns, forever; and Assignor does hereby bind itself and its successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Assets unto the said Assignee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through and under Assignor, but not otherwise.

Assignor shall be responsible for and shall defend, indemnify and hold assignee, its successors and assigns, harmless against all costs, expenses, losses, claims, damages, liabilities, demands, suits, and causes of action (including all attorney's fees, court costs and other expenses in investigation or litigation) pertaining to ownership of the Assets and the operation and environmental condition thereof prior to the Effective Time during the period of Assignor's ownership of the Assets.

Assignee shall be responsible for all costs, expenses, losses, claims, damages, liabilities, demands, suits, and causes of action (including all attorney's fees, court costs and other expenses of investigation or litigation) pertaining to ownership of the Assets and the operation and environmental condition thereof on and after the Effective Time. Assignee, as to the interest assigned, hereby assumes and agrees to timely perform and discharge all duties and obligations of the owner of Assets arising on and after the Effective Time, including, but not limited to, the obligation to properly plug and abandon the existing wells comprising the Assets, at Assignee's sole cost, risk and expense, in accordance with the applicable rules and regulations of any authority having jurisdiction thereof and to clean and restore the surface of the land around the existing wells in accordance with the terms of the leases upon which said wells are located.

The terms and provisions of this instrument shall be covenants running with the lands affected hereby and shall inure to the benefit of Assignee, their respective heirs, legal representatives, successors and assigns.

This instrument shall be effective as of the first day of April, 1995, at 7:00 a.m. Texas time.

IN WITNESS WHEREOF, this instrument is executed this 23rd day of July, 1995.

W. D. McMahon

STATE OF TEXAS

COUNTY OF Gregg

This instrument was acknowledged before me on this the 23rd day of July, 1995 by W. D. McMahan.
ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT, CONVEYANCE AND BILL OF SALE EFFECTIVE APRIL 1, 1995 BETWEEN W. D. MCMAHON ("ASSIGNOR") AND JACQUE OIL AND GAS LIMITED ("ASSIGNEE").

R. H. Allen Estate Oil Unit No. 1

Unit Designation dated July 12, 1984, counterpart copies of which are recorded in Volume 2287, Page 315 and in Volume 2291, Page 531 of the Deed Records of Smith County, Texas, as amended by Amendment to Unit Designation dated October 24, 1985, recorded in Volume 2485, Page 166, of the Deed Records of Smith County, Texas, and covering 80.0 acres out of the Robert Tombs Survey, A-987 and the B. L. Robbin Survey, A-925, Smith County, Texas.

A. B. Dark Oil Unit No. 1


Elkton Gas Unit No. 1


Rabon Hitt No. 1

Oil and Gas Lease dated December 19, 1962 from J. E. Heath et ux to Humble Oil and Refining Company, recorded in Volume 1065, Page 504 of the Deed Records of Smith County, Texas, covering 83.36 acres out of the Marshall University Survey, A-624, Smith County, Texas.

Hollytree (Paluxy) Unit


W. J. McMinn Gas Unit #1UT and W. J. McMinn Gas Unit #1LT

Unit Designation of the W. J. McMinn Gas Unit #1, Smith County, Texas, dated August 3, 1983, recorded in Volume 2151, Page 28 of the Land Records of Smith County, Texas, as amended in First Amendment to Unit Designation dated March 28, 1984, recorded in Volume 2256, Page 554, in Supplemental Unit Designation dated April 23, 1985, recorded in Volume 2398, Page 484, and in Amendment to Unit Designation dated June 4, 1987, recorded in Volume 2689, Page 50 of the Land Records

W. J. McMinn A No. 1

Oil, Gas and Mineral Lease dated July 26, 1966 from Winnie Jack McMinn to Harry S. Phillips, recorded in Volume 1206, Page 92 of the Deed Records of Smith County, Texas, and covering 60.0 acres out of the Thomas Price Survey, A-794, Smith County, Texas.

Phillips No. 1 Fee Mineral Gas Unit

Unit Designation of the Phillips No. 1-Fee Mineral Gas Unit, Smith County, Texas, dated October 2, 1985, recorded in Volume 2464, Page 863 of the Land Records of Smith County, Texas, as amended by Amended Unit Designation dated November 7, 1985, recorded in Volume 2486, Page 134 of the Land Records of Smith County, Texas, covering 641.05 acres, more or less, in the Thomas Quevado Survey, A-18 and the Thomas Price Survey, A-794, Smith County, Texas.

0795RS16.EXA

Filed for Record in:
SMITH COUNTY, TEXAS
MARY MORRIS - COUNTY CLERK

On Jul 31 1995
At 7:16am
Deputy - Janis Farrell

Return to:
Dale Wagner & Co.
3400 City Center Tower II
301 Commerce St.
Ft. Worth, TX 76102

STATE OF TEXAS COUNTY OF SMITH
I hereby certify that the instrument was filed on the date and time stamped hereon by me and was duly recorded in the Land Records of Smith County, Texas.

JUL 31 1995
MARY MORRIS
COUNTY CLERK, Smith County, Texas
By: /s/ Deputy
**Examined and Charged as Follows:**

<table>
<thead>
<tr>
<th>Recordings - Land</th>
<th>76.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Recording:</td>
<td>76.00</td>
</tr>
</tbody>
</table>

************ DO NOT REMOVE THIS PAGE IS PART OF THE INSTRUMENT ************

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

**File Information:**
- Document Number: 2008-R00012816
- Receipt Number: 466015
- Recorded Date/Time: March 18, 2008 03:38:21P
- User / Station: C Aparicio - Cash Station 1

**Record and Return To:**
- SMITH COUNTY TITLE
- MANUAL PICK UP
- TYLER TX 75702

I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

[Signature]
County Clerk
Smith County, Texas
DESIGNATION OF DRILLSITE AND WAIVER OF SURFACE RIGHTS

STATE OF TEXAS §
COUNTY OF SMITH §

This "Agreement" for the designation of drillsites and waiver of surface rights is entered into by and between RYNO TEXAS HOLDINGS, INC., a Texas corporation, Trustee ("Ryno") and RICHARD LILLY, as agent for Cherokee of VA LLC, EDWARD G. R. BENNETT, ADELAIDA U. BENNETT, EDWARD G. LILLY, JR. CRAIG M. BENNETT, JR., SANDRA S. BENNETT, AND TRADD STREET, LLC, a South Carolina limited liability company ("Cherokee") effective as of the 14th day of March, 2008 (the "Effective Date").

WHEREAS, Cherokee is the owner of the mineral estate of the 178.55 acre tract of real property described on Exhibit "A;"

WHEREAS, Ryno desires to purchase the Property from Cherokee, develop and sell the Property for residential and commercial purposes and further requests that Cherokee specifically designate one (1) drillsite location on the Property and waive its surface rights to the remainder of the Property:

WHEREAS, Cherokee is willing to designate one (1) drillsite location on the Property and to waive its surface rights to the remainder of the Property in exchange for the easements to be granted by Ryno to Cherokee as provided in this Agreement;

IT IS, THEREFORE, AGREED AS FOLLOWS:

1. For and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Cherokee agrees to and shall designate one (1) drillsite location on the Property from which all drilling and mining operations shall be thereafter conducted on the Property. Except with respect to (i) the real property contained within the perimeter boundary of the Drillsite Location described in Paragraph 2, below, and (ii) the easements granted to Cherokee by Ryno described in Paragraphs 3 and 4, below, Cherokee hereby expressly waives, releases and relinquishes (a) all of Cherokee's rights of ingress and egress upon, over and across the Property, or any part thereof, and (b) all of Cherokee's rights of every kind and character whatsoever to enter upon or to use the surface of the Property, or any part thereof, including, without limitation, the right to enter upon or to use the surface of the Property for the purposes of exploring for, conducting seismic or other detection work, development, drilling, producing, transporting, mining, treating, storing, or any other purposes incident to he development, production or transmission of the oil, gas, and other minerals in, on and under the Property. Nothing herein contained shall ever be construed to prevent Cherokee from (i) entering on or over any part of the Property in the event that such an entry is required due to a dire emergency, or (ii) developing or producing the oil, gas and other minerals in and under the Property (i) from either the Drillsite Location, or (ii) under the terms of any lease or by pooling or by directional drilling under the Property from wellsites located on tracts of real property other than the Property.

2. Cherokee hereby designates the tract of real property described on Exhibit "B," which is attached hereto and incorporated herein for all purposes, as the "Drillsite Location."

3. For and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency
of which are hereby acknowledged, Ryno hereby grants to Cherokee a fifty (50) foot wide easement and right-of-way for ingress and egress between Crow Road (CR 159) and the Drillsite Location, the dominant tenement, and for the location, construction, maintenance, replacement and operation of pipelines, water lines or other utilities upon, over, across and under the Property, the servient tenement, in the specific location described on Exhibit "C," which is attached hereto and incorporated herein for all purposes (the "Easement Location"); provided, however, that by designation filed by Cherokee in the Official Public Records of Smith County, Texas, Cherokee shall have the right to relocate the easement and right-of-way for the Easement Location to any point on the North boundary line of the Drillsite Location.

4. For and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Ryno hereby grants to Cherokee a thirty (30) foot wide easement and right-of-way for the location, construction, maintenance, replacement and operation of pipelines, water lines or other utilities upon, over, across and under the Property in the specific locations described on Exhibit "D," which is attached hereto and incorporated herein for all purposes.

5. The easements herein granted by Ryno to Cherokee shall terminate on the date on which the purpose of the easements, as described in Paragraphs 3 and 4 of this Agreement, ceases to exist, is abandoned by Grantee, or becomes impossible of performance.

6. The easements herein granted by Ryno to Cherokee are nonexclusive, and Ryno expressly reserves and retains the right to convey similar rights and easements to such other persons or entities as Ryno, its successors and assigns, may deem proper for so long as such similar rights and easements do not conflict with or limit the use of the easements herein granted by Ryno to Cherokee.

7. During the full term of any and all of the easements granted in this Agreement, Cherokee agrees to and shall hold harmless, defend, and indemnify Ryno against any suits, liabilities, claims, demands, or damages, including but not limited to personal injuries and attorneys' fees, arising from Cherokee's exploration for, drilling, production or transmission of oil, gas or other minerals from either of the drill sites or Cherokee's exercise of the easement rights granted in this Agreement. During the full term of any and all of the easements granted in this Agreement, Ryno agrees to and shall hold harmless, defend, and indemnify Cherokee against any suits, liabilities, claims, demands, or damages, including but not limited to personal injuries and attorneys' fees, arising from Ryno's use of the Property.

8. Cherokee shall have the right to cut and trim trees or shrubbery that may encroach upon the easement areas described in Paragraphs 3 and 4 of this Agreement. Cherokee agrees to and shall dispose of all cuttings and trimmings either by piling and burning in the easement area (subject to fire or air pollution laws and regulations) or by loading and hauling away from the Property.

9. Ryno agrees that Ryno shall not use of the surface of the easement areas described in Paragraphs 3 and 4 of this Agreement for any and all purposes without the prior written consent of Cherokee, which consent may be withheld for any reason. This includes, without limitation, the right to build and use the surface of the easement area for drainage ditches and private streets, roads, driveways, alleys, walks, gardens, lawns, planting or parking areas, and other like uses and to dedicate all or any part of the easement area to any city for use as a public street, road, or alley.

10. At the termination of each of the easements described in Paragraphs 3 and 4, Cherokee agrees to and shall promptly reclaim and re-grade the easement areas to the reasonable satisfaction of Ryno.
11. This Agreement shall be binding upon and shall inure to the benefit of both Ryno and Cherokee and their respective successors and assigns. Both Ryno and Cherokee shall have the right to assign this Agreement without the consent of the other party.

12. This Agreement shall be construed and enforced under the laws of the State of Texas, and venue for any dispute, controversy or other claim of either party hereto shall be in Smith County, Texas.

13. If any controversy, claim, or dispute arises relating to this Agreement or its breach, the prevailing party shall be entitled to recover from the other party reasonable expenses, attorneys' fees, and costs.

14. This Agreement contains the entire agreement between the Ryno and Cherokee relating to its subject matter. Any oral representations or modifications concerning this Agreement shall be of no force and effect. Any subsequent amendment or modification of this Agreement must be in writing and agreed to by all parties hereto.

EXECUTED in multiple originals on the Effective Date indicated above.

RYNO TEXAS HOLDINGS, INC., TRUSTEE

BY: BRANDON STEELE, President

STATE OF TEXAS  §
COUNTY OF SMITH  §

This instrument was acknowledged before me on March 14, 2008 by Brandon T. Steele, President of Ryno Texas Holdings, Inc., a Texas corporation, on behalf of said corporation in its capacity as Trustee.

CAROLYN OWEN
Notary Public, State of Texas

(Cherokee Signatures and Acknowledgments are on the following pages)
[Signature Pages to Designation of Drillsites and Waiver of Surface Rights]

Seller:

\[Signature\]

RICHARD LILLY, as agent for Cherokee of VA LLC, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr. and Sandra S. Bennett

TRADD STREET, LLC, a South Carolina limited liability company

By: \[Signature\]
Lasca H. Lilly, Manager
[Signature Pages to Designation of Drillsites and Waiver of Surface Rights]

Seller:

MSJ PROPERTIES, LTD., a Texas limited partnership

By: MSJ Management, Inc., a Texas corporation, its general partner

By: [Signature]
Margaret M. Mebus, President

AFTER RECORDING
RETURN TO:

Smith County Title Company
5040 Kinsey Drive
Tyler, Texas 75703

# 71425 Ryno Texas Holdings
EXHIBIT A

Being a 178.55 acre tract in the Marshall University Survey, Abstract No. 624, part of a called 226 acre tract, (Parcel 1) from James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr. to Cherokee of Va., L. L. C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 178.55 acre tract being more completely described as follows:

Beginning at a ½" iron rod found in the North boundary line of said 226 acre Marsh-McIlwaine tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records;

Thence North 86 degrees 18 minutes 22 seconds East, with the North boundary line of said 226 acre Marsh-McIlwaine tract and the South boundary line of said 0.708 acre Crow Towing Service, Inc. tract, at a distance of 1095.98 feet and a perpendicular distance of 0.44 feet North, pass a ½" iron rod found at the Southeast corner of a called 8.055 acre tract from E. Alice Garrard Prichard to Leonard Leifer and Jim Berry described in a Deed recorded in Volume 5906, Page 26 of said Smith County Official Public Records, at a distance of 1194.56 feet and a perpendicular distance of 0.38 feet North, pass a railroad spike found near the West edge of pavement of County Road No. 1211 at the Southeast corner of a called 0.328 acre tract from Ronald W. Blue to Linda F. Darnell described in a Deed recorded in Volume 3505, Page 292 of said Smith County Official Public Records, and continuing across the occupied right of way of said County Road No. 1211, and with the South boundary line of a called 0.346 acre tract from Reid Troxell to Carl Troxell et ux, Linda Troxell described in a Deed recorded in Volume 2790, Page 633 of said Smith County Official Public Records for a total distance of 1323.23 feet to a ½" iron rod to be set in the North boundary line of said 226 acre Marsh-McIlwaine tract, in the West boundary line of a called 5.5 acre tract from Gary David Baldwin et al to Charles Mark Gibson described in a Deed recorded in Volume 3893, Page 680 of said Smith County Official Public Records, and in the South boundary line of said 0.346 acre tract;

Thence South 02 degrees 32 minutes 18 seconds East, a distance of 182.52 feet with the North boundary line of said 226 acre Marsh-McIlwaine tract and the West boundary line of said 5.5 acre tract to a 60-penny nail found in same and in the centerline of County Road No. 159, (Crow Road);

Thence South 78 degrees 05 minutes 24 seconds East, a distance of 189.30 feet with the North boundary line of said 226 acre Marsh-McIlwaine tract and the centerline of said County Road No. 159 to a ½" iron rod found in same;

Thence South 86 degrees 45 minutes 19 seconds East, a distance of 904.53 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract and the centerline of said County Road No. 159 to a 60-penny nail found in same;

Thence South 87 degrees 14 minutes 05 seconds East, a distance of 985.90 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract County Road No. 159 to a ½" iron rod found in same, 0.82 feet South of the North edge of pavement of same, from which a ½" iron rod found at the Southeast corner of a called 43.18 acre tract from J. E. Heath to Rabon Hitt described in a Deed recorded in Volume 1123, Page 590 of said Smith County Official Public Records, bears North 09 degrees 34 minutes 56 seconds West, a distance of 28.66 feet;
Thence South 65 degrees 32 minutes 31 seconds East, a distance of 591.86 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract and generally with said County Road to a P.K. Nail set in same, near the centerline of said County Road No. 159, and in the West boundary line of a called 19.63 acre tract to the State of Texas which adjoins the West right of way of Farm to Market Highway No. 2493, (Old Jacksonville Highway), described in a Deed recorded in Volume 3817, Page 570 of said Smith County Official Public Records;

Thence South 25 degrees 53 minutes 57 seconds West, a distance of 2114.29 feet with the East boundary line of said 226 acre Marsh-McIlwaine tract and the West boundary line of said 19.63 acre tract to a Texas Department of Transportation Type II, (brass disc in concrete flush with ground), concrete right of way monument found at the intersection of same with the North right of way line of State Highway No. 57, (Grande Boulevard), whose right of way width varies, said Type II monument found also being at the beginning of a curve in a clockwise direction;

Thence with said North right of way line of State Highway No. 57 and said curve having a radius of 912.07 feet, a delta angle of 08 degrees 35 minutes 23 seconds, an arc length of 136.74 feet, a tangent of 68.50 feet, and a chord of North 68 degrees 42 minutes 48 seconds West, a chord distance of 136.61 feet to a Type II concrete right of way monument found in same;

Thence North 64 degrees 25 minutes 51 seconds West, a distance of 386.00 feet continuing with said North right of way line to a Type II concrete right of way monument found in same at the beginning of a curve in a counterclockwise direction;

Thence continuing with said North right of way line and with said curve having a radius of 1220.47 feet, a delta angle of 26 degrees 31 minutes 15 seconds, an arc length of 564.93 feet, a tangent of 287.62 feet, and a chord of North 77 degrees 39 minutes 44 seconds West, a chord distance of 559.90 feet to a ½" iron rod set in same;

Thence South 89 degrees 05 minutes 00 seconds West, a distance of 1334.33 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 87 degrees 56 minutes 35 seconds West, a distance of 506.32 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence North 89 degrees 06 minutes 05 seconds West, a distance of 209.58 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence South 87 degrees 00 minutes 40 seconds West, a distance of 184.10 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence South 89 degrees 01 minute 47 seconds West, a distance of 262.47 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence North 25 degrees 26 minutes 18 seconds West, a distance of 12.37 feet continuing with said North right of way line to a ½" iron rod set in same;

Thence North 02 degrees 40 minutes 43 seconds West, a distance of 78.81 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 06 degrees 48 minutes 26 seconds East, a distance of 64.20 feet continuing with said North right of way line to a ½" iron rod set in same;
Thence North 04 degrees 23 minutes 19 seconds East, a distance of 127.47 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 10 degrees 43 minutes 00 seconds East, a distance of 124.65 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence North 16 degrees 28 minutes 17 seconds East, a distance of 131.96 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence North 73 degrees 36 minutes 39 seconds West, a distance of 13.27 feet to continuing with said North right of way line to a ½” iron rod set in same;

Thence South 16 degrees 24 minutes 39 seconds West, a distance of 83.90 feet continuing with said North right of way line to a ½” iron rod set in same, at the beginning of a curve in a counterclockwise direction;

Thence continuing with said North right of way line and with said curve having a radius of 1531.11 feet, a delta angle of 14 degrees 51 minutes 47 seconds, an arc length of 397.18 feet, a tangent of 199.71 feet, and a chord of South 08 degrees 58 minutes 56 seconds West, a chord distance of 396.07 feet to a ½” iron rod set in same;

Thence North 88 degrees 56 minutes 00 seconds West, a distance of 29.67 feet continuing with said North right of way line to a P.K. nail set in the centerline of County Road No. 192, (Old Noonday Road), at the Southeast corner of said 10.238 acre tract to Phillip B. Monigold described in Instrument No. 2006 060022053 of said Smith County Official Public Records;

Thence North 01 degree 21 minutes 38 seconds East, a distance of 48.10 feet with said centerline of County Road No. 192, (Old Noonday Road), and the East boundary line of said Phillip Monigold 10.238 acre tract to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 1560.62 feet, a delta angle of 07 degrees 25 minutes 22 seconds, an arc length of 202.19 feet, a tangent of 101.23 feet, and a chord of North 06 degrees 35 minutes 16 seconds East, a chord distance of 202.04 feet to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 2059.50 feet, a delta angle of 05 degrees 23 minutes 40 seconds, an arc length of 193.91 feet, a tangent of 97.02 feet, and a chord of North 14 degrees 44 minutes 48 seconds East, a chord distance of 193.83 feet to a P.K. nail set in same;

Thence North 16 degrees 53 minutes 31 seconds East, a distance of 284.68 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 16 degrees 56 minutes 58 seconds East, a distance of 303.23 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;
Thence North 16 degrees 52 minutes 07 seconds East, a distance of 596.22 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 16 degrees 30 minutes 47 seconds East, a distance of 192.45 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 4410.18 feet, a delta angle of 02 degrees 35 minutes 07 seconds, an arc length of 199.00 feet, a tangent of 99.52 feet, and a chord of North 18 degrees 13 minutes 29 seconds East, a chord distance of 198.98 feet to a P.K. nail set in same;

Thence North 21 degrees 20 minutes 18 seconds East, a distance of 46.81 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 38 degree 03 minutes 19 seconds East, a distance of 14.27 feet continuing with said centerline of County Road No. 192 and said East boundary line to the place of beginning and containing 178.55 acres of land of which 5.68 acres lie within the proposed right of ways of County Roads 192, 159, and 1211.
EXHIBIT “B”
Proposed 7.00-Acre Drill Site

Being a 7.00-acre tract in the Marshall University Survey, Abstract No. 624 and being part of a called 226-acre tract, (Parcel 1), James Gordon Frazer, James Stevenson Frazer, and Richard Mellwaine Frazer, Jr. to Cherokee of Va., L.L.C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 7.00-acre tract being more completely described by metes and bounds as follows:

Beginning at a point for the Northwest corner of said 7.00-acre tract from which a ½” iron rod found in the North boundary line of said 226-acre tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records bears North 31 degrees 14 minutes 00 seconds West, a distance of 298.26 feet;

Thence North 84 degrees 53 minutes 06 seconds East, a distance of 572.72 feet along the North boundary line of said 7.00-acre tract to a point for the Northeast corner of same;

Thence South 16 degrees 30 minutes 47 seconds West, a distance of 572.72 feet along the East boundary line of said 7.00-acre tract to a point for the Southeast corner of same;

Thence South 84 degrees 53 minutes 06 seconds West, a distance of 572.72 feet along the South boundary line of said 7.00-acre tract to a point for the Southwest corner of same;

Thence North 16 degrees 30 minutes 47 seconds West, a distance of 572.72 feet along the West boundary line of said 7.00-acre tract to the place of beginning containing 7.00 acres of land.
EXHIBIT “C”
50’ Access Easement to Drill Site

Being a 0.243-acre tract in the Marshall University Survey, Abstract No. 624 and being part of a called 226-acre tract, (Parcel 1), James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr. to Cherokee of Va., L.L.C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 0.243-acre tract being more completely described by metes and bounds as follows:

Beginning at a point for the Northwest corner of said 0.243-acre tract being 35.00 feet from the centerline of County Road No. 159, (Crow Road), from which a ½” iron rod found in the North boundary line of said 226-acre tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records bears North 89 degrees 42 minutes 42 seconds West, a distance of 732.33 feet;

Thence North 88 degrees 40 minutes 03 seconds East, a distance of 52.53 feet along the North boundary line of said 0.243-acre tract to a point for the Northeast corner of same;

Thence South 16 degrees 30 minutes 47 seconds West, a distance of 210.18 feet along the East boundary line of said 0.243-acre tract to a point for the Southeast corner of same;

Thence South 84 degrees 53 minutes 06 seconds West, a distance of 53.79 feet along the South boundary line of said 0.243-acre tract to a point for the Southwest corner of same;

Thence North 16 degrees 30 minutes 47 seconds West, a distance of 213.90 feet along the West boundary line of said 0.243-acre tract to the place of beginning containing 0.243 of an acre of land.
EXHIBIT “D”
30’ Easement

Being a 4.157-acre tract in the Marshall University Survey, Abstract No. 624 and being part of a called 226-acre tract, (Parcel 1), James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr. to Cherokee of Va., L.L.C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 4.157-acre tract being more completely described by metes and bounds as follows:

Beginning at a point for the Southwest corner of said 4.157-acre tract in the North right-of-way line of State Highway No. 57, (Grande Boulevard), from which a Texas Department of Transportation Type II brass disc in concrete found for an angle point in said North right-of-way line bears South 89 degrees 01 minute 47 seconds West, a distance of 21.97 feet, said point of beginning also being on the East boundary line of a City of Tyler water line easement described in Volume 5288, Page 31 of said Smith County Official Public Records;

Thence along the East boundary line of said City of Tyler water line easement running generally parallel to and along the East side of County Road No. 192, (Old Noonday Road), and the West boundary line of said 4.157-acre tract as follows:

North 25 degrees 26 minutes 18 seconds West, a distance of 17.45 feet to a point for corner;

North 02 degrees 40 minutes 43 seconds West, a distance of 73.13 feet to a point for corner;

North 06 degrees 48 minutes 26 seconds East, a distance of 62.98 feet to a point for corner;

North 04 degrees 16 minutes 59 seconds East, a distance of 126.52 feet to a point for corner;

North 10 degrees 48 minutes 38 seconds East, a distance of 122.80 feet to a point for corner;

North 16 degrees 28 minutes 17 seconds East, a distance of 131.00 feet to a point for corner;

North 73 degrees 36 minutes 39 seconds West, a distance of 13.00 feet to a point for corner;

North 16 degrees 53 minutes 41 seconds East, a distance of 1428.04 feet to a point for corner;
North 19 degrees 38 minutes 55 seconds East, a distance of 124.48 feet to a point for corner being 35.00 feet perpendicular distance South of the centerline of County Road No. 159, (Crow Road), from which a ½” iron rod found in the North boundary line of said 226-acre tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records bears North 32 degrees 32 minutes 19 seconds West, a distance of 57.59 feet;

Thence along a line running 35.00 feet perpendicular distance South of said centerline of County Road No. 159, (Crow Road), as follows:

South 86 degrees 45 minutes 03 seconds East, a distance of 74.33 feet to a point for corner;

North 85 degrees 29 minutes 20 seconds East, a distance of 201.85 feet to a point for corner;

North 84 degrees 53 minutes 06 seconds East, a distance of 353.00 feet to a point for corner;

North 88 degrees 40 minutes 03 seconds East, a distance of 129.86 feet to a point for corner;

South 79 degrees 28 minutes 29 seconds East, a distance of 138.69 feet to a point for corner;

South 75 degrees 43 minutes 08 seconds East, a distance of 177.13 feet to a point for corner;

South 75 degrees 06 minutes 36 seconds East, a distance of 232.41 feet to a point for corner;

South 78 degrees 05 minutes 24 seconds East, a distance of 192.55 feet to a point for corner;

South 85 degrees 45 minutes 35 seconds East, a distance of 217.78 feet to a point for corner;
South 87 degrees 05 minutes 40 seconds East, a distance of 883.33 feet to a point for corner;

South 87 degrees 19 minutes 24 seconds East, a distance of 581.57 feet to a point for corner;

South 85 degrees 11 minutes 51 seconds East, a distance of 192.76 feet to a point for corner;

South 74 degrees 09 minutes 44 seconds East, a distance of 149.99 feet to a point for corner;

South 65 degrees 15 minutes 31 seconds East, a distance of 152.15 feet to a point for corner;

South 63 degrees 14 minutes 24 seconds East, a distance of 292.67 feet to a point for the Northeast corner of said 4.157-acre tract in the East boundary line of aforementioned 226-acre tract and the West boundary line of a called 19.63 acre tract to the State of Texas which adjoins the West right of way of Farm to Market Highway No. 2493, (Old Jacksonville Highway), described in a Deed recorded in Volume 3817, Page 570 of said Smith County Official Public Records from which a P. K. nail found in the centerline of County Road No. 159, (Crow Road ), for the Northeast corner of said 226-acre tract bears North 25 degrees 53 minutes 57 seconds West, a distance of 35.00 feet;

**Thence** South 25 degrees 53 minutes 57 seconds West, a distance of 30.00 feet along said East boundary line and said West boundary line to a point in same for the Southeast corner of said 4.157-acre tract;

**Thence** along the South boundary line of said 4.157-acre tract as follows:

North 63 degrees 14 minutes 24 seconds West, a distance of 292.59 feet to a point for corner;

North 65 degrees 15 minutes 31 seconds West, a distance of 149.28 feet to a point for corner;

North 74 degrees 09 minutes 44 seconds West, a distance of 144.76 feet to a point for corner;

North 85 degrees 11 minutes 51 seconds West, a distance of 189.30 feet to a point for corner;

North 87 degrees 19 minutes 24 seconds West, a distance of 581.08 feet to a point for corner;
North 87 degrees 05 minutes 40 seconds West, a distance of 883.74 feet to a point for corner;

North 85 degrees 45 minutes 35 seconds West, a distance of 220.15 feet to a point for corner;

North 78 degrees 05 minutes 24 seconds West, a distance of 195.34 feet to a point for corner;

North 75 degrees 06 minutes 36 seconds West, a distance of 233.03 feet to a point for corner;

North 75 degrees 43 minutes 08 seconds West, a distance of 175.98 feet to a point for corner;

North 79 degrees 28 minutes 29 seconds West, a distance of 134.59 feet to a point for corner;

South 88 degrees 40 minutes 03 seconds West, a distance of 125.76 feet to a point for corner;

South 84 degrees 53 minutes 06 seconds West, a distance of 352.17 feet to a point for corner;

South 85 degrees 29 minutes 20 seconds West, a distance of 204.04 feet to a point for corner;

North 86 degrees 45 minutes 03 seconds West, a distance of 53.92 feet to a point for corner at the intersection of the South boundary line of said 4.157-acre tract with the East boundary line of same;

**Thence** along the East boundary line of said 4.157-acre tract as follows:

South 19 degrees 38 minutes 55 seconds West, a distance of 101.32 feet to a point for corner;

South 16 degrees 53 minutes 41 seconds West, a distance of 1397.06 feet to a point for corner;

South 73 degrees 36 minutes 39 seconds East, a distance of 12.78 feet to a point for corner;

South 16 degrees 28 minutes 17 seconds West, a distance of 159.56 feet to a point for corner;
South 10 degrees 48 minutes 38 seconds West, a distance of 119.61 feet to a point for corner;

South 04 degrees 16 minutes 59 seconds West, a distance of 125.47 feet to a point for corner;

South 06 degrees 48 minutes 26 seconds West, a distance of 61.16 feet to a point for corner;

South 02 degrees 40 minutes 43 seconds East, a distance of 64.60 feet to a point for corner;

South 25 degrees 26 minutes 18 seconds East, a distance of 25.06 feet to a point for corner;

*Thence* South 89 degrees 01 minutes 47 seconds West, a distance of 32.96 feet continuing along the East boundary line of said 4.157-acre tract to the place of beginning containing 4.157 acres of land.
Instrument Number: 2008-R00012817
As
Recordings - Land

Recorded On: March 18, 2008

Parties: RYNOS TEXAS HOLDINGS INC
To: ROOSTH PRODUCTION COMPANY

Billable Pages: 15
Number of Pages: 16

Comment:

(Parties listed above are for Clerk's reference only)

** Examined and Charged as Follows: **

Recordings - Land: 72.00
Total Recording: 72.00

******* DO NOT REMOVE THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:
- Document Number: 2008-R00012817
- Receipt Number: 466015
- Recorded Date/Time: March 18, 2008 03:38:21P

Record and Return To:
- SMITH COUNTY TITLE
- MANUAL PICK UP
- TYLER TX 75702

User / Station: C Aparicio - Cash Station 1

I hereby certify that this instrument was filed and duly recorded
in the Official Records of Smith County, Texas

Judy Carnes
County Clerk
Smith County, Texas
DESIGNATION OF DRILLSITE AND WAIVER OF SURFACE RIGHTS

STATE OF TEXAS §
COUNTY OF SMITH §

This “Agreement” for the designation of drillsites and waiver of surface rights is entered into by and between RYNO TEXAS HOLDINGS, INC., a Texas corporation, Trustee (“Ryno”) whose address is 1902 Brandon Drive, Tyler, Texas 75703 and ROOSTH PRODUCTION COMPANY, a lessee and the Operator, P. O. Box 8300 Tyler, Texas 75711 (“Roosth”) effective as of the 14th day of March, 2008 (the “Effective Date”).

WHEREAS, Ryno is the owner of the surface estate of 178.55 acres of real property (the “Property”) described on Exhibit “A” which is attached hereto and incorporated herein for all purposes;

WHEREAS, Roosth is the Lessee under that one certain Oil, Gas and Mineral Lease (the “Lease”) dated February 17, 1960 and recorded in Volume 973, Page 449 of the Official Public Records of Smith County, Texas;

WHEREAS, Ryno desires to develop and sell the Property for residential and commercial purposes and further requests that Roosth specifically designate one (1) drillsite location on the Property and waive its surface rights to the remainder of the Property:

WHEREAS, Roosth is willing to accommodate Ryno by designating one (1) drillsite location on the Property and waiving its surface rights to the remainder of the Property in exchange for the easements to be granted by Ryno to Roosth as provided in this Agreement;

IT IS, THEREFORE, AGREED AS FOLLOWS:

1. For and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Roosth agrees to and shall designate one (1) drillsite location on the Property from which Roosth shall conduct all drilling and mining operations on the Property under the terms of the Lease. Except with respect to (i) the real property contained within the perimeter boundary of the Drillsite Location described in Paragraph 2, below, and (ii) the easements granted to Roosth by Ryno described in Paragraphs 5 and 7, below, Roosth hereby expressly waives, releases and relinquishes (a) all of Roosth’s rights of ingress and egress upon, over and across the Property, or any part thereof, and (b) all of Roosth’s rights of every kind and character whatsoever to enter upon or to use the surface of the Property, or any part thereof, including, without limitation, the right to enter upon or to use the surface of the Property for the purposes of exploring for, conducting seismic or other detection work, development, drilling, producing, transporting, mining, treating, storing, or any other purposes incident to the development, production or transmission of the oil, gas, and other minerals in, on and under the Property. Nothing herein contained shall ever be construed to prevent Roosth from (i) entering on or over any part of the Property in the event that such an entry is required due to a dire emergency, or (ii) developing or producing the oil, gas and other minerals in and under the Property (i) from either the Drillsite Location, (ii) under the terms of any leases by pooling or by directional drilling under the Property from wellsites located on tracts of real property other than the Property, or (iii) directional drilling from Drillsite.

2. Roosth hereby designates the tract of real property described on Exhibit “B,” which is attached hereto and incorporated herein for all purposes, as the “Drillsite Location.”
3. Deleted.

4. Deleted.

5. For and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Ryno hereby grants to Roosth a fifty (50) foot wide easement and right-of-way for ingress and egress between Crow Road (CR 159) and the Drillsite Location, the dominant tenement, and for the location, construction, maintenance, replacement and operation of pipelines, water lines or other utilities upon, over, across and under the Property, the servient tenement, in the specific location described on Exhibit "C," which is attached hereto and incorporated herein for all purposes (the "Easement Location"); provided, however, that by designation filed by Roosth in the Official Public Records of Smith County, Texas, Roosth shall have the right to relocate the easement and right-of-way for the Easement Location to any point on the North boundary line of the Drillsite Location.

6. Deleted.

7. For and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Ryno hereby grants to Roosth a thirty (30) foot wide easement and right-of-way for the location, construction, maintenance, replacement and operation of pipelines, water lines or other utilities upon, over, across and under the Property in the specific locations described on Exhibit "D," which is attached hereto and incorporated herein for all purposes.

8. The easements herein granted by Ryno to Roosth shall terminate on the date on which the purpose of the easements, as described in Paragraphs 5 and 7 of this Agreement, ceases to exist, is abandoned by Grantee, or becomes impossible of performance.

9. The easements herein granted by Ryno to Roosth are nonexclusive, and Ryno expressly reserves and retains the right to convey similar rights and easements to other persons or entities as Ryno, its successors and assigns, may deem proper for so long as such similar rights and easements do not conflict with or limit the use of the easements herein granted by Ryno to Roosth.

10. During the full term of any and all of the easements granted in this Agreement, Roosth agrees to and shall hold harmless, defend, and indemnify Ryno against any suits, liabilities, claims, demands, or damages, including but not limited to personal injuries and attorneys' fees, arising from Roosth's exploration for, drilling, production or transmission of oil, gas or other minerals from the Drillsite or Roosth's exercise of the easement rights granted in this Agreement. During the full term of any and all of the easements granted in this Agreement, Ryno agrees to and shall hold harmless, defend, and indemnify Roosth against any suits, liabilities, claims, demands, or damages, including but not limited to personal injuries and attorneys' fees, arising from Ryno's use of the Property.

11. Roosth shall have the right to cut and trim trees or shrubbery that may encroach upon the easement areas described in Paragraphs 5 and 7 of this Agreement. Roosth agrees to and shall dispose of all cuttings and trimmings either by piling and burning in the easement area (subject to fire or air pollution laws and regulations) or by loading and hauling away from the Property.

12. Ryno agrees that Ryno shall not use of the surface of the easement areas described in Paragraphs 5 and 7 of this Agreement for any and all purposes without the prior written consent of Roosth, which consent may be withheld for any reason.
13. Ryno, as property owner agrees to the permitting of any well on the designated Drillsite as reflected by its duly acknowledged signature hereto. Ryno understands that a permit to drill a well will not be granted until Roosth complies with all the terms of Chapter 10 of the Tyler Texas Code of Ordinances. The term of this agreement by Ryno shall not to exceed the term of any permit granted to Roosth. Notwithstanding the desire of Roosth and Ryno that this agreement will bind all subsequent owners of the Property or any part thereof, should it be necessary for Roosth to seek their approval for a proposed well, Ryno shall assist Roosth in making a good faith bona fide attempt to acquire the approval of any such owners of any residential or commercial buildings hereafter erected on the Property and located within three hundred feet (300') of any proposed well.

14. At the termination of each of the easements described in Paragraphs 5 and 7, Roosth agrees to and shall promptly reclaim and re-grade the easement areas to the reasonable satisfaction of Ryno.

15. This Agreement shall be binding upon and shall inure to the benefit of both Ryno and Roosth and their respective successors and assigns. Both Ryno and Roosth shall have the right to assign this Agreement without the consent of the other party.

16. This Agreement shall be construed and enforced under the laws of the State of Texas, and venue for any dispute, controversy or other claim of either party hereto shall be in Smith County, Texas.

17. If any controversy, claim, or dispute arises relating to this Agreement or its breach, the prevailing party shall be entitled to recover from the other party reasonable expenses, attorneys' fees, and costs.

18. This Agreement contains the entire agreement between the Ryno and Roosth relating to its subject matter. Any oral representations or modifications concerning this Agreement shall be of no force and effect. Any subsequent amendment or modification of this Agreement must be in writing and agreed to by all parties hereto.

EXECUTED in multiple originals on the Effective Date indicated above.

RYNO TEXAS HOLDINGS, INC.
TRUSTEE

BY:

BRANDON T. STEELE, President

ROOSTH PRODUCTION COMPANY

BY:

SAM ROOSTH, President

* as set out in the Code under Sec. 10-373e
STATE OF TEXAS  §
COUNTY OF SMITH  §

This instrument was acknowledged before me on March 14, 2008 by Brandon T. Steele, President of Ryno Texas Holdings, Inc., a Texas corporation, on behalf of said corporation in its capacity as Trustee.

CAROLYN OWEN  
Notary Public  
STATE OF TEXAS  
My Comm. Exp. 12-30-2008  

NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS  §
COUNTY OF SMITH  §

This instrument was acknowledged before me on March 14, 2008 by Sam Roosth, President of Roosth Production Company, a Texas corporation, on behalf of said corporation.

DAVID LANE DECKER  
Notary Public  
STATE OF TEXAS  
My Comm. Exp. 12-30-2008  

NOTARY PUBLIC, STATE OF TEXAS

AFTER RECORDING
RETURN TO:
Smith County Title Company  
5040 Kinsey Drive  
Tyler, Texas 75703  
# 71425 Ryno Texas Holdings
EXHIBIT A

Being a 178.55 acre tract in the Marshall University Survey, Abstract No. 624, part of a called 226 acre tract, (Parcel 1) from James Gordon Frazer, James Stevenson Frazer, and Richard McLain Frazer, Jr. to Cherokee of Va., L. L. C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 178.55 acre tract being more completely described as follows:

Beginning at a ½” iron rod found in the North boundary line of said 226 acre Marsh-McMallwaite tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records;

Thence North 86 degrees 18 minutes 22 seconds East, with the North boundary line of said 226 acre Marsh-McMallwaite tract and the South boundary line of said 0.708 acre Crow Towing Service, Inc. tract, at a distance of 1095.98 feet and a perpendicular distance of 0.44 feet North, pass a ½” iron rod found at the Southeast corner of a called 8.055 acre tract from E. Alice Garrard Prichard to Leonard Leifer and Jim Berry described in a Deed recorded in Volume 5906, Page 26 of said Smith County Official Public Records, at a distance of 1194.58 feet and a perpendicular distance of 0.38 feet North, pass a railroad spike found near the West edge of pavement of County Road No. 1211 at the Southeast corner of a called 0.328 acre tract from Ronald W. Blue to Linda F. Darnell described in a Deed recorded in Volume 3505, Page 292 of said Smith County Official Public Records, and continuing across the occupied right of way of said County Road No. 1211, and with the South boundary line of a called 0.346 acre tract from Reid Troxell to Carl Troxell et ux, Linda Troxell described in a Deed recorded in Volume 2790, Page 633 of said Smith County Official Public Records for a total distance of 1323.23 feet to a ½” iron rod to be set in the North boundary line of said 226 acre Marsh-McMallwaite tract, in the West boundary line of a called 5.5 acre tract from Gary David Baldwin et al to Charles Mark Gibson described in a Deed recorded in Volume 3893, Page 680 of said Smith County Official Public Records, and in the South boundary line of said 0.346 acre tract;

Thence South 02 degrees 32 minutes 18 seconds East, a distance of 182.52 feet with the North boundary line of said 226 acre Marsh-McMallwaite tract and the West boundary line of said 5.5 acre tract to a 60-penny nail found in same and in the centerline of County Road No. 159, (Crow Road);

Thence South 78 degrees 05 minutes 24 seconds East, a distance of 189.30 feet with the North boundary line of said 226 acre Marsh-McMallwaite tract and the centerline of said County Road No. 159 to a ½” iron rod found in same;

Thence South 86 degrees 45 minutes 19 seconds East, a distance of 904.53 feet continuing with the North boundary line of said 226 acre Marsh-McMallwaite tract and the centerline of said County Road No. 159 to a 60-penny nail found in same;

Thence South 87 degrees 14 minutes 05 seconds East, a distance of 985.90 feet continuing with the North boundary line of said 226 acre Marsh-McMallwaite tract County Road No. 159 to a ½” iron rod found in same, 0.82 feet South of the North edge of pavement of same, from which a ½” iron rod found at the Southeast corner of a called 43.18 acre tract from J. E. Heath to Ralph Hitt described in a Deed recorded in Volume 1123, Page 590 of said Smith County Official Public Records, bears North 09 degrees 34 minutes 56 seconds West, a distance of 28.66 feet;
Thence South 65 degrees 32 minutes 31 seconds East, a distance of 591.86 feet continuing with the North boundary line of said 226 acre Marsh-McIlwaine tract and generally with said County Road to a P.K. Nail set in same, near the centerline of said County Road No. 159, and in the West boundary line of a called 19.63 acre tract to the State of Texas which adjoins the West right of way of Farm to Market Highway No. 2493, (Old Jacksonville Highway), described in a Deed recorded in Volume 3817, Page 570 of said Smith County Official Public Records;

Thence South 25 degrees 53 minutes 57 seconds West, a distance of 2114.29 feet with the East boundary line of said 226 acre Marsh-McIlwaine tract and the West boundary line of said 19.63 acre tract to a Texas Department of Transportation Type II, (brass disc in concrete flush with ground), concrete right of way monument found at the intersection of same with the North right of way line of State Highway No. 57, (Grande Boulevard), whose right of way width varies, said Type II monument found also being at the beginning of a curve in a clockwise direction;

Thence with said North right of way line of State Highway No. 57 and said curve having a radius of 912.07 feet, a delta angle of 08 degrees 35 minutes 23 seconds, an arc length of 136.74 feet, a tangent of 68.50 feet, and a chord of North 68 degrees 42 minutes 48 seconds West, a chord distance of 136.61 feet to a Type II concrete right of way monument found in same;

Thence North 64 degrees 25 minutes 51 seconds West, a distance of 386.00 feet continuing with said North right of way line to a Type II concrete right of way monument found in same at the beginning of a curve in a counterclockwise direction;

Thence continuing with said North right of way line and with said curve having a radius of 1220.47 feet, a delta angle of 26 degrees 31 minutes 15 seconds, an arc length of 564.93 feet, a tangent of 287.62 feet, and a chord of North 77 degrees 39 minutes 44 seconds West, a chord distance of 559.90 feet to a $\frac{1}{2}$" iron rod set in same;

Thence South 89 degrees 05 minutes 00 seconds West, a distance of 1334.33 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 87 degrees 56 minutes 35 seconds West, a distance of 506.32 feet continuing with said North right of way line to a $\frac{1}{2}$" iron rod set in same;

Thence North 89 degrees 06 minutes 05 seconds West, a distance of 209.58 feet continuing with said North right of way line to a $\frac{1}{2}$" iron rod set in same;

Thence South 87 degrees 00 minutes 40 seconds West, a distance of 184.10 feet continuing with said North right of way line to a $\frac{1}{2}$" iron rod set in same;

Thence South 89 degrees 01 minute 47 seconds West, a distance of 262.47 feet continuing with said North right of way line to a $\frac{1}{2}$" iron rod set in same;

Thence North 25 degrees 26 minutes 18 seconds West, a distance of 12.37 feet continuing with said North right of way line to a $\frac{1}{2}$" iron rod set in same;

Thence North 02 degrees 40 minutes 43 seconds West, a distance of 78.81 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 06 degrees 48 minutes 26 seconds East, a distance of 64.20 feet continuing with said North right of way line to a $\frac{1}{2}$" iron rod set in same;
Thence North 04 degrees 23 minutes 19 seconds East, a distance of 127.47 feet continuing with said North right of way line to a Type II concrete right of way monument found in same;

Thence North 10 degrees 43 minutes 00 seconds East, a distance of 124.65 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence North 16 degrees 28 minutes 17 seconds East, a distance of 131.96 feet continuing with said North right of way line to a ½” iron rod set in same;

Thence North 73 degrees 36 minutes 39 seconds West, a distance of 13.27 feet to continuing with said North right of way line to a ½” iron rod set in same;

Thence South 16 degrees 24 minutes 39 seconds West, a distance of 83.90 feet continuing with said North right of way line to a ½” iron rod set in same, at the beginning of a curve in a counterclockwise direction;

Thence continuing with said North right of way line and with said curve having a radius of 1531.11 feet, a delta angle of 14 degrees 51 minutes 47 seconds, an arc length of 397.18 feet, a tangent of 199.71 feet, and a chord of South 08 degrees 58 minutes 56 seconds West, a chord distance of 396.07 feet to a ½” iron rod set in same;

Thence North 88 degrees 56 minutes 00 seconds West, a distance of 29.67 feet continuing with said North right of way line to a P.K. nail set in the centerline of County Road No. 192, (Old Noonday Road), at the Southeast corner of said 10.238 acre tract to Phillip B. Monigold described in Instrument No. 2006 060022053 of said Smith County Official Public Records;

Thence North 01 degree 21 minutes 38 seconds East, a distance of 48.10 feet with said centerline of County Road No. 192, (Old Noonday Road), and the East boundary line of said Phillip Monigold 10.238 acre tract to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 1560.62 feet, a delta angle of 07 degrees 25 minutes 22 seconds, an arc length of 202.19 feet, a tangent of 101.23 feet, and a chord of North 06 degrees 35 minutes 16 seconds East, a chord distance of 202.04 feet to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 2059.50 feet, a delta angle of 05 degrees 23 minutes 40 seconds, an arc length of 193.91 feet, a tangent of 97.02 feet, and a chord of North 14 degrees 44 minutes 48 seconds East, a chord distance of 193.83 feet to a P.K. nail set in same;

Thence North 16 degrees 53 minutes 31 seconds East, a distance of 284.68 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 16 degrees 56 minutes 58 seconds East, a distance of 303.23 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;
Thence North 16 degrees 52 minutes 07 seconds East, a distance of 596.22 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 16 degrees 30 minutes 47 seconds East, a distance of 192.45 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same, also being at the beginning of a curve in a clockwise direction;

Thence continuing with said centerline of County Road No. 192, said East boundary line, and with said curve having radius of 4410.18 feet, a delta angle of 02 degrees 35 minutes 07 seconds, an arc length of 199.00 feet, a tangent of 99.52 feet, and a chord of North 18 degrees 13 minutes 29 seconds East, a chord distance of 198.98 feet to a P.K. nail set in same;

Thence North 21 degrees 20 minutes 18 seconds East, a distance of 46.81 feet continuing with said centerline of County Road No. 192 and said East boundary line to a P.K. nail set in same;

Thence North 38 degree 03 minutes 19 seconds East, a distance of 14.27 feet continuing with said centerline of County Road No. 192 and said East boundary line to the place of beginning and containing 178.55 acres of land of which 5.68 acres lie within the proposed right of ways of County Roads 192, 159, and 1211.
EXHIBIT “B”
Proposed 7.00-Acre Drill Site

Being a 7.00-acre tract in the Marshall University Survey, Abstract No. 624 and being part of a called 226-acre tract, (Parcel 1), James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr. to Cherokee of Va., L.L.C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 7.00-acre tract being more completely described by metes and bounds as follows:

Beginning at a point for the Northwest corner of said 7.00-acre tract from which a \( \frac{1}{2} \)" iron rod found in the North boundary line of said 226-acre tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records bears North 31 degrees 14 minutes 00 seconds West, a distance of 298.26 feet;

Thence North 84 degrees 53 minutes 06 seconds East, a distance of 572.72 feet along the North boundary line of said 7.00-acre tract to a point for the Northeast corner of same;

Thence South 16 degrees 30 minutes 47 seconds West, a distance of 572.72 feet along the East boundary line of said 7.00-acre tract to a point for the Southeast corner of same;

Thence South 84 degrees 53 minutes 06 seconds West, a distance of 572.72 feet along the South boundary line of said 7.00-acre tract to a point for the Southwest corner of same;

Thence North 16 degrees 30 minutes 47 seconds West, a distance of 572.72 feet along the West boundary line of said 7.00-acre tract to the place of beginning containing 7.00 acres of land.
EXHIBIT “C”
50’ Access Easement to Drill Site

Being a 0.243-acre tract in the Marshall University Survey, Abstract No. 624 and being part of a called 226-acre tract, (Parcel 1), James Gordon Frazer, James Stevenson Frazer, and Richard McIwaine Frazer, Jr. to Cherokee of Va., L.L.C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 0.243-acre tract being more completely described by metes and bounds as follows:

Beginning at a point for the Northwest corner of said 0.243-acre tract being 35.00 feet from the centerline of County Road No. 159, (Crow Road), from which a ½” iron rod found in the North boundary line of said 226-acre tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records bears North 89 degrees 42 minutes 42 seconds West, a distance of 732.33 feet;

Thence North 88 degrees 40 minutes 03 seconds East, a distance of 52.53 feet along the North boundary line of said 0.243-acre tract to a point for the Northeast corner of same;

Thence South 16 degrees 30 minutes 47 seconds West, a distance of 210.18 feet along the East boundary line of said 0.243-acre tract to a point for the Southeast corner of same;

Thence South 84 degrees 53 minutes 06 seconds West, a distance of 53.79 feet along the South boundary line of said 0.243-acre tract to a point for the Southwest corner of same;

Thence North 16 degrees 30 minutes 47 seconds West, a distance of 213.90 feet along the West boundary line of said 0.243-acre tract to the place of beginning containing 0.243 of an acre of land.
EXHIBIT “D”
30’ Easement

Being a 4.157-acre tract in the Marshall University Survey, Abstract No. 624 and being part of a called 226-acre tract, (Parcel 1), James Gordon Frazer, James Stevenson Frazer, and Richard McIlwaine Frazer, Jr. to Cherokee of Va., L.L.C. described in a Deed recorded in Volume 5595, Page 93 of the Official Public Records of Smith County, Texas, said 4.157-acre tract being more completely described by metes and bounds as follows:

Beginning at a point for the Southwest corner of said 4.157-acre tract in the North right-of-way line of State Highway No. 57, (Grande Boulevard), from which a Texas Department of Transportation Type II brass disc in concrete found for an angle point in said North right-of-way line bears South 89 degrees 01 minute 47 seconds West, a distance of 21.97 feet, said point of beginning also being on the East boundary line of a City of Tyler water line easement described in Volume 5288, Page 31 of said Smith County Official Public Records;

Thence along the East boundary line of said City of Tyler water line easement running generally parallel to and along the East side of County Road No. 192, (Old Noonday Road), and the West boundary line of said 4.157-acre tract as follows:

North 25 degrees 26 minutes 18 seconds West, a distance of 17.45 feet to a point for corner;

North 02 degrees 40 minutes 43 seconds West, a distance of 73.13 feet to a point for corner;

North 06 degrees 48 minutes 26 seconds East, a distance of 62.98 feet to a point for corner;

North 04 degrees 16 minutes 59 seconds East, a distance of 126.52 feet to a point for corner;

North 10 degrees 48 minutes 38 seconds East, a distance of 122.80 feet to a point for corner;

North 16 degrees 28 minutes 17 seconds East, a distance of 131.00 feet to a point for corner;

North 73 degrees 36 minutes 39 seconds West, a distance of 13.00 feet to a point for corner;

North 16 degrees 53 minutes 41 seconds East, a distance of 1428.04 feet to a point for corner;
North 19 degrees 38 minutes 55 seconds East, a distance of 124.48 feet to a point for corner being 35.00 feet perpendicular distance South of the centerline of County Road No. 159, (Crow Road), from which a ½” iron rod found in the North boundary line of said 226-acre tract, in the centerline of County Road No. 192, (Old Noonday Road), just North of the intersection of said County Road 192 and County Road No. 159, (Crow Road), at the Northeast corner of a called 10.238 acre tract from Tradd Street Limited Partnership et al to Phillip Monigold described in an Instrument filed for record in the Office of the Smith County Clerk under File No. 2006 060022053 of said Smith County Official Public Records, and at the West corner of a called 0.708 acre tract from Leonard A. Leifer to Crow Towing Service, Inc. described in a Deed recorded in Volume 2606, Page 321 of said Smith County Official Public Records bears North 32 degrees 32 minutes 19 seconds West, a distance of 57.59 feet;

**Thence** along a line running 35.00 feet perpendicular distance South of said centerline of County Road No. 159, (Crow Road), as follows:

- South 86 degrees 45 minutes 03 seconds East, a distance of 74.33 feet to a point for corner;
- North 85 degrees 29 minutes 20 seconds East, a distance of 201.85 feet to a point for corner;
- North 84 degrees 53 minutes 06 seconds East, a distance of 353.00 feet to a point for corner;
- North 88 degrees 40 minutes 03 seconds East, a distance of 129.86 feet to a point for corner;
- South 79 degrees 28 minutes 29 seconds East, a distance of 138.69 feet to a point for corner;
- South 75 degrees 43 minutes 08 seconds East, a distance of 177.13 feet to a point for corner;
- South 75 degrees 06 minutes 36 seconds East, a distance of 232.41 feet to a point for corner;
- South 78 degrees 05 minutes 24 seconds East, a distance of 192.55 feet to a point for corner;
- South 85 degrees 45 minutes 35 seconds East, a distance of 217.78 feet to a point for corner;
South 87 degrees 05 minutes 40 seconds East, a distance of 883.33 feet to a point for corner;

South 87 degrees 19 minutes 24 seconds East, a distance of 581.57 feet to a point for corner;

South 85 degrees 11 minutes 51 seconds East, a distance of 192.76 feet to a point for corner;

South 74 degrees 09 minutes 44 seconds East, a distance of 149.99 feet to a point for corner;

South 65 degrees 15 minutes 31 seconds East, a distance of 152.15 feet to a point for corner;

South 63 degrees 14 minutes 24 seconds East, a distance of 292.67 feet to a point for the Northeast corner of said 4.157-acre tract in the East boundary line of aforementioned 226-acre tract and the West boundary line of a called 19.63 acre tract to the State of Texas which adjoins the West right of way of Farm to Market Highway No. 2493, (Old Jacksonville Highway), described in a Deed recorded in Volume 3817, Page 570 of said Smith County Official Public Records from which a P. K. nail found in the centerline of County Road No. 159, (Crow Road), for the Northeast corner of said 226-acre tract bears North 25 degrees 53 minutes 57 seconds West, a distance of 35.00 feet;

**Thence** South 25 degrees 53 minutes 57 seconds West, a distance of 30.00 feet along said East boundary line and said West boundary line to a point in same for the Southeast corner of said 4.157-acre tract;

**Thence** along the South boundary line of said 4.157-acre tract as follows:

North 63 degrees 14 minutes 24 seconds West, a distance of 292.59 feet to a point for corner;

North 65 degrees 15 minutes 31 seconds West, a distance of 149.28 feet to a point for corner;

North 74 degrees 09 minutes 44 seconds West, a distance of 144.76 feet to a point for corner;

North 85 degrees 11 minutes 51 seconds West, a distance of 189.30 feet to a point for corner;

North 87 degrees 19 minutes 24 seconds West, a distance of 581.08 feet to a point for corner;
North 87 degrees 05 minutes 40 seconds West, a distance of 883.74 feet to a point for corner;

North 85 degrees 45 minutes 35 seconds West, a distance of 220.15 feet to a point for corner;

North 78 degrees 05 minutes 24 seconds West, a distance of 195.34 feet to a point for corner;

North 75 degrees 06 minutes 36 seconds West, a distance of 233.03 feet to a point for corner;

North 75 degrees 43 minutes 08 seconds West, a distance of 175.98 feet to a point for corner;

North 79 degrees 28 minutes 29 seconds West, a distance of 134.59 feet to a point for corner;

South 88 degrees 40 minutes 03 seconds West, a distance of 125.76 feet to a point for corner;

South 84 degrees 53 minutes 06 seconds West, a distance of 352.17 feet to a point for corner;

South 85 degrees 29 minutes 20 seconds West, a distance of 204.04 feet to a point for corner;

North 86 degrees 45 minutes 03 seconds West, a distance of 53.92 feet to a point for corner at the intersection of the South boundary line of said 4.157-acre tract with the East boundary line of same;

Thence along the East boundary line of said 4.157-acre tract as follows:

South 19 degrees 38 minutes 55 seconds West, a distance of 101.32 feet to a point for corner;

South 16 degrees 53 minutes 41 seconds West, a distance of 1397.06 feet to a point for corner;

South 73 degrees 36 minutes 39 seconds East, a distance of 12.78 feet to a point for corner;

South 16 degrees 28 minutes 17 seconds West, a distance of 159.56 feet to a point for corner;
South 10 degrees 48 minutes 38 seconds West, a distance of 119.61 feet to a point for corner;

South 04 degrees 16 minutes 59 seconds West, a distance of 125.47 feet to a point for corner;

South 06 degrees 48 minutes 26 seconds West, a distance of 61.16 feet to a point for corner;

South 02 degrees 40 minutes 43 seconds East, a distance of 64.60 feet to a point for corner;

South 25 degrees 26 minutes 18 seconds East, a distance of 25.06 feet to a point for corner;

**Thence** South 89 degrees 01 minutes 47 seconds West, a distance of 32.96 feet continuing along the East boundary line of said 4.157-acre tract to the **place of beginning containing 4.157 acres of land.**
Instrument Number: 2008-R00039991
As Recordings - Land


Parties: RYNO TEXAS HOLDINGS INC
To MOTHER FRANCES HOSPITAL REGIONAL HEALTH

Billable Pages: 4
Number of Pages: 5

Comment: (Parties listed above are for Clerks reference only)

** Examined and Charged as Follows:**

Recordings - Land 28.00
Total Recording: 28.00

********** DO NOT REMOVE. THIS PAGE IT IS PART OF THE INSTRUMENT **********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:
Document Number: 2008-R00039991
Receipt Number: 484332
Recorded Date/Time: August 25, 2008 01:48:59P
User / Station: C Aparicio - Cash Station 1

Record and Return To:
BURFORD & RYBURN LLP
100 THROCKMORTON STREET STE 520
FORT WORTH TX 76102

I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Judy Carnes
County Clerk
Smith County, Texas
MEMORANDUM OF
AGREEMENT CONCERNING
WATER DETENTION OR RETENTION

RYNO TEXAS HOLDINGS, INC., a Texas corporation having an address of 1902 Brandon Drive, Tyler, Texas 75703, ("Ryno") as Trustee is the owner of the residue of a certain 178.55 acre tract in Tyler, Smith County, Texas, said 178.55 acre tract being described in a Warranty Deed dated March 17, 2008 and recorded under Clerk’s File No. 2008-R00012815 in the Official Public Records of Smith County, Texas, the residue being all of the 178.55 acre tract save and except that one certain 2,431 acre tract sold by Ryno to Rynotoppers, LLC by Correction Special Warranty Deed dated July 8, 2008 and recorded under Clerk’s File No. 2008-R00035295 in the Official Public Records of Smith County, Texas (the “Residue”).

By a special warranty deed dated as of August 22, 2008, Ryno has sold a portion of the Residue, described on Exhibit “A” to this Memorandum, and which Exhibit “A” is incorporated in this Memorandum by reference, to MOTHER FRANCES HOSPITAL REGIONAL HEALTH CARE CENTER, a Texas nonprofit corporation, having an address of 800 E. Dawson, Tyler, Texas 75701 (the "Hospital").

For good and valuable consideration, under and by virtue of that certain Agreement Concerning Water Detention or Retention between Ryno and the Hospital dated as of August 22, 2008 (the "Agreement"), Ryno has obligated itself, and its successors and assigns in the Residue, to cause to be constructed, operated, and maintained a water detention or retention facility on the Residue for the benefit of the Hospital and for the benefit of the property described in Exhibit “A” attached to this Agreement, under the terms and conditions set forth in the Agreement.

Reference is hereby made by Ryno and the Hospital to the Agreement, as if it were copied herein in full, for the terms and provisions pertaining thereto and for all other purposes.

This Memorandum may not be deemed to enlarge, restrict, or change the rights of any of the parties under the Agreement.

Signed this 22nd day of August, 2008.

Ryno Texas Holdings, Inc.

By: __________________________

Name: Brandon T. Steele

Title: President
STATE OF TEXAS  
COUNTY OF SMITH  

This instrument was acknowledged before me on August 22, 2008, by Brandon T. Steele as President of Ryno Texas Holdings, Inc.

[Signature]

Jerry L. Atherton  
Notary Public  
STATE OF TEXAS  
My Comm. Exp. 6-3-2010

AFTER RECORDING RETURN TO:

Jeb Loveless  
Burford & Ryburn, L.L.P.  
100 Throckmorton Street, Suite 520  
Fort Worth, TX 76102  
Tel: (817) 423-6944  
Fax: (817) 423-6952
EXHIBIT A

All that certain lot, tract or parcel of land within the Marshall University Survey, Abstract No. 624, City of Tyler, Smith County, Texas, and being part of called 178.55 acre tract of land described in Deed from MSJ Properties, Ltd., Tradd Street, LLC., Richard Lilly, Edward G.R. Bennett, Adelaida U. Bennett, Edward G. Lilly, Jr., Craig M. Bennett, Jr., & Sandra S. Bennett to Ryno Texas Holdings Inc., dated March 17, 2003, and recorded in Clerk's File No. 2008-R0012815 of the Official Public Records of Smith County, Texas, and this Tract No. 2 – 30.977 acre tract being more completely described as follows:

BEGINNING at a ½" Iron Rod set, for the Southwest corner of this 30.977 acre tract, the Northwest corner of Tract No. 1 – 30.000 acre tract, from which a Type II Concrete Right-of-way Monument found for the Southeast corner of said called 178.55 acre tract, at the intersection of the North Right-of-way line of State Highway No. 57 (Grande Boulevard) and the West Right-of-way line of Farm to Market Road No. 2493 (Old Jacksonville Road) bears South 65 deg. 53 min. 34 sec. East a distance of 3,112.41 feet;

THENCE North 14 deg. 35 min. 40 sec. East a distance of 341.03 feet to a ½" Iron Rod set;

THENCE North 84 deg. 53 min. 06 sec. East a distance of 301.59 feet to a ½" Iron Rod set;

THENCE North 16 deg. 30 min. 47 sec. East a distance of 818.84 feet to a Point for Corner in the centerline of the driving surface of County Road No. 159 (Crow Road), in a curve to the Right, from which a ½" Iron Rod set for reference to the Northwest corner of this 30.977 acre tract, in the proposed South Right-of-way of said County Road No. 159 (Crow Road) bears South 16 deg 30 min. 47 sec. West a distance of 35.78 feet;

THENCE with said curve and the centerline of said County Road No. 159 (Crow Road) having a Radius of 648.68 feet, a Delta Angle of 09 deg. 40 min. 01 sec., and Arc Length of 109.44 feet, a Chord Bearing of South 80 deg. 20 min. 56 sec. East and a Chord Length of 109.32 feet to a Point of Tangency in same;

THENCE South 75 deg. 30 min. 55 sec. East, with the centerline of said County Road No. 159 (Crow Road), a distance of 439.68 feet to a Point for Corner in the most Westerly East boundary line of said called 178.55 acre tract, in said County Road No. 159 (Crow Road);

THENCE South 02 deg. 33 min. 08 sec. East a distance of 0.46 feet to a 60d Nail found for the Southwest corner of a called 5.5 acre tract described in a Deed to Charles Mark Gibson and recorded in Volume 3893 on Page 680 of the Official Public Records of Smith County, Texas, also being a corner of said called 178.55 acre tract, in said County Road No. 159 (Crow Road);

THENCE South 78 deg. 09 min. 52 sec. East, with said County Road No. 159 (Crow Road), a distance of 189.21 feet to a ½" Iron Rod found for corner in said County Road No. 159 (Crow Road);

THENCE South 86 deg. 45 min. 21 sec. East, with said County Road No. 159 (Crow Road), a distance of 424.75 feet to a Point for Corner in same, from which a ½" Iron Rod set for reference in the proposed South Right-of-way of said County Road No. 159 (Crow Road) bears South 02 deg. 52 min. 17 sec. West a distance of 37.70 feet;

THENCE South 02 deg. 52 min. 17 sec. West, with the centerline of said proposed 70 foot wide shared access easement, a distance of 64.13 feet to a ½" Iron Rod set at the beginning of a curve to the Right;

THENCE with said curve and the centerline of said proposed 70 foot wide shared access easement having a Radius of 329.94 feet, a Delta Angle of 17 deg. 14 min. 04 sec., and Arc Length of 99.24 feet, a Chord Bearing of South 11 deg. 29 min. 19 sec. West and a Chord Length of 98.87 feet to a ½" Iron Rod set;
THENCE South 20 deg. 06 min. 21 sec. West, with the centerline of said proposed 70 foot wide shared access easement, a distance of 872.19 feet to a ½" Iron Rod set for the Southeast corner of this 30.000 acre tract, also being the Northeast corner of Tract No. 1 – 30.000 acre tract;

THENCE North 88 deg. 49 min. 17 sec. West a distance of 1439.39 feet to the PLACE OF BEGINNING AND CONTAINING 30.977 ACRES OF LAND of which 0.977 acre lies within said County Road No. 159 (Crow Road).

The bearings hereon were oriented to agree with the Deed Record call along the monumented East boundary line of said called 178.55 acre tract of land described in Clerk's File No. 2008-R0012315 of the Official Public Records of Smith County, Texas.
APPENDIX IV

REGULATORY INFORMATION
Regulatory Database Search

Job Number: 201902015
Report Date: February 11, 2019

Property:
201902015
Tyler, TX 75703

Prepared For:
Phase Engineering, Inc.
5524 Cornish St.
Houston, TX 77007

Notice of Disclaimer - All materials and services are provided on an "as is" and "as available" basis without warranty of any kind, either expressed or implied, including, but not limited to, the implied warranties of merchantability or fitness for a particular purpose, or the warranty of non-infringement. Due to the limitations, constraints, inaccuracies and incompleteness of government information and computer mapping data currently available to AAI Environmental Data, certain conventions have been utilized in preparing the locations of all federal, state and local agency sites residing in AAI Environmental Data's databases. All Sites are depicted by a point representing their approximate location and make no attempt to represent the actual areas of the associated property. Actual boundaries and locations of individual properties can be Waiver of Liability - Although AAI Environmental Data uses its best efforts to research the actual location of each site, AAI Environmental Data does not and cannot warrant the accuracy of these sites with regard to exact location and size. All authorized users of AAI Environmental Data's services are signifying an understanding of AAI Environmental Data's searching and mapping conventions and agree to waive any and all liability claims associated with search and map results showing incomplete and or inaccurate site locations. Your exclusive remedy and AAI Environmental Data's entire liability, if any, for any claims, other than those waived above arising out of these terms of use and your use of this information shall be limited to the amount paid for the database report giving rise to the liability. In no event shall AAI Environmental Data or its affiliates be liable to you or any third party for any special, punitive, incidental, indirect or consequential damages of any kind, or any damages whatsoever, including, without limitation, those resulting from loss of use, data or profits, whether or not AAI Environmental Data has been advised of the possibility of such damages, and on any theory of liability, arising out of or in connection with the use of this data.
# Search Summary

**Job Number:** 201902015

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*Adjoining properties are defined as being within a search radius of 0.25 mi. from the subject property boundaries.

**SEMS includes CERCLIS, NPL, NPL delisted, NFRAP, and IC/EC

**RCRA includes RCRA and IC/EC
Search Summary

Job Number: 201902015

Ungeocodables Summary

Zipcode: Ungeocoded Sites:
Ungeocodables

The following sites were not geocoded due to mapping and/or database limitations. These sites are believed to be within the subject sites zip code or in an adjacent zip code within 1/2 mile of the subject property, but due to database inaccuracies, no guarantees can be made that these sites actually exist within the zip code nor can it be guaranteed that the listed sites are the only sites in the zip code.

The following ZIP codes have been searched for ungeocodables 75701 75703

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<td>No Ungeocoded Sites</td>
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TCEQ Petroleum Storage Tank Program (PST) - regulates underground storage tanks (USTs), and to a lesser extent, aboveground storage tanks (ASTs), containing petroleum or hazardous substances. The PST Program has established action levels and screening criteria for PST chemicals of concern (COCs), to help determine whether sites must be assigned an LPST number and further investigation.

TCEQ Leaking Petroleum Storage Tanks (LPST) data – is maintained the Remediation Division oversees the cleanup of petroleum substance and hazardous releases from regulated aboveground and underground storage tanks.
DATA SOURCES

TCEQ Release Determination Reports (RDR) – are reported to the PST Program and maintained by the Remediation Division. These are used to report the results from an investigation of a suspected or confirmed release. A RDR is not always associated with a registered LPST or PST site. The RDR dataset included in this search is limited.

TCEQ Innocent Owner / Operator Program (IOP) The Texas IOP created by House Bill 2776 of the 75th Legislature, provides a certificate to an innocent owner or operator if their property is contaminated as a result of a release or migration of contaminants from a source or sources not located on the property, and they did not cause or contribute to the source or sources of contamination.

TCEQ Voluntary Cleanup Program (VCP) - provides administrative, technical, and legal incentives to encourage the cleanup of contaminated sites in Texas. Since all non-responsible parties, including future lenders and landowners, receive protection from liability to the state of Texas for cleanup of sites under the VCP, most of the constraints for completing real estate transactions at those sites are eliminated. As a result, many unused or under used properties may be restored to economically productive or community beneficial use. Also under the VCP, site cleanups follow a streamlined approach to reduce future human and environmental risk to safe levels. The Texas Voluntary Cleanup Program (VCP) Database provides general information on contaminated sites addressed under the Texas VCP. Institutional and Engineering Controls (IC) are included in the VCP database.

TCEQ Brownfields Site Assessments (BSA) – The BSA Program administers a grant provided by the EPA to perform Brownfields site assessment for local governments and non-profit organizations who are not responsible parties. TCEQ works in close partnership with the EPA and other federal, state, and local redevelopment agencies, and stakeholders, to facilitate cleanup, transfer and revitalization of Brownfields through the development of regulatory, tax, and technical assistance tools.

TCEQ Industrial and Hazardous Waste Program (IHWP) – The Texas Commission on Environmental Quality (TCEQ) oversees both wastes generated in Texas and those generated outside the state and sent to Texas for treatment, storage, and/or disposal. Hazardous waste is one that is listed as such by the EPA or that exhibits one or more hazardous characteristics – ignitability, reactivity, corrosiveness, or toxicity. Owners or operators of hazardous waste management units must have permits during the active life (including the closure period) of the unit and are subject to both state and federal requirements. The Industrial and Hazardous Waste Datasets are statewide files from the TRACs-IHW system that include the permitting and annual reporting of industrial and hazardous wastes to the TCEQ.

TCEQ Industrial and Hazardous Waste Corrective Action Program (IHWCA) - The Remediation Division of the TCEQ oversees the Corrective Action Program. Corrective Action is triggered when there is a documented release of hazardous waste constituents to the environment; these releases are the result of past and present activities at RCRA-regulated facilities. The Corrective Action process includes the investigation/evaluation, and if necessary remediation and cleanup of any contaminated air, groundwater, surface water, or soil of hazardous waste management spills or releases from waste management units and release areas, to ensure protection of human health and the environment. Corrective action requirements apply to all solid waste management units and areas of concern at a facility requiring regulatory agency permitting or closure.

Dry Cleaner Registration (DCR) - State law requires that all dry-cleaning drop stations and facilities register annually with the TCEQ, which implements performance standards at these facilities as appropriate.

TCEQ Dry Cleaner Remediation Program (DCRP) - was established under House Bill 1366 (Sept. 1, 2003) which established new environmental standards for dry cleaners and a remediation fund to assist with remediation of contamination caused by dry cleaning solvents. The program establishes a prioritization list of dry cleaner sites and administers the Dry Cleaning Remediation fund.

Municipal Setting Designations (MSD) - is an official state designation given to property within a municipality or its extraterritorial jurisdiction that certifies that designated groundwater at the property is not used as potable water, and is prohibited from future use as potable water because that groundwater is contaminated in excess of the application potable-water protective concentration level. The prohibition must be in the form of a city ordinance or a restrictive covenant that is enforceable by the city and filed in the property records. MSD is managed by the Remediation Division.

Railroad Commission of Texas Brownfields Response Program (BRP) - The Railroad Commission of Texas (RRC) regulates the exploration, production and transportation of oil and natural gas in Texas. The Brownfields response program (BRP) is designed to identify brownfields associated with oil and gas activities and to promote voluntary cleanup by providing federal grant funding for environmental site assessments. The objective of the BRP is to restore brownfields properties in communities across Texas by increasing the redevelopment potential of abandoned oil and gas sites.

Railroad Commission of Texas Voluntary Cleanup Program (RRC-VCP) - The purpose of the voluntary cleanup program is to provide an incentive to cleanup property contaminated by activities under Railroad Commission jurisdiction by removing the liability to the state of lenders, developers, owners, and operators who did not cause or contribute to contamination (a waste, pollutant or other substance or material regulated by or that results from an activity under the jurisdiction of the RRC) released at the site. The program is restricted to voluntary actions but does not replace other voluntary actions.
DATA SOURCES

Tribal Databases – The United States has a unique legal relationship with federally-recognized Indian tribes based on the Constitution, treaties, statutes, executive orders and court decisions. The EPA became the first federal agency to adopt a formal Indian Policy (1984) of working with tribes on a government-to-government basis. There are 561 federally-recognized tribes within the United States. Each tribe is an independent, sovereign nation, responsible for setting standards, making environmental policy, and managing environmental programs for its people. In Texas, these include the Alabama-Coushatta Tribe of Texas, Kickapoo Traditional Tribe of Texas, and the Ysleta Del Sur Pueblo of Texas. The EPA Region 6 Tribal Team members work as liaisons and partner with Tribes in Region 6 on a government-to-government basis, consistent with their inherent sovereignty, assisting other EPA Divisions to resolve environmental issues, consult, and support the development of tribal environmental protection programs. The American Indian Environmental Office manages the Tribal Air, Compliance Enforcement, Waste, Solid Waste and Emergency Response (OSWER), Underground Storage Tanks, Water programs, Brownfields Land Revitalization, Emergency Management, Federal Facilities Restoration and Reuse Office, Office of Resource Conservation and Recovery, Office of Superfund Remediation and Technology Innovation and Office of Underground Storage Tanks (OUST) have tribal response programs or coordinate with Indian tribes. Tribal facility information within these programs is reported through the EPA.
APPENDIX V

INTERVIEWS / ADDITIONAL INFORMATION
### ASTM Transaction Screen Questionnaire (Owner/Seller Questionnaire)

**Property Name and Address:**

**Consultant Name:** Phase Engineering, Inc.  
**Report No.:** 20190215 2/7/19

**Instructions:** Please submit this form via email to Diana@PhaseEngineering.com. If you have any questions, please call 832-485-2225. To submit by fax, send to Diana at 281-200-0060.

To fill out this form for email submission, place the cursor over the box in the column representing your answer and press the right mouse button once. Select the “Properties” option, and from there select “Default Value=Checked”. This will place an “x” in the appropriate place. Please select only one answer per question.

**Please explain all “Yes” answers in the Comments section at the end.**

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<th>Question</th>
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<th>NO</th>
<th>Unknown</th>
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</thead>
<tbody>
<tr>
<td>1. Have you observed any evidence or do you have any prior knowledge that the property is used or has been used, in the past, as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard or landfill, or as a waste treatment, storage, disposal, processing, recycling facility, or chemical processing/manufacturing?</td>
<td></td>
<td>X</td>
<td></td>
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<tr>
<td>2. Have you observed any evidence or do you have any prior knowledge that any adjoining property is used or has been used, in the past, as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard or landfill, or as a waste treatment, storage, disposal, processing, or recycling facility?</td>
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</tr>
<tr>
<td>3. Have you observed any evidence or do you have any prior knowledge that there are currently or have been previously, any damaged or discarded automotive or industrial batteries, pesticides, paints, or other chemicals in individual containers of greater than 5 gal (19 L) in volume or 50 gal (190 L) in aggregate, stored on or used at the property or at the facility?</td>
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<tr>
<td>4. Have you observed any evidence or do you have any prior knowledge that there are currently or have been previously, industrial drums (typically 55 gal (208 L)) or sacks of chemicals located on the property or at the facility?</td>
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<td>5. Did you observe evidence or do you have any prior knowledge that fill dirt has been brought onto the property that originated from a contaminated site or that originated from an unknown site?</td>
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<td>6. Have you observed any evidence or do you have any prior knowledge that there are currently or have been previously, any pits, ponds, or lagoons located on the property in connection with waste treatment or waste disposal?</td>
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<td>7. Have you observed any evidence or do you have any prior knowledge that there is currently or has been previously any stained soil on the property?</td>
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<td>8. Have you observed any evidence or do you have any prior knowledge that there are currently or have been previously, any registered or unregistered storage tanks (above or underground) located on the property?</td>
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<td>9. Have you observed any evidence or do you have any prior knowledge that there are currently or have been previously, vent pipes, fill pipes, or access ways indicating a fill pipe protruding from the ground on the property or adjacent to any structure located on the property?</td>
<td></td>
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Please email completed form to Diana@PhaseEngineering.com. If you have any questions, please call (832) 485-2225.
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<td>10. Have you observed any evidence or do you have any prior knowledge that there is currently or has been previously, any evidence of leaks, spills or staining by substances other than water, or foul odors, associated with any flooring drains, walls, ceilings, or exposed grounds on the property?</td>
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<tr>
<td>11. If the property is served by a private well or non-public water system, is there any evidence or do you have prior knowledge that contaminants been identified in the well or system that exceed guidelines applicable to the water system?</td>
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<td>☑</td>
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<td>☐</td>
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<tr>
<td>12. If the property is served by a private well or non-public water system, is there any evidence or do you have prior knowledge that the well has been designated as contaminated by any government environmental/health agency?</td>
<td></td>
<td>☐</td>
<td>☑</td>
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<td>13. Does the owner, or occupant of the property have any knowledge of environmental liens or governmental notification relating to past or recurrent violations of environmental laws with respect to the property or any facility located on the property?</td>
<td></td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
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<tr>
<td>14. Has the owner or occupant of the property been informed of any past or current existence of hazardous substances or petroleum products with respect to the property or any facility located on the property?</td>
<td></td>
<td>☑</td>
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<td>☐</td>
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<td>15. Has the owner or occupant of the property been informed of the current existence of environmental violations with respect to the property or any facility located on the property?</td>
<td></td>
<td>☐</td>
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<td>☐</td>
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<tr>
<td>16. Does the owner or occupant of the property have any knowledge of any environmental site assessment of the property or facility that indicated the presence of hazardous substances or petroleum products on, or contamination of, the property or recommended further assessment of the property?</td>
<td></td>
<td>☐</td>
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</tr>
<tr>
<td>17. Does the owner or occupant of the property know of any past, threatened, or pending lawsuits or administrative proceedings concerning a release or threatened release of any hazardous substance or petroleum products involving the property by any owner or occupant of the property?</td>
<td></td>
<td>☑</td>
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<td>☐</td>
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<tr>
<td>18. Does the property discharge wastewater (not including sanitary waste or storm water) onto or adjacent to the property and/or into a storm water system or sanitary sewer system?</td>
<td></td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
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<tr>
<td>19. Did you observe evidence or do you have any prior knowledge that any hazardous substances or petroleum products, unidentified waste materials, tires, automotive or industrial batteries or any other waste materials been dumped above grade, buried and/or burned, on the property?</td>
<td></td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>20. Is there a transformer, capacitor, or any hydraulic equipment for which there are any records indicating the presence of Polychlorinated biphenyls (PCBs)?</td>
<td></td>
<td>☐</td>
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Please email completed form to: Diana@PhaseEngineering.com. If you have any questions, please call (832) 485-2225.
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<th>NO</th>
<th>Unknown</th>
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<td>21. Have you observed or do you have any prior knowledge that there are</td>
<td></td>
<td></td>
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<tr>
<td>currently or have been, in the past, any water wells, oil and gas wells,</td>
<td></td>
<td></td>
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<tr>
<td>monitoring wells, injection wells, or pipelines on the property.</td>
<td></td>
<td></td>
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<tr>
<td>22. Have you observed or do you have any prior knowledge that there are</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>currently or have been, in the past, any water wells, oil and gas wells,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>monitoring wells, injection wells, or pipelines on the adjoining</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>properties.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>23. Have you observed or do you have any prior knowledge that there are</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>currently or have been, in the past, any refuse or trash piles on the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>property.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. Have you observed or do you have any prior knowledge that there are</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>currently or have been, in the past, any septic systems on the property.</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>25. Have you observed any evidence or do you have any prior knowledge</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>that the property is used or has been used, in the past, as a self-service</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>laundry facility?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26. To the best of your knowledge, have there been any previous</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>environmental reports conducted for the property, i.e. Phase I or Phase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>II reports?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27. To the best of your knowledge, is there a presence of lead based</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>paint or asbestos at the property?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28. To the best of your knowledge, what was the historical use of the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>property?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Completed By:

Name (print): Kyle Rutherford

Signature: [Signature]

Relationship to Property (owner, broker, attorney, etc.):

Firm: CHRISTUS Corporate

Address: 800 E. Dawson

City, State, ZIP Code: Tyler, TX 75704

Phone: 903-600-6090

Email:

Comments on "Yes" Answers:

Please email completed form to Diana@PhaseEngineering.com. If you have any questions, please call (832) 485-2225.
User Responsibilities Questionnaire

In order to qualify for one of the Landowner Liability Protections (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 all users must provide the following information (if available) to Phase Engineering, Inc. Failure to provide this information could result in a determination that “all appropriate inquiries” is not complete.

1) Environmental cleanup liens that are filed or recorded against the property (40 CFR 312.25).
   Did a search of recorded land title records (or judicial records where appropriate) identify any environmental liens filed or recorded against the property under federal, tribal, state or local law? □ Yes X No

2) Activity and land use (AUL’s) limitations that are in place on the property or that have been filed or recorded in a registry (40 CFR 312.26 (a)(1)(v) and (vi)).
   Did a search of recorded land title records (or judicial records where appropriate) identify any AULs, such as engineering controls, land use restrictions or institutional controls that are in place of the property and/or have been filed or recorded against the property under federal, tribal, state or local law? □ Yes X No

3) Specialized knowledge or experience of the person seeking to qualify for the LLP (40 CFR 312.28).
   Do you have any specialized knowledge or experience related to the property or nearby properties? For example, are you involved in the same line of business as the current or former occupants of the property or an adjoining property so that you would have specialized knowledge of the chemicals and processes used by this type of business? □ Yes X No

4) Relationship to the purchase price to the fair market value of the property if it were not contaminated (40 CFR 312.29).
   Does the purchase price being paid for this property reasonably reflect the fair market value of the property? □ X Yes □ No
   If you conclude that there is a difference, have you considered whether the lower purchase price is because contamination is known or believed to be present at the property? □ Yes □ No

5) Commonly known or reasonably ascertainable information about the property (40 CFR 312.30).
   Are you aware of commonly known or reasonably ascertainable information about the property that would help Phase Engineering, Inc. to identify conditions indicative of releases or threatened releases? For example, as user,
   a. Do you know the past uses of the property? □ Yes X No
   b. Do you know of specific chemicals that are present or once were present at the property? □ Yes X No
   c. Do you know of spills or other chemical releases that have taken place at the property? □ Yes X No
   d. Do you know of any environmental cleanups that have taken place at the property? □ Yes X No

6) The degree of obviousness of the presence or likely presence of contamination at the property, and the ability to detect the contamination by appropriate investigation (40 CFR 312.31).
   Based on your knowledge and experience related to the property are there any obvious indicators that point to the presence or likely presence of releases at the property? □ Yes X No

Comments from Questions 1-6:
____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________
____________________________________________________________________________________________

Please have the user(s) of the Phase I report answer and return this page with the signed letter of engagement. Please fax completed form back to Diana at (281) 200-0060. To submit this form via email, please send to: Diana@PhaseEngineering.com. If you have any questions, please call (832) 485-2225.

Property Address or Description:
Crow Road, west of Oak Hill Blvd, Tyler, Smith County, TX

Print Name: Breck Kean Company: Rea Ventures GRoup, LLC Date: 01/04/19

Signature: Breck Kean Relation to property: Purchaser
(purchaser, lender, lessee, etc.)

© Phase Engineering, Inc. 5524 Cornish Street, Houston, TX 77007 (713) 476-9844
Matthew Bancroft

From: Research Account
Sent: Thursday, February 14, 2019 10:22 AM
To: Matthew Bancroft
Subject: FW: [LegalDesk ~QOR-554418]: Public Info Request:(Lisa Molin)[2/6/19] Environmental Assessment along Crow Rd, West of Oak Hill Blvd.

201902015

From: Karl Seydler [mailto:kseydler@tylertexas.com]
Sent: Thursday, February 14, 2019 10:00 AM
To: Research Account <Research@phaseengineering.com>
Cc: Sharon F. Roberts <sroberts@tylertexas.com>; Legal Desk <legaldesk@tylertexas.com>
Subject: FW: [LegalDesk ~QOR-554418]: Public Info Request:(Lisa Molin)[2/6/19] Environmental Assessment along Crow Rd, West of Oak Hill Blvd.

Lisa,

The Engineering Plan Review Department does not have any information nor records pertaining to your request.

Thank you,
Karl

Karl Seydler, P.E., CFM
Project Engineer
Engineering Plan Review
City of Tyler
423 W. Ferguson
Tyler, Texas 75702

Phone: (903) 531-1039
Fax: (903) 531-1155
E-mail: kseydler@tylertexas.com
Web: www.cityoftyler.org

From: Legal Desk [mailto:legaldesk@tylertexas.com]
Sent: Thursday, February 07, 2019 10:24 AM
To: Planning and Development PIR Helpdesk <PlanningAndDevelopmentPIRHelpdesk@tylertexas.com>
Cc: Karl Seydler <kseydler@tylertexas.com>; Chris Lennon <clennon@tylertexas.com>; Cindy Turbeville <cturbeville@tylertexas.com>; Paula Henderson <phenderson@tylertexas.com>; Pam Lee <plee@tylertexas.com>
Subject: [LegalDesk ~QOR-554418]: Public Info Request:(Lisa Molin)[2/6/19] Environmental Assessment along Crow Rd, West of Oak Hill Blvd.
RE: Public Information Records Request

Requestor: Lisa Molin

Date Received: 2/6/19

Date Due: 2/20/19 10 Business Days After Initial Receipt of Request

The City is in receipt of a Records Request (see attachment) pursuant to the Public Information Act (Tex. Gov’t Code Chapter 552). Lisa Molin is requesting information from the following departments:

- Building Services
- Code Enforcement
- Engineering Plan Review
- Fire
- Planning & Zoning
- Water

I am sending this request to you because it appears that your departments are most likely one of the custodians of the requested records. Please see the attached public information request. If you have responsive documents to this request, please forward all responsive documents to the requestor at research@phaseengineering.com and copy Sharon Roberts and Legal Desk at that time (keeping the Legal desk ticket number in the subject line). Also, please let the requestor know if you do not have responsive documents, and also copy Sharon Roberts and Legal Desk.

If you have any questions you may contact Legal for assistance.

Linzy McDonald Posted on: Feb 06 2019 04:20 PM

Please see below for PIR.

Thank you,

Linzy McDonald
Permit Technician
Permit Center
RE: Open Records Request For: Phase Engineering Job: 201902015

Phase Engineering, Inc. is currently working on a Phase I Environmental Assessment of the property located at:

1. Address: Along Crow Road, West of Oak Hill Boulevard, Tyler, TX, 75703
2. Legal Description: Grande/C R 192, Abst A0624 M University, Tract 19C, 29.224 acres
3. Owner: Mother Frances Hospital Regional
4. Property ID #: R149379

Building Records: Please provide copies of all permits submitted/approved, certificates of occupancy and building plans for the above property. Please notify us of any charges before proceeding.

Please reply as soon as possible to: Research@PhaseEngineering.com

Submitted By:

Name:: Lisa Molin
Telephone:: 8324852253
Email:: research@phaseengineering.com
Code Enforcement Messages Posted on: Feb 06 2019 04:52 PM
================================================================
Cindy Turbeville
Administrative Secretary
903-531-1312
Code Enforcement
Customer Satisfaction Survey
The Code Enforcement Department is committed to providing the highest level of service to its customers.
In order to assess customer satisfaction, please take a moment to complete our online customer service survey.
https://www.surveymonkey.com/r/M32LVTY

From: research@phaseengineering.com [mailto:research@phaseengineering.com]
Sent: Wednesday, February 06, 2019 4:19 PM
To: Code Enforcement Messages <cemessages@tylertexas.com>
Subject: Citizen Email - [Environmental Health Records]

From: Phase Engineering, Inc. 5524 Cornish Street Houston, TX 77007
RE: Open Records Request For: Phase Engineering Job: 201902015

Phase Engineering, Inc. is currently working on a Phase I Environmental Assessment of the property located at:

1. Address: Along Crow Road, West of Oak Hill Boulevard, Tyler, TX, 75703
2. Legal Description: Grande/C R 192, Abst A0624 M University, Tract 19C, 29.224 acres
3. Owner: Mother Frances Hospital Regional
4. Property ID #: R149379
Environmental Health Records: We would like to request any and all environmentally-related information, including, but not limited to notices of violation, complaints, fuel tank storage facilities, sample wells, grease traps, etc., based upon the Freedom of Information Act for this property. Please notify us of any charges before proceeding.

Please reply as soon as possible to: Research@PhaseEngineering.com

Submitted By:

Name: Lisa Molin
Telephone: 8324852253
Email: research@phaseengineering.com

LEGAL DEPARTMENT
CITY ATTORNEY • CITY CLERK • RISK

CITY ATTORNEY • RISK 903-531-1161
CITY CLERK 903-531-1106

LegalDesk@tylertexas.com

Ticket Details Ticket ID: [QOR-554418]
Department: Legal
Priority: Medium
Status: Open

This email has been scanned for spam and viruses by Proofpoint Essentials. Click here to report this email as spam.
From: Paula Henderson [mailto:phenderson@tylertexas.com]
Sent: Thursday, February 07, 2019 1:50 PM
To: Research Account <Research@phaseengineering.com>
Subject: FW: Open Records Request - Fire (Phase No.201902015) LM

The City of Tyler Fire Department does not have any records pertaining to your request.

Paula Henderson
Administrative Secretary
Fire Marshal's Office
Tyler Fire Department
1718 W. Houston
Office: 903.535.0007, Option 2
http://fire.cityoftyler.org/Home/FireMarshal.aspx

From: Research Account [mailto:Research@phaseengineering.com]
Sent: Wednesday, February 06, 2019 4:09 PM
To: David Coble <dcoble@tylertexas.com>
Subject: Open Records Request - Fire (Phase No.201902015) LM

Open Records Request - Fire (Phase No.201902015) LM

Please find attached request and boundary map for property identification.

Thank you.
From: Cindy Turbeville [mailto:cturbeville@tylertexas.com] On Behalf Of Code Enforcement Messages
Sent: Thursday, February 07, 2019 8:23 AM
To: Research Account <Research@phaseengineering.com>
Subject: RE: Citizen Email - [Environmental Health Records]

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</table>

These are the cases Code Enforcement has worked on this property. Most have been illegal dumping(ILDU). There have been a few sign cases (SV) and (ROW) and a litter(LTR) case. The ones with (7) are for tickets issued. In those cases we caught the dumpers and fined them. All cases were worked and closed at the time and there are no open cases now.

Cindy Turbeville
Administrative Secretary
903-531-1312

Customer Satisfaction Survey
The Code Enforcement Department is committed to providing the highest level of service to its customers. In order to assess customer satisfaction, please take a moment to complete our online customer service survey. https://www.surveymonkey.com/r/M32LVTY
From: Phase Engineering, Inc. 5524 Cornish Street Houston, TX 77007

RE: Open Records Request For: Phase Engineering Job: 201902015

Phase Engineering, Inc. is currently working on a Phase I Environmental Assessment of the property located at:

1. Address: Along Crow Road, West of Oak Hill Boulevard, Tyler, TX, 75703
2. Legal Description: Grande/C R 192, Abst A0624 M University, Tract 19C, 29.224 acres
3. Owner: Mother Frances Hospital Regional
4. Property ID #: R149379

Environmental Health Records: We would like to request any and all environmentally-related information, including, but not limited to notices of violation, complaints, fuel tank storage facilities, sample wells, grease traps, etc., based upon the Freedom of Information Act for this property. Please notify us of any charges before proceeding.

Please reply as soon as possible to: Research@PhaseEngineering.com

Submitted By:

Name: Lisa Molin
Telephone: 8324852253
Email: research@phaseengineering.com

This email has been scanned for spam and viruses by Proofpoint Essentials. Click here to report this email as spam.
RECORD OF COMMUNICATION

Job #: 201902015

Job Address: Approximately 5.00 acres along Crow Road and West of Oak Hill Boulevard, Tyler, Texas 75703

Contact: Kyle Rutherford (Owner – 903 606 6090)

Comments:

Phase Engineering Inc., interviewed Mr. Kyle Rutherford via telephone on February 08, 2019. Mr. Rutherford informed Phase Engineering, Inc. of the following:

- The subject property currently and in the past was undeveloped land.
- No known environmental conditions are known to exist in connection with the subject property.
- No ASTs or USTs are currently or in the past have been located on the subject property.
- No municipal service utilities (potable water and sanitation) are provided on the subject property.
- Environmental assessment documentation or reports are not known to exist in connection with the subject property.
- Associated with the subject property for approximately 10 years.

__________________ Date: 02-08-2019

Inspected By: Zahir Jamal
Phase Engineering, Inc.
5524 Cornish Street, Houston, Texas 77007
jamal@phaseengineering.com
832-485-2224
Section 6. User Responsibilities

In order to qualify for one of the Landowner Liability Protections (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 all users must provide the following information (if available) to Phase Engineering, Inc. Failure to provide this information could result in a determination that “all appropriate inquiries” is not complete.

1) Environmental liens that are filed or recorded against the property (40 CFR 312.25).
   Did a search of recorded land title records (or judicial records where appropriate) identify any environmental liens filed or recorded against the property under federal, tribal, state or local law? □ Yes □ No

2) Activity and use limitations that are in place on the property or that have been filed or recorded against the property (40 CFR 312.26(a)(1)(v) and vii)).
   Did a search of recorded land title records (or judicial records where appropriate) identify any AULs, such as engineering controls, land use restrictions or institutional controls that are in place at the property and/or have been filed or recorded against the property under federal, tribal, state or local law? □ Yes □ No

3) Specialized knowledge or experience of the person seeking to qualify for the LLP (40 CFR 312.28).
   As the user of this ESA do you have any specialized knowledge or experience related to the property or nearby properties? For example, are you involved in the same line of business as the current or former occupants of the property or an adjoining property so that you would have specialized knowledge of the chemicals and processes used by this type of business? □ Yes □ No

4) Relationship to the purchase price to the fair market value of the property if it were not contaminated (40 CFR 312.29).
   Does the purchase price being paid for this property reasonably reflect the fair market value of the property? □ Yes □ No
   If you conclude that there is a difference, have you considered whether the lower purchase price is because contamination is known or believed to be present at the property? □ Yes □ No

5) Commonly known or reasonably ascertainable information about the property (40 CFR 312.30).
   Are you aware of commonly known or reasonably ascertainable information about the property that would help Phase Engineering, Inc. to identify conditions indicative of releases or threatened releases? For example, as user,
   a. Do you know the past uses of the property? □ Yes □ No
   b. Do you know of specific chemicals that are present or once were present at the property? □ Yes □ No
   c. Do you know of spills or other chemical releases that have taken place at the property? □ Yes □ No
   d. Do you know of any environmental cleanups that have taken place at the property? □ Yes □ No

6) The degree of obviousness of the presence or likely presence of contamination at the property, and the ability to detect the contamination by appropriate investigation (40 CFR 312.31).
   As the user of this ESA, based on your knowledge and experience related to the property are there any obvious indicators that point to the presence or likely presence of contamination at the property? □ Yes □ No

Comments from Questions 1-6:
_____________________________________________________________________________________________
_____________________________________________________________________________________________
_____________________________________________________________________________________________
_____________________________________________________________________________________________
_____________________________________________________________________________________________
_____________________________________________________________________________________________
_____________________________________________________________________________________________

Please have the user (s) of the Phase I report answer and return this page with the signed letter of engagement.

Property Address or Description:
_____________________________________________________________________________________________

Print Name: ________________________________ Company: _______________________ Date: ____________

Signature: _________________________________ Relation to property: _________________________________
(purchaser, lender, owner, lessee, etc.)
Texas Historical Commission
Archaeological Projects

Areas surveys to locate archaeological sites. Includes project areas, transmission lines and pipelines. Includes projects mapped since 2001.

- Archeological Projects - Linear
- Archeological Projects - Polygon

Texas Historical Commission
Neighborhood Surveys

Point data showing locations of resources located by any of several resources surveys. Most of the locations for older surveys were determined by address geocoding. The locations for some of the more recent surveys were determined by GPS.

- Neighborhood Survey

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PEI Project No: 201902015
Texas Historical Commission

NPS National Register of Historic Places

Properties in Texas located on the National Register of Historic Places maintained by the National Park Service.

- THC Historic Places - Point
- THC Historic Places - Properties
- National Register of Historic Places
- National Register of Historic Places

Subject Property
100 Foot Area of Interest

Texas Historical Commission

Cemeteries, County Courthouses, Museums, Historic Sites, and Historic Highway Routes

Data showing locations of official Texas Historical Markers, historic highways as determined by surveys, and cemeteries that have received the Historic Texas Cemetery designation or have been located during surveys by the THC staff.

- Museums
- County Courthouse
- Historic Highways Routes
- State Historic Sites
- Cemeteries

Subject Property
100 Foot Area of Interest

Sources: Texas Historical Commission, ESRI
Copyright ©2016 Phase Engineering, Inc.
U.S. FWS Threatened & Endangered Species Active Critical Habitats

Critical habitat is a term defined and used in the Act. It is a specific geographic area(s) that is essential for the conservation of a threatened or endangered species and that may require special management and protection. Critical habitat may include an area that is not currently occupied by the species but that will be needed for its recovery. An area is designated as “critical habitat” when it is determined that the species cannot be recovered in the absence of such protection.

An area designated as critical habitat is not a refuge or sanctuary for the species. Listed species and their habitat are protected by the Act whether or not they are in an area designated as critical habitat.

- Critical Habitat - Final - Linear Features
- Critical Habitat - Final - Polygonal Features
- Critical Habitat - Proposed - Linear Features
- Critical Habitat - Proposed - Polygonal Features
On September 18, 2017, the U.S. Environmental Protection Agency (EPA) adopted a rule requiring all water utilities to provide a detailed annual report informing its customers of the quality of their drinking water. Tyler Water Utilities is proud of our history of providing our customers with a safe and reliable supply of drinking water. In accordance with EPA requirements, the City of Tyler hereby provides this Annual Water Quality Report, which covers the period from January 1, 2017 to December 31, 2017.

PUBLIC PARTICIPATION OPPORTUNITIES

The public may participate in City Council meetings held every second and fourth Wednesday at 9 a.m. involving water quality matters.

REQUIRED INFORMATION

The Texas Commission on Environmental Quality (TCEQ) requires that the following information be provided in this report:

You may be more vulnerable than the general population to certain microbial contaminants, such as Cryptosporidium, in drinking water. Infants, some elderly, or immune-compromised persons such as those undergoing chemotherapy for cancer; those who have undergone organ transplants; those who are undergoing treatment with steroids; and people with HIV/AIDS or other immune system disorders, can be particularly at risk from infections. You should seek advice about drinking water from your physician or health care provider. Additional guidelines on appropriate means to lessen the risk of infection by Cryptosporidium are available from the Safe Drinking Water Hotline at (800)426-4791.

Additional opportunities for health concern. For more information on taste, odor, or color of drinking water, please contact Tyler Water Utilities at (903)939-8716. TCEQ completed an assessment of your source water and results indicate that some of our sources are susceptible to certain contaminants. The sampling requirements for your water system are based on this susceptibility and previous sample data. Any detection of these contaminants will be found in this water quality report. For more information on source water assessments and protection efforts at our system, call (903)939-8716.

WATER QUALITY RESULTS

The following tables provide the water quality results of Tyler's drinking water. Please note that a list of definitions has been provided to help you understand the tables.

DEFINITIONS

AL (Action Level) - The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

Contaminant - Any physical, chemical, biological or radiological substance or matter in water.

HFA Avg. (Highest Running Annual Average) - The highest of four (4) values calculated by averaging each quarter’s average result with the previous three (3) quarter’s average results.

Level 1 Assessment - A Level 1 assessment is a study of the water system to identify potential problems and determine if possible why total coliform bacteria were found.

LMPS (Lowest Monthly Percentage of Samples) - The lowest of the monthly percentage of samples that meets the turbidity limit of <0.3 NTU.

MCL (Maximum Contaminant Level) - The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to MCLGs as feasible using the best available treatment technology.

MCLG (Maximum Contaminant Level Goal) - The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

NTU (Nephelometric Turbidity Unit) - A unit of turbidity determined by measuring the side scattering of light caused by particulate matter.

pCi/L (Picocuries per liter) - A measure of radioactivity

ppb (Parts per Billion) - In drinking water, one atom or molecule of a substance in one billion molecules of water. Example: One cent in 10 million dollars equals one ppb.

ppm (Parts per Million) - In drinking water, one atom or molecule of a substance in one million molecules of water. Example: One cent in 10 thousand dollars equals one ppm.

TT (Treatment Technique) - A required process intended to reduce the level of a contaminant in drinking water.

unmo/cm - A unit of measurement for conductivity.

90th Percentile - The value determined by ranking and numbering sample results from highest to lowest (lowest = 1), multiplying the total number of samples by 0.90 (90%), and determining the sample result at the calculated ranking. Example: If 30 samples are collected, the 90th percentile would be the 27th highest sample result.

< less than sign> - The sign indicating the value was 'less than' or not detected at the detection limit of the analytical method or 'less than' the regulatory limit.

ND – Indicates that constituent tested below the detection limit.

2017 DRINKING WATER QUALITY REPORT

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CITY OF TYLER DRINKING WATER QUALITY MONITORING ANALYSIS

January 1, 2017 to December 31, 2017

The City of Tyler’s last Lead and Copper Rule sampling was in 2017. The results for the 2017 lead and copper sampling indicated that our water system is below the action limit for lead and copper.

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. This water supply is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at http://www.epa.gov/safewater/lead.
## Regulated in the Distribution System

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Units</th>
<th>HRA Average</th>
<th>Range or Max</th>
<th>MCL</th>
<th>MCLG</th>
<th>Source in Drinking Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Trihalomethanes (THMs)</td>
<td>ppb</td>
<td>65.28</td>
<td>17.7 – 59.6</td>
<td>80</td>
<td>0</td>
<td>Chlorination by-product</td>
</tr>
<tr>
<td>Haloacetic Acids</td>
<td>ppb</td>
<td>45.58</td>
<td>2.3 – 49.5</td>
<td>60</td>
<td>0</td>
<td>Chlorination by-product</td>
</tr>
</tbody>
</table>

*THMs – Some people who drink water containing THMs in excess of the MCL over many years may experience problems with their liver, kidneys, or central nervous systems and may have an increased risk of getting cancer.

## Chloramines

<table>
<thead>
<tr>
<th>Parameter</th>
<th>ppm</th>
<th>1.91</th>
<th>3.40</th>
<th>4</th>
<th>4</th>
<th>Disinfectant to control microbes</th>
</tr>
</thead>
</table>

## Fecal coliform / E. coli

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Source</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>MCL</td>
<td>A routine sample and a repeat sample are total coliform positive, and one is also fecal coliform or E. coli positive.</td>
<td></td>
</tr>
</tbody>
</table>

## Bromoform

During 2017, Tyler tested for bromoform in both untreated and treated water. Tyler works to protect the watershed from contamination and optimizes the treatment process to meet all TCEQ and EPA requirements in 2017.

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Units</th>
<th>0.09</th>
<th>0.02 – 0.09</th>
<th>0.09 – 0.15</th>
<th>99%</th>
<th>Soil runoff</th>
</tr>
</thead>
</table>

## Bromodichloromethane

During 2017, Tyler tested for bromodichloromethane in both untreated and treated water. Tyler works to protect the watershed from contamination and optimizes the treatment process to meet all TCEQ and EPA requirements in 2017.

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Units</th>
<th>11.2</th>
<th>&lt;1.0 – 18.3</th>
<th>N/A</th>
<th>N/A</th>
<th>N/A</th>
</tr>
</thead>
</table>

## Nitrate

<table>
<thead>
<tr>
<th>Parameter</th>
<th>ppm</th>
<th>0.32</th>
<th>0.08 – 0.32</th>
<th>0</th>
<th>0.5</th>
<th>N/A</th>
</tr>
</thead>
</table>

## Cryptosporidium

Cryptosporidium is a tiny intestinal parasite found naturally in the environment. It is spread by human and animal waste. If ingested, cryptosporidium may cause cryptosporidiosis, an abdominal infection (symptoms include nausea, diarrhea, and abdominal cramps). Some of the ways cryptosporidium can be spread include drinking contaminated water, eating contaminated food that is raw or undercooked, exposure to the feces of animals or infected individuals (e.g., when petting farm animals, sharing food or water with pets, or changing diapers without washing hands afterward), or exposure to contaminated surfaces. Not everyone exposed to the organism becomes ill. Ingestion of cryptosporidium can cause cryptosporidiosis, an intestinal disease that causes severe diarrhea, cramping, abdominal pain, fever, and vomiting. The occurrence of unregulated contaminants in drinking water and whether future regulation is warranted. Any unregulated contaminant detected is reported in the following table. For additional information and data visit http://www.epa.gov/safewater/ucmr/ucmr2/index.html, or call the Safe Water Hotline at (800-426-4791).

### Secondary and Other Constituents

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Units</th>
<th>Average</th>
<th>Range</th>
<th>Maximum Secondary Constituent Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alkalinity, Total</td>
<td>ppm</td>
<td>34.34</td>
<td>25 – 88.9</td>
<td>N/A</td>
</tr>
<tr>
<td>Alkalinity, Bicarb.</td>
<td>ppm</td>
<td>50.48</td>
<td>25.7 – 88.8</td>
<td>N/A</td>
</tr>
<tr>
<td>Aluminum</td>
<td>ppm</td>
<td>0.071</td>
<td>0.005 – 0.1</td>
<td>0.20</td>
</tr>
<tr>
<td>Conductivity</td>
<td>umho/cm</td>
<td>195</td>
<td>162 – 258</td>
<td>N/A</td>
</tr>
<tr>
<td>Hardness, Total</td>
<td>ppm</td>
<td>30.66</td>
<td>5.31 – 49.2</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Dissolved Solids</td>
<td>ppm</td>
<td>116</td>
<td>91 – 149</td>
<td>1000</td>
</tr>
<tr>
<td>Total Organic Carbon</td>
<td>ppm</td>
<td>3.028</td>
<td>2.17 – 4.44</td>
<td>N/A</td>
</tr>
<tr>
<td>Calcium</td>
<td>ppm</td>
<td>8.33</td>
<td>1.48 – 13.7</td>
<td>N/A</td>
</tr>
<tr>
<td>Chloride</td>
<td>ppm</td>
<td>12.98</td>
<td>2.06 – 24.6</td>
<td>N/A</td>
</tr>
<tr>
<td>Magnesium</td>
<td>ppm</td>
<td>3.44</td>
<td>0.39 – 11.2</td>
<td>N/A</td>
</tr>
<tr>
<td>Manganese</td>
<td>ppm</td>
<td>0.0058</td>
<td>&lt;0.001 – 0.19</td>
<td>N/A</td>
</tr>
<tr>
<td>Sodium</td>
<td>ppm</td>
<td>24.26</td>
<td>15.2 – 40.5</td>
<td>N/A</td>
</tr>
<tr>
<td>Copper</td>
<td>ppm</td>
<td>0.0057</td>
<td>&lt;0.001 – 0.01</td>
<td>N/A</td>
</tr>
<tr>
<td>Iron</td>
<td>ppm</td>
<td>0.0044</td>
<td>0 – 0.022</td>
<td>N/A</td>
</tr>
<tr>
<td>Lead</td>
<td>ppm</td>
<td>0.000</td>
<td>0 – 0.015</td>
<td>N/A</td>
</tr>
<tr>
<td>Nickel</td>
<td>ppm</td>
<td>0.0004</td>
<td>&lt;0.001 – 0.0014</td>
<td>N/A</td>
</tr>
<tr>
<td>Sulfate</td>
<td>ppm</td>
<td>24.03</td>
<td>9.67 – 38.4</td>
<td>N/A</td>
</tr>
<tr>
<td>Zinc</td>
<td>ppm</td>
<td>0.0002</td>
<td>&lt;0.005 – 0.011</td>
<td>5.0</td>
</tr>
<tr>
<td>Monochloroacetic acid</td>
<td>ppm</td>
<td>0.0719</td>
<td>&lt;1.0 – 12</td>
<td>N/A</td>
</tr>
<tr>
<td>Dichloroacetic acid</td>
<td>ppm</td>
<td>12.718</td>
<td>2.3 – 30.5</td>
<td>N/A</td>
</tr>
<tr>
<td>Trichloroacetic acid</td>
<td>ppm</td>
<td>7.2156</td>
<td>&lt;1.0 – 17.2</td>
<td>N/A</td>
</tr>
<tr>
<td>Monobromoacetic acid</td>
<td>ppm</td>
<td>0</td>
<td>&lt;1.00 – 1.0</td>
<td>N/A</td>
</tr>
<tr>
<td>Dibromoacetic acid</td>
<td>ppm</td>
<td>0.7815</td>
<td>&lt;1.00 – 2.0</td>
<td>N/A</td>
</tr>
<tr>
<td>Bromochloroacetic acid</td>
<td>ppm</td>
<td>4.6563</td>
<td>&lt;1.00 – 8.1</td>
<td>N/A</td>
</tr>
</tbody>
</table>

## Radioactive Parameters

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Units</th>
<th>Range</th>
<th>MCL</th>
<th>Maximum Secondary Constituent Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antimony</td>
<td>ppb</td>
<td>&lt;0.001</td>
<td>0.006</td>
<td>6</td>
</tr>
<tr>
<td>Arsenic</td>
<td>ppb</td>
<td>&lt;0.001</td>
<td>0.011</td>
<td>N/A</td>
</tr>
<tr>
<td>Beryllium</td>
<td>ppb</td>
<td>&lt;0.001</td>
<td>0.004</td>
<td>4</td>
</tr>
<tr>
<td>Cadmium</td>
<td>ppb</td>
<td>&lt;0.001</td>
<td>0.005</td>
<td>5</td>
</tr>
<tr>
<td>Chromium</td>
<td>ppb</td>
<td>&lt;0.001</td>
<td>0.01</td>
<td>100</td>
</tr>
<tr>
<td>Mercury</td>
<td>ppb</td>
<td>&lt;0.002</td>
<td>0.002</td>
<td>2</td>
</tr>
<tr>
<td>Selenium</td>
<td>ppb</td>
<td>&lt;0.005</td>
<td>0.05</td>
<td>50</td>
</tr>
<tr>
<td>Silver</td>
<td>ppb</td>
<td>&lt;0.001</td>
<td>0.011</td>
<td>N/A</td>
</tr>
<tr>
<td>Thallium</td>
<td>ppb</td>
<td>&lt;0.001</td>
<td>0.002</td>
<td>0.5</td>
</tr>
</tbody>
</table>

## Organo Compounds

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Units</th>
<th>Average</th>
<th>Range</th>
<th>MCL</th>
<th>MCLG</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCEQ</td>
<td>ppb</td>
<td>1.05</td>
<td>4</td>
<td>5</td>
<td>0</td>
<td>Decay of natural &amp; manmade deposits</td>
</tr>
</tbody>
</table>

No organic compounds were detected.
The purpose of this map is to assist National, State and local organizations to target their resources and to implement radon-resistant building codes. This map is not intended to determine if a home in a given zone should be tested for radon. Homes with elevated levels of radon have been found in all three zones.

Sections 307 and 309 of the Indoor Radon Abatement Act of 1988 (IRAA) directed the EPA to list and identify areas of the U.S. with the potential for elevated indoor radon levels. EPA’s Map of Radon Zones assigns each of the 3,141 counties in the U.S. to one of three zones based on radon potential using the five factors to determine radon potential: 1) indoor radon measurements; 2) geology; 3) aerial radioactivity; 4) soil permeability; and 5) foundation type. For more information, refer to Preliminary Geologic Radon Potential Assessment of Texas from USGS Geologic Radon Potential of EPA Region 6, Open-File Report 93-202-F.
<table>
<thead>
<tr>
<th>County</th>
<th>Mean</th>
<th>Number</th>
<th>&gt;4 pCi/l</th>
<th>&gt;20 pCi/l</th>
<th>Minimum Value</th>
<th>Maximum Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>ORANGE</td>
<td>.4</td>
<td>14</td>
<td>.0</td>
<td>.0</td>
<td>&lt;.5</td>
<td>1.2</td>
</tr>
<tr>
<td>PALO PINTO</td>
<td>.9</td>
<td>7</td>
<td>.0</td>
<td>.0</td>
<td>&lt;.5</td>
<td>2.2</td>
</tr>
<tr>
<td>PANOLA</td>
<td>&lt;.5</td>
<td>10</td>
<td>.0</td>
<td>.0</td>
<td>&lt;.5</td>
<td>.7</td>
</tr>
<tr>
<td>PARKER</td>
<td>&lt;.5</td>
<td>8</td>
<td>.0</td>
<td>.0</td>
<td>&lt;.5</td>
<td>1.3</td>
</tr>
<tr>
<td>PARMER</td>
<td>2.5</td>
<td>5</td>
<td>20.0</td>
<td>.0</td>
<td>&lt;.5</td>
<td>6.2</td>
</tr>
<tr>
<td>PECOS</td>
<td>&lt;.5</td>
<td>6</td>
<td>.0</td>
<td>.0</td>
<td>&lt;.5</td>
<td>.8</td>
</tr>
<tr>
<td>POLK</td>
<td>.5</td>
<td>7</td>
<td>.0</td>
<td>.0</td>
<td>&lt;.5</td>
<td>1.3</td>
</tr>
<tr>
<td>POTTER</td>
<td>2.8</td>
<td>32</td>
<td>28.1</td>
<td>.0</td>
<td>&lt;.5</td>
<td>6.6</td>
</tr>
<tr>
<td>PRESIDIO</td>
<td>2.4</td>
<td>46</td>
<td>17.4</td>
<td>.0</td>
<td>&lt;.5</td>
<td>7.2</td>
</tr>
<tr>
<td>RAINS</td>
<td>&lt;.5</td>
<td>4</td>
<td>.0</td>
<td>.0</td>
<td>&lt;.5</td>
<td>&lt;.5</td>
</tr>
<tr>
<td>RANDALL</td>
<td>5.7</td>
<td>20</td>
<td>35.0</td>
<td>5.0</td>
<td>.5</td>
<td>33.1</td>
</tr>
<tr>
<td>REAGAN</td>
<td>&lt;.5</td>
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US F&WS National Wetlands Inventory and Riparian Habitats

The U.S. Fish and Wildlife Service is the principal Federal agency that provides information to the public on the extent and status of the Nation's wetlands. These data delineate the areal extent of wetlands and surface waters as defined by Cowardin et al. (1979). Certain wetland habitats are excluded from the National mapping program because of the limitations of aerial imagery as the primary data source used to detect wetlands. These habitats include seagrasses or submerged aquatic vegetation, some deepwater reef communities (coral or tubercid worm reefs), and certain types of "farmed wetlands". Riparian areas are lands that occur along watercourses and water bodies. Typical examples include flood plains and streambanks. They are distinctly different from surrounding lands because of unique soil and vegetation characteristics that are strongly influenced by the presence of water.
Classification of Wetlands and Deepwater Habitats of the United States, Cowardin et al. 1979
### WETLANDS AND DEEPWATER HABITATS CLASSIFICATION

**System**

- **1 - Limnetic**
  - **L - Lacustrine**

**Subsystem**

- **1 - Limnetic**
- **2 - Littoral**

**Class**

- **RB – Rock Bottom**
- **UB – Unconsolidated Bottom**
- **AB – Aquatic Bed**

**Subclass**

1. **Bedrock**
2. **Rubble**
3. **Sand**
4. **Mud**
5. **Organic**

**System**

- **P - Palustrine**

**Class**

- **RB – Rock Bottom**
- **UB – Unconsolidated Bottom**
- **AB – Aquatic Bed**
- **US – Unconsolidated Shore**
- **ML – Moss-Lichen**
- **EM – Emergent**
- **SS – Scrub-Shrub**
- **FO = Forested**

**Subclass**

1. **Bedrock**
2. **Rubble**
3. **Sand**
4. **Mud**
5. **Organic**
6. **Vegetated**

### MODIFIERS

In order to more adequately describe the wetland and deepwater habitats, one or more of the water regime, water chemistry, soil, or special modifiers may be applied at the class or lower level in the hierarchy. The farmed modifier may also be applied to the ecological system.

<table>
<thead>
<tr>
<th>Water Regime</th>
<th>Special Modifiers</th>
<th>Water Chemistry</th>
<th>Soil</th>
</tr>
</thead>
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<tr>
<td><strong>C Seasonally Flooded</strong></td>
<td>N Regularly Flooded</td>
<td>3 Miixosaline (Brackish)</td>
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<td><strong>E Seasonally Flooded</strong></td>
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</table>
Noise Sources Map

Note: Property location and boundary are representative only.

Subject Property
1000 foot radius
3000 foot radius

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PEI Project No: 201902015
The National Plan of Integrated Airport Systems (NPIAS) identifies existing and proposed airports in Texas that are significant to the national air transportation. The NPIAS contains all commercial service airports, all reliever airports, and selected general aviation airports.

**Airports per NPIAS Report (updated 2017)**

- **Major Airport** - This category includes all civil airports with a minimum of 9,000 emplanements annually.
- **Minor Airport** - Includes all nonprimary public airports which are not considered as a major noise source.
Noise Assessment Location (NAL) Map

No noise generating features were identified within the minimum search distance.
### 201902015: Noise Calculation Data

#### Projected 4% Annual Growth

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#### Railroad

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#### Airport

- Distance: 5.3 miles
- Outside Noise Contours: Yes

#### Noise Assessment Locations (NAL)

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---

**Criteria**

- **ADT = Average Daily Traffic Count**
- **DNL = Day/Night Noise Level**

1. **Percent of Truck Traffic** is obtained from the TxDOT Statewide Planning Map
2. **Breakdown of Truck Traffic** is assumed, 75% Medium Trucks and 25% Heavy Trucks

**Note:** When percentage of truck traffic is not available, the default is 15% Medium Trucks and 5% Heavy Trucks of the total ADT.
Explosive and Flammable Facilities
Acceptable Separate Distance (ASD) from Explosive and Flammable Operations

- Subject Property
- ASD for People
- 1/4 Mile Radius

Note: Property location and boundary are representative only.

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Acceptable Separation Distance (ASD) Electronic Assessment Tool

The Environmental Planning Division (EPD) has developed an electronic-based assessment tool that calculates the Acceptable Separation Distance (ASD) from stationary hazards. The ASD is the distance from above ground stationary containerized hazards of an explosive or fire prone nature, to where a HUD assisted project can be located. The ASD is consistent with the Department's standards of blast overpressure (0.5 psi-buildings) and thermal radiation (450 BTU/ft² - hr - people and 10,000 BTU/ft² - hr - buildings). Calculation of the ASD is the first step to assess site suitability for proposed HUD-assisted projects near stationary hazards. Additional guidance on ASDs is available in the Department's guidebook “Siting of HUD-Assisted Projects Near Hazardous Facilities” and the regulation 24 CFR Part 51, Subpart C, “Siting of HUD-Assisted Projects Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature.”

Note: Tool tips, containing field specific information, have been added in this tool and may be accessed by hovering over the ASD result fields with the mouse.

Acceptable Separation Distance Assessment Tool

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<tr>
<th>Question</th>
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<td>Is the container under pressure?</td>
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<tr>
<td>Does the container hold a cryogenic liquified gas?</td>
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<tr>
<td>Is the container diked?</td>
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</tr>
</tbody>
</table>

What is the volume (gal) of the container? 250
What is the Diked Area Length (ft)?
What is the Diked Area Width (ft)?

Calculate Acceptable Separation Distance

Diked Area (sqft)
ASD for Blast Over Pressure (ASDBOP) 138.50
ASD for Thermal Radiation for People (ASDPHU) 155.23
ASD for Thermal Radiation for Buildings (ASDBU) 26.49
ASD for Thermal Radiation for People (ASDPNPD)
ASD for Thermal Radiation for Buildings (ASDBNPD)

For mitigation options, please click on the following link: Mitigation Options (/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/)

Providing Feedback & Corrections

After using the ASD Assessment Tool following the directions in this User Guide, users are encouraged to provide feedback on how the ASD Assessment Tool may be improved. Users are also encouraged to send comments or corrections for the improvement of the tool.

Please send comments or other input using Ask A Question (/ask-a-question/my-question/). Enter “Environmental Review” in the “My question is related to” field.

Related Information
- ASD Flow Chart (/resource/3840/acceptable-separation-distance-asd-flowchart/)
APPENDIX VI

LETTER OF ENGAGEMENT
Phase Engineering, Inc.

Environmental Consultants

Rea Ventures Group, LLC
Breck Kean
2964 Peachtree Road NW, Suite 200
Atlanta, GA 30305
Phone: (404) 250-4093 Ext. 711  Fax: (404) 250-4091  Email: breckkean@reaventures.com

Property/Borrower Name or Reference #: Tyler
Current Use: Land - Undeveloped - Approximately 5 Acres
Address/ Property Location: Along Crow Road west of Oak Hill Boulevard
City: Tyler    County: Smith    State: TX    Zip: 75703

Perform a Phase I Environmental Site Assessment (ESA) to comply with the ASTM E 1527-13 Standard and §10.305 Subchapter D of the TDHCA 2018 Uniform Multifamily Application, including ASTM Non Scope Considerations: Vapor Encroachment Screening, a Noise Assessment, an opinion for testing of asbestos, lead based paint, and lead in drinking water. The report will be applicable to the attached Agreement for Environmental Professional Services.

- Includes: Electronic version in PDF with findings, opinions, conclusions and recommendations. Originals @ $125.00 each.
- Delivery: Final ESA report approximately 15 business days from signed letter of engagement. Delivery charges may apply, not to exceed $30.00 per delivery, unless client arranges for pick-up at their own expense.
- Terms: Net due prior to receipt of final report.
- $125/hour for additional hours of consulting beyond the scope of work, if required.

If the above terms and attached Agreement for Professional Environmental Consulting Services (General Terms & Conditions) are acceptable, please sign and fax (eFax 281-200-0060) or email (proposals@phaseengineering.com) a copy of this letter to serve as a letter of engagement and notification to proceed. The following information is needed to complete by scheduled delivery date:

1. Current owner of the property and telephone number.
2. Contact name and telephone number.
3. Access to the property, which may include keys or combinations, if applicable.
4. All complete environmental reports.
5. Survey and legal description. Survey does not have to be new if it reflects the property correctly.
6. Detailed project description and proposed site plan.
7. All entities for which the report will be addressed and invoicing information. If this information is not given to Phase Engineering, Inc. in a legible format, the above named will be identified as user of the report and will be invoiced directly.

Thank you for the opportunity to work with you and your environmental needs. If you have any questions, please call me at (832) 485-2227.

Tracy Watson

Accepted By: C. Breck Kean
Date: 01-04-19

Print Name: Breck Kean, VP - Rea Ventures Group, LLC
AGREEMENT FOR PROFESSIONAL ENVIRONMENTAL CONSULTING SERVICES

Section 1 – General Terms and Conditions

1.1 Definitions

“Agreement” means this Agreement for Professional Environmental Consulting Services.
“Party” (or collectively, “Parties”) means PEI and Client, unless expressly stated otherwise in this Agreement.
“PEI” means Phase Engineering, Inc.
“Engagement Letter” the instrument delivered by PEI to the Parties
“Services” has the meaning set forth in Section 1.2 below.

Any capitalized terms not otherwise defined in this Agreement have the meanings given to them under the Engagement Letter.

1.2 Services

The professional environmental consulting services to be provided by PEI for the Client are set forth in the Engagement Letter, and such services, including subsequent services, changed, altered or additional services are hereinafter called the “Services”.

1.3 Standard of Care

PEI shall perform the services under this agreement with that degree of care, skill and diligence generally accepted as typical of the industry in the performance of such services as contemplated by the Agreement at the time and location such services are rendered. PEI shall employ only competent staff and sub-contractors who will be under the supervision of a senior member of PEI’s staff.

1.4 Rights of Entry, Site Information and Utilities

The Client shall provide right of entry for PEI and its subcontractors to carry out the Services, unless specified otherwise in the Engagement Letter. The Client warrants that it has furnished to PEI all information known to, or in possession or control of, the Client relating to the past and existing conditions of the site, including but not limited to soil and geologic data, contaminants, wastes, petroleum products, controlled substances, hazardous materials, and subsurface utilities. The Client shall extend use and reliance of this information to PEI, unless stated otherwise and to the extent permitted by law. Such information shall be and remain confidential as between the Client and PEI and PEI shall not disclose same to any third party unless required by law.

1.5 Safety

1.5.1 PEI maintains a General Health and Safety Plan, a copy of which will be provided to the Client on written request and will fall under Section 1.8 Subsequent Changes of this Agreement unless this service is included in the Engagement Letter.

1.5.2 PEI shall take every precaution reasonable in the circumstances for the protection of the workers providing any of the Services. When required and prior to any field work being carried out, PEI shall provide the Client with a comprehensive site-specific safety plan for providing the Services. Such request must be made in writing by the Client prior to commencement of the Services by PEI and will fall under Section 1.9 Subsequent Changes of this Agreement unless included in the Engagement Letter.

1.6 Investigations and Reports

1.6.1 Findings: The findings of any investigation undertaken as part of the Services will be based upon information generated as a result of the specific scope of the Services as described in the Engagement Letter.

1.6.2 Restoration: The Client accepts that in the normal course of the Services some damage to existing ground or other surface finishes may occur, the restoration of which shall be the responsibility of the client or as specified in the Engagement Letter.

1.6.3 Investigations: The parties acknowledge and accept that unique risks exist whenever engineering or related disciplines are applied to identify environmental conditions and even a comprehensive sampling and testing program may fail to detect certain conditions. Because of the inherent uncertainties in environmental evaluations, changed or unanticipated conditions may occur or become known subsequent to PEI’s investigation that could affect conclusions, recommendations, total Project cost and/or execution. Changes in conditions are subject to amendments to the Scope of Services.

1.6.4 Confidentiality and Reliance: Any Final Report or draft reports and the information contained therein shall be treated as confidential and, unless otherwise agreed to by PEI and the Client, the information, sampling data, analysis, findings, conclusions and recommendations (if any), may be used and relied upon only by the Client, its officers, directors and employees and professional advisors in the performance of their obligations for or on behalf of the Client. Any such use and reliance shall be subject to the limitations set forth in this agreement. In addition, the Client may submit any report to a regulatory authority or lender for the purpose of obtaining financing on a property.

1.6.5 Third Party Reliance: This Agreement and the Services provided are for Consultant and Client’s sole benefit and exclusive use with no third party beneficiaries intended. Reliance upon the Services and any work product is limited to Client, and is not intended for third parties. In the event PEI agrees, in its sole and absolute discretion, to make the Report available to a third party not mentioned in Paragraph 1.6.4, the Third Party shall be required to obtain the original Clients release, sign PEI’s standard Authorized User Agreement (AUA) and pay PEI a fee of not less than $350.00. Any such use shall be subject to the terms, conditions and limitations set forth in this Agreement, the Report and the AUA.

1.7 Ownership of Records/Reports:

All documents or records created or prepared by PEI in the performance of the Services are considered PEI’s professional work product and shall remain the copyright property of PEI, subject to any reasonable disclosure request from the Client as may be necessary and for which reasonable reimbursement for copies is provided.

1.8 Disposal and Samples

1.8.1 Disposal of all wastes generated from the subject property shall be the responsibility of the Client.

1.8.2 PEI shall be responsible for appropriate disposal of sample material and sample residuals after 30 days following submission of the Final Report unless the Client specifically requests otherwise.
1.9 Subsequent Changes
With the consent of PEI, the Client may in writing at any time after the execution of this Agreement or the commencement of the Services delete, extend, increase, vary or otherwise alter the Services. The Parties further agree that such changes shall alter the Services, schedule and/or the costs. Any such changes shall be made in writing with reference to this Agreement, and accepted in writing by both Parties.

1.10 Delays
Neither Party shall be liable or penalized for delays or failure to perform its Services if the same is caused directly or indirectly by circumstances beyond a Party’s reasonable control. The Client shall not hold PEI responsible for damages or delays in performance caused by the Client, acts of God, acts and/or omissions of governmental authorities and regulatory agencies or other events which are beyond the reasonable control of the Parties.

1.11 Payment
1.11.1 The PEI shall invoice the Client in accordance with the provisions set forth in the Engagement Letter. Except as stated in the Engagement Letter, the Client shall pay to PEI at its corporate office each invoice within 30 days of the date of the invoice without holdback. Interest at a rate of 1.5% per month or the maximum rate allowed by law, whichever is lower, may be charged on all overdue amounts.
1.11.2 In the event of a disputed billing, only the disputed portion will be withheld from payment, and the undisputed portion will be paid. The Client shall exercise reasonableness in disputing any bill or portion thereof. No interest will accrue on any disputed portion of the billing until mutually resolved.
1.11.3 If the Client fails to make payment of any sum due hereunder within a reasonable time period, Client acknowledges and agrees that the subject Invoice will be referred to legal collections, and any amount in aggregate less than Ten Thousand Dollars U.S. ($10,000) will be referred to small claims court in Harris County, Texas.

1.12 Suspension or Termination
The Client may at any time by notice in writing to PEI, suspend or terminate the Services or any portion thereof at any stage of the Project. Upon receipt of such written notice by the Client, PEI shall perform no further Services other than those reasonably necessary to close out its Services. In such an event, PEI shall invoice the Client for the portion of the Services completed and shall be entitled to payment in accordance with Section 1.9. Once the Services are completed the Client assumes the risk of Frustration of Purpose.

1.13 Insurance
1.13.1 PEI agrees to carry and maintain the following minimum insurance coverages for the term of this Agreement:
- Worker’s Compensation Insurance: Statutory requirement amounts
- Commercial General Liability: $1,000,000 per occurrence
- Automobile Liability Insurance: $1,000,000 per occurrence for both owned and non-owned vehicles
- Professional Liability and Contractors Professional Insurance: $1,000,000 per occurrence
1.13.2 PEI’s current Certificate of Insurance is provided with the Engagement Letter. If the Client requests to be a named as a certificate holder, this request must be made in writing to PEI prior to commencement of the Services.
1.13.3 PEI will renew the Professional Liability Insurance at or above the minimum coverage for period of two (2) years after completion of the Services.
1.13.4 If the Client requests that PEI increase the amount of insurance coverage or obtain other special insurance for the Project, PEI shall endeavor forthwith to obtain such increased or special insurance at the Client's expense.
1.13.5 Each of PEI and Client waive all claims, losses, damages and rights of recovery against the other to extent of the limits of coverage under any commercial general liability or property insurance policy actually obtained by a Party to this Agreement (or, in the case of PEI, to the extent obtained or required to be obtained by PEI under this Agreement). In addition, each Party shall exercise commercially reasonable efforts to cause to waive subrogation under its commercial general liability and property insurance policies and provide any necessary endorsements thereto.

1.14 Indemnity/Statute of Limitations.
EACH OF PEI AND CLIENT SHALL INDEMNIFY AND HOLD HARMLESS THE OTHER AND THEIR RESPECTIVE AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS FROM AND AGAINST LEGAL LIABILITY FOR CLAIMS, LOSSES, DAMAGES, AND EXPENSES TO THE EXTENT SUCH CLAIMS, LOSSES, DAMAGES, OR EXPENSES ARE LEGALLY DETERMINED TO BE CAUSED BY THEIR NEGLIGENT ACTS, ERRORS, OR OMISSIONS. IN THE EVENT SUCH CLAIMS, LOSSES, DAMAGES, OR EXPENSES ARE LEGALLY DETERMINED TO BE CAUSED BY THE JOINT OR CONCURRENT NEGLIGENCE OF PEI AND CLIENT, THE PARTIES SHALL BEAR LIABILITY IN PROPORTION TO ITS OWN NEGLIGENCE UNDER COMPARATIVE FAULT PRINCIPLES. NEITHER PARTY SHALL HAVE A DUTY TO DEFEND THE OTHER PARTY, AND NO DUTY TO DEFEND IS HEREBY CREATED BY THIS INDEMNITY PROVISION AND SUCH DUTY IS EXPLICITLY WAIVED UNDER THIS AGREEMENT. CAUSES OF ACTION ARISING OUT OF PEI’S SERVICES OR THIS AGREEMENT, REGARDLESS OF CAUSE OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY OR OTHER RECOVERY, SHALL BE DEEMED TO HAVE ACCRUED AND THE APPLICABLE STATUTE OF LIMITATIONS SHALL COMMENCE TO RUN NO LATER THAN THE DATE OF PEI’S SUBSTANTIAL COMPLETION OF SERVICES ON THE PROJECT.

1.15 Limitation of Liability.
1.15.1 Notwithstanding any other provisions contained herein, it is understood and agreed that PEI’s liability to the Client for all claims arising out of this Agreement, or in any way relating to the Services, will be limited to direct damages and/or to the specific performance of any Services not meeting the Standard of Care set forth herein and such liability will, in the aggregate, not exceed the sum of the coverages shown on PEI’s Certificate of Insurance in effect at the time of the claim.
1.15.2 No claim may be brought against PEI more than Two (2) years after the Services were completed under this Agreement, or as negotiated between PEI and the Client.
1.15.3. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF PEI (AND ITS DIRECTORS, EMPLOYEES, AGENTS AND AFFILIATES) TO CLIENT AND THIRD PARTIES GRANTED RELIANCE IS LIMITED TO THE GREATER OF $50,000 OR PEI'S FEE FOR ANY AND ALL INJURIES, DAMAGES, CLAIMS, LOSSES, OR EXPENSES (INCLUDING ATTORNEY AND EXPERT FEES) ARISING OUT OF PEI'S SERVICES OR THIS AGREEMENT. THIS LIMITATION SHALL APPLY REGARDLESS OF AVAILABLE PROFESSIONAL LIABILITY INSURANCE COVERAGE, CAUSE OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY, OR OTHER RECOVERY; PROVIDED, HOWEVER, THAT THIS LIMITATION SHALL NOT APPLY TO THE EXTENT OF ANY AVAILABLE COVERAGE UNDER PEI'S COMMERCIAL GENERAL LIABILITY POLICY.

1.16 Consequential Damages.
EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR LOSS OF PROFITS OR REVENUE, LOSS OF USE OR OPPORTUNITY, LOSS OF GOOD WILL, COST OF SUBSTITUTE FACILITIES, GOODS, OR SERVICES, COST OF CAPITAL, OR FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR EXEMPLARY DAMAGES.

1.17 Regulatory Reporting Requirements
Client recognizes that hazardous substances or contaminants may be discovered at the subject property in the course of provision of the Services by PEI under conditions that may be reportable to Federal or State environmental regulatory agencies. The “duty to report” is ultimately the responsibility of the landowner unless the condition represents an acute threat to human health or the environment. PEI will notify the Client of any such reportable condition. The Client will notify the Landowner, or under mutual agreement, authorize PEI to perform such notification to the landowner.

Section 2 – MISCELLANEOUS PROVISIONS

2.1 Notices:
All notices under this Agreement shall be in writing. It shall be sufficient in all respects if the Notice is delivered by hand, sent by any electronic means, including email or facsimile transmission, with confirmation (“Transmission”) during normal business hours, or sent by registered mail, postage prepaid, addressed to the Parties shown on the Engagement Letter or to such other address as either Party shall designate by written notice to the other Party. Any notice so given shall be deemed to have been given and to have been received on the day of delivery, if so delivered, on the third Business Day (excluding each day during which there exists any interruption of postal services due to strike, lockout or other cause) following the mailing thereof, if so mailed, and on the day that notice was sent by Transmission, provided such day is a Business Day (a Business Day being any day of the week save and except for Saturday and Sunday) and if not, on the first Business Day thereafter.

2.2 Entire Agreement, Modifications, Heads, Severability:
The Parties acknowledge that this Agreement and the Engagement Letter constitutes the entire agreement between them and supersedes all prior representations, warranties, agreements, and understandings, oral or written, between the Parties with respect to its subject matter. Unless stated otherwise in this Agreement, this Agreement may not be modified except in writing signed by both Parties. The headings to this Agreement are for convenience and reference purposes only and shall not constitute a part of the Agreement. If any element of this Agreement is later held to violate the law or a regulation, it shall be deemed void, and all remaining provisions shall continue in force.

2.3 Effect:
This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns provided that it may not be assigned by either Party without the consent of the other, which consent shall not be unreasonably withheld.

2.4 Survival:
All representations and obligations (including without limitation the mutual obligations of indemnification) shall survive the termination of this Agreement and expire five (5) years from the date of completion of Services.

2.5 Waiver of Rights:
Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if made in writing and signed by the Party granting such waiver or consent, and is valid only in the specific instance and for the specific purpose for which it has been granted. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

2.6 Applicable Law:
This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in the State of Texas and the laws of The United States of America, as applicable.

2.7 Dispute Resolution:
Excepting Section 1.11 for the purpose of this Agreement, any disagreement arising between the Parties to this Agreement with reference to the interpretation of this Agreement or any matter arising hereunder and upon which the Parties cannot agree shall be referred to mediation. Reference to mediation shall be to a single mediator and in accordance with the laws of mediation in the State of Texas. The costs of the mediator shall be shared equally by the Parties on an interim basis as may be necessary provided however that the mediator shall have the discretion to award costs of the proceeding, including costs of the mediator. The venue for such mediation is agreed to be Harris County, Texas.

2.8 Contract Documents:
The Contract Documents consist of the documents listed. If there is a conflict with the Contract Documents, the conflicting terms will be governed in the order of priority set forth as follows: 1. Agreement 2. Engagement Letter
APPENDIX VII

STATEMENT OF QUALIFICATIONS
It is our goal to provide quality Environmental Site Assessments and Related Professional Services at a fair price within the clients’ required delivery date.

Since 1993 our in-house licensed and certified Environmental Professionals team continues to provide consistent quality, detailed attention to our client’s requests, and full service environmental reports which set Phase Engineering, Inc. apart. Phase Engineering, Inc. has provided over 20,000 nationwide professional quality and timely Environmental Assessments and Property Condition Assessments for the private and public commercial real estate industries.

Whether you are a lender, a broker, an attorney, a buyer/seller, a property manager, a developer, or a property owner; Phase Engineering has the right service at the right price point for you. We work diligently to meet our clients timing and unique requirements. As any qualified Environmental Consultant knows, Environmental Site Assessments are not created equal. Phase Engineering is qualified to ensure your reports are done to the highest standards and regulations to help to protect the client’s interest. Please check out our “Dare to Compare” website page for more information on how you can qualify your environmental vendors.

We pride ourselves in keeping current our licenses and certifications to give the client a more informed and educated solution. The following are among our company’s licenses and certifications:

- Professional Engineering Firm
- Professional Geoscientist Firm
- Licensed Asbestos Consultant Agency
- Licensed Mold Assessment Company
- Certified Lead Firm
- Leaking Petroleum Storage Tank (LPST) Corrective Action Specialist (CAS)
- Wetlands United States Army Corp of Engineers Delineation Course Certified
- Storm Water & Pollution Prevention Certified Preparer of SWPPP (CPSWPPP) and (CCIS)
- Radon
Professional Services

The professional licensed and technical staff at Phase Engineering, Inc. are annually involved nationwide in over 1000 environmental site assessments, Property Condition Assessments and related services. Our professional services include all aspects of the environmental due diligence for all types of commercial real estate clients. Phase Engineering is qualified to ensure your reports are done to the highest standards and regulations to help to protect the client’s interest. Phase Engineering, Inc. provides a full range of professional environmental services for the real estate transaction business world as listed below:

Environmental Site Assessments

- Phase I Environmental Site Assessments include site assessments prepared to: EPA “All Appropriate Inquiries" (AAI) rule, Phase I Environmental Site Assessments as per ASTM Standard E 1527, Small Business Administration (SBA) SOP 50 10 5, etc.
- Client specific requirements such as Fannie Mae, FDIC, Freddie Mac, HUD, DHCA, NEPA, USDA, FDIC, TDHCA, Oil & Gas, etc.
- Transaction Screens per ASTM Standard E 1528
- Wetlands Determination, Delineations, Mitigation Plans, and Permitting
- Endangered Species Reviews
- Record Search with Risk Assessment Reports
- Desktop Reviews
- Environmental Data Services
- Prior Environmental Report Reviews (Third Party Reviews)

Phase II Environmental Site Assessments / Consulting

- Phase II Environmental Site Assessments are specific to the nature of the project. A typical example is an investigation of an underground storage tank site. This requires sampling of soil and groundwater.
- Leaking Petroleum Storage Tank Corrective Action Project Management (CAPM) and Corrective Action Specialist (CAS) Services
- Voluntary Cleanup Program (VCP) (TCEQ) and (RRC) Consulting
- Innocent Owner Program (IOP) Consulting
- Resource Conservation and Recovery Act (RCRA) Corrective Action Site Project Management
- Dry Cleaning Remediation Program Consulting Services
- Vapor Assessments
- Municipal Settings Designation (MSD) Services
- Brownfields Site Assessment and Advisory Services
- Operation Cleanup Program (RRC) Consulting Services
Professional Services (continued)

- Oil & Gas Due Diligence
- Underground Injection and Control (UIC) Permits and Registrations for Remediation Applications
- Remediation Feasibility, Design, and Implementation
- Monitoring and Post-Closure Care
- Groundwater Monitoring
- Prior Environmental Report Reviews
- RCRA Corrective Action Site Project Management
- Litigation Support

Waste Management and Compliance

- Industrial and Hazardous Waste Registration, Permitting, and Reporting
- Waste Management Unit Closures

Building and Facilities Assessments

- Property Condition Assessments per ASTM E 2018
- Asbestos Inspections, Management & Consulting
- Lead Based Paint and Lead in Water Inspections, Risk Assessments & Consulting
- Mold Assessments & Consulting
- Indoor Air Quality Assessments
- Storm Water Pollution Prevention (SWPPP) Plans, Audits & Inspections
- Spill Prevention, Control and Counter measure (SPCC) Plans
- Client Specific Compliance Services
Professional Services (continued)

National Environmental Policy Act (NEPA)

- Categorical Exclusions
- Environmental Assessments
- Housing and Urban Development (HUD) 24 CFR Part 58 Reviews (CDBG, HOME, NSP, Disaster Recovery, Public Housing Programs, etc.)
- Part 50 compliance – HUD Form 4128 Environmental Review Checklist
- USDA Rural Development Environmental Reviews per 7 CFR Part 1970 policies and procedures
- Federal Communications Commission (FCC) NEPA compliance for communication or transmission towers and facilities
- TxDOT NEPA compliance
- Section 106 Historic Preservation
- Noise Surveys and Mitigation
- Explosive Hazards Assessments
- Wetland Delineation and Mitigation
- HUD’s 8-Step Decision-Making Process for Developing in a Floodplain or Wetland (24 CFR Part 55)
- Environmental Justice Assessments
Licenses & Certifications

Phase Engineering, Inc. and the staff at Phase Engineering, Inc. are licensed and certified in all related areas to give the client a more informed and educated solution.

Registered Professional Engineering Firm

Licensed Professional Geoscientist Firm

Asbestos
- Consultant Agency
- Consultant
- Project Designer
- Management Planner
- Air Monitoring
- Inspector

Indoor Air Quality
- Mold Assessment Company
- Mold Assessment Consultant
- Mold Assessment Technician

Lead
- Lead Firm
- Risk Assessor
- Inspector

Storage Tanks
- Corrective Action Specialist (CAS)
- LPST Corrective Action Manager (CAPM)

Wetlands
- United States Army Corp of Engineers Delineation Course Certified

Storm Water & Pollution Prevention
- Certified Preparer of SWPPP (CPSWPPP) and (CCIS)

Radon
- Residential Radon Measurement Provider
Recognized Associations

Keeping with the latest rules and regulations in the environmental field, Phase Engineering, Inc. and its staff are dedicated to current standards and legal issues by being involved with several professional associations:

- **ASTM** Committee Environmental Site Assessments for Commercial Real Estate Transactions & ASTM Phase II Task Force
- **ASTM** Teaching Staff - Phase I & Phase II Environmental Site Assessments
- Risk Management Association Board (RMA)
- Society of Wetland Scientists (SWS)
- Certified Commercial Investment Member (CCIM)
- Commercial Real Estate Women (CREW)
- Environmental Bankers Association (EBA)
- Houston Geological Society (HGS)
- Association of Commercial Real Estate Professionals (ACRP)
- Commercial Real Estate Network (CREN)
- Society of Industrial and Office Realtors (SIOR)
- Institute of Real Estate Management (IREM)
- Urban Land Institute (ULI)
- National Association of Government Guaranteed Lenders (NAGGL)
- Houston Association of Government Guaranteed Lenders (HAGGL)
- North Texas Association of Government Guaranteed Lenders (NTAGGL)
- Central Texas Association of Government Guaranteed Lenders (CTAGGL)
- El Paso Texas Association of Government Guaranteed Lenders (EPAGGL)
- Texas Bankers Association (TBA)
- Independent Bankers Association of Texas (IBAT)
- National Registry of Environmental Professionals (NREP)
- Texas Association of Environmental Professionals (TAEP)
- Commercial Real Estate Association of Montgomery County (CREAM)
- Houston Realty Business Coalition (HRBC)
- Texas Affiliation Of Affordable Housing Providers (TAAHP)
- **ASTM** Committee D18 on Soil and Rock, Subcommittee on Geospatial Technology
- Geological Association of America (GSA), South-Central Section, Environmental & Engineering Geology Division
- Houston Geological Society (HGS), Environmental and Engineering Group
- Urban and Regional Information Systems Association (URISA)
Recognized Associations (continued)

- Texas Association of Environmental Professionals (TAEP)
- Texas Association Professional Geoscientists (TAPG)
- Texas Board of Professional Geoscientists (TBPG)
- American Institute of Professional Geologists (AIPG), Texas Section, AIPG
  District IV – Southeast Texas
Online Proposal Request

Our online proposal request system is designed with you in mind to streamline the proposal request process in order to efficiently and quickly get your proposal to you when submitted online by you.

Your success is our success, and this online process helps expedite getting your project underway and completed on time.

Proposal requests may be submitted online at www.PhaseEngineering.com.

1. Begin at our website at www.PhaseEngineering.com to set up your own account.

2. At the bottom of the homepage, there is a section called "Request for Proposal". Below this heading (and below the log in username/password), you will see a link to create a "New user? Create an account here".

3. When you click on the link, your browser will take you to a new login page. On this page, you will see a section called "New Users".

4. Create your own username (preferably something that you will remember like your name [i.e. first initial and last name]) and your own password and insert your contact information.

5. Finally, click "Create Account".

Your account should be created, and you can go back to our homepage and order a proposal.

If you have any questions or comments, please contact Diana Hedrick at Diana@PhaseEngineering.com or Melanie Edmundson at Melanie@PhaseEngineering.com.

Phase Engineering’s quoted delivery for completed Phase I Environmental Site Assessments is approximately two weeks. Phase Engineering, Inc. does realize that there are circumstances when the client needs results faster and will work to accommodate. Rush reports can be prepared in approximately one week with an added rush fee (rush delivery may result in data gaps due to time constraints).

All pricing and delivery of services is generally on a site specific basis depending on the scope of the assignment with the clients required guidelines.

Pricing differentials may apply for large acreage or difficult properties.

www.PhaseEngineering.com
**Certificate of Liability Insurance**

**producer**: BancorpSouth Insurance Services, Inc.  
3355 W Alabama Street  
Ste 850  
Houston TX 77098

**insured**: Phase Engineering, Inc  
5524 Comish Street  
Houston TX 77007

**Certificate Number**: 681071122

**Certificate Holder**: Linda Terry, CIC, CISR, ACSR  
linda.terry@bxsi.com

**Contact**: Linda Terry, CIC, CISR, ACSR  
Phone: 713-622-2330  
Fax: 713-622-2053

**Producer**: BancorpSouth Insurance Services, Inc.

**Insurers**:  
- **Insurer A**: Rockhill Insurance Company  
  NAIC #: 28053
- **Insurer B**: United Fire & Casualty Company  
  NAIC #: 13021

**Coverages**

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<th>Admitted Insurer</th>
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<th>Policy Exp Date</th>
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**Workers Compensation and Employers’ Liability**

- **Y/N**: N/A
- **Per Statute**: $E.L. Each Accident
- **Other**: $E.L. Disease - EA Employee
- **E.L. Disease - Policy Limit**: $E.L. Disease - EA Employee

**Description of Operations / Locations / Vehicles**

- **ACORD 101**: Additional Remarks Schedule, may be attached if more space is required

**Certificate Holder**

**Cancellation**

**Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.**

**Proof of Coverage**

**Authorized Representative**

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<table>
<thead>
<tr>
<th>AGENCY</th>
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<td>5524 Cornish Street</td>
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<th>EFFECTIVE DATE</th>
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**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**

**FORM NUMBER: 25**  **FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE**

General Liability, Pollution Liability and Auto Liability policies include waiver of subrogation in favor of certificate holder when required by written contract but in no event shall such coverage exceed the limits, terms or conditions of the policy.

General Liability, Professional Liability and Contractor's Pollution coverage is in a combined policy which carries a $5,000,000 Total Policy Aggregate limit.

Professional Liability and Contractor's Pollution policy includes a blanket additional insured endorsement when required by written contract but only with respect to liability arising out of a named insured's work for additional insured including and in no way will the additional insured status exceed the limits, terms or conditions of the policy.

30 Day Notice of Cancellation is provided when required by written contract except in the event of cancellation for Non-Payment of Premium under the Auto policy.

All coverages shown are subject to the Terms, Conditions and Exclusions of the policies.
### Certificate of Liability Insurance

**Date (MM/DD/YYYY):** 06/20/18

**Producer:** Aon Risk Services, Inc of Florida
1001 Brickell Bay Drive, Suite #1100
Miami, FL 33131-4937

**Contact Name:** Aon Risk Services, Inc of Florida

**Phone (A/C, No, Ext):** 800-743-8130

**Tax (A/C, No):** 800-522-7514

**Email Address:** ADP.COI.Center@Aon.com

**Insurers Affording Coverage NAIC #:**

**Insurer A:** New Hampshire Ins Co

**Insurer B:**

**Insurer C:**

**Insurer D:**

**Insurer E:**

**Insurer F:**

**Certificate Number:** 1975325

**Revision Number:**

### Coverages

**This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims. Limits shown are as requested.**

<table>
<thead>
<tr>
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<th>TYPE OF INSURANCE</th>
<th>POLICY NUMBER</th>
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**Workers Compensation and Employers’ Liability:**

**Any Proprietor/Partner/Executive Officer/Member Excluded?**

(Y/N) N/A

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**Description of Operations / Locations / Vehicles (ACORD 101, Additional Remarks Schedule, may be attached if more space is required):**

All worksite employees working for PHASE ENGINEERING INC, paid under ADP TOTALSOURCE, INC.’s payroll, are covered under the above stated policy. PHASE ENGINEERING INC is an alternate employer under this policy.

**Certificate Holder:**

Phase Engineering Inc
5524 Comish Street
Houston, TX 77007

**Cancellation:**

Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

**Authorized Representative:**

Aon Risk Services, Inc of Florida

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Tracy Watson
Environmental Professional / Special Projects Manager

Professional Experience
Ms. Watson is the Special Projects Manager for Phase Engineering, Inc. Over the last 16 years, her professional experience has included quality control, analytical chemistry, and environmental science. Ms. Watson has completed numerous Phase I and II Environmental Site Assessments (ESAs) and NEPA Environmental Reviews for commercial, residential, and municipal properties. She has developed a reputation among several state agencies including the Texas General Land Office (GLO) and the Texas Department of Housing and Community Affairs (TDHCA) as a consultant capable of identifying solutions to complicated issues related to Environmental Reviews. In addition, Ms. Watson performs wetland determination and delineation assessments throughout the state of Texas.

Licenses/Certifications
- Asbestos Inspector (Texas), License #603452
- TCEQ Licensed Water Operator, License #WO0029615
- Radon Residential Measurement Provider, NRPP ID #109320 RT
- USACOE Certified Wetland Delineator, Received April 2014
- 40-Hour OSHA (HAZWOPER) and 8 Hour Annual Refresher

Education
- BS Chemistry & Biology, University of Mary-Hardin Baylor, Belton, Texas
- USACOE Atlantic and Gulf Coast Regional Wetland Supplement Training (2015)
- USACOE Wetland Permitting Training (2015)

Select Project Experience
Wetlands: Ms. Watson completed an Environmental Review which included a Wetlands & Jurisdictional Waters of the US Determination Report for a proposed multi-family residential complex in Orange, Texas. She characterized vegetation communities on the Site and identified 79,366 square feet of wetlands as defined by the US Army Corps of Engineers. Survey results allowed project architect to modify design plans to entirely avoid any impacts to on-site wetlands, thus a USACOE Permit was not required.

COSA CIMS: From 2009-2012, Ms. Watson was the project manager of a City of San Antonio Capital Improvement Management Systems (CIMS) drainage project along Zarzamora Creek titled Culebra 58F Phase IIA&B. The project scope included Phase I and II ESAs with surface and subsurface sampling by trenching to evaluate the extent of substantial dumping within the project area. She also provided the environmental oversight for the project on behalf of CIMS during the construction phase.

COSA GMA: From 2013-2014, Ms. Watson was the Program Manager for the On-Call Professional Environmental NEPA Services contract with the City of San Antonio Division of Grants Monitoring and Administration (GMA). She is responsible for the coordination and completion of many Environmental Reviews required in the various HUD-funded programs supported by GMA.

GLO Disaster Recovery, Mixed-Use Housing in City of Houston: Completed Phase I and II ESAs for a proposed mixed-use housing development in Houston which will be funded by a Disaster Recovery Grant through the GLO. Due to on-going environmental cleanup needs, the project entered into the Voluntary Cleanup Program (VCP) with the TCEQ.
Ms. Watson directed the mitigation needs of the project which lead to environmental clearance and funding for the new development.

**Cellular Wi-Fi NEPA Compliance.** In 2011 and 2012, Ms. Watson managed the completion of approximately 1,000 desktop NEPA compliance reviews of existing buildings proposed for the installation or upgrades of Wi-Fi antennas for a major telecommunication company. The buildings were located nationwide and included hotels, hospitals, McDonald’s restaurants, and retail stores.
Janis Franklin, PG  
Environmental Program Manager/Due Diligence Services

Professional Experience

Ms. Franklin is a Professional Geoscientist and Senior Project Manager for Phase Engineering, Inc. Over the last 25 years, she has conducted and/or managed over 12,000 Phase I Environmental Site Assessment (ESAs), 1,200 Phase II ESAs, over 200 petroleum storage tank (PST)/leaking petroleum storage tank (LPST) related projects and over 50 projects under regulatory oversight in multiple programs including the Superfund, Voluntary Cleanup Program (VCP) and Petroleum Storage Tank (PST) Program.

Licenses/Certifications

- Asbestos Inspector (Texas), License #603137
- Lead Inspector (Texas), #206233
- Corrective Action Project Manager CAPM #01209
- 40-Hour OSHA (HAZWOPER)
- Professional Geologist (Tennessee), License #TN4132
- Professional Geologist (Texas), License #1254

Education

- B.S. Geology, Austin Peay State University, Clarksville, TN
- M.S. Environmental Management, University of Houston, Clear Lake

Select Project Experience

**University of Houston, Houston, TX:** Performed subsurface investigations at several University owned properties that had underground storage tanks (USTs). For facilities where the USTs were determined to be leaking, performed investigations to determine the extent of affected soil and/or groundwater. Designed and implemented risk-based assessment plans. Prepared reimbursement packages and related documentation for submittal to the Texas Commission of Environmental Quality (TCEQ).

**City of Houston:** Involved in the implementation of city-wide investigation and corrective action for the City of Houston UST Program. Performed investigations at fire station and vehicle maintenance facilities at several sites throughout the city. Successfully prepared and presented risk-based assessment plans to the TCEQ.

**WEF Ltd.:** Performed Phase II site remediation which included geoprobe boring installations, soil and groundwater sampling for analysis, and soil bioremediation to reduce total petroleum hydrocarbon (TPH) contamination.

**TCEQ, South:** Involved in the implementation of Site Assessment Program tasks through approved work plans submitted to the Superfund, PST and VCP Divisions. Performed investigations at over 50 sites throughout south Texas.

**Texas Parks and Wildlife, La Porte, TX:** Managed a Scope of Work that included wastewater treatment plant sludge, soil and decontamination confirmation wipe sampling for analysis. Coordinated the decontamination and waste disposal activities.

**Suiza Foods, Southwest:** Developed stormwater pollution prevention plan for dairies in Louisiana and Texas. Prepared Notice of Intent (NOI) permits for the discharge of stormwater and submitted to the Louisiana Department of Environmental Quality (LDEQ) and/or Environmental Protection Agency (EPA). In addition, developed Storm
Water Pollution Protection Plans (SWPPP) and Spill Prevention, Control and Countermeasure (SPCC) plan protocols for use at all Suiza dairies.

**United States Postal Service, Nationwide:** Scope of Work included NEPA Environmental Assessments of properties in accordance with expansion and/or new construction requirements. Additional investigation and remediation work was authorized for properties with suspected environmental impairment.
Zahir Jamal
Senior Staff Environmental Scientist

Professional Experience
Mr. Zahir Jamal is a Professional Environmental Project Manager for Phase Engineering, Inc. Over the last 20 years, he has conducted and/or managed over 10,000 Phase I Environmental Site Assessment (ESAs) and Phase II Environmental Site Assessment (ESAs)

Licenses/Certifications
- 40-Hour OSHA (HAZWOPER)

Education
- B.E. (Bachelor of Engineering) NED University, Karachi, Pakistan
- M.S. Environmental Engineer, University of Windsor, Windsor, Canada

Select Project Experience
City of Houston, Houston, TX: Performed subsurface investigations at several City of Houston owned properties that had underground storage tanks (USTs). For facilities where the USTs were determined to be leaking, performed investigations to determine the extent of affected soil and/or groundwater.

Performed Phase II site remediation which included geoprobe boring installations, soil and groundwater sampling for analysis, and soil bioremediation to reduce total petroleum hydrocarbon (TPH) contamination.

Private and Industrial Clients: Performed several Phase I Environmental Site Assessment (ESAs) involving field investigations and report writing.
Thomas Buechele  
Staff Environmental Scientist

Professional Experience

Mr. Buechele is a technical writer and staff environmental scientist for Phase Engineering, Inc. Over the last 3 years, he has co-written, conducted research for and performed quality control on over 3,000 Phase I Environmental Site Assessment (ESAs). Mr. Buechele is experienced in fulfilling both scope and non-scope requirements for standard ESAs as well as those for the Texas Department of Housing and Community Affairs (TDHCA). In his work, Mr. Buechele has also researched numerous Phase II ESAs and petroleum storage tank (PST) / leaking petroleum storage tank (LPST) projects.

Licenses/Certifications

- 24-Hour OSHA (HAZWOPER)

Education

- B.S. Bioenvironmental Science, Texas A&M University, College Station, TX
Matt Bancroft
Staff Environmental Scientist

Professional Experience
Mr. Bancroft is a Staff Environmental Scientist at Phase Engineering. He started at Phase in September of 2017 and in that time has researched data for hundreds of Phase I Environmental Site Assessments, Record Search with Risk Assessment Reports, and Environmental Data Risk Review Reports. Data research has included: historical street directory searches, physical setting, topographic, and aerial imagery map creation via ESRI ArcMap, and inquiries for Public Information Requests to public entities. He has also trained other new hires in the research department according to the Phase Engineering standards.

Education

- B.S. Bioenvironmental Sciences w/Business Administration minor, Texas A&M University, College Station

Select Project Experience

Texas A&M University: Coursework included Organic Chemistry, Soil Science, Ecology, Plant Pathology, Remediation, Environmental Law, Environmental Toxicology, Sampling and Monitoring. Sampling and Monitoring included writing and carrying-out standard operating procedures for soil, water, and air sampling as well as conducting a mock Phase I Environmental Site Assessment.

Bayou Preservation Association, Houston, TX: Conducted investigation into E. coli contamination of major Houston waterways. Search included water sampling at various hotspots indicated by Houston-Galveston Area Council (H-GAC) data. Created report and presentation for Bayou Preservation Board and stakeholders.
REFERENCE SOURCES

- Site Sketch Maps: [http://services.arcgisonline.com/arcgis/services](http://services.arcgisonline.com/arcgis/services).
- FEMA NFHL (National Flood Hazard Layer) Web Map Service (WMS) [https://hazards.fema.gov/gis/nfhl/services](https://hazards.fema.gov/gis/nfhl/services).
- The Railroad Commission of Texas, Geographic Information System – Oil and Gas Well Digital Data Acquisition. Oil and gas well data and pipeline data were obtained from public records at the Railroad Commission of Texas (the Commission) [http://www.rrc.state.tx.us](http://www.rrc.state.tx.us).
- Certified Sanborn Map Report from Environmental Data Resources, Inc., 440 Wheelers Farms Road, Milford, Connecticut 06461
- AAI Environmental Data, 5524 Cornish Street, Houston, Texas 77007, [http://aaidata.com](http://aaidata.com/
- Texas Commission on Environmental Quality (TCEQ) Central Registry Database Search [http://www12.tceq.state.tx.us/crpub](http://www12.tceq.state.tx.us/crpub/)
- EPA Envirofacts Warehouse, [http://www.epa.gov/enviro/facts/qmr.html](http://www.epa.gov/enviro/facts/qmr.html)
- EPA Enforcement & Compliance History Online (ECHO) [http://www.epa-echo.gov/echo](http://www.epa-echo.gov/echo)