



September 27, 2019

Via FedEx Tracking No. 8136 7521 5417

Hidalgo County
100 N. Closner Blvd.
Edinburg, Texas 78539

Re: Louise DeGoche Gas Unit
Hidalgo County, Texas

Dear Owner:

Dewbre Petroleum Corporation ("DPC") operates the Louise DeGoche 388 acre Gas Unit located in Hidalgo County, Texas, as referenced in the attached Division Order and further described in the Unit Designation recorded in the Hidalgo County Official Public Records as Document No. 2138614 and Amendment to Unit Designation No. 2200779 (the "Unit"). DPC acquired an oil and gas lease from the County of Hidalgo which is filed in the county records as Document No. 2184837. A copy of the lease is enclosed for reference. The lease has been included in the Unit and therefore the County of Hidalgo owns a royalty interest in the Unit.

Inasmuch as DPC has never received an executed Division Order, your share of revenues have been held in suspense. We would very much like to release these funds; however, as a condition for the payment of proceeds to payee, we are entitled to receive a signed Division Order from each payee. When we receive a signed copy of the attached Division Order, we will put your account in pay status. In addition to any future royalties, we will immediately release the suspended amount of \$140,323.53 (as of July 2019).

Please sign the enclosed Division Order before two witnesses, fill out the IRS Form W-9, and return all in the envelope provided. If you have any questions, please contact me at the numbers below, or by email at troberts@dewbre.com.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Roberts", with a long horizontal line extending to the right.

Edward R. "Ted" Roberts
Land Manager

Enclosure

DEWBRE PETROLEUM CORPORATION
802 N CARANCAHUA, SUITE 1800
CORPUS CHRISTI, TX 78401-0033

DIVISION ORDER

09/18/2019

HIDALGO COUNTY
100 N CLOSNER BLVD
EDINBURG, TX 78539

Owner Number: HIDCOU
Type of Interest: R
Decimal Interest: 0.00493801

SIGN AND RETURN

Property #: DEGO01-ACP
Property Name: DEGOCHE #1
Effective Date: FIRST DAY OF PRODUCTION
Operator: DEWBRE PETROLEUM CORPORATION

Legal Description: 388.0 acres of land, more or less, being out of Lots 1, 2, 3 and 4 and part of Lots 5 and 6, situated north of the flood control levee in the A. Wayne Wood Subdivision No. 1, El Gato Grant, J.J. Trevino Survey, A-22; and out of Lot 8 of the A. Wayne Wood Subdivision No. 1, El Gato Grant, J.J. Trevino Survey, A-22; and all of Lots 3 and 5 of the Ebony Groves Subdivision in the La Blanca Grant, Hidalgo County, Texas and being more particularly described in Designation of Pooled Unit - Louise DeGoche Gas Unit, dated September 14, 2010, recorded as Document No. 2010-2138614, and Amendment to Unit Designation recorded as Document No. 2011-2200779 in the Official Records of Hidalgo County, Texas.

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING AGREEMENT BETWEEN THE INTEREST OWNERS AND THE LESSEE OR OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR GAS.

The undersigned certifies the ownership of their decimal interest in production or proceeds as described above and hereby adopt, ratify and confirm each oil and gas lease, together with any amendments thereto, under which the gas to which this division order applies is produced. If the production which is the subject of this division order is obtained from a unit or units, the establishment of such units or units is hereby ratified, confirmed and adopted.

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests as set above. The payor shall pay all parties at the price agreed to by the operator for oil and gas to be sold pursuant to this division order. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities.

PAYMENTS: From the effective date, payments are to be made by checks of payor, its successors or assigns, based on this division of interest, less taxes required by law to be deducted and remitted by payor as purchaser. Payments of less than \$50 will be accrued before disbursement until the total amount equals \$50 or more, or December 31 of each year, whichever occurs first. Owner agrees to refund payor any amounts attributable to an interest or part of an interest that owner does not own.

INDEMNITY: The owner agrees to indemnify and hold payor, its successors and assigns, and its agents, servants and employees harmless from all liability resulting from payments made to the owner in accordance with said division of interest, including but not limited to, attorney fees or judgments in connection with any suit that affects the owner's interest in which payor is made a party.

DISPUTES-WITHHOLDING OF FUNDS: If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute until the claim or dispute is settled.

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

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

DEFAULT: If a working interest owner is in default in the payment of its share of the lease expenses, operator of the above lease, may withhold payment of any monies due the undersigned until operator has recovered all monies it is due for lease expenses.

In addition to the terms and conditions of this Division Order, the undersigned and Payor may have certain statutory rights under the laws of the state in which the property is located.

Owner(s) Signature(s): _____ Owner(s) Tax ID Number(s): _____ Daytime Phone: _____

Email Address: _____

Witness Signature: _____

Witness Signature: _____

DEWBRE PETROLEUM CORPORATION
802 N CARANCAHUA, SUITE 1800
CORPUS CHRISTI, TX 78401-0033

DIVISION ORDER

09/18/2019

HIDALGO COUNTY
100 N CLOSNER BLVD
EDINBURG, TX 78539

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Owner(s) Signature(s): _____ Owner(s) Tax ID Number(s): _____ Daytime Phone: _____

Email Address: _____

Witness Signature: _____

Witness Signature: _____

Federal Law requires you to furnish your Social Security or Taxpayer Identification Number.
Failure to comply will result in tax withholding in accordance with federal law and will not be refundable by Payor.

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.
 See Specific Instructions on page 3.

| | |
|---|--|
| 1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. HIDALGO COUNTY | |
| 2 Business name/disregarded entity name, if different from above | |
| 3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ▶ | 4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i> |
| 5 Address (number, street, and apt. or suite no.) See instructions. 100 N CLOSER BLVD | Requester's name and address (optional) DEWBRE PETROLEUM CORPORATION 802 N CARANCAHUA, SUITE 1800 CORPUS CHRISTI, TX 78401-0033 |
| 6 City, state, and ZIP code EDINBURG, TX 78539 | (Continued from above) |
| 7 List account number(s) here (optional) DEWPE/101/1200/HIDCOU | |

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

| | | | | | | | | | |
|---------------------------------------|--|--|--|--|--|--|--|--|--|
| Social security number | | | | | | | | | |
| | | | | | | | | | |
| or | | | | | | | | | |
| Employer identification number | | | | | | | | | |
| | | | | | | | | | |

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

| | | |
|------------------|----------------------------|--------|
| Sign Here | Signature of U.S. person ▶ | Date ▶ |
|------------------|----------------------------|--------|

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

Hidalgo County
Arturo Guajardo Jr.
County Clerk
Edinburg, TX 78540



70 2011 02184837

Instrument Number: 2011-2184837

As
Recording

Recorded On: March 04, 2011

Parties:

To

Billable Pages: 6

Number of Pages: 7

Comment: PAID UP OIL/GAS LEASE

** Examined and Charged as Follows: **

| | |
|------------------|-------|
| Recording | 36.00 |
| Total Recording: | 36.00 |

***** 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: 2011-2184837
Receipt Number: 1180507
Recorded Date/Time: March 04, 2011 08:58A

Record and Return To:

DEWBRE PETROLEUM CORPORATION
802 NORTH CARANCAHUA SUITE 1800
CORPUS CHRISTI TX 78401-0033

User / Station: I Hidalgo - Cash Station 04



STATE OF TEXAS
COUNTY OF HIDALGO

I hereby certify that this instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Hidalgo County, Texas

Arturo Guajardo Jr.
County Clerk
Hidalgo County, TX

PAID UP OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made and entered into this 1st day of September, 2010, between **Hidalgo County**, hereinafter called "Lessor" (whether one or more), whose address is 2812 S. Bus. Hwy 281, New Administration Building, Edinburg, Texas 78539 and **DEWBRE PETROLEUM CORPORATION**, hereinafter called "Lessee", whose address is 802 N. Carancahua, Suite 1800, Corpus Christi, Texas 78401-0033.

1. Lessor, in consideration of Ten & no/100's, and other valuable consideration Dollars (\$10.00) in hand paid, receipt of which is hereby acknowledged, of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets, exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling, mining and operating for and producing oil, gas and all other minerals, injecting gas, waters and other fluids, air and other gaseous substances into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, electric transmission lines, telephone lines and other structures and things thereon to produce, save, take care of, treat, process, store and transport said minerals and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land in Hidalgo County, Texas, to-wit:

18.05 acres of land, more or less, being out of Lot 3 and Lot 4 of the Ebony Groves Subdivision, La Blanca Grant, A-57, Lino Cavazos original Grantee, Hidalgo County, Texas, and being more particularly described in that certain Deed dated May 15, 1935 from W. E. Richey, Trustee to Hidalgo County, recorded in Vol. 403, Page 133, Deed Records of Hidalgo County, Texas.

Notwithstanding any particular description, it is nevertheless the intention of Lessor to include this lease, and Lessor does not hereby lease, not only the land described but also any and all other land owned or claimed by Lessor in the herein named survey or surveys, or in adjoining surveys, the herein described land up to the boundaries of the abutting landowners, the lease lands being hereinafter referred to as "said land". For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 18.05 acres, whether actually containing more or less. Lessor agrees to execute any supplemental instrument(s) requested by Lessee for a more complete or accurate description of said land or instrument(s) to perfect title deficiencies.

2. Subject to other provisions herein contained, this lease shall remain in force for a term of 3 years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said physical land or land with which said land or any part thereof is pooled, or this lease is maintained by virtue of some other provision hereof.
3. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as otherwise provided herein, to commence or continue any operations during the primary term.
4. The royalties to be paid by Lessee are: (a) deliver in kind to Lessor, at the well, or to the credit of Lessor into the pipeline or storage tank to which the well may be connected, the 1/4th part of all oil (including condensate) produced and saved from the leased premises. In lieu thereof, Lessee shall have the option, at any time, to sell lessor's oil, in which case Lessor's royalty shall be based on lessee's net proceeds at the lease, or to purchase lessor's oil for the value of such oil at the lease. In any event, lessor's interest shall be free of all costs of production, but shall bear its proportionate part of production and similar taxes, and shall share proportionately with Lessee in any costs to market, transport, or condition the oil; (b) to pay Lessor for gas (including casing head gas, all gaseous substances, and all other constituents thereof) produced and sold from the leased premises, 1/4th part of the net proceeds at the lease from the sale of such gas, after deducting lessor's proportionate part of the production, and other similar taxes: lessor's interest to be free of all costs of production, but to bear proportionately with lessee any costs incurred by lessee to market the gas, to deliver the gas to market off the leased premises, or to dehydrate, compress, process, treat, or otherwise place such gas marketable condition; (c) on gas, including casing head gas and all gaseous substances, produced from said land and used of said land by Lessee and not benefiting Lessor, the market at the mouth of the well of 1/4th of the gas so used of said land; (d) on all minerals mined and marketed, 1/4th, either in kind or value at the well or mine, at Lessee's election, except that on sulphur the royalty shall be one dollar (\$1.00) per long ton; and (e) if at any time while there is a gas well or wells on the said land or land pooled therewith (for the purpose of this clause (e) the term "gas well" shall include wells capable

of producing natural gas, condensate, distillate or any gaseous substance and wells classified as gas wells by any governmental authority) and such well or wells are shut-in, and this lease is not being maintained otherwise as provided herein, this lease shall nevertheless remain in force and effect following the shutting in of the well(s), whether it be during or after the primary term (unless released by Lessee), and it shall be considered that gas is being produced from the land covered by this lease. When the lease is continued in force in this manner and the well or wells are shut-in for a period of at least ninety (90) consecutive days. Lessee shall pay or tender as advanced annual royalty to the parties who at the time of such payment would be entitled to receive royalty hereunder if the well were producing, or deposit to their credit in the SEND DIRECTLY TO LESSOR'S ADDRESS Bank (Account No. _____) Dollars \$.00 per net acre for the acreage then held under this lease by the party making such payment or tender. The first payment of sum shall be made on or before either (1) ninety (90) days from the date such well or wells are shut-in; (2) ninety (90) days from the effective date for inclusion of said land or a portion thereof within a unit on which is located a shut-in gas well; or (3) ninety (90) days from the date this lease ceases to be otherwise maintained as provided herein, whichever is the late date, and it shall be considered that gas is being produced from said land in paying quantities within the meaning of Paragraph 2 hereof for one (1) year from the date of such payment, and in like manner subsequent advance annual royalty payments may be made or tendered and it will be considered that gas is being produced from said land in paying quantities within the meaning of said Paragraph 2 during any annual period for which such royalty is so paid or tendered; such advanced annual royalty payment shall be credited against any royalty accruing to the owners thereof any production from said land during any annual period for which such advanced annual payment has been made. Lessee's failure to pay or tender or to pay or tender properly of timely any such sum as royalty shall render Lessee liable for the amount but it shall not operate to terminate this lease. All royalty interest, whether or not owned by the undersigned, shall be paid out of the royalty as provided for in said lease.

5. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interest, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee at its sole discretion deems it necessary or proper to do in order to develop or operate prudently the lease premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir is at least one hundred (100) feet. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling, completion, or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling, completion, or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, so long as the total acreage therein or produced therefrom, may from time to time be enlarged and extended by Lessee to include additionally any other formation or formations and any other mineral or minerals therein of produced therefrom. In making such a revision, Lessee shall file or record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. Lessee may place and use on each unit created hereunder common measuring and reworking tanks for production from such unit. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.
6. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in operations for drilling, mining or reworking of any well or mine thereon or shall have completed a dry hole thereon within ninety (90) days prior to the end of the primary term, this lease shall remain in force so long as operations on said well or for the drilling or reworking of an additional well are commenced and prosecuted (whether on the same or successor wells) with no cessation of more than ninety (90) consecutive days, and, if the result in the production, so long thereafter as oil, gas or other mineral is produced from said land or land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or land pooled therewith, production thereof should cease from any cause, this lease shall not terminate if

Lessee commences operations for drilling or reworking within ninety (90) days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than ninety (90) consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or land pooled therewith. In the event a well or wells producing oil or gas in paying quantities should be brought in or adjacent land and within two hundred (200) feet of and draining said land, Lessee agrees to drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances. The judgment of the Lessee, when not fraudulently exercised, in carrying out the purpose of this lease shall be conclusive.

7. Lessee shall have free use of oil, gas and water from said land, except water from Lessor's wells and tanks, for all operations hereunder including re-pressuring, pressure maintenance, cycling and secondary recovery operations, and the royalty shall be computed after deducting any so used. Any structures and facilities placed on said land by Lessee for operations hereunder and any well or wells on said land drilled or used for the injection of salt water or other fluids may also be used for Lessee's operations on other lands in the same area. Lessee shall have the right at any time during this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipelines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent.
8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, representatives, successors and assigns; but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee. No such change or division in the ownership of the land or royalties shall be binding upon Lessee for any purposes until such person acquiring any interest has furnished Lessee with the instrument or instruments or certified copies thereof, constituting the chain of title from the original Lessor. An assignment of this lease, in whole, or in part, shall, to the extent of such assignment, relive and discharge Lessee of any obligations thereunder, and if, Lessee or assignees of part or parts hereof shall fail to comply with any provision of this lease, such default shall not affect this lease insofar as it covers a part of said land upon which Lessee or any assigns thereof shall not be in default. Should more than six parties become entitled to royalties hereunder, Lessee may require the appointment of a single agent to receive payment for all and may withhold payment until such appointment has been made.
9. When drilling or other operations are delayed or interrupted by storm, flood, or other act of God, fire, war, rebellion, insurrection, riot strikes, differences with workmen, unavailability of material or equipment, failure of carriers to transportation, some order, requisition or necessity of the government or as a result of any cause whatsoever beyond the control of the Lessee, the time of such delay or interruption shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. All express or implied covenants of this lease shall be subject to all Federal and State Laws. Executive order, rules or regulations and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages for failure to comply therewith if compliance is prevented by, or if such failure is the result of, any such law, order, rule or regulation. If from such causes Lessee is prevented from conducting drilling or reworking operations on, or producing oil or gas from said land or land pooled therewith, the time while Lessee is so prevented shall not be counted against Lessee, and this lease shall be extended for a period of time equal to that during which such Lessee is so prevented from conducting drilling or reworking operations on or producing oil or gas from said land or land pooled therewith, not withstanding any other provision hereof.
10. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default shall have sixty (60) days after receipt of notice in which to commence the compliance with the obligations imposed by virtue of this instrument. After the discovery of oil, gas or other mineral in paying quantities on said land, Lessee shall reasonably develop the acreage retained hereunder, but in discharging this obligation it shall in no event be required to drill more than one (1) well per forty (40) acres, plus an acreage tolerance not to exceed ten percent (10%) of forty (40) acres of the area retained hereunder and capable of producing oil in paying quantities and one (1) well per six hundred forty (640) acres, plus an acreage tolerance not to exceed ten percent (10%) of six hundred forty (640) acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities.
11. Lessor hereby warrants and agrees to defend the title to said land, and agrees that Lessee, at its option, may discharge any tax, mortgage or other lien upon said land in the event of default of payment by Lessor, and in the event Lessee does so, it shall be subrogated to such lien with the right to enforce same and apply royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in the event of failure of title, it is agreed that if Lessor owns an interest in said land less than the entire fee simple estate, whether stated herein above as a whole or

partial interest, then the royalties to be paid Lessor shall be reduced proportionately. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. Should anyone or more of the parties named herein above as Lessors fail to execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

- 12. Lessee, its successors and assigns, shall have the right at any time to surrender this lease, in whole or in part, to Lessor or Lessor's heirs, representatives, successors and assigns by delivering or mailing a release thereof to the Lessor, or by placing a release thereof of record in the county in which said land is situated; thereupon Lessee shall be relieved from all obligations, express or implied, of this agreement as to the acreage so surrendered, and thereafter the advance annual royalties payable hereunder shall be reduced in the portion that the acreage covered hereby is reduced by said release or releases.
- 13. Notwithstanding anything contained herein to the contrary, if, at the expiration of the primary term of this lease, this lease or any portion thereof, is not being maintained in effect in any manner provided herein, including, but not limited to operations upon or production from the leased premises or on land pooled therewith, or through the payment of shut-in gas royalties, Lessee shall have the exclusive right and option to renew and extend this lease as to the lands then covered thereby or any portion chosen by Lessee for an additional two (2) years primary term, commencing September 1, 2013 by payment or tender to Lessor or to the credit of Lessor in the above named depository bank, on or before said date, a sum of money equal to Two Hundred Dollars (\$250.00) per net mineral acre; provided that such sum, shall be reduced under the applicable lease provisions, including but not limited to proportionate reduction based on ownership of Lessor.

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

Lessor:
HIDALGO COUNTY

By: *Ramon Garcia*
Name: Ramon Garcia
Title: Hidalgo County Judge

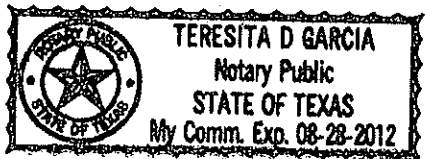
Approved by Commissioners' Court
on 9/17/2010

Lessee:
Dewbre Petroleum Corporation

By: *Jerry C Dewbre*
Jerry C. Dewbre, President

STATE OF TEXAS §
 §
COUNTY OF Hidalgo §

This instrument was acknowledged before me on this 28 day of December, 2010, by Ramon Garcia, as County Judge on behalf of said Hidalgo County, in the capacity therein stated for purposes and consideration therein expressed.



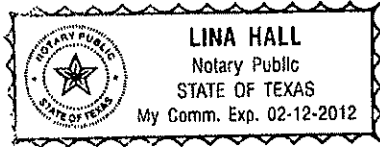
Teresita D Garcia
NOTARY PUBLIC - STATE OF TEXAS

STATE OF TEXAS

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COUNTY OF NUECES

This instrument was acknowledged before me on this 30th day of November, 2010, by Jerry C. Dewbre, President of Dewbre Petroleum Corporation, in the capacity therein stated for purposes and consideration therein expressed.



Lina Hall
NOTARY PUBLIC - STATE OF TEXAS

