



American Abstract
 P.O. Box 23510
 Santa Fe, NM 87502
 (505) 780-4338

Township: 18 S. Range: 34 E. N.M.P.M.
 County: Lea
 Date: January 6, 2023

- Reported Fed Lands
- Open Lands
- Reported State Lands
- Fee Lands

MASTER PLAT

| | | | | | |
|----|----|----|----|----|----|
| 5 | 5 | 4 | 3 | 2 | 1 |
| 7 | 8 | 9 | 10 | 11 | 12 |
| 18 | 17 | 16 | 15 | 14 | 13 |
| 19 | 20 | 21 | 22 | 23 | 24 |
| 30 | 29 | 28 | 27 | 26 | 25 |
| 31 | 32 | 33 | 34 | 35 | 36 |

V-5915-4



SLO-STATE RUN SHEET

Lease Number **V-5915-4**

NW

Section 13-Township 18 South-Range 34 East N.M.P.M.

Lea County, New Mexico

| Doc # | Pages | Type | Exec Date | File Date | Approv Date | Grantor | Grantee | Sec | Twp | Range | Qtr Call | Notes |
|-------|----------|---------------------------------|------------|------------|-------------|--|---|-----|-----|-------|----------|---|
| 1 | 1 thru 4 | Oil and Gas Lease V-5915 | 7/27/2000 | 8/1/2000 | | State of New Mexico | Western Oil Producers, Inc | 13 | 18S | 34E | NW | |
| 2 | 5,6 | V-5915 ASSN No. 1 | 9/15/2005 | 9/22/2005 | 9/23/2005 | Western Oil Producers, Inc | Douglas Oil & Gas Limited Partnership | 13 | 18S | 34E | NW | |
| 3 | 7,8 | V-5915 ASSN No. 2 | 11/23/2009 | 12/16/2009 | 1/5/2010 | Douglas Oil & Gas LP | Adventure Exploration Partners, LLC | 13 | 18S | 34E | NW | |
| 4 | 9,10 | V-5915 ASSN No. 3 | 11/15/2011 | 11/22/2011 | 4/19/2012 | Adventure Exploration Partners, LLC | Bluestem Energy Assets, LLC | 13 | 18S | 34E | NW | |
| 5 | 11,12 | V-5915 ASSN No. 4 | 9/4/2014 | 9/23/2014 | 10/29/2014 | Bluestem Energy Assets, LLC | COG Operating, LLC | 13 | 18S | 34E | NW | |
| 6 | 13-73 | Miscellaneous Instrument 4-0132 | 11/15/2011 | 12/13/2011 | | Bluestem Energy Assets, LLC | Brian Malone, as Trustee for the Benefit of BNP Paribas | 13 | 18S | 34E | NW | |
| 7 | 74-83 | Miscellaneous Instrument 4-0248 | 4/18/2012 | 5/22/2012 | | BNP Paribas, as Existing Agent and Paribas North America, Inc, as sub-agent for assignor | Wells Fargo Bank, National Association, as Successor Agent and Bluestem Energy Assets, LLC as Mortgagor | | | | | No lease numbers or legal description provided. Miscellaneous Instrument 4-0132 referenced on Annex 1 |
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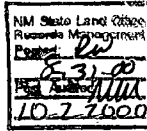
LEASE NO: V05915 0000

Application No:

OIL AND GAS LEASE
(Discovery Form)

THIS AGREEMENT, dated August 01, 2000, between the state of New Mexico, acting by and through its commissioner of public lands, hereinafter called the "lessor", and

WESTERN OIL PRODUCERS, INC.
P. O. BOX 1498
ROSWELL, NM 88201



hereinafter called the "lessee",

WITNESSETH:

WHEREAS, the lessee has filed in the office of the commissioner of public lands an application for an oil and gas lease covering the lands hereinafter described and has tendered therewith the required first payment; and

WHEREAS, all of the requirements of law relative to the application and tender have been duly complied with;

THEREFORE, in consideration of the premises as well as the sum of **TWENTY-EIGHT THOUSAND and 00/100 dollars (\$28,000.00)**, the same being the amount of the tender above mentioned, and the further sum of \$30.00 filing fee, and of the covenants and agreements hereinafter contained, the lessor does hereby grant, demise, lease and let unto the said lessee, exclusively, for the sole and only purpose of exploration, development and production of oil or gas (including carbon dioxide and helium), or both thereon and therefrom with the right to own all oil and gas so produced and saved therefrom and not reserved as royalty by the lessor under the terms of this lease, together with rights-of-way, easements and servitudes for pipelines, telephone lines, tanks, power houses, stations, gasoline plants and fixtures for producing, treating and caring for such products, and housing and boarding employees, and any and all rights and privileges necessary, incident to or convenient for the economical operation of said land, for oil and gas, with right for such purposes to the free use of oil, gas, casing-head gas or water from said lands, but not from lessor's water wells, and with the rights of removing either during or after the term hereof, all and any improvements placed or erected on the premises by the lessee, including the right to pull all casing, subject, however, to the covenants and conditions hereinafter set out, the following described land situated in the count(y)(ies) of **Lea**, state of New Mexico, and more particularly described as follows:

| Subdivisions | Section | Twp | Rge | Acres | Institution |
|--------------|---------|-----|-----|--------|-------------|
| NW4 | 13 | 18S | 34E | 160.00 | CS |

ALL ASSIGNED TO # 1

Said lands having been awarded to lessee and designated as Tract No. **V0-O-0020** at public sale held by the commissioner of public lands on **July 18, 2000**.

To have and to hold said land, and all the rights and privileges granted hereunder, to and unto the lessee for a primary term of five years from the date hereof, and as long thereafter as oil and gas, or either of them, is produced in paying quantities from said land by lessee, subject to all of the terms and conditions as hereinafter set forth.

In consideration of the premises the parties covenant and agree as follows:

1. Subject to the free use without royalty, as hereinbefore provided, the lessee shall pay the lessor as royalty one-sixth part of the oil produced and saved from the leased premises or the cash value thereof, at the option of the lessor, such value to be the price prevailing the day oil is run into a pipeline, if the oil be run into a pipeline, or into storage tanks, if the oil is stored.
2. Subject to the free use without royalty, as hereinbefore provided, at the option of the lessor at any time and from time to time, the lessee shall pay the lessor as royalty one-sixth part of the gas produced and saved from the leased premises, including casing-head gas. Unless said option is exercised by lessor, the lessee shall pay the lessor as royalty one-sixth of the cash value of the gas, including casing-head gas, produced and saved from the leased premises and marketed or utilized, such value to be equal to the net proceeds derived from the sale of such gas in the field; provided, however, the cash value for royalty purposes of carbon dioxide gas and of hydrocarbon gas delivered to a gasoline plant for extraction of liquid hydrocarbons shall be equal to the net proceeds derived from the sale of such gas, including any liquid hydrocarbons recovered therefrom.

Notwithstanding the foregoing provisions, the lessor may require the payment of royalty for all or any part of the gas produced and saved under this lease and marketed or utilized at a price per m.c.f. equal to the maximum price being paid for gas of like kind and quality and under like conditions in the same field or area or may reduce the royalty value of any such gas (to any amount not less than the net proceeds of sale thereof, in the field) if the commissioner of public lands shall determine such action to be necessary to the successful operation of the lands for oil or gas purposes or to encouragement of the greatest ultimate recovery of oil or gas or to the promotion of conservation of oil or gas or in the public interest.

This lease shall not expire at the end of the primary term hereof if there is a well capable of producing gas in paying quantities located upon some part of the lands embraced herein, or upon lands pooled or communitized herewith, where such well is shut-in due to the inability of the lessee to obtain a pipeline connection or to market the gas therefrom and if the lessee timely pays an annual royalty on or before the annual rental paying date next ensuing after the expiration of ninety days from the date said well was shut-in and on or before said rental date thereafter. The payment of said annual royalty shall be considered for all purposes the same as if gas were being produced in paying quantities and upon the commencement of marketing of gas from said well or wells the royalty paid for the lease year in which the gas is first marketed shall be credited upon the royalty payable hereunder to the lessor for such year. The provisions of this section shall also apply where gas is being marketed from said leasehold premises and through no fault of the lessee, the pipeline connection or market is lost or ceases, in which case this lease shall not expire so long as said annual royalty is paid as herein provided. The amount of any annual royalty payable under this section shall equal twice the annual rental due to the lessee under the terms of this lease but not less than three hundred twenty dollars (\$320) per well per year, provided, however, that any such annual royalty for any year beginning on or after ten years from the date hereof shall equal four times the annual rental due by the lessee under the terms of this lease but not less than two thousand dollars (\$2,000) per well per year; provided further that no annual royalty shall be payable under this section if equivalent amounts are timely paid pursuant to another lease issued by lessor and if such other lease includes lands communitized with lands granted hereunder for the purpose of prorationally sharing in the shut-in well. Notwithstanding the provisions of this section to the contrary, this lease shall not be continued after five years from the date hereof for any period of more than ten years by the payment of said annual royalty unless, for good cause shown, the commissioner of public lands, in his discretion, grants such a continuance.

3. Lessee agrees to make full settlement on the twentieth day of each month for all royalties due to the lessor for the preceding month, under this lease, and to permit the lessor or its agents, at all reasonable hours to examine lessee's books relating to the production and disposition of oil and gas produced. Lessee further agrees to submit to lessor annually upon forms furnished by lessor, verified reports showing lessee's operations for the preceding year.

4. An annual rental at the rate of \$1.00 per acre shall become due and payable to the lessor by the lessee upon each acre of the land above described and then claimed by such lessee, and the same shall be due and payable in advance to the lessor on successive anniversary dates of this lease, but the annual rental on any assignment shall in no event be less than forty dollars (\$40.00).

In the event the lessee shall elect to surrender any or all of said acreage, he shall deliver to the lessor a duly executed release thereof and in event said lease has been recorded then he shall upon request furnish and deliver to the lessor a certified copy of a duly recorded release.

5. The lessee may at any time by paying to the lessor all amounts then due as provided herein and the further sum of forty dollars (\$40.00), surrender and cancel this lease insofar as the same covers all or any portion of the lands herein leased and be relieved from further obligations or liability hereunder, in the manner as hereinbefore provided. Provided, this surrender clause and the option herein reserved to the lessee shall cease and become absolutely inoperative immediately and concurrently with the institution of any suit in any court of law or equity by the lessee, lessor or any assignee, to enforce this lease, or any of its terms expressed or implied.

6. All payments due hereunder shall be made on or before the day such payment is due, at the office of the commissioner of public lands in Santa Fe, New Mexico.

7. The lessee with the consent of the lessor shall have the rights to assign this lease in whole or in part. Provided, however, that no assignment of an undivided interest in the lease or in any part thereof nor any assignment of less than a legal subdivision shall be recognized or approved by the lessor. Upon approval in writing by the lessor of an assignment, the assignor shall stand relieved from all obligations to the lessor with respect to the lands embraced in the assignment and the lessor shall likewise be relieved from all obligations to the assignor as to such tracts, and the assignee shall succeed to all of the rights and privileges of the assignor with respect to such tracts and shall be held to have assumed all of the duties and obligations of the assignor to the lessor as to such tracts.

8. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land which is draining the leased premises, lessee shall drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances, provided that no such offset well shall be required if compensatory royalties are paid pursuant to an agreement between the lessor and the lessee.

9. The lessee agrees to notify the lessor of the location of each well before commencing drilling thereon, to keep a complete and accurate log of each well drilled and to furnish a copy thereof, verified by some person having actual knowledge of the facts, to the lessor upon the completion of any well, and to furnish the log of any unfinished well at any time when requested to do so by the lessor.

If any lands embraced in this lease shall be included in any deed or contract of purchase outstanding and subsisting issued pursuant to any sale made of the surface of such lands prior to the date of this lease, it is agreed and understood that no drilling operation shall be commenced on any such lands so sold unless and until the lessee shall have filed a good and sufficient bond with the lessor as required by law, to secure the payment for such damage to the livestock, range, water, crops or tangible improvements on such lands as may be suffered by the purchaser holding such deed or contract of purchase, or his successors, by reason of the developments, use and occupation of such lands by such lessee. Provided, however, that no such bond shall be required if such purchaser shall waive the right to require such bond to be given in the manner provided by law.

10. In drilling wells all water-bearing strata shall be noted in the log, and the lessor reserves the right to require that all or any part of the casing shall be left in any nonproductive well when lessor deems it to be in the interest of the beneficiaries of the lands granted hereunder to maintain said well or wells for water. For such casing so left in wells the lessor shall pay to the lessee the reasonable value thereof.

11. Lessee shall be liable and agree to pay of all damages to the range, livestock, growing crops or improvements caused by lessee's operations on said lands. When requested by the lessor the lessee shall bury pipelines below plow depth.

12. The lessee shall not remove any machinery or fixtures placed on said premises, nor draw the casing from any well unless and until all payments and obligations due the lessor under the terms of this agreement shall have been paid or satisfied. The lessee's right to remove the casing is subject to the provision of Paragraph 10 above.

13. Upon failure or default of the lessee to comply with any of the provisions or covenants hereof, the lessor is hereby authorized to cancel this lease and such cancellation shall extend to and include all rights hereunder as to the whole of the tract so claimed, or possessed by the lessee, but shall not extend to, nor affect the rights of any other lessee or assignee claiming any portion of the lands upon which no default has been made; provided, however, that before any such cancellation shall be made, the lessor shall mail to the lessee so defaulting, by registered or certified mail, addressed to the post-office address of such lessee as shown by the records of the state land office, a notice of intention of cancellation specifying the default for which cancellation is to be made, and if within thirty days from the date of mailing said notice the said lessee shall remedy the default specified in said notice, cancellation shall not be made.

14. If this lease shall have been maintained in accordance with the provisions hereof and if at the expiration of the primary term provided for herein oil or gas is not being produced on said land but lessee is then engaged in bona fide drilling or reworking operations thereon, this lease shall remain in full force and effect so long as such operations are diligently prosecuted and, if they result in the production of oil or gas, so long thereafter as oil and gas in paying quantities, or either of them, is produced from said land; provided, however, such operations extending beyond the primary term shall be approved by the lessor upon written application filed with the lessor on or before the expiration of said term, and a report of the status of all such operations shall be made by the lessee to the lessor every thirty days and a cessation of such operations for more than twenty consecutive days shall be considered as an abandonment of such operations and this lease shall thereupon terminate.

If during the drilling or reworking of any well under this section, lessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations, then within twenty days after the abandonment of said operations, lessee may commence another well within three hundred thirty feet of the lost or junked hole or well and drill the same with due diligence.

Operations commenced and continued as herein provided shall extend this lease as to all lands as to which the same is in full force and effect as of the time said drilling operations are commenced; provided, however, this lease shall be subject to cancellation in accordance with Paragraph 13 hereof for failure to pay rentals or file reports which may become due while operations are being conducted hereunder.

15. Should production of oil and gas or either of them in paying quantities be obtained while this lease is in force and effect and should thereafter cease from any cause after the expiration of five years from the date hereof this lease shall not terminate if lessee commences additional drilling or reworking operations within sixty days after the cessation of such production and shall remain in full force and effect so long as such operations are prosecuted in good faith with no cessation of more than twenty consecutive days, and if such operations result in the production of oil or gas in paying quantities, so long thereafter as oil or gas in paying quantities is produced from said land; provided, however, written notice of intention to commence such operations shall be filed with the lessor within thirty days after the cessation of such production, and a report of the status of such operations shall be made by the lessee to the lessor every thirty days, and the cessation of such operations for more than twenty consecutive days shall be considered as an abandonment of such operations and this lease shall thereupon terminate.

16. Lessee, including their heirs, assigns, agents and contractors shall at their own expense fully comply with all laws, regulations, rules, ordinances and requirements of the city, county, state, federal authorities and agencies, in all matters and things affecting the premises and operations thereon which may be enacted or promulgated under the governmental police powers pertaining to public health and welfare, including but not limited to conservation, sanitation, aesthetics, pollution, cultural properties, fire and ecology. Such agencies are not to be deemed third party beneficiaries hereunder, however, this clause is enforceable by the lessor in any manner provided in this lease or by law.

17. Should lessor desire to exercise its rights to take in-kind its royalty share of oil, gas or associated substances or purchase all or any part of the oil, gas or associated substances produced from the lands covered by this lease, the lessee hereby irrevocably consents to the lessor exercising its right. Such consent is a consent to the termination of any supplier/purchaser relationship between the lessor and the lessee deemed to exist under federal regulations. Lessee further agrees that it will require any purchaser of oil, gas or associated substance to likewise waive any such rights.

18. Lessor reserves a continuing option to purchase at any time and from time to time, at the market price prevailing in the area on the date of purchase, all or any part of the minerals (oil and gas) that will be produced from the lands covered by this lease.

19. Lessor reserves the right to execute leases for geothermal resource development and operation thereon; the right to sell or dispose of the geothermal resources of such lands; and the right to grant rights-of-way and easements for these purposes.

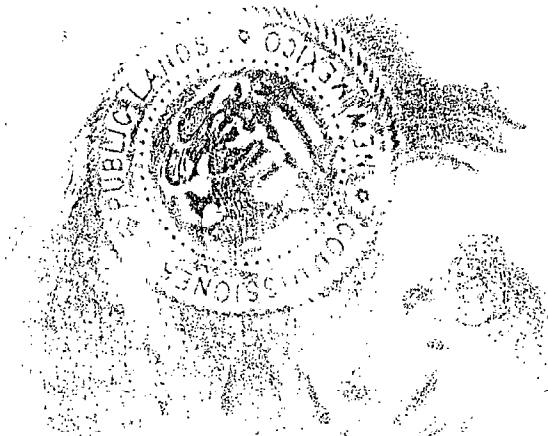
20. All terms of this agreement shall extend to and bind the heirs, executors, administrator, successors and assigns of the parties hereto.

In witness whereof, the party of the first part has hereunto signed and caused its name to be signed by its commissioner of public lands thereunto duly authorized, with the seal of his office affixed, and the lessee has signed this agreement the day and year first above written.

STATE OF NEW MEXICO

By: [Signature]
Commissioner of Public Lands, Lessor

Kenneth D Reynolds
Western Oil Producers, Inc (Seal)
Lessee



(PERSONAL ACKNOWLEDGMENT)

STATE OF _____ ss.
COUNTY OF _____ ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by _____

My commission expires: _____
Notary Public

(ACKNOWLEDGMENT BY ATTORNEY-IN-FACT)

STATE OF _____ ss.
COUNTY OF _____ ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ as attorney-in-fact in behalf of _____

My commission expires: _____
Notary Public

(ACKNOWLEDGMENT BY CORPORATION)

STATE OF New Mexico ss.
COUNTY OF Chaves ss.

The foregoing instrument was acknowledged before me this 24th day of July, 2000, by Kenneth D Reynolds, Pres of Western Oil Producers, a New Mexico corporation, on behalf of said corporation.
(Name) (Title) (Corporation)

My commission expires: 6-19-2003
Virginia L. Long
Notary Public

NEW MEXICO STATE LAND OFFICE
ASSIGNMENT OF OIL AND GAS LEASE
ONLINE Version

From Lease Number
VO-5915-0
To Lease Number
VO-5915-1

FOR VALUE RECEIVED, Western Oil Producers, Inc.
Assignor Name (include name of spouse, if any, or type of business entity) ©GRID No. 24961

(Assignor whether one or more), assigns and conveys to: Douglas O & Gas Limited Partnership ©GRID No. 234694 ✓
Assignee

(Assignee whether one or more), whose mailing address is 1965 Waddle Road
City State College State/Prov. PA ZIP 16803

the entire interest and title in and to Oil and Gas Lease No. VO 5915 (the Lease) initially made by the New Mexico State Land Office to:

Western Oil Producers, Inc., Dated 8/1/2000, insofar as the Lease covers the following land in Lea County, New Mexico:
ORIGINAL LESSEE

| Township | Range | Section | Description: |
|------------|------------|-----------|--------------|
| <u>18S</u> | <u>34E</u> | <u>13</u> | <u>NW/4</u> |
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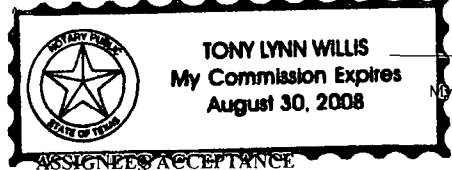
together with the rights incident thereto, and improvements thereon, if any.
Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.
Assignor warrants the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 15 day of September, 2005
By: [Signature]
Kenneth J. Reynolds, President
Spouse, if any; OR Title, if signing in representative capacity Assignor

ACKNOWLEDGMENT

STATE OF TEXAS)
)ss
COUNTY OF MIDLAND)

This Assignment was acknowledged before me this 15th day of September, 2005
by Kenneth J. Reynolds President
Title, if signing in representative capacity



[Signature]
Notary Public
My commission expires 8-30-2008

ALL ASSIGNED TO # 2

ASSIGNEE'S ACCEPTANCE

The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.

EXECUTED this 15 day of September, 2005
By: [Signature]
W. Douglas Gouge, President
Title, if signing in representative capacity Assignee

0-30 Revised for web October 2004
DATE 9-26-05
FILMED VM
OPERATOR 2/0/06

ONLINE VERSION
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339 0 22-SEP-05 11:17 30.00

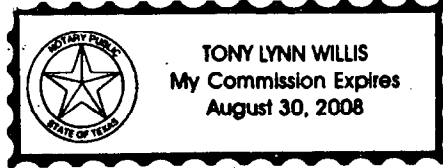
ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF MIDLAND

}ss

This Assignee's Acceptance was acknowledged before me this 15th day of September, 20 05

By W. Douglas Gouge President
Title, if signing in representative capacity



Tony Lynn Willis
Notary Public
My commission expires 8-30-2008

APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands
Santa Fe, New Mexico

I hereby certify that this Assignment was filed in my office on SEP 22 2005 and was approved by me

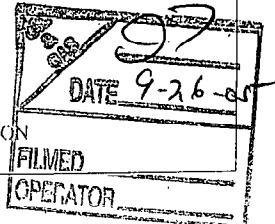
and shall be effective as to the State of New Mexico on SEP 23 2005

Catherine H. Lopez
COMMISSIONER OF PUBLIC LANDS

INSTRUCTIONS AND INFORMATION

- ANNUAL RENTAL: The annual rental for the land in this Assignment is 1.00 per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original Lease agreement. The date of this Assignment does not change the annual rental due date. For any Assignment of any Lease initially issued prior to June 15, 1985, the annual rental shall not be less than six dollars (\$6.00). For any Assignment of any Lease initially issued after June 14, 1985, or of any Lease which has been stipulated to the new ten year Lease, the minimum rental is forty dollars (\$40.00).
- FIXED TEN-YEAR LEASE: This Lease provides for a fixed ten-year term, and for so long as oil or gas is produced in paying quantities. The ten-year period is divided into a primary term of five years, followed by a secondary term of five years. If no production is had during the primary term, the rental for the secondary term is double the rental of the primary term, or equal to the highest prevailing rental rate in the district, whichever is higher. Rentals continue even though production is had.
- FIXED FIVE-YEAR LEASE: This Lease provides for a fixed five-year term, and for so long as oil and gas is produced in paying quantities. The fixed five-year Lease has no secondary term. Rentals continue even though production is had.
- FILING: All Assignments must be filed in the State Land Office in triplicate, with original signatures on all three copies, within one hundred days from the date of signing, and must be accompanied by the recording fee.
- RECORDING FEE: The recording fee for each Assignment is thirty dollars (\$30.00). If, however, the Assignment is filed more than one hundred days from the date of signing, an additional fee of seventy-five dollars (\$75.00) is charged.
- PERSONAL CHECKS: When an Assignment is accompanied by a personal check, the Commissioner of Public Lands reserves the right to withhold approval of the Assignment until the check is paid.
- ASSIGNMENT DISAPPROVAL: An Assignment will not be approved when it is made:
 - to more than two persons;
 - for less than a regular subdivision. Regular subdivision means forty acres or a tract described by lot number, which tract may be more or less than forty acres;
 - for an undivided interest;
 - in the name of a trusteeship, unless the trust document is attached or on file, and not more than two persons are named as trustee;
 - after a lis pendens is filed;
 - including any change or addition to the language contained in the Assignment form;
 - where surety requirements have not been met; or
 - where the lease is not in good standing; provided, however, that approval by the Commissioner does not waive any rights or claims the Commissioner may have to rentals, royalties, or other obligations due to the Commissioner by the Assignor under the lease. Approval of the assignment by the Commissioner does not guarantee the lease is in good standing.
- COMPLETE ADDRESS: An Assignment must show the complete mailing address of the Assignee.
- ACKNOWLEDGMENT: An Assignment must be executed before an officer authorized to take acknowledgments of deeds. Persons executing on behalf of a corporation or other business entity must indicate title or authority to execute.
- MARITAL STATUS: An Assignment must show whether the Assignors are married or single; if married, both husband and wife must sign the Assignment. The Certificates of Acknowledgment must show the marital status of the Assignors.
- BLANKET ASSIGNMENTS: Must have an exhibit or attached that includes lease number, original lessee of record, lease issue date, county, and land description. Provide a copy of the original assignment form and the exhibit for every lease.
- BLANKET ASSIGNMENTS: Will only be approved for record title. All other types of assignments (operating rights, depth limitations, undivided interests, etc.) will be filed as miscellaneous instrument documents for record purposes only.
- COMMUNICATIONS: All official business, letters and communications must be addressed directly to the Commissioner of Public Lands, Oil, Gas, and Minerals Division.
- PAYMENT: Make all payments for annual rental, recording, and approval of fees to:

COMMISSIONER OF PUBLIC LANDS
P.O. Box 1148
Santa Fe, NM 87504-1148



NEW MEXICO STATE LAND OFFICE
ASSIGNMENT OF OIL AND GAS LEASE
ONLINE Version

NM State Land Office
Records Management
Filed: 2-10-10
Digitized: NV
2-18-10

From Lease Number
VO-5915-1
To Lease Number
VO-5915-2

FOR VALUE RECEIVED, Douglas Oil & Gas LP, OGRID No. 234694
Assignor Name (include name of spouse, if any, or type of business entity)

("Assignor" whether one or more), assigns and conveys to: Adventure Exploration Partners, LLC, OGRID No. 257568
Assignee

("Assignee" whether one or more), whose mailing address is 500 W. TEXAS AVE., SUITE 1000

City MIDLAND State/Prov. TEXAS ZIP 79702

the entire interest and title in and to Oil and Gas Lease No. VO5915 0001 ("the Lease") initially made by the New Mexico State Land Office to:

Western Oil Producers, Inc, Dated Aug 1, 2000, insofar as the Lease covers the following land in Lea County, New Mexico:

ORIGINAL LESSOR:

| Township | Range | Section | Description: |
|------------|------------|-----------|------------------------|
| <u>18S</u> | <u>34E</u> | <u>13</u> | <u>NW4 - 160 acres</u> |
| | | | |
| | | | |

2009 DEC 16 PM 8:35
STATE LAND OFFICE
SANTA FE, N.M.

together with the rights incident thereto, and improvements thereon, if any.

Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.

Assignor warrants the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 23 day of November, 2009.

By: Christopher K. Helburn
Executive Vice President Assignor
Spouse, if any; OR Title, if signing in representative capacity

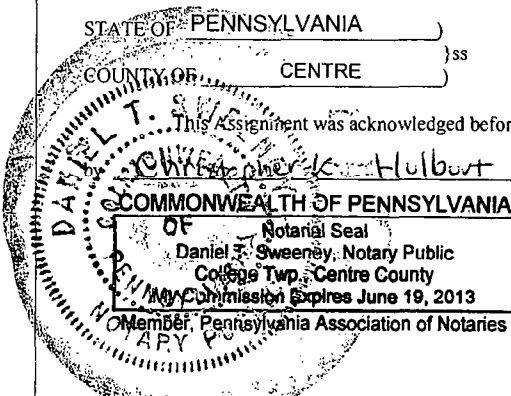
ACKNOWLEDGMENT

STATE OF PENNSYLVANIA)
COUNTY OF CENTRE)ss

This Assignment was acknowledged before me this 23 day of November, 2009.

Christopher K. Helburn
Executive Vice President

Executive Vice President
Title, if signing in representative capacity



[Signature]
Notary Public
My commission expires June 19, 2013

ASSIGNEE'S ACCEPTANCE

The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.

EXECUTED this 3rd day of December, 2009.

By: Paul L. Lucas
Assignee
Paul L. Lucas, President
Title, if signing in representative capacity

ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF MIDLAND }ss

This Assignee's Acceptance was acknowledged before me this 3rd day of December, 2009

By Adventure Exploration Partners, LLC

Paul L. Lucas, President

Title, if signing in representative capacity



Dana Ralston

My commission expires 08/28/2011

APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands
Santa Fe, New Mexico

RECEIVED DEC 16 2009

I hereby certify that this Assignment was filed in my office on _____ and was approved by me

and shall be effective as to the State of New Mexico on APPROVED JAN 05 2010

Patrick H. Lopez
COMMISSIONER OF PUBLIC LANDS

INSTRUCTIONS AND INFORMATION

1. ANNUAL RENTAL: The annual rental for the land in this Assignment is 1.00 per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original Lease agreement. The date of this Assignment does not change the annual rental due date. For any Assignment of any Lease initially issued prior to June 15, 1985, the annual rental shall not be less than six dollars (\$6.00). For any Assignment of any Lease initially issued after June 14, 1985, or of any Lease which has been stipulated to the new ten year Lease, the minimum rental is forty dollars (\$40.00).
2. FIXED TEN-YEAR LEASE: This Lease provides for a fixed ten-year term, and for so long as oil or gas is produced in paying quantities. The ten-year period is divided into a primary term of five years, followed by a secondary term of five years. If no production is had during the primary term, the rental for the secondary term is double the rental of the primary term, or equal to the highest prevailing rental rate in the district, whichever is higher. Rentals continue even though production is had.
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4. FILING: All Assignments must be filed in the State Land Office in triplicate, with original signatures on all three copies, within one hundred days from the date of signing, and must be accompanied by the recording fee.
5. RECORDING FEE: The recording fee for each Assignment is thirty dollars (\$30.00). If, however, the Assignment is filed more than one hundred days from the date of signing, an additional fee of seventy-five dollars (\$75.00) is charged.
6. PERSONAL CHECKS: When an Assignment is accompanied by a personal check, the Commissioner of Public Lands reserves the right to withhold approval of the Assignment until the check is paid.
7. ASSIGNMENT DISAPPROVAL: An Assignment will not be approved when it is made:
 - A. to more than two persons;
 - B. for less than a regular subdivision. "Regular subdivision" means forty acres or a tract described by lot number, which tract may be more or less than forty acres;
 - C. for an undivided interest;
 - D. in the name of a trusteeship, unless the trust document is attached or on file, and not more than two persons are named as trustee;
 - E. after a lis pendens is filed;
 - F. including any change or addition to the language contained in the Assignment form;
 - G. where surety requirements have not been met; or
 - H. where the lease is not in good standing; provided, however, that approval by the Commissioner does not waive any rights or claims the Commissioner may have to rentals, royalties, or other obligations due to the Commissioner by the Assignor under the lease. Approval of the assignment by the Commissioner does not guarantee the lease is in good standing.
8. COMPLETE ADDRESS: An Assignment must show the complete mailing address of the Assignee.
9. ACKNOWLEDGMENT: An Assignment must be executed before an officer authorized to take acknowledgments of deeds. Persons executing on behalf of a corporation or other business entity must indicate title or authority to execute.
10. MARITAL STATUS: An Assignment must show whether the Assignors are married or single; if married, both husband and wife must sign the Assignment. The Certificates of Acknowledgment must show the marital status of the Assignors.
11. BLANKET ASSIGNMENTS: Must have an Exhibit A attached that includes lease number, original lessee of record, lease issue date, county, and land description. Provide a copy of the original assignment form and the exhibit for every lease.
12. BLANKET ASSIGNMENTS: Will only be approved for record title. All other types of assignments (operating rights, depth limitations, undivided interests, etc.) will be filed as miscellaneous instrument documents for record purposes only.
13. COMMUNICATIONS: All official business, letters and communications must be addressed directly to the Commissioner of Public Lands, Oil, Gas, and Minerals Division.
14. PAYMENT: Make all payments for annual rental, recording, and approval of fees to:

COMMISSIONER OF PUBLIC LANDS
P.O. Box 1148
Santa Fe, NM 87504-1148

ALL ASSIGNED TO # 3

2009 DEC 16 PM 8:38
SANTA FE LAND OFFICE
SANTA FE, N.M.
ONLINE VERSION

NEW MEXICO STATE LAND OFFICE ASSIGNMENT OF OIL AND GAS LEASE

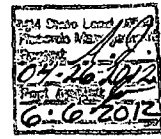
Please check one - Assignment or Miscellaneous Instrument

From Lease Number

VO-5915-2

To Lease Number

VO-5915-3



Assignment

Miscellaneous Instrument

Full Record Title (100%)

Partial Assignment

FOR VALUE RECEIVED, ADVENTURE EXPLORATION PARTNERS, LLC, OGRID No. 257568
Assignor Name (include name of spouse, if any; or type of business entity)

("Assignor" whether one or more), assigns and conveys to: BLUESTEM ENERGY ASSETS, LLC, OGRID No. 289130
Assignee

("Assignee" whether one or more), whose mailing address is 421 West 3rd Street, Suite 700, Ft. Worth, TX ZIP 76102

the entire interest and title in and to Oil and Gas Lease No. VO 5915-2 ("the Lease") initially made by the New Mexico State Land Office to:

Western Oil Producers, Inc, Dated 8/1/2000, insofar as the Lease covers the following land in Lea County, New Mexico:

ORIGINAL LESSEE

| Township | Range | Section | Description: |
|------------|------------|-----------|--------------------------|
| <u>18S</u> | <u>34E</u> | <u>13</u> | <u>NW4, 160.00 Acres</u> |
| | | | |
| | | | |
| | | | |

together with the rights incident thereto, and improvements thereon, if any.

Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.

Assignor warrants the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 15th day of November, 2011

ADVENTURE EXPLORATION PARTNERS, LLC
By: [Signature]
Assignor
Paul L. Lucas, President
Spouse, if any, OR Title, if signing in representative capacity

ACKNOWLEDGMENT

STATE OF TEXAS }
COUNTY OF MIDLAND }ss

This Assignment was acknowledged before me this 15th day of November, 2011

by ADVENTURE EXPLORATION PARTNERS, LLC, Paul L. Lucas, President
Title, if signing in representative capacity



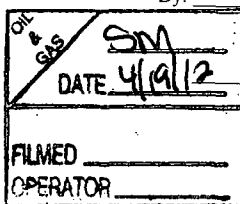
[Signature]
Notary Public
My commission expires _____

ASSIGNEE'S ACCEPTANCE

The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.
BLUESTEM ENERGY ASSETS, LLC

EXECUTED this 15th day of November, 2011

By: [Signature]
Assignee
President
Title, if signing in representative capacity



FEES ONLINE VERSION A NWSLO 001-00001
139 0 22-NOV-11 10:42 30.00

2011 NOV 22 PM 10 29

ACKNOWLEDGMENT

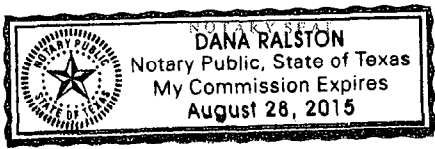
STATE OF TEXAS

COUNTY OF MIDLAND }ss

This Assignee's Acceptance was acknowledged before me this 15th day of November, 2011

By BLUESTEM ENERGY ASSETS, LLC, Jack Hightower, President
Title, if signing in representative capacity

Liane B. Johnston
Notary Public
My commission expires _____



APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands
Santa Fe, New Mexico

RECEIVED NOV 22 2011

I hereby certify that this Assignment was filed in my office on _____ and was approved by me

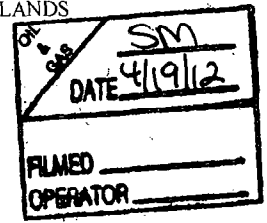
and shall be effective as to the State of New Mexico on APPROVED APR 19 2012

Ray Powell III
COMMISSIONER OF PUBLIC LANDS

INSTRUCTIONS AND INFORMATION

- ANNUAL RENTAL: The annual rental for the land in this Assignment is 1.00 per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original Lease agreement. The date of this Assignment ~~does not change the annual rental, due date.~~ For any Assignment of any Lease initially issued prior to June 15, 1985, the annual rental shall not be less than six dollars (\$6.00). For any Assignment of any Lease initially issued after June 14, 1985, or of any Lease which has been stipulated to the new ten year Lease, the minimum rental is forty dollars (\$40.00).
- FIXED TEN-YEAR LEASE: This Lease provides for a fixed ten-year term, and for so long as oil or gas is produced in paying quantities. The ten-year period is divided into a primary term of five years, followed by a secondary term of five years. If no production is had during the primary term, the rental for the secondary term is double the rental of the primary term, or equal to the highest prevailing rental rate in the district, whichever is higher. Rentals continue even though production is had.
- FIXED FIVE-YEAR LEASE: This Lease provides for a fixed five-year term, and for so long as oil and gas is produced in paying quantities. The fixed five-year Lease has no secondary term. Rentals continue even though production is had.
- FILING: All Assignments must be filed in the State Land Office in triplicate, with original signatures on all three copies, within one hundred days from the date of signing, and must be accompanied by the recording fee.
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- ASSIGNMENT DISAPPROVAL: An Assignment will not be approved when it is made:
 - to more than two persons;
 - for less than a regular subdivision. "Regular subdivision" means forty acres or a tract described by lot number, which tract may be more or less than forty acres;
 - for an undivided interest;
 - in the name of a trusteeship, unless the trust document is attached or on file, and not more than two persons are named as trustee;
 - after a lis pendens is filed;
 - including any change or addition to the language contained in the Assignment form;
 - where surety requirements have not been met; or
 - where the lease is not in good standing; provided, however, that approval by the Commissioner does not waive any rights or claims the Commissioner may have to rentals, royalties, or other obligations due to the Commissioner by the Assignor under the lease. Approval of the assignment by the Commissioner does not guarantee the lease is in good standing.
- COMPLETE ADDRESS: An Assignment must show the complete mailing address of the Assignee.
- ACKNOWLEDGMENT: An Assignment must be executed before an officer authorized to take acknowledgments of deeds. Persons executing on behalf of a corporation or other business entity must indicate title or authority to execute.
- MARITAL STATUS: An Assignment must show whether the Assignors are married or single; if married, both husband and wife must sign the Assignment. The Certificates of Acknowledgment must show the marital status of the Assignors.
- BLANKET ASSIGNMENTS: Must have an Exhibit A attached that includes lease number, original lessee of record, lease issue date, county, and land description. Provide a copy of the original assignment form and the exhibit for every lease.
- BLANKET ASSIGNMENTS: Will **only** be approved for record title. All other types of assignments (operating rights, depth limitations, undivided interests, etc.) will be filed as miscellaneous instrument documents for record purposes only.
- COMMUNICATIONS: All official business, letters and communications must be addressed directly to the Commissioner of Public Lands; Oil, Gas, and Minerals Division.
- PAYMENT: Make all payments for annual rental, recording, and approval of fees to:

COMMISSIONER OF PUBLIC LANDS
P.O. Box 1148
Santa Fe, NM 87504-1148



2011 NOV 22 AM 10 29

VO 5915-4

NEW MEXICO STATE LAND OFFICE ASSIGNMENT OF OIL AND GAS LEASE

Please check one - Assignment or Miscellaneous Instrument

From Lease Number

VO-5915 - 3

To Lease Number

VO-5915 - 4

Assignment

Miscellaneous Instrument

Full Record Title (100%) / Partial Assignment



FOR VALUE RECEIVED, BLUESTEM ENERGY ASSETS, LLC, OGRID No. 257568
Assignor Name (include name of spouse, if any, or type of business entity)

("Assignor" whether one or more), assigns and conveys to: COG OPERATING LLC, OGRID No. 229137
Assignee

("Assignee" whether one or more), whose mailing address is 600 West Illinois Ave. Midland, TX ZIP 79701

the entire interest and title in and to Oil and Gas Lease No. VO 5915 ("the Lease") initially made by the New Mexico State Land Office to:

Western Oil Producers, Inc., Dated 8/1/2000, insofar as the Lease covers the following land in Lea County, New Mexico:

ORIGINAL LESSEE

| Township | Range | Section | Description: |
|------------|------------|-----------|---------------------------------------|
| <u>18S</u> | <u>34E</u> | <u>13</u> | <u>NW4 160.00 Acres, more or less</u> |
| | | | |
| | | | |
| | | | |

together with the rights incident thereto, and improvements thereon, if any.

Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.

Assignor warrants the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 4th day of September, 2014.

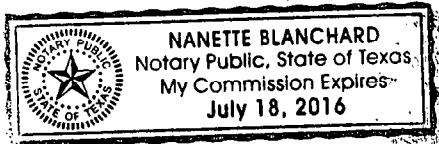
By: [Signature]
CEO
Spouse, if any, OR Title, if signing in representative capacity

RECORDED
11-10-2014 8:20 AM

ACKNOWLEDGMENT

STATE OF Texas)
COUNTY OF Harris) ss

This Assignment was acknowledged before me this 4th day of Sept, 2014.
by Alan R. Clemens, CEO
Title, if signing in representative capacity



[Signature]
My commission expires July 18, 2016
Notary Public

ASSIGNEE'S ACCEPTANCE

The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.

EXECUTED this 2nd day of September, 2014.

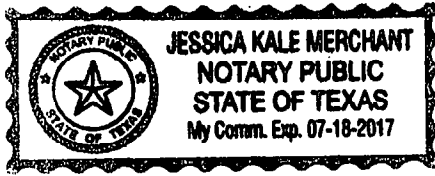
By: [Signature]
Mona D. Ables, Vice President of Land
Title, if signing in representative capacity

ACKNOWLEDGMENT

STATE OF TEXAS)ss
COUNTY OF MIDLAND

This Assignee's Acceptance was acknowledged before me this 2 day of September, 2014

By Mona D. Ables, Vice President of Land of COG OPERATING LLC, a Delaware limited liability company on behalf of said limited liability company
Title, if signing in representative capacity

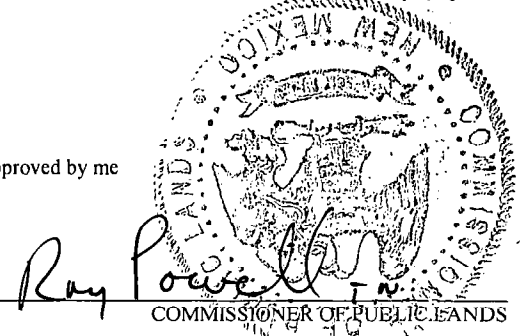


Jessica Kale Merchant
Notary Public
My commission expires 07-18-2017

APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands
Santa Fe, New Mexico

I hereby certify that this Assignment was filed in my office on RECEIVED SEP 23 2014 and was approved by me
and shall be effective as to the State of New Mexico on Oct 29, 2014



INSTRUCTIONS AND INFORMATION

1. ANNUAL RENTAL: The annual rental for the land in this Assignment is 1.00 per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original Lease agreement. The date of this Assignment does not change the annual rental due date. For any Assignment of any Lease initially issued prior to June 15, 1985, the annual rental shall not be less than six dollars (\$6.00). For any Assignment of any Lease initially issued after June 14, 1985, or of any Lease which has been stipulated to the new ten year Lease, the minimum rental is forty dollars (\$40.00).
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 - B. for less than a regular subdivision. "Regular subdivision" means forty acres or a tract described by lot number, which tract may be more or less than forty acres;
 - C. for an undivided interest;
 - D. in the name of a trusteeship, unless the trust document is attached or on file, and not more than two persons are named as trustee;
 - E. after a lis pendens is filed;
 - F. including any change or addition to the language contained in the Assignment form;
 - G. where surety requirements have not been met; or
 - H. where the lease is not in good standing; provided, however, that approval by the Commissioner does not waive any rights or claims the Commissioner may have to rentals, royalties, or other obligations due to the Commissioner by the Assignor under the lease. Approval of the assignment by the Commissioner does not guarantee the lease is in good standing.
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COMMISSIONER OF PUBLIC LANDS
P.O. Box 1148
Santa Fe, NM 87504-1148

2014 SEP 23 AM 8:20

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORDING IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

WHEN RECORDED OR FILED,
PLEASE RETURN TO:
Simpson Thacher & Bartlett LLP
909 Fannin Street, Suite 1475
Houston, Texas 77010
Attention: Linda Daugherty

Space above for County Recorder's Use

MORTGAGE, LINE OF CREDIT MORTGAGE, DEED OF TRUST,
ASSIGNMENT OF AS-EXTRACTED COLLATERAL, SECURITY AGREEMENT,
FIXTURE FILING AND FINANCING STATEMENT

FROM

BLUESTEM ENERGY ASSETS, LLC

TO

BRIAN MALONE, AS TRUSTEE

FOR THE BENEFIT OF

BNP PARIBAS

as Administrative Agent

and the Other Secured Persons

2011 DEC 9 AM 8:49

THIS INSTRUMENT FILED IN THE OFFICE OF
THE COMMISSIONER OF PUBLIC LANDS ON
THE 13th DAY OF December 2011, IN BOOK
NO. 4 REGISTER OF MISCELLANEOUS
INSTRUMENT NO. 0132

12663658.2

FEES 4 NNSLO 001-00008
60 0 09-DEC-11 09:36 10.00

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A CARBON, PHOTOGRAPHIC, OR OTHER REPRODUCTION OF THIS INSTRUMENT IS SUFFICIENT AS A FINANCING STATEMENT.

A POWER OF SALE HAS BEEN GRANTED IN THIS INSTRUMENT. IN CERTAIN STATES, A POWER OF SALE MAY ALLOW THE TRUSTEE OR THE MORTGAGEE TO TAKE THE MORTGAGED PROPERTY AND SELL IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY THE MORTGAGOR UNDER THIS INSTRUMENT.

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS.

THIS INSTRUMENT SECURES PAYMENT OF FUTURE ADVANCES.

THIS INSTRUMENT COVERS PROCEEDS OF MORTGAGED PROPERTY.

THIS INSTRUMENT COVERS "FIXTURES" AND "AS EXTRACTED COLLATERAL" (AND ACCOUNTS WITH RESPECT TO SAME), AS EACH SUCH TERM IS DEFINED IN THE UNIFORM COMMERCIAL CODE.

THIS INSTRUMENT COVERS MINERALS AND OTHER SUBSTANCES OF VALUE WHICH MAY BE EXTRACTED FROM THE EARTH (INCLUDING WITHOUT LIMITATION OIL AND GAS) AND THE ACCOUNTS RELATED THERETO, WHICH WILL BE FINANCED AT THE WELLHEADS OF THE WELL OR WELLS LOCATED ON THE PROPERTIES DESCRIBED IN THE EXHIBIT HERETO. THIS FINANCING STATEMENT IS TO BE FILED OR FILED FOR RECORD, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS OR SIMILAR RECORDS OF THE RECORDERS OF THE COUNTIES LISTED ON THE EXHIBIT HERETO. THE MORTGAGOR HAS AN INTEREST OF RECORD IN THE REAL ESTATE AND IMMOVABLE PROPERTY CONCERNED, WHICH INTEREST IS DESCRIBED IN THE EXHIBIT ATTACHED HERETO.

PORTIONS OF THE MORTGAGED PROPERTY ARE GOODS WHICH ARE OR ARE TO BECOME AFFIXED TO OR FIXTURES ON THE LAND DESCRIBED IN OR REFERRED TO IN THE EXHIBIT HERETO. THIS FINANCING STATEMENT IS TO BE FILED FOR RECORD OR RECORDED, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS OR SIMILAR RECORDS OF EACH COUNTY IN WHICH SAID LAND OR ANY PORTION THEREOF IS LOCATED. THE MORTGAGOR IS THE OWNER OF RECORD INTEREST IN THE REAL ESTATE CONCERNED. THIS INSTRUMENT IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS OR THE UCC RECORDS.

2011 DEC 9 6 48 54

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Exhibit A - Oil and Gas Properties

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THIS MORTGAGE, LINE OF CREDIT MORTGAGE, DEED OF TRUST, ASSIGNMENT OF AS-EXTRACTED COLLATERAL, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT (this "Mortgage") is entered into as of November 15, 2011 (the "Effective Date") by BLUESTEM ENERGY ASSETS, LLC, a Delaware limited liability company (the "Mortgagor"), in favor of (i) Brian Malone, as Trustee for the benefit of BNP PARIBAS, as Administrative Agent (together with its successors and assigns, the "Mortgagee"), and the Other Secured Persons with respect to all Mortgaged Properties located in or adjacent to the Deed of Trust State and (ii) the Mortgagee for its benefit and the benefit of the Other Secured Parties with respect to all Mortgaged Properties located in or adjacent to each Mortgage State and with respect to all UCC Collateral.

RECITALS

A. On November 15, 2011, the Mortgagor, as borrower (the "Borrower"), the Lenders, the Mortgagee, as administrative agent for the Lenders and others, executed a Credit Agreement (such agreement, as may from time to time be further amended, restated or supplemented, the "Credit Agreement") pursuant to which, upon the terms and conditions stated therein, the Lenders agreed to make loans and other extensions of credit to the Borrower.

B. The Borrower and certain Lenders or Affiliates of Lenders have or may enter into certain ISDA Master Agreements, confirmations and other contractual arrangements, whether or not evidenced pursuant to standard ISDA documentation (any such agreements or instruments with Lenders or their Affiliates collectively, "Swap Documents") to evidence one or more swap, forward, future, put, call or other exchange or derivative transactions or options or similar agreements, whether exchange traded, "over-the-counter" or otherwise, involving, or settled by reference to, one or more rates, currencies, commodities (including electricity), equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions (collectively, "Swap Agreements").

C. On November 15, 2011, the Borrower, the Mortgagor, each of the signatories thereto and the Mortgagee executed a Guaranty and Collateral Agreement (such agreement, as may from time to time be amended, restated or supplemented, the "Guaranty") pursuant to which, upon the terms and conditions stated therein, the Mortgagor and the Guarantors have agreed to grant a security interest to the Mortgagee in certain assets specified therein and the Guarantors have agreed to guarantee the obligations of the Borrower under the Credit Agreement and the Swap Agreements (the Credit Agreement, the Swap Agreements and the Guaranty collectively being the "Secured Transaction Documents").

D. The Mortgagee and the Other Secured Persons have conditioned their obligations under the Secured Transaction Documents upon the execution and delivery by the Mortgagor of this Mortgage, and the Mortgagor has agreed to enter into this Mortgage to secure all obligations owing to the Mortgagee and the Other Secured Persons under the Secured Transaction Documents.

E. Therefore, in order to comply with the terms and conditions of the Secured Transaction Documents and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor hereby agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Terms Defined Above. As used in this Mortgage, each term defined above has the meaning indicated above.

Section 1.02 UCC and Other Defined Terms. Unless otherwise defined in the Applicable UCC, each capitalized term used in this Mortgage and not defined in this Mortgage shall have the meaning ascribed to such term in the Credit Agreement. Any capitalized term not defined in either this Mortgage or the Credit Agreement shall have the meaning ascribed to such term in the Applicable UCC.

Section 1.03 Definitions.

“Applicable UCC” means the provisions of the Uniform Commercial Code presently in effect in the jurisdiction in which the relevant UCC Collateral is situated or which otherwise is applicable to the creation or perfection of the Liens described herein or the rights and remedies of Mortgagee under this Mortgage.

“Collateral” means collectively all the Mortgaged Property and all the UCC Collateral.

“Deed of Trust State” has the meaning ascribed such term in Section 2.01.

“Event of Default” has the meaning ascribed to such term in Section 5.01.

“Future Advances” means future obligations and future advances that the Mortgagee or any Other Secured Person may make pursuant to any Secured Transaction Document.

“Hydrocarbon Interests” means all rights, titles, interests and estates and the lands and premises covered or affected thereby now or hereafter acquired by the Mortgagor in and to oil and gas leases, oil, gas and mineral leases, or other liquid or gaseous hydrocarbon leases, fee interests, surface interests, mineral fee interests, overriding royalty and royalty interests, net profit interests and production payment interests, including any reserved or residual interests of whatever nature, in each case, which are described on Exhibit A; provided that, it is the intent of the Mortgagor that all of its interests be subject to the Lien of this Mortgage even if (i) its interests on Exhibit A shall be incorrectly described or a description of a part or all of such property or the Mortgagor’s interests therein be omitted or limited to particular lands, specified depths or particular types of property interests or (ii) such properties or interests may be hereafter acquired.

“Hydrocarbons” means all oil, gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined or separated therefrom and all other minerals which may be produced and saved from or attributable to the Oil and Gas Properties of the Mortgagor, including all oil in tanks, and all

rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to the Hydrocarbon Interests or other properties constituting Oil and Gas Properties.

“Indemnified Parties” means the Trustee, the Mortgagee, each Other Secured Person and their officers, directors, employees, representatives, agents, attorneys, accountants and experts.

“Lien” means any interest in property securing an obligation owed to, or a claim by, a Person other than the owner of the property, whether such interest is based on the common law, statute or contract, and whether such obligation or claim is fixed or contingent, and including but not limited to (a) the lien or security interest arising from a mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes or (b) production payments and the like payable out of Oil and Gas Properties..

“Mortgaged Property” means the Oil and Gas Properties and other properties and assets described in Section 2.01(a) through Section 2.01(e).

“Mortgage State” has the meaning ascribed such term in Section 2.01.

“Oil and Gas Properties” means (a) Hydrocarbon Interests; (b) the properties now or hereafter pooled or unitized with Hydrocarbon Interests; (c) all presently existing or future unitization, communitization, pooling agreements and declarations of pooled units and the units created thereby (including without limitation all units created under orders, regulations and rules of any Governmental Authority) which may affect all or any portion of the Hydrocarbon Interests; (d) all operating agreements, production sales or other contracts, farmout agreements, farm-in agreements, area of mutual interest agreements, equipment leases and other agreements which relate to any of the Hydrocarbon Interests or any interests therein or to the production, sale, purchase, exchange, processing, handling, storage, transporting or marketing of the Hydrocarbons from or attributable to such Oil and Gas Properties; (e) all Hydrocarbons; (f) all tenements, hereditaments, appurtenances and properties in any manner appertaining, belonging, affixed or incidental to the Hydrocarbon Interests, including all compressor sites, settling ponds and equipment or pipe yards; and (g) all properties, rights, titles, interests and estates described or referred to above whether now owned or hereinafter acquired, including any and all property, real or personal, immoveable or moveable, situated upon, used, held for use or useful in connection with the operating, working or development of any of such Hydrocarbon Interests or property (excluding drilling rigs, automotive equipment, rental equipment or other personal property which may be on such premises for the purpose of drilling a well or for other similar temporary uses) and including any and all oil wells, gas wells, injection wells or other wells, buildings, structures, fuel separators, liquid extraction plants, plant compressors, pumps, pumping units, pipelines, sales and flow lines, gathering systems, field gathering systems, salt water disposal facilities, tanks and tank batteries, fixtures, valves, fittings, machinery and parts, engines, boilers, steam generation facilities, meters, apparatus, equipment, appliances, tools, implements, cables, wires, towers, casing, tubing and rods, surface leases, rights-of-way, easements, servitudes licenses and other surface and subsurface rights, together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing.

“Other Secured Persons” means each Lender, each Agent under the Credit Agreement, each Issuing Bank under the Credit Agreement, each Lender or Affiliate of a Lender which is party to the Credit Agreement, each Lender or Affiliate of a Lender which is party to any Swap Agreement (or (i) was a Lender or Affiliate of a Lender at the time such Swap Agreement was entered into or (ii) was a Lender or an Affiliate of a Lender on the Effective Date and such Swap Agreement was in effect on the Effective Date), each Indemnified Party and any legal owner, holder, assignee or pledgee of any of the Secured Obligations.

“Paid In Full In Cash” means (i) the irrevocable and indefeasible payment in full in cash of all principal, interest (including interest accruing during the pendency of an insolvency or liquidation proceeding, regardless of whether allowed or allowable in such insolvency or liquidation proceeding) and premium, if any, on all Loans outstanding under the Credit Agreement, (ii) the payment in full in cash or posting of cash collateral in respect of all other obligations or amounts that are outstanding under the Credit Agreement, including the posting of cash collateral for outstanding Letters of Credit as required by the terms of the Credit Agreement, (iii) the termination of all Commitments under the Credit Agreement, and (iv) the termination of all Swap Agreements or the posting of acceptable substitute collateral to the counterparty to such Swap Agreements as required by the terms thereof or the novation of such Swap Agreements to third parties.

“Permitted Encumbrances” means all Liens permitted to be placed on the Mortgaged Properties under Section 9.03 of the Credit Agreement.

“Post-Default Rate” means the post-default rate per annum set forth in Section 3.02(c) of the Credit Agreement applicable to past due payments, but in no event to exceed the Highest Lawful Rate.

“Secured Obligations” has the meaning assigned to such term in Section 2.03.

“Trustee” means Brian Malone of Houston, Harris County, Texas, whose address for notice hereunder is 333 Clay Street, Suite 2400, Houston, Texas 77002 and any successors and substitutes in trust hereunder.

“UCC Collateral” means the property and other assets described in Section 2.02.

**ARTICLE II
GRANT OF LIEN AND SECURED OBLIGATIONS**

Section 2.01 Grant of Liens. To secure payment of the Secured Obligations, the Mortgagor does by these presents hereby:

(i) GRANT, BARGAIN, SELL, ASSIGN, MORTGAGE, TRANSFER and CONVEY to the Trustee, for the use and benefit of the Mortgagee and the Other Secured Persons, all the following properties, rights and interests (as described in subsections (a) through (e) immediately below) which are located in (or cover or relate to such Oil and Gas Properties located in) the state of Texas (the “Deed of Trust State”), TO HAVE AND TO HOLD unto the Trustee forever to secure the Secured Obligations; and

(ii) GRANT, BARGAIN, SELL, WARRANT, MORTGAGE, ASSIGN, TRANSFER, PLEDGE, HYPOTHECATE and CONVEY AND, to the extent permitted by applicable law, GRANT A POWER OF SALE to the Mortgagee, for its benefit and the benefit of the Other Secured Persons, with mortgage covenants, and upon the statutory mortgage condition for the breach of which this Mortgage may be subject to foreclosure as provided by applicable law, all the following properties, rights and interests which are located in New Mexico (the "Mortgage State"):

(a) All rights, titles, interests and estates now owned or hereafter acquired by the Mortgagor in and to the Oil and Gas Properties described on Exhibit A.

(b) All rights, titles, interests and estates now owned or hereafter acquired by the Mortgagor in and to all geological, geophysical, engineering, accounting, title, legal and other technical or business data concerning the Oil and Gas Properties, the Hydrocarbons or any other item of property which are in the possession of the Mortgagor, and all books, files, records, magnetic media, computer records and other forms of recording or obtaining access to such data.

(c) All rights, titles, interests and estates now owned or hereafter acquired by the Mortgagor in and to all Hydrocarbons.

(d) Any property that may from time to time hereafter, by delivery or by writing of any kind, be subjected to the Liens hereof by the Mortgagor or by anyone on the Mortgagor's behalf; and the Trustee and/or the Mortgagee are hereby authorized to receive the same at any time as additional security hereunder.

(e) All of the rights, titles and interests of every nature whatsoever now owned or hereafter acquired by the Mortgagor in and to the Oil and Gas Properties described in Exhibit A and all other rights, titles, interests and estates and every part and parcel thereof, including, without limitation, any rights, titles, interests and estates as the same may be enlarged by the discharge of any payments out of production or by the removal of any charges or Permitted Encumbrances to which any of such Oil and Gas Properties or other rights, titles, interests or estates are subject or otherwise; all rights of the Mortgagor to Liens securing payment of proceeds from the sale of production from any of such Oil and Gas Properties, together with any and all renewals and extensions of any of such related rights, titles, interests or estates; all contracts and agreements supplemental to or amendatory of or in substitution for the contracts and agreements described or mentioned above; and any and all additional interests of any kind hereafter acquired by the Mortgagor in and to the such related rights, titles, interests or estates.

TO HAVE AND TO HOLD the foregoing properties, rights and interests unto the Trustee and Mortgagee (and their respective successors and assigns), as the case may be, upon the terms and conditions of this Mortgage.

Any fractions or percentages specified on Exhibit A in referring to the Mortgagor's interests are solely for purposes of the warranties made by the Mortgagor pursuant to Section 4.01 and Section 4.04 and shall in no manner limit the quantum of interest affected by this

Section 2.01 with respect to any Oil and Gas Property or with respect to any unit or well identified on Exhibit A.

With respect to any Mortgaged Property consisting of mineral leases or interests therein subject to the Mineral Lands Leasing Act of 1920, as amended, the grant of liens in this Section 2.01 will be in favor of Paribas North America, Inc., as collateral sub-agent for the Mortgagee.

Section 2.02 Grant of Security Interest. To further secure the Secured Obligations, the Mortgagor hereby grants to the Mortgagee, for its benefit and the benefit of the Other Secured Persons, a security interest in and to all of the following (whether now or hereafter acquired by operation of law or otherwise):

- (a) all As-Extracted Collateral from or attributable to the Oil and Gas Properties;
- (b) all Fixtures;
- (c) all Hydrocarbons;
- (d) all books and records pertaining to the Oil and Gas Properties;
- (e) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security, and guarantees given with respect to any of the foregoing.

Section 2.03 Secured Obligations. This Mortgage is executed and delivered by the Mortgagor to secure and enforce the following (the "Secured Obligations"):

(a) Payment of and performance of any and all indebtedness, fees, interest, indemnities, reimbursements, obligations and liabilities of the Borrower or any Guarantor (including interest accruing during the pendency of an insolvency or liquidation proceeding, regardless of whether allowed or allowable in such insolvency or liquidation proceeding) pursuant to the Credit Agreement, the Guaranty, this Mortgage or any other Loan Document, whether now existing or hereafter arising and being in the original principal amount of Three Hundred Million United States Dollars (US \$300,000,000) with final maturity on or before November 15, 2016, including performance of all Letter of Credit Agreements executed from time to time by the Borrower or any Subsidiary of the Borrower under or pursuant to the Credit Agreement and all reimbursement obligations for drawn or undrawn portions under any Letter of Credit now outstanding or hereafter issued under or pursuant to the Credit Agreement.

(b) Any sums which may be advanced or paid by the Trustee or the Mortgagee or any Other Secured Person under the terms hereof or of the Credit Agreement or any Secured Transaction Document on account of the failure of the Borrower, the Mortgagor or any of the Borrower's Subsidiaries to comply with the covenants of the Mortgagor contained herein, in the Credit Agreement or any other Secured Transaction Document and all other obligations, liabilities and indebtedness of the Borrower, the Mortgagor or any other Guarantor arising pursuant to the provisions of this Mortgage or any Secured Transaction Document.

(c) Any additional loans made by the Mortgagee or any Lender to the Borrower or the Mortgagor or any other Guarantor. It is contemplated that the Mortgagee and the Lenders may lend additional sums to the Borrower or the Mortgagor from time to time, but shall not be obligated to do so, and the Mortgagor agrees that any such additional loans shall be secured by this Mortgage.

(d) Payment of and performance of any and all present or future obligations of the Borrower under any Swap Document or any Swap Agreement, including any deferred premiums in respect of puts, floors or options constituting Swap Agreements.

(e) Any and all renewals, modifications, substitutions, rearrangements or extensions of any of the foregoing, whether in whole or in part.

Section 2.04 Fixture Filing, Etc. Without in any manner limiting the generality of any of the other provisions of this Mortgage: (i) some portions of the goods described or to which reference is made herein are or are to become Fixtures on the land described or to which reference is made herein or on Exhibit A; (ii) the security interests created hereby under applicable provisions of the Applicable UCC will attach to all As-Extracted Collateral (all minerals including oil and gas and the Accounts resulting from the sale thereof at the wellhead or minehead located on the Oil and Gas Properties described or to which reference is made herein or on Exhibit A) and all other Hydrocarbons; (iii) this Mortgage is to be filed of record in the real estate records or other appropriate records as a financing statement; and (iv) the Mortgagor is the record owner of the real estate or interests in the real estate or immoveable property comprised of the Mortgaged Property.

Section 2.05 Pro Rata Benefit. This Mortgage is executed and granted for the pro rata benefit and security of the Mortgagee and the Other Secured Persons to secure the Secured Obligations for so long as same remains unpaid and thereafter until the Secured Obligations have been Paid In Full In Cash.

**ARTICLE III
ASSIGNMENT OF AS-EXTRACTED COLLATERAL**

Section 3.01 Assignment.

(a) Provided that the Mortgagor shall have the rights permitted under clause (b) below, the Mortgagor has absolutely and unconditionally assigned, transferred, conveyed and granted a security interest, and does hereby absolutely and unconditionally assign, transfer, convey and grant a security interest unto the Mortgagee in and to:

(i) all of its As-Extracted Collateral located in or relating to the Mortgaged Properties located in the county where this Mortgage is filed, including without limitation, all As-Extracted Collateral relating to the Hydrocarbon Interests, the Hydrocarbons and all products obtained or processed therefrom;

(ii) the revenues and proceeds now and hereafter attributable to such Mortgaged Properties, including the Hydrocarbons, and said products and all payments in lieu, such as "take or pay" payments or settlements; and

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(iii) all amounts and proceeds hereafter payable to or to become payable to the Mortgagor or now or hereafter relating to any part of such Mortgaged Properties and all amounts, sums, monies, revenues and income which become payable to the Mortgagor from, or with respect to, any of the Mortgaged Properties, present or future, now or hereafter constituting a part of the Hydrocarbon Interests.

(b) The Hydrocarbons and products are to be delivered into pipe lines connected with the Mortgaged Property, or to the purchaser thereof, to the credit of the Mortgagee, for its benefit and the benefit of the Other Secured Persons, free and clear of all taxes, charges, costs and expenses; and, subject to the following sentence, all such revenues and proceeds shall be paid directly to the Mortgagee, at its offices in Houston, Texas, with no duty or obligation of any party paying the same to inquire into the rights of the Mortgagee to receive the same, what application is made thereof, or as to any other matter. Notwithstanding anything to the contrary contained herein, so long as no Event of Default shall have occurred and is continuing, Mortgagor shall have the right to collect all revenues and proceeds attributable to the Hydrocarbons that accrue to the Oil and Gas Properties or the products obtained or processed therefrom, as well as any Liens and security interests securing any sales of said Hydrocarbons and to retain, use and enjoy same.

(c) Subject to the last sentence of clause (b) above, the Mortgagor agrees to perform all such acts, and to execute all such further assignments, transfers and division orders and other instruments as may be required or desired by the Mortgagee or any party in order to have said proceeds and revenues so paid to the Mortgagee. In addition to any and all rights of a secured party under Sections 9.607 and 9.609 of the Applicable UCC, and subject to clause (b) above, the Mortgagee is fully authorized to receive and receipt for said revenues and proceeds; to endorse and cash any and all checks and drafts payable to the order of the Mortgagor or the Mortgagee for the account of the Mortgagor received from or in connection with said revenues or proceeds and to hold the proceeds thereof in a Deposit Account with the Mortgagee, a Lender or other acceptable commercial bank as additional collateral securing the Secured Obligations; and to execute transfer and division orders in the name of the Mortgagor, or otherwise, with warranties binding the Mortgagor. All proceeds received by the Mortgagee pursuant to this grant and assignment shall be applied as provided in Section 5.14.

(d) The Mortgagee shall not be liable for any delay, neglect or failure to effect collection of any proceeds or to take any other action in connection therewith or hereunder; but the Mortgagee shall have the right, at its election, in the name of the Mortgagor or otherwise, to prosecute and defend any and all actions or legal proceedings deemed advisable by the Mortgagee in order to collect such funds and to protect the interests of the Mortgagee and/or the Mortgagor, with all costs, expenses and attorneys' fees incurred in connection therewith being paid by the Mortgagor.

(e) The Mortgagor hereby appoints the Mortgagee as its attorney-in-fact solely in order to pursue any and all rights of the Mortgagor to Liens in the Hydrocarbons securing payment of proceeds of runs attributable to the Hydrocarbons. In addition to the Liens granted to the Trustee and/or the Mortgagee in Section 2.01(e), the Mortgagor hereby further transfers and assigns to the Mortgagee any and all such Liens, security interests, financing statements or similar interests of the Mortgagor attributable to its interest in the As-Extracted

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Collateral, any other Hydrocarbons and proceeds of runs therefrom arising under or created by said statutory provision, judicial decision or otherwise. The power of attorney granted to the Mortgagee in this Section 3.01, being coupled with an interest, shall be irrevocable until the Secured Obligations have been Paid In Full In Cash.

Section 3.02 No Modification of Payment Obligations. Nothing herein contained shall modify or otherwise alter the obligation of the Borrower or the Mortgagor to make prompt payment of all amounts constituting Secured Obligations when and as the same become due regardless of whether the proceeds of the As-Extracted Collateral and Hydrocarbons are sufficient to pay the same and the rights provided in accordance with the foregoing assignment provision shall be cumulative of all other security of any and every character now or hereafter existing to secure payment of the Secured Obligations. Nothing in this Article III is intended to be an acceptance of collateral in satisfaction of the Secured Obligations.

Section 3.03 Rights and Title of Consignee. In addition to the rights, titles and interests hereby conveyed pursuant to Section 2.01, the Mortgagor hereby grants to the Mortgagee those Liens given to purchasers of Hydrocarbons to secure their sale at the wellhead, including those rights provided in Tex. Bus. & Com. Code Ann. §9.343 (Vernon Supp. 1989) ("Tex. UCC"), as amended from time to time.

**ARTICLE IV
REPRESENTATIONS, WARRANTIES AND COVENANTS**

The Mortgagor hereby represents, warrants and covenants as follows:

Section 4.01 Title. To the extent of the undivided interests specified on Exhibit A, the Mortgagor has good and defensible title to and is possessed of the Hydrocarbon Interests and has good title to the UCC Collateral, in both instances except for Permitted Encumbrances.

Section 4.02 Defend Title. This Mortgage is, and always will be kept, a direct first priority Lien upon the Collateral; provided that Permitted Encumbrances may exist, but no intent to subordinate the priority of the Liens created hereby is intended or inferred by such existence. The Mortgagor will warrant and defend the title to the Collateral against the claims and demands of all other Persons whomsoever and will maintain and preserve the Lien created hereby (and its priority) until the Secured Obligations shall be Paid In Full In Cash. If (i) an adverse claim be made against or a cloud develop upon the title to any part of the Collateral other than a Permitted Encumbrance or (ii) any Person, including the holder of a Permitted Encumbrance, shall challenge the priority or validity of the Liens created by this Mortgage, then the Mortgagor agrees to promptly defend against such adverse claim, take appropriate action to remove such cloud or subordinate such Permitted Encumbrance, in each case, at the Mortgagor's sole cost and expense.

Section 4.03 Not a Foreign Person. The Mortgagor is not a "foreign person" within the meaning of the Code, Sections 1445 and 7701 (i.e. the Mortgagor is not a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined in the Code and any regulations promulgated thereunder).

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Section 4.04 Revenue and Cost Bearing Interest. The Mortgagor's ownership of the undivided interests in the wells specified on Exhibit A will, after giving full effect to all Permitted Encumbrances, afford the Mortgagor not less than those net interests (expressed as a fraction, percentage or decimal) in the production from or which is allocated to such undivided interests specified as Net Revenue Interest (as specified on Exhibit A) on attached Exhibit A and will cause the Mortgagor to bear not more than that portion (expressed as a fraction, percentage or decimal), specified as Working Interest on Exhibit A, of the costs of drilling, developing and operating the wells identified on Exhibit A except to the extent of any proportionate corresponding increase in the Net Revenue Interest.

Section 4.05 Rentals Paid; Leases in Effect. Except as otherwise set forth in the Credit Agreement, all rentals and royalties due and payable in accordance with the terms of any leases or subleases comprising a part of the Mortgaged Property have been duly paid or provided for, and all leases or subleases comprising a part of the Oil and Gas Property are in full force and effect.

Section 4.06 Failure to Perform. The Mortgagor agrees that if it fails to perform any act or to take any action which it is required to perform or take hereunder or pay any money which the Mortgagor is required to pay hereunder, each of the Mortgagee and the Trustee, in the Mortgagor's name or its or their own name, may, but shall not be obligated to, perform or cause to perform such act or take such action or pay such money, and any expenses so incurred by either of them and any money so paid by either of them shall be a demand obligation owing by the Mortgagor to the Mortgagee or the Trustee, as the case may be, and each of the Mortgagee and the Trustee, upon making such payment, shall be subrogated to all of the rights of the Person receiving such payment. Each amount due and owing by the Mortgagor to each of the Mortgagee and the Trustee pursuant to this Mortgage shall bear interest from the date of such expenditure or payment to such Person until paid at the Post-Default Rate.

**ARTICLE V
RIGHTS AND REMEDIES**

Section 5.01 Event of Default. An Event of Default under the Credit Agreement shall be an "Event of Default" under this Mortgage.

Section 5.02 Foreclosure and Sale.

(a) If an Event of Default shall occur and be continuing, to the extent provided by applicable law, the Mortgagee shall have the right and option to proceed with foreclosure by: (i) with respect to that portion of the Mortgaged Property located in or adjacent to any Deed of Trust State directing the Trustee to proceed, and (ii) with respect to that portion of the Mortgaged Property located in or adjacent to any Mortgage State proceeding, with foreclosure and to sell all or any portion of such Mortgaged Property at one or more sales, as an entirety or in parcels, at such place or places in otherwise such manner and upon such notice as may be required by law, or, in the absence of any such requirement, as the Mortgagee may deem appropriate, and to make conveyance to the purchaser or purchasers. Where the Mortgaged Property is situated in more than one jurisdiction, notice as above provided shall be posted and filed in all such jurisdictions (if such notices are required by law), and all such Mortgaged

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Property may be sold in any such jurisdiction and any such notice shall designate the jurisdiction where such Mortgaged Property is to be sold. Nothing contained in this Section 5.02 shall be construed so as to limit in any way any rights to sell the Mortgaged Property or any portion thereof by private sale if and to the extent that such private sale is permitted under the laws of the applicable jurisdiction or by public or private sale after entry of a judgment by any court of competent jurisdiction so ordering. The Mortgagor hereby irrevocably appoints the Trustee and the Mortgagee, with full power of substitution, to be the attorneys-in-fact of the Mortgagor and in the name and on behalf of the Mortgagor solely in order to execute and deliver any deeds, transfers, conveyances, assignments, assurances and notices which the Mortgagor ought to execute and deliver and do and perform any and all such acts and things which the Mortgagor ought to do and perform under the covenants herein contained and generally, to use the name of the Mortgagor in the exercise of all or any of the powers hereby conferred on the Trustee and/or the Mortgagee. At any such sale: (i) whether made under the power herein contained or any other legal enactment, or by virtue of any judicial proceedings or any other legal right, remedy or recourse, it shall not be necessary for the Trustee or the Mortgagee, as appropriate, to have physically present, or to have constructive possession of, the Mortgaged Property (the Mortgagor hereby covenanting and agreeing to deliver any portion of the Mortgaged Property not actually or constructively possessed by the Trustee or the Mortgagee immediately upon his or its demand) and the title to and right of possession of any such property shall pass to the purchaser thereof as completely as if the same had been actually present and delivered to purchaser at such sale, (ii) each instrument of conveyance executed by the Trustee or the Mortgagee shall contain a general warranty of title, binding upon the Mortgagor and its successors and assigns, (iii) each and every recital contained in any instrument of conveyance made by the Trustee or the Mortgagee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Secured Obligations, advertisement and conduct of such sale in the manner provided herein and otherwise by law and appointment of any successor trustee hereunder, (iv) any and all prerequisites to the validity thereof shall be conclusively presumed to have been performed, (v) the receipt of the Trustee, the Mortgagee or of such other party or officer making the sale shall be a sufficient discharge to the purchaser or purchasers for its purchase money and no such purchaser or purchasers, or its assigns or personal representatives, shall thereafter be obligated to see to the application of such purchase money, or be in any way answerable for any loss, misapplication or nonapplication thereof, (vi) to the fullest extent permitted by law, the Mortgagor shall be completely and irrevocably divested of all of its right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the property sold and such sale shall be a perpetual bar both at law and in equity against the Mortgagor, and against any and all other persons claiming or to claim the property sold or any part thereof, by, through or under the Mortgagor, and (vii) to the extent and under such circumstances as are permitted by law, the Mortgagee may be a purchaser at any such sale, and shall have the right, after paying or accounting for all costs of said sale or sales, to credit the amount of the bid upon the amount of the Secured Obligations (in the order of priority set forth in Section 5.14) in lieu of cash payment.

(b) If an Event of Default shall occur and be continuing, then (i) the Mortgagee shall be entitled to all of the rights, powers and remedies afforded a secured party by the Applicable UCC with reference to the UCC Collateral or (ii) the Trustee or the Mortgagee may proceed as to any Collateral in accordance with the rights and remedies granted under this Mortgage or applicable law in respect of the Collateral. Such rights, powers and remedies shall

be cumulative and in addition to those granted to the Trustee or the Mortgagee under any other provision of this Mortgage or under any other Loan Document or any Secured Transaction Document. Written notice mailed to the Mortgagor as provided herein at least ten (10) days prior to the date of public sale of any part of the Collateral which is personal property subject to the provisions of the Applicable UCC, or prior to the date after which private sale of any such part of the Collateral will be made, shall constitute reasonable notice.

Section 5.03 Substitute Trustees and Agents. The Trustee or Mortgagee may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Trustee or Mortgagee, including the posting of notices and the conduct of sale, but in the name and on behalf of the Trustee or Mortgagee. If the Trustee or Mortgagee shall have given notice of sale hereunder, any successor or substitute trustee or mortgagee agent thereafter appointed may complete the sale and the conveyance of the property pursuant thereto as if such notice had been given by the successor or substitute trustee or mortgagee agent conducting the sale.

Section 5.04 Judicial Foreclosure; Receivership. If any of the Secured Obligations shall become due and payable and shall not be promptly paid, the Trustee or the Mortgagee shall have the right and power to proceed by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure hereunder or for the sale of the Collateral under the judgment or decree of any court or courts of competent jurisdiction, or for the appointment of a receiver pending any foreclosure hereunder or the sale of the Collateral under the order of a court or courts of competent jurisdiction or under executory or other legal process, or for the enforcement of any other appropriate legal or equitable remedy. Any money advanced by the Trustee and/or the Mortgagee in connection with any such receivership shall be a demand obligation (which obligation the Mortgagor hereby expressly promises to pay) owing by the Mortgagor to the Trustee and/or the Mortgagee and shall bear interest from the date of making such advance by the Trustee and/or the Mortgagee until paid at the Post-Default Rate.

Section 5.05 Foreclosure for Installments. The Mortgagee shall also have the option to proceed with foreclosure in satisfaction of any installments of the Secured Obligations which have not been paid when due either through the courts or by directing the Trustee to proceed with foreclosure in satisfaction of the matured but unpaid portion of the Secured Obligations as if under a full foreclosure, conducting the sale as herein provided and without declaring the entire principal balance and accrued interest and other Secured Obligations then due; such sale may be made subject to the unmatured portion of the Secured Obligations, and any such sale shall not in any manner affect the unmatured portion of the Secured Obligations, but as to such unmatured portion of the Secured Obligations this Mortgage shall remain in full force and effect just as though no sale had been made hereunder. It is further agreed that several sales may be made hereunder without exhausting the right of sale for any unmatured part of the Secured Obligations, it being the purpose hereof to provide for a foreclosure and sale of the Security for any matured portion of the Secured Obligations without exhausting the power to foreclose and sell the Mortgaged Property for any subsequently maturing portion of the Secured Obligations.

Section 5.06 Separate Sales. The Collateral may be sold in one or more parcels and to the extent permitted by applicable law in such manner and order as the Mortgagee, in its sole

discretion, may elect, it being expressly understood and agreed that the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 5.07 Possession of Mortgaged Property. If an Event of Default shall have occurred and be continuing, then, to the extent permitted by applicable law, the Trustee or the Mortgagee shall have the right and power to enter into and upon and take possession of all or any part of the Collateral in the possession of the Mortgagor, its successors or assigns, or its or their agents or servants, and may exclude the Mortgagor, its successors or assigns, and all persons claiming under the Mortgagor, and its or their agents or servants wholly or partly therefrom; and, holding the same, the Mortgagee may use, administer, manage, operate and control the Collateral and conduct the business thereof to the same extent as the Mortgagor, its successors or assigns, might at the time do and may exercise all rights and powers of the Mortgagor, in the name, place and stead of the Mortgagor, or otherwise as the Mortgagee shall deem best. All costs, expenses and liabilities of every character incurred by the Trustee and/or the Mortgagee in administering, managing, operating, and controlling the Mortgaged Property shall constitute a demand obligation (which obligation the Mortgagor hereby expressly promises to pay) owing by the Mortgagor to the Trustee and/or the Mortgagee and shall bear interest from date of expenditure until paid at the Post-Default Rate.

Section 5.08 Occupancy After Foreclosure. In the event there is a foreclosure sale hereunder and at the time of such sale the Mortgagor or the Mortgagor's heirs, devisees, representatives, successors or assigns or any other person claiming any interest in the Collateral by, through or under the Mortgagor, are occupying or using the Mortgaged Property or any part thereof, each and all shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either the landlord or tenant, or at a reasonable rental per day based upon the value of the property occupied, such rental to be due daily to the purchaser; to the extent permitted by applicable law, the purchaser at such sale shall, notwithstanding any language herein apparently to the contrary, have the sole option to demand immediate possession following the sale or to permit the occupants to remain as tenants at will. In the event the tenant fails to surrender possession of said property upon demand, the purchaser shall be entitled to institute and maintain a summary action for possession of the Mortgaged Property (such as an action for forcible entry and detainer) in any court having jurisdiction.

Section 5.09 Remedies Cumulative, Concurrent and Nonexclusive. Every right, power, privilege and remedy herein given to the Trustee or the Mortgagee shall be cumulative and, in addition to every other right, power and remedy herein specifically given or now or hereafter existing in equity, at law or by statute (including specifically those granted by the Applicable UCC in effect and applicable to the Collateral or any portion thereof). Each and every right, power, privilege and remedy whether specifically herein given or otherwise existing may be exercised from time to time and so often and in such order as may be deemed expedient by the Trustee or the Mortgagee, and the exercise, or the beginning of the exercise, or the abandonment, of any such right, power, privilege or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter any other right, power, privilege or remedy. No delay or omission by the Trustee or the Mortgagee or any Other Secured Person in the exercise of any right, power or remedy shall impair any such right, power, privilege or remedy or operate as a waiver thereof or of any other right, power, privilege or remedy then or thereafter existing.

Section 5.10 Discontinuance of Proceedings. If the Trustee or the Mortgagee shall have proceeded to invoke any right, remedy or recourse permitted hereunder or under any Secured Transaction Document or available at law and shall thereafter elect to discontinue or abandon same for any reason, then it shall have the unqualified right so to do and, in such an event, the parties shall be restored to their former positions with respect to the Secured Obligations, this Mortgage, the Credit Agreement, the Collateral and otherwise, and the rights, remedies, recourses and powers of the Trustee and the Mortgagee, as applicable, shall continue as if same had never been invoked.

Section 5.11 No Release of Obligations. Neither the Mortgagor, any Guarantor nor any other person hereafter obligated for payment of all or any part of the Secured Obligations shall be relieved of such obligation by reason of: (a) the failure of the Trustee to comply with any request of the Mortgagor, or any Guarantor or any other Person so obligated to foreclose the Lien of this Mortgage or to enforce any provision hereunder or under the Credit Agreement; (b) the release, regardless of consideration, of the Mortgaged Property or any portion thereof or interest therein or the addition of any other property to the Mortgaged Property; (c) any agreement or stipulation between any subsequent owner of the Mortgaged Property and the Mortgagee extending, renewing, rearranging or in any other way modifying the terms of this Mortgage without first having obtained the consent of, given notice to or paid any consideration to the Mortgagor, any Guarantor or such other Person, and in such event the Mortgagor, Guarantor and all such other persons shall continue to be liable to make payment according to the terms of any such extension or modification agreement unless expressly released and discharged in writing by the Mortgagee; or (d) by any other act or occurrence save and except if the Secured Obligations are Paid In Full In Cash and any other obligations hereunder or under the Credit Agreement are completely fulfilled.

Section 5.12 Release of and Resort to Collateral. The Mortgagee may release, regardless of consideration, any part of the Collateral without, as to the remainder, in any way impairing, affecting, subordinating or releasing the Lien created in or evidenced by this Mortgage or its stature as a first and prior Lien in and to the Collateral, and without in any way releasing or diminishing the liability of any Person liable for the repayment of the Secured Obligations. For payment of the Secured Obligations, the Mortgagee may resort to any other security therefor held by the Mortgagee or the Trustee in such order and manner as the Mortgagee may elect.

Section 5.13 Waiver of Redemption, Notice and Marshalling of Assets, Etc. To the fullest extent permitted by law, the Mortgagor hereby irrevocably and unconditionally waives and releases (a) all benefits that might accrue to the Mortgagor by virtue of any present or future moratorium law or other law exempting the Collateral from attachment, levy or sale on execution or providing for any appraisalment, valuation, stay of execution, exemption from civil process, redemption or extension of time for payment; (b) all notices of any Event of Default or of the Mortgagee's or any other secured Person's intention to accelerate maturity of the Secured Obligations or of any election to exercise or any actual exercise of any right, remedy or recourse provided for hereunder or under any Secured Transaction Document or available at law; and (c) any right to a marshalling of assets or a sale in inverse order of alienation. If any law referred to in this Mortgage and now in force, of which the Mortgagor or its successor or successors might take advantage despite the provisions hereof, shall hereafter be repealed or cease to be in force,

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such law shall thereafter be deemed not to constitute any part of the contract herein contained or to preclude the operation or application of the provisions hereof. If the laws of any state which provides for a redemption period do not permit the redemption period to be waived, the redemption period shall be specifically reduced to the minimum amount of time allowable by statute.

Section 5.14 Application of Proceeds. The proceeds of any sale of the Mortgaged Property or any part thereof and all other monies received in any proceedings for the enforcement hereof or otherwise, whose application has not elsewhere herein been specifically provided for, shall be applied:

(a) First, to the payment of all reasonable expenses incurred by the Trustee or the Mortgagee incident to the enforcement of this Mortgage, the Credit Agreement or any Secured Transaction Document to collect any portion of the Secured Obligations (including, without limiting the generality of the foregoing, expenses of any entry or taking of possession, of any sale, of advertisement thereof, and of conveyances, and court costs, compensation of agents and employees, legal fees and a reasonable commission to the Trustee acting, if applicable), and to the payment of all other reasonable charges, expenses, liabilities and advances incurred or made by the Trustee or the Mortgagee under this Mortgage or in executing any trust or power hereunder; and

(b) Second, as set forth in Section 10.02(c) of the Credit Agreement.

Section 5.15 Resignation of Operator. In addition to all rights and remedies under this Mortgage, at law and in equity, if any Event of Default shall occur and the Trustee or the Mortgagee shall exercise any remedies under this Mortgage with respect to any portion of the Mortgaged Property (or the Mortgagor shall transfer any Mortgaged Property "in lieu of" foreclosure) whereupon the Mortgagor is divested of its title to any of the Collateral, the Mortgagee shall have the right to request that any operator of any Mortgaged Property which is either the Mortgagor or any Affiliate of the Mortgagor to resign as operator under the joint operating agreement applicable thereto, and no later than 60 days after receipt by the Mortgagor of any such request, the Mortgagor shall resign (or cause such other Person to resign) as operator of such Collateral.

Section 5.16 Indemnity. THE INDEMNIFIED PARTIES SHALL NOT BE LIABLE, IN CONNECTION WITH ANY ACTION TAKEN, FOR ANY LOSS SUSTAINED BY THE MORTGAGOR RESULTING FROM AN ASSERTION THAT THE MORTGAGEE HAS RECEIVED FUNDS FROM THE PRODUCTION OF HYDROCARBONS CLAIMED BY THIRD PERSONS OR ANY ACT OR OMISSION OF ANY INDEMNIFIED PARTY IN ADMINISTERING, MANAGING, OPERATING OR CONTROLLING THE MORTGAGED PROPERTY INCLUDING SUCH LOSS WHICH MAY RESULT FROM THE ORDINARY NEGLIGENCE OF AN INDEMNIFIED PARTY UNLESS SUCH LOSS IS CAUSED BY THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF THE INDEMNIFIED PARTY SEEKING INDEMNITY. NO INDEMNIFIED PARTY BE OBLIGATED TO PERFORM OR DISCHARGE ANY OBLIGATION, DUTY OR LIABILITY OF THE MORTGAGOR. THE MORTGAGOR SHALL AND DOES HEREBY AGREE TO INDEMNIFY EACH INDEMNIFIED PARTY FOR, AND TO HOLD EACH INDEMNIFIED

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PARTY HARMLESS FROM, ANY AND ALL LIABILITY, LOSS OR DAMAGE WHICH MAY OR MIGHT BE INCURRED BY ANY INDEMNIFIED PARTY BY REASON OF THIS MORTGAGE OR THE EXERCISE OF RIGHTS OR REMEDIES HEREUNDER. IF ANY INDEMNIFIED PARTY SHALL MAKE ANY EXPENDITURE ON ACCOUNT OF ANY SUCH LIABILITY, LOSS OR DAMAGE, THE AMOUNT THEREOF, INCLUDING COSTS, EXPENSES AND REASONABLE ATTORNEYS' FEES, SHALL BE A DEMAND OBLIGATION (WHICH OBLIGATION THE MORTGAGOR HEREBY EXPRESSLY PROMISES TO PAY) OWING BY THE MORTGAGOR TO SUCH INDEMNIFIED PARTY AND SHALL BEAR INTEREST FROM THE DATE EXPENDED UNTIL PAID AT THE POST-DEFAULT RATE. THE MORTGAGOR HEREBY ASSENTS TO, RATIFIES AND CONFIRMS ANY AND ALL ACTIONS OF EACH INDEMNIFIED PARTY WITH RESPECT TO THE MORTGAGED PROPERTY TAKEN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS MORTGAGE. THE LIABILITIES OF THE MORTGAGOR AS SET FORTH IN THIS SECTION 5.16 SHALL SURVIVE THE TERMINATION OF THIS MORTGAGE.

ARTICLE VI THE TRUSTEE

Section 6.01 Duties, Rights, and Powers of Trustee. The Trustee shall have no duty to see to any recording, filing or registration of this Mortgage or any other instrument in addition or supplemental thereto, or to give any notice thereof, or to see to the payment of or be under any duty in respect of any tax or assessment or other governmental charge which may be levied or assessed on the Mortgaged Property, or any part thereof, or against the Mortgagor, or to see to the performance or observance by the Mortgagor of any of the covenants and agreements contained herein. The Trustee shall not be responsible for the execution, acknowledgment or validity of this Mortgage or of any instrument in addition or supplemental hereto or for the sufficiency of the security purported to be created hereby, and makes no representation in respect thereof or in respect of the rights of the Mortgagee. The Trustee shall have the right to advise with counsel upon any matters arising hereunder and shall be fully protected in relying as to legal matters on the advice of counsel. The Trustee shall not incur any personal liability hereunder except for the Trustee's own willful misconduct; and the Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by him hereunder, believed by him in good faith to be genuine.

Section 6.02 Successor Trustee. The Trustee may resign by written notice addressed to the Mortgagee or be removed at any time with or without cause by an instrument in writing duly executed on behalf of the Mortgagee. In case of the death, resignation or removal of the Trustee, a successor may be appointed by the Mortgagee by instrument of substitution complying with any applicable Governmental Requirements, or, in the absence of any such requirement, without formality other than appointment and designation in writing. Written notice of such appointment and designation shall be given by the Mortgagee to the Mortgagor, but the validity of any such appointment shall not be impaired or affected by failure to give such notice or by any defect therein. Such appointment and designation shall be full evidence of the right and authority to make the same and of all the facts therein recited. Upon the making of any such appointment and designation, this Mortgage shall vest in the successor all the estate and title in and to all of the Mortgaged Property in or adjacent to any Deed of Trust State, and the successor shall

thereupon succeed to all of the rights, powers, privileges, immunities and duties hereby conferred upon the Trustee named herein, and one such appointment and designation shall not exhaust the right to appoint and designate an additional successor but such right may be exercised repeatedly until the Secured Obligations are Paid In Full In Cash. To facilitate the administration of the duties hereunder, the Mortgagee may appoint multiple trustees to serve in such capacity or in such jurisdictions as the Mortgagee may designate.

Section 6.03 Retention of Moneys. All moneys received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by law) and the Trustee shall be under no liability for interest on any moneys received by him hereunder.

ARTICLE VII MISCELLANEOUS

Section 7.01 Instrument Construed as Mortgage, Etc. With respect to any portions of the Mortgaged Property located in or adjacent to any State or other jurisdiction the laws of which do not provide for the use or enforcement of a deed of trust or the office, rights and authority of the Trustee as herein provided, the general language of conveyance hereof to the Trustee is intended and the same shall be construed as words of mortgage unto and in favor of the Mortgagee and the rights and authority granted to the Trustee herein may be enforced and asserted by the Mortgagee in accordance with the laws of the jurisdiction in which such portion of the Mortgaged Property is located and the same may be foreclosed at the option of the Mortgagee as to any or all such portions of the Mortgaged Property in any manner permitted by the laws of the jurisdiction in which such portions of the Mortgaged Property is situated. This Mortgage may be construed as a mortgage, deed of trust, conveyance, assignment, security agreement, fixture filing, pledge, financing statement, hypothecation or contract, or any one or more of them, in order fully to effectuate the Lien hereof and the purposes and agreements herein set forth.

Section 7.02 Releases.

(a) Full Release. If all Secured Obligations (other than contingent or indemnification charges) shall be Paid In Full In Cash, the Mortgagee shall forthwith cause satisfaction and discharge of this Mortgage to be entered upon the record at the expense of the Mortgagor and shall execute and deliver or cause to be executed and delivered such instruments of satisfaction and reassignment as may be appropriate. Otherwise, this Mortgage shall remain and continue in full force and effect.

(b) Partial Release. If any of the Mortgaged Property shall be sold, transferred or otherwise disposed of by the Mortgagor in a transaction permitted by the Credit Agreement, then the Mortgagee, at the request and sole expense of the Mortgagor, shall promptly execute and deliver to the Mortgagor all releases, re-conveyances or other documents reasonably necessary or desirable for the release of the Liens created hereby on the Mortgaged Property. At the request and sole expense of the Borrower, the Mortgagor shall be released from its obligations hereunder in the event that all of the Equity Interests of the Mortgagor shall be sold,

transferred or otherwise disposed of in a transaction permitted by the Credit Agreement; provided that the Borrower shall have delivered to the Mortgagee, at least five Business Days prior to the date of the proposed release, a written request of a Responsible Officer of the Borrower for release identifying the Mortgagor and the terms of the sale or other disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a certification by the Borrower stating that such transaction is in compliance with the Credit Agreement and the other Loan Documents.

(c) Possession of Notes. The Mortgagor acknowledges and agrees that possession of any Note (or any replacements of any said Note or other instrument evidencing any part of the Secured Obligations) at any time by the the Mortgagor or any Guarantor shall not in any manner extinguish the Secured Obligations or this Mortgage, and the Borrower shall have the right to issue and reissue any of the Notes from time to time as its interest or as convenience may require, without in any manner extinguishing or affecting the Secured Obligations or the Lien of this Mortgage.

Section 7.03 Severability. If any provision hereof is invalid or unenforceable in any jurisdiction, the other provisions hereof shall remain in full force and effect in such jurisdiction and the remaining provisions hereof shall be liberally construed in favor of the Trustee, the Mortgagee and the Other Secured Persons in order to effectuate the provisions hereof. The invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of any such provision in any other jurisdiction.

Section 7.04 Successors and Assigns. The terms used to designate any party or group of persons shall be deemed to include the respective heirs, legal representatives, successors and assigns of such Persons.

Section 7.05 Satisfaction of Prior Encumbrance. To the extent that proceeds of the Credit Agreement are used to pay indebtedness by any outstanding Lien against the Mortgaged Property then the parties agree that: (a) such proceeds have been advanced at the Mortgagor's request, and (b) the Mortgagee and the Lenders shall be subrogated to any and all rights and Liens owned by any owner or holder of such outstanding Liens, irrespective of whether said Liens are or have been released. It is expressly understood that, in consideration of the payment of such other indebtedness, the Mortgagor hereby waives and releases all demands and causes of action for offsets and payments to, upon and in connection with the said indebtedness. This Mortgage is made with full substitution and subrogation of the Trustee and the Mortgagee and his successors in this trust and his and their assigns in and to all covenants and warranties by others heretofore given or made in respect of the Mortgaged Property or any part thereof.

Section 7.06 Application of Payments to Certain Obligations. If any part of the Secured Obligations cannot be lawfully secured by this Mortgage or if any part of the Mortgaged Property cannot be lawfully subject to the Lien hereof to the full extent of the Secured Obligations, then all payments made shall be applied on said Secured Obligations first in discharge of that portion thereof which is not secured by this Mortgage.

Section 7.07 Nature of Covenants. The covenants and agreements herein contained shall constitute covenants running with the land and interests covered or affected hereby and

shall be binding upon the heirs, legal representatives, successors and assigns of the parties hereto.

Section 7.08 Notices. All notices, requests, consents, demands and other communications required or permitted hereunder shall be in writing and shall be deemed sufficiently given or furnished if delivered by registered or certified United States mail, postage prepaid, or by personal service (including express or courier service) at the addresses specified in Section 7.12 (unless changed by similar notice in writing given by the particular party whose address is to be changed). Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery at the address and in the manner provided herein, upon receipt; provided that, service of notice as required by the laws of any state in which portions of the Mortgaged Property may be situated shall for all purposes be deemed appropriate and sufficient with the giving of such notice.

Section 7.09 Counterparts. This Mortgage is being executed in several counterparts, all of which are identical, except that to facilitate recordation, if the Mortgaged Property is situated in more than one county, descriptions of only those portions of the Mortgaged Property located in the county in which a particular counterpart is recorded shall be attached as Exhibit A to such counterpart. Each of such counterparts shall for all purposes be deemed to be an original and all such counterparts shall together constitute but one and the same instrument. Complete copies of this Mortgage containing the entire Exhibit A have been retained by the Mortgagee.

Section 7.10 Governing Law. Insofar as permitted by otherwise applicable law, this Mortgage shall be construed under and governed by the laws of the State of Texas; provided, however, that, with respect to any portion of the Mortgaged Property located outside of the State of Texas, the laws of the place in which such property is located shall apply to the extent of procedural and substantive matters relating only to the creation, perfection, foreclosure of Liens and enforcement of rights and remedies against the Mortgaged Property.

Section 7.11 Financing Statement: Fixture Filing. This Mortgage shall be effective as a financing statement filed as a fixture filing with respect to all Fixtures included within the Mortgaged Property and is to be filed or filed for record in the real estate records, mortgage records or other appropriate records of each jurisdiction where any part of the Mortgaged Property (including said fixtures) are situated. This Mortgage shall also be effective as a financing statement covering As-Extracted Collateral (including oil and gas and all other substances of value which may be extracted from the ground) and accounts financed at the wellhead or minehead of wells or mines located on the properties subject to the Applicable UCC and is to be filed for record in the real estate records, UCC records or other appropriate records of each jurisdiction where any part of the Mortgaged Property is situated.

Section 7.12 Execution of Financing Statements. Pursuant to the Applicable UCC, the Mortgagor authorizes the Mortgagee, its counsel or its representative, at any time and from time to time, to file or record financing statements, continuation statements, amendments thereto and other filing or recording documents or instruments with respect to the Mortgaged Property without the signature of the Mortgagee in such form and in such offices as the Mortgagee reasonably determines appropriate to perfect the security interests of the Mortgagee under this Agreement. The Mortgagor also authorizes the Mortgagee, its counsel or its representative, at

any time and from time to time, to file or record such financing statements that describe the collateral covered thereby as "all assets of the Mortgagee", "all personal property of the Mortgagee" or words of similar effect. The Mortgagor shall pay all costs associated with the filing of such instruments.

In that regard, the following information is provided:

Name of Debtor: Bluestem Energy Assets, LLC
 Address of Debtor: 301 Commerce Street, Suite 2100, Fort Worth, Texas
 76102
 Facsimile: 817-872-9888
 Telephone: 817-872-9805
 Jurisdiction of formation: Delaware
 Organizational ID #: 5046052
 Tax ID Number of Debtor: 45-3507520

Name of Secured Party: BNP Paribas
 as Administrative Agent
 Address of Secured Party: 333 Clay Street Street, Suite 2400
 Houston, TX 77002
 Attention: Brian Malone
 Facsimile: 713-659-6915
 Telephone: 713-982-1153

Owner of Record of Real Property: Debtor

Section 7.13 Exculpation Provisions. EACH OF THE PARTIES HERETO SPECIFICALLY AGREES THAT IT HAS A DUTY TO READ THIS MORTGAGE; AND AGREES THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS OF THIS MORTGAGE; THAT IT HAS IN FACT READ THIS MORTGAGE AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS MORTGAGE; THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS MORTGAGE; AND HAS RECEIVED THE ADVICE OF ITS ATTORNEY IN ENTERING INTO THIS MORTGAGE; AND THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS MORTGAGE RESULT IN ONE PARTY ASSUMING THE LIABILITY INHERENT IN SOME ASPECTS OF THE TRANSACTION AND RELIEVING THE OTHER PARTY OF ITS RESPONSIBILITY FOR SUCH LIABILITY. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS MORTGAGE ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS."

Section 7.14 References. The words "herein," "hereof," "hereunder" and other words of similar import when used in this Mortgage refer to this Mortgage as a whole, and not to any

particular article, section or subsection. Any reference herein to a Section shall be deemed to refer to the applicable Section of this Mortgage unless otherwise stated herein. Any reference herein to an exhibit or schedule shall be deemed to refer to the applicable exhibit or schedule attached hereto unless otherwise stated herein.

Section 7.15 Swap Agreements.

(a) Only Lender Counterparties Secured. Subject to Section 7.15(b), the benefit of the provisions of this Mortgage relating to collateral securing Indebtedness attributable to Swap Agreements shall extend to the benefit of any Person under any Swap Agreement between the Borrower or any of its Subsidiaries and such Person if either (i) at the time such Swap Agreement was entered into, such Person was a Lender or (ii) such Swap Agreement was in effect on the Effective Date and such Person or its Affiliate was a Lender on the Effective Date, regardless of whether such Swap Agreement between such Persons was in existence prior to the Effective Date of this Mortgage.

(b) Lien Not Extinguished by Termination. If Swap Agreements remain outstanding among the Mortgagor or any Guarantor and any Person entitled to the benefits of this Mortgage when the Indebtedness under the Credit Agreement have been Paid In Full In Cash, then the Liens created by this Mortgage shall not be terminated until all Swap Agreements between the Mortgagor and such Person or Persons are Paid In Full In Cash.

Section 7.16 Integration. **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**

**ARTICLE VIII
STATE SPECIFIC PROVISIONS**

Section 8.01 State Specific Provisions Generally. The state specific provisions detailed in this Article VIII apply to (1) Mortgaged Property located in that state and (2) UCC Collateral subject to the applicable law of that state.

Section 8.02 Special New Mexico Provisions.

(a) Maximum Amout. NOTWITHSTANDING ANY PROVISION HEREOF TO THE CONTRARY, THE OUTSTANDING INDEBTEDNESS SECURED BY PROPERTY LOCATED IN THE STATE NEW MEXICO SHALL NOT, AT ANY TIME OR FROM TIME TO TIME, EXCEED AN AGGREGATE MAXIMUM AMOUNT OF \$1,200,000,000.

(b) Rights Under New Mexico Act. The Mortgagor hereby grants, sells, assigns and sets over unto the Mortgagee, during the term hereof, all of the Mortgagor's rights and interests pursuant to the provisions of NMSA 1978, Section 48-9-1, et seq. (1973) (the "New Mexico Act"), hereby vesting in the Mortgagee all of the Mortgagor's rights as an interest owner to the continuing security interest in and Lien upon the oil or gas severed or the proceeds of sale.

The Mortgagee may, at its option, file the verified notice of Lien in order to perfect such Lien, but shall not be obligated to make such filing and shall not be held liable to the Mortgagor for any act or omission pursuant to the New Mexico Act.

(c) Redemption Period. Pursuant to NMSA 1978, Section 39-5-19 (1965), the redemption period after foreclosure sale of any Mortgaged Property situated in or otherwise subject to the jurisdiction of the State of New Mexico shall be limited to one (1) month.

(d) Line of Credit Mortgage. This Mortgage is a line of credit mortgage pursuant to NMSA 1978, Section 48-7-4B (1991).

(e) Rights and Remedies. With respect to the Mortgaged Properties located in the State of New Mexico, the rights and remedies available under NMSA 1978, Section 39-5-1 et seq. (1953), shall apply.

(f) Limitations on Indemnity in New Mexico. To the extent, if at all, but only to the extent, that NMSA 1978, Section 56-7-2 (2003), as amended from time to time, is applicable to this Mortgage or any indemnification agreements herein, or agreement to indemnify any Indemnified Party given in this Mortgage, regardless of whether such undertaking or agreement to indemnify makes reference to this or any other limitation provision, this Mortgage does not purport to indemnify such Indemnified Party against loss or liability for damages arising from: (i) the sole or concurrent negligence of such Indemnified Party or the agents or employees of such Indemnified Party; (ii) the sole or concurrent negligence of an independent contractor who is directly responsible to such Indemnified Party; or (iii) an accident that occurs in operations carried on at the direction or under the supervision of such Indemnified Party, an employee or representative of such Indemnified Party or in accordance with methods and means specified by such Indemnified Party or the employees or representatives of such Indemnified Party.

[SIGNATURES BEGIN NEXT PAGE]

EXECUTED this 15th day of November 2011, to be effective as of the 15th day of November 2011.

BLUESTEM ENERGY ASSETS, LLC

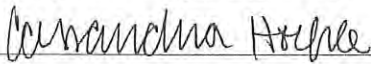

Mason Manulik, Vice President Finance

TEXAS

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

This instrument was acknowledged before me the 15th day of November 2011 by Mason Manulik, the Vice President Finance of Bluestem Energy Assets, LLC, a Delaware limited liability company, on behalf of such limited liability company, who is personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the written instrument, and who acknowledged to me that he/she executed the same for purposes and consideration herein expressed.

Given under my hand and seal of office this 15th day of November, 2011.



Notary Public

Seal:

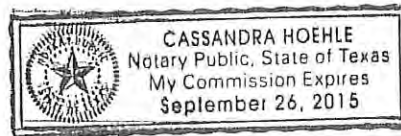


EXHIBIT A

to

MORTGAGE, LINE OF CREDIT MORTGAGE, DEED OF TRUST,
ASSIGNMENT OF AS-EXTRACTED COLLATERAL, SECURITY AGREEMENT,
FIXTURE FILING AND FINANCING STATEMENT

Introduction

The capitalized terms used but not defined in this Exhibit A are used as defined in the Mortgage. For purposes of this Exhibit A the capitalized terms not defined in the Mortgage are as follows:

1. "Working Interest" or "Gross Working Interest" and "W.I." or "G.W.I." means an interest owned in an oil, gas and mineral lease that determines the cost bearing percentage of the owner of such interest.
2. "Net Revenue Interest" or "N.R.I." means an interest (expressed as a percentage or decimal fraction), determined net of all royalties, overriding royalties, production payments or other burdens payable out of production, in and to all Hydrocarbons produced and saved from or attributable to a Well. In the case of any Well listed in Exhibit A, the Net Revenue Interest specified for such Well shall mean the sum of the percentage or decimal fraction set forth after the words "Net Revenue Interest" in the portion applicable to such Well plus, in the case of any Well with respect to which a royalty interest and/or overriding royalty is stated in this Exhibit A and applicable to such Well, the percentage or decimal fraction set forth after the words "Royalty Interest" or "Overriding Royalty Interest" in each such portion of Exhibit A.
3. "Before Payout" or "BPO" means the Working Interest and/or Net Revenue Interest of a party before the point in time when the Well has recovered from production all costs as specified in underlying farmout, assignments or other documents in the chain of title, usually including costs of drilling, completing and equipping a well or wells plus costs of operating the well or wells during the recoupment period.
4. "After Payout" or "APO" means the Working Interest and/or Net Revenue Interest of a party after the point in time when the Well has recovered from production all costs as specified in the underlying farmout, assignments or other documents in the chain of title, usually including costs of drilling, completing and equipping a well or wells plus costs of operating the well or wells during the recoupment period.
5. "Well" means (i) any existing well identified in Exhibit A, including replacement well drilled in lieu thereof from which gas is now or hereafter produced and (ii) any well at any time producing or capable of producing gas attributable to the Hydrocarbons as defined above, including any well which has been shut-in, has temporarily ceased production or on which workover, reworking, plugging and abandonment or other operations are being conducted or planned.

All references contained in this Exhibit A to the Oil and Gas Properties are intended to include references to (i) the volume or book and page, file, entry or instrument number of the appropriate records of the particular county in the STATE where each such lease or other instrument is recorded and (ii) all valid and existing amendments to such lease or other instrument of record in such county records regardless of whether such amendments are expressly described herein. A special reference is here made to each such lease or other instrument and the record thereof for a more particular description of the property and interests sought to be affected by the Mortgage and for all other purposes.

For recording purposes, in regards to each county portion to this Exhibit A, this Introduction may be attached to an original executed copy of the Mortgage, Line of Credit Mortgage, Deed of Trust, Assignment of As-Extracted Collateral, Security Agreement, Fixture Filing and Financing Statement to be separately filed of record in each county.

EXHIBIT A

LEASES

Eddy County, New Mexico

Bass, Flint, Hunker Com and Otis Prospects

Lease Dated: September 18, 1972
 Recorded: Book 90, Page 280, Miscellaneous Records
 Lessor: Pecos Irrigation Company
 Lessee: Walter C. Cremin
 Lands Covered: E/2 of Section 11, Township 22 South, Range 27 East, N.M.P.M, Eddy County, New Mexico, limited to depths from the surface down to 12,145' beneath the surface

Lease Dated: September 18, 1972
 Recorded: Book 90, Page 276, Miscellaneous Records
 Lessor: Pecos Irrigation Company
 Lessee: Walter C. Cremin
 Lands Covered: SW/4, N/2 SE/4, SW/4 SE/4, N/2 SE/4 SE/4 of Section 1, Township 22 South, Range 27 East, N.M.P.M, Eddy County, New Mexico, limited to depths from the surface down to 12,400' below the surface.

Lease Dated: September 17, 1986
 Recorded: Book 271, Page 561, Miscellaneous Records
 Lessor: Hugh Michael Calvert and wife, Jean Calvert
 Lessee: TXO Production Corp.
 Lands Covered: S/2 SE/4 SE/4 of Section 1, Township 22 South, Range 27 East, N.M.P.M, Eddy County, New Mexico, limited to depths from the surface down to 12,400' below the surface.

Lease Dated: April 30, 1974
 Recorded: Book 118, Page 712, Miscellaneous Records
 Lessor: John Hagy
 Lessee: Western Oil Producers, Inc.
 Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
 Recorded: Book 118, Page 714, Miscellaneous Records
 Lessor: Rosemary Flint Wayte
 Lessee: Western Oil Producers, Inc.
 Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 716, Miscellaneous Records
Lessor: Mattie Fate Flint
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 718, Miscellaneous Records
Lessor: Emily Flint Boyd
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 720, Miscellaneous Records
Lessor: Leah B. Waldrip
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 722, Miscellaneous Records
Lessor: Elaine B. Flint, et al
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 724, Miscellaneous Records
Lessor: Sue Flint Floore
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 726, Miscellaneous Records
Lessor: Kitty Flint Livingston
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 728, Miscellaneous Records
Lessor: Betty Flint Webb
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 730, Miscellaneous Records
Lessor: A.J. Losee, et al
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: April 30, 1974
Recorded: Book 118, Page 732, Miscellaneous Records
Lessor: Katherine K. Kuntz, et al
Lessee: Western Oil Producers, Inc.
Lands Covered: W/2 of Section 25, Township 17 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, limited to depths from the surface down to 8,907' below the surface.

Lease Dated: December 20, 1976
Recorded: Book 141, Page 545, Miscellaneous Records
Lessor: Martin Yates, III and his wife, Lillie M. Yates, and Ralph Nix and his wife, Frances Nix
Lessee: Daniel L. Hannifin
Lands Covered: SE/4 of Section 35, Township 21 South, Range 27 East, N.M.P.M., Eddy County, New Mexico limited to depths from the surface down to 12,400' beneath the surface

Lease Dated: February 1, 1972
Recorded: Book 141, Page 666, Miscellaneous Records
Lessor: Robert S. Light and his wife, Joanna W. Light
Lessee: Barber Oil, Inc.

Lands Covered: E/2 SW/4 of Section 35, Township 21 South, Range 27 East, N.M.P.M., Eddy County, New Mexico limited to depths from the surface down to 12,400' beneath the surface

Wild Cap State Com. Prospect

Lease Number: V-6322
Lessor: State of New Mexico
Lessee: J Bar Cane Inc.
Lease Date: August 1, 2001
Recorded: Volume 493, Page 1034, Official Public Record, Eddy County, new Mexico
Description: E/2 of Section 36, T19S, R31E, Eddy County, NM

Lease Number: V-6323
Lessor: State of New Mexico
Lessee: J Bar Cane Inc.
Lease Date: August 1, 2001
Recorded: Volume 493, Page 1038, Official Public Record, Eddy County, new Mexico
Description: W/2 of Section 36, T19S, R31E, Eddy County, NM

Barbie Prospect

Lease Number: State of New Mexico Lease L-4053
Grantor: State of New Mexico, acting by and through its Commissioner of Public Lands;
Grantee: Southland Royalty Company
Date: January 20, 1970
Lands: Insofar as it embraces N/2 NE/4, SE/4 NE/4, NE/4 NW/4, Section 23, limited to depths from 3,000 feet down to the stratigraphic equivalent of 100 feet below the total depth drilled in Barbie 23 State Com #1 well; together with NE/4 SW/4, SW4SW/4 Section 13 and E/2 SE/4 Section 14; all in T19S, R27E, NMPM, Eddy County, New Mexico
Recorded: Not recorded in the Official Public Record of Eddy County, New Mexico

Lease Number: State of New Mexico Lease #V-5688-2
Grantor: State of New Mexico, acting by and through its Commissioner of Public Lands;
Grantee: Doug J. Shultz
Date: January 1, 2000
Lands: Insofar as it embraces SW/4 NE/4, W/2NW/4, SE/4 NW/4, Section 23; Together with NW/2 SE/4, SE/4 SE/4, SW/4 of Section 23; all in T19S, R27E, NMPM, Eddy County, New Mexico
Recorded: Volume 301, Page 79 of the official public record of Eddy County, New Mexico

Roughneck Red Prospect

Date: April 30, 2000
Lessor: Kenneth Dale Wagoner, a widower, individually and as heir of Mrs. Evelyn Wagoner, deceased
Lessee: Cactus Energy, Inc.
Recorded: Book 381, Page 555, Eddy County Records
Lands Covered: Township 17 South, Range 26 East, NMPM, Section 28: W/2 SW/4; Section 29: N/2 S/2 and S/2 N/2, containing 400 acres, more or less, as amended by Amendment dated April 30, 2000, recorded in Book 395, Page 752, Eddy County Records.

Date: April 30, 2000
Lessor: Russell Kenneth Wagoner, as an heir of Mrs. Evelyn Wagoner, deceased
Lessee: Cactus Energy, Inc.
Recorded: Book 383, page 144, Eddy County Records
Lands Covered: Township 17 South, Range 26 East, NMPM, Section 28: W/2 SW/4; Section 29: N/2 S/2 and S/2 N/2, containing 400 acres, more or less, as amended by Amendment of Lease Description dated April 30, 2000, recorded in Book 395, page 545, Eddy County Records, and further amended by Amendment dated January 23, 2002, recorded in Book 447, page 254, Eddy County Records, and further amended by Third Amendment dated September 3, 2002, recorded in Book 471, page 231, Eddy County Records.

Date: April 30, 2000
Lessor: Joel D. Wagoner, as an heir of Mrs. Evelyn Wagoner, deceased
Lessee: Cactus Energy, Inc.
Recorded: Book 381, page 553, Eddy County Records
Lands Covered: Township 17 South, Range 26 East, NMPM, Section 28: W/2 SW/4; Section 29: N/2 S/2 and S/2 N/2, containing 400 acres, more or less, as amended by Amendment dated effective April 30, 2000, recorded in Book 395, page 754, Eddy County Records, and further amended by Amendment dated February 27, 2002, recorded in Book 449, page 976, Eddy County Records, and further amended by Amendment dated September 9, 2002, recorded in Book 472, page 103, Eddy County Records.

Date: March 26, 2003
Lessor: Kimberly Menefee Kafton, dealing in her sole and separate property
Lessee: Shaw Interests, Inc.
Recorded: Book 500, page 1207, Eddy County Records
Lands Covered: Township 17 South, Range 26 East, NMPM, Section 20: S/2 SW/4; Section 29: N/2 NW/4, containing 160 acres, more or less, as amended by Amendment dated September 11, 2003, recorded in Book 527, page 1009, Eddy County Records.

Date: September 11, 2003
 Lessor: Donald E. Menefee, dealing in his separate property
 Lessee: Shaw Interests, Inc.
 Recorded: Book 526, page 1217, Eddy County Records
 Lands Covered: Township 17 South, Range 26 East, NMPM, Section 20: S/2 SW/4; Section 29: N/2 NW/4, said land is estimated to comprise 160 acres, more or less.

Date: August 28, 2003
 Lessor: Karen G. Menefee Powell, dealing in her sole and separate property
 Lessee: Shaw Interests, Inc.
 Recorded: Book 526, page 1219, Eddy County Records
 Lands Covered: Township 17 South, Range 26 East, NMPM, Section 20: S/2 SW/4; Section 29: N/2 NW/4, said land is estimated to comprise 160 acres, more or less.

Date: August 28, 2003
 Lessor: Alan W. Menefee, dealing in his sole and separate property
 Lessee: Shaw Interests, Inc.
 Recorded: Book 526, page 1221, Eddy County Records
 Lands Covered: Township 17 South, Range 26 East, NMPM, Section 20: S/2 SW/4; Section 29: N/2 NW/4, said land is estimated to comprise 160 acres, more or less.

Date: September 11, 2003
 Lessor: New Mexico Western Minerals, Inc.
 Lessee: Shaw Interests, Inc.
 Recorded: Book 529, page 128, Eddy County Records
 Lands Covered: Township 17 South, Range 26 East, NMPM, Section 20: S/2 SW/4; Section 29: N/2 NW/4, said land is estimated to comprise 160 acres, more or less.

Date: September 30, 2003
 Lessor: Dorothy S. Fellows, as Trustee of the Leland L. Fellows, M.D. and Dorothy S. Fellows Trust u/t/a dated June 21, 1991
 Lessee: Shaw Interests, Inc.
 Recorded: Book 534, page 1005, Eddy County Records
 Lands Covered: Township 17 South, Range 26 East, NMPM, Section 20: S/2 SW/4; Section 29: N/2 NW/4, said land is estimated to comprise 160 acres, more or less.

Date: December 12, 2003
 Lessor: Jackie L. Joy and wife, Diana L. Joy
 Lessee: Shaw Interests, Inc.
 Recorded: Book 535, page 416, Eddy County Records
 Lands Covered: Township 17 South, Range 26 East, NMPM, Section 29: N/2 NE/4, containing 80 acres, more or less.

Date: January 26, 2004
 Lessor: Denis C. Riley and Jean Riley, husband and wife

Lessee: Chase Oil Corporation
Recorded: Book 537, page 1173, Eddy County Records
Lands Covered: Township 17 South, Range 26 East, NMPM, Section 29: S/2 N/2, containing 160 acres, more or less.

Date: February 1, 2004
Lessor: Chase Farms, a New Mexico general partnership
Lessee: Chase Oil Corporation
Recorded: Book 538, page 661, Eddy County Records
Lands Covered: Township 17 South, Range 26 East, NMPM, Section 29: S/2 N/2, containing 160 acres, more or less.

Date: January 26, 2004
Lessor: David L. Menefee, dealing in his sole and separate property
Lessee: Shaw Interests, Inc.
Recorded: Book 544, page 180, Eddy County Records
Lands Covered: Township 17 South, Range 26 East, NMPM, Section 20: S/2 SW/4; Section 29: N/2 NW/4, containing 160 acres, more or less, as amended by Amendment dated September 11, 2003, recorded in Book 527, page 1009, Eddy County Records.

Oxy Ruger State Prospect

Grantor: State of New Mexico, 648-145
Grantee: Martin Yates, Jr.
Date: November 14, 1922
Lands: Insofar and only insofar as this lease pertains to the SW/4 of Section 9, T19S, R28E, Eddy County, New Mexico
Recorded: Not recorded in the Official Public Record of Eddy County, New Mexico.

Grantor: State of New Mexico, V-5111-1
Grantee: Doug J. Schultz
Date: July 1, 1997
Lands: Insofar and only insofar as this lease pertains to the NW/4 of Section 9, T19S, R28E, Eddy County, New Mexico
Recorded: Volume 301, Page 79 of the official public record of Eddy County, New Mexico

Klingensmith – Oscar Prospect

1. Oil and Gas Lease dated June 20, 2001, recorded 423 ECR 1080, Eddy County, New Mexico, from Frankie M. White and Jack Howard White, Jr., Co-Trustees of the Jack H. White and Frankie M. White Revocable Trust Dated December 15, 1983, as lessor, to James D. Huff, Jr., as lessee.
2. Oil and Gas Lease dated June 20, 2001, recorded 423 ECR 1082, Eddy County, New

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- Mexico, from Pauline G. Young, a widow, as lessor, to James D. Huff, Jr., as lessee.
3. Oil and Gas Lease dated June 20, 2001, recorded 423 ECR 1084, Eddy County, New Mexico, from James D. Young and Dorothy R. Young, trustees of the James D. and Dorothy R. Young Revocable Estate Trust dated 10/5/81, as lessor, to James D. Huff, Jr., as lessee.
 4. Oil and Gas Lease dated June 20, 2001, recorded 423 ECR 1086, Eddy County, New Mexico, from Robert O. Young, et ux Sylvia M. Young, as lessor, to James D. Huff, Jr., as lessee.
 5. Oil and Gas Lease dated June 20, 2001, recorded 423 ECR 1088, Eddy County, New Mexico, from Marjorie K. Richardson, a widow, as lessor, to James D. Huff, Jr., as lessee.
 6. Oil and Gas Lease dated June 20, 2001, recorded 423 ECR 1090, Eddy County, New Mexico, from Lula May Engle, et vir H.L. Engle, as lessor, to James D. Huff, Jr., as lessee.
 7. Oil and Gas Lease dated July 25, 2001, recorded 426 ECR 504, Eddy County, New Mexico, from Cheryl S. Hodge, dealing in her sole and separate property, as lessor, to James D. Huff, Jr., as lessee.
 8. Oil and Gas Lease dated July 25, 2001, recorded 426 ECR 908, Eddy County, New Mexico, from Sandra Streeter Mason, dealing in here sole and separate property, as lessor, to James D. Huff, Jr., as lessee.
 9. Oil and Gas Lease dated July 20, 2001, recorded 427 ECR 1198, Eddy County, New Mexico, from Sharyn Lyn McDonald, Trustee of the Sharyn Lyn McDonald Trust, as lessor, to James D. Huff, Jr., as lessee.
 10. Oil and Gas Lease dated August 30, 2001, recorded 433 ECR 456, Eddy County, New Mexico, from Weslynn McCallister f/k/a Weslynn M. Larsen, as lessor, to Capstone Oil & Gas Company, L.P., as lessee.
 11. Oil and Gas Lease dated August 30, 2001, recorded 433 ECR 458, Eddy County, New Mexico, from John P. Haire, et ux Margaret A. Haire, as lessor, to Capstone Oil & Gas Company, L.P., as lessee.
 12. Oil and Gas Lease dated October 1, 2001, a Memorandum of which is recorded at 433 ECR 460, Eddy County, New Mexico, from Richard H. Coats, et ux Sigrid M. Coats, as lessor, to Capstone Oil & Gas Company, L.P., as lessee.
 13. Oil and Gas Lease dated October 1, 2001, a Memorandum of which is recorded at 436 ECR 1145, Eddy County, New Mexico, from Charles R. Wiggins, dealing in his sole and separate party, as lessor, to Capstone Oil & Gas Company, L.P., as lessee.
 14. Oil and Gas Lease dated October 1, 2001, a Memorandum of which is recorded at 437 ECR

304, Eddy County, New Mexico, from Robin S. Insalaco and husband, Bruce G. Insalaco, as lessor, to Capstone Oil & Gas Company, L.P., as lessee.

15. Oil and Gas Lease dated October 1, 2001, a Memorandum of which is recorded at 436 ECR 1147, Eddy County, New Mexico, from Andrea C. Wiggins, dealing in her sole and separate property, as lessor, to Capstone Oil & Gas Company, L.P., as lessee.

16. Oil and Gas Lease dated October 1, 2001, recorded at 440 ECR 1197, Eddy County, New Mexico, from Sylvia M. Oliver and husband, Kenneth W. Oliver, as lessor, to Capstone Oil & Gas Company, L.P., as lessee.

Insofar as the lease described above cover the following described lands located in Eddy County, New Mexico:

Township 20 South, Range 24 East, N.M.P.M.
Section 24: N/2, containing 320 acres, more or less

Desiree BDS Prospect

Lessor: Sandra Leigh Terry, dealing in her sole and separate property
Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
Lease Date: October 31, 2003, but effective January 7, 2004
Recorded: Book 531, Page 1118, Eddy County Records
Description: An undivided 1/6 mineral interest in N/2 SW/4, SE/4 SW/4, and an undivided 1/4 mineral interest in SW/4 SW/4 Section 34, Township 17 South, Range 26 East, N.M.P.M.

Lessor: Susan Lynn Terry, dealing in her sole and separate property
Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
Lease Date: November 23, 2003, but effective January 7, 2004
Recorded: Book 534, Page 713, Eddy County Records
Description: An undivided 1/6 mineral interest in N/2 SW/4, SE/4 SW/4, and an undivided 1/4 mineral interest in SW/4 SW/4 Section 34, Township 17 South, Range 26 East, N.M.P.M.

Lessor: Barbara Kruse Frankenfield, dealing in her sole and separate property
Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
Lease Date: November 20, 2003, but effective January 7, 2004
Recorded: Book 535, Page 717, Eddy County Records
Description: An undivided 1/6 mineral interest in N/2 SW/4, SE/4 SW/4, and an undivided 1/4 mineral interest in SW/4 SW/4 Section 34, Township 17 South, Range 26 East, N.M.P.M.

05 8 03 6 030 1102

Lessor: Mary Jo Guy and Russell Edward Guy, Co-trustees under Trust Agreement dated January 12, 1982, as amended July 13, 1992
Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
Lease Date: February 3, 2003
Recorded: Book 535, Page 468, Eddy County Records
Description: An undivided 1/2 mineral interest in N/2 SW/4, SE/4 SW/4, and an undivided 1/4 mineral interest in SW/4 SW/4 Section 34, Township 17 South, Range 26 East, N.M.P.M.

Lessor: John A. Donaldson and Desiree Rose Donaldson, husband and wife
Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
Lease Date: February 3, 2003
Recorded: Book 492, Page 662, Eddy County Records
Description: The entire mineral interest in Tract 3, being the lands in N/2 SE/4, S/2 SE/4 Section 34, Township 17 South, Range 26 East, N.M.P.M.

Lessor: Helen B. Smith, dealing in her sole and separate property
Lessee: Richard Nightengale
Lease Date: April 11, 2001
Recorded: Book 419, Page 1000, Eddy County Records
Description: An undivided 1/24 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Emalynn Smith Mahan, dealing in her sole and separate property
Lessee: Richard Nightengale
Lease Date: April 11, 2001
Recorded: Book 419, Page 1002, Eddy County Records
Description: An undivided 1/24 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Maybell Smith Harris, dealing in her sole and separate property
Lessee: Richard Nightengale
Lease Date: April 11, 2001
Recorded: Book 419, Page 1004, Eddy County Records
Description: An undivided 1/24 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Loren Smith, dealing in her sole and separate property
Lessee: Richard Nightengale
Lease Date: April 11, 2001
Recorded: Book 419, Page 1006, Eddy County Records

Description: An undivided 1/8 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Kay Kamp, dealing in her sole and separate property

Lessee: Richard Nightengale

Lease Date: April 11, 2001

Recorded: Book 421, Page 674, Eddy County Records

Description: An undivided 1/16 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Charles E. Kamp, Jr., dealing in his sole and separate property

Lessee: Richard Nightengale

Lease Date: April 11, 2001

Recorded: Book 421, Page 698, Eddy County Records

Description: An undivided 1/16 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Mary Catherine Smith, dealing in her sole and separate property, by Thomas S. Smith, Attorney-in-Fact

Lessee: Richard Nightengale

Lease Date: April 11, 2001

Recorded: Book 426, Page 620, Eddy County Records

Description: An undivided 1/8 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Chere Edwards Johnson a/k/a Sherrie Edwards, married, dealing in her sole and separate property

Lessee: Richard Nightengale

Lease Date: June 21, 2001

Recorded: Book 426, Page 618, Eddy County Records

Description: An undivided 1/16 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: J.A. Clayton, III, dealing in his sole and separate property

Lessee: Richard Nightengale

Lease Date: June 25, 2001

Recorded: Book 423, Page 58, Eddy County Records

Description: An undivided 3/160 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Linda Clayton Nelson, dealing in her sole and separate property
 Lessee: Richard Nightengale
 Lease Date: June 25, 2001
 Recorded: Book 425, Page 46, Eddy County Records
 Description: An undivided 3/160 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Darla Sue Shaw, dealing in her sole and separate property
 Lessee: Richard Nightengale
 Lease Date: September 17, 2001
 Recorded: Book 434, Page 93, Eddy County Records
 Description: An undivided 3/40 mineral interest in Tract 4, described as follows: A 13.00 acre tract of land lying in the southeast part of Section 34, Township 17 South, Range 26 East, N.M.P.M.

Lessor: Eddie Vincent Peoples, by Charlotte Laveron Falls, Attorney-In-Fact
 Lessee: Richard Nightengale
 Lease Date: November 24, 2003
 Recorded: Book 532, Page 1014, Eddy County Records
 Description: An undivided 3/80 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Barbara Kay Clayton Scott, dealing in her sole and separate property
 Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
 Lease Date: June 19, 2001
 Recorded: Book 421, Page 496, Eddy County Records
 Description: An undivided 23/240 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: Leon J. Clayton, dealing in his sole and separate property
 Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
 Lease Date: June 19, 2001
 Recorded: Book 421, Page 498, Eddy County Records
 Description: An undivided 23/240 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Lessor: John Donald Clayton, dealing in his sole and separate property
 Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)

Lease Date: June 19, 2001
 Recorded: Book 420, Page 1011, Eddy County Records
 Description: An undivided 23/240 mineral interest in Tract 4, and an undetermined mineral interest in lands in NE/4 Section 3, Township 18 South, Range 26 East, N.M.P.M.

Agnes Beb Prospect

Lessor: Bettye B. White, a widow and William C. White, II
 Lessee: S.P. Yates (33.3%), John A. Yates (33.33%) and Martin Yates, III (33.34%)
 Lease Date: March 13, 1985
 Recorded: Book 247, Page 642 Misc Records
 Covering: Township 18 South, Range 26 East, Section 3: Lots 3,4, S2NW4, among other lands

Lessor: A.A. Klein, Jr. and Betty Jane Klein, his wife, Jim Murrill and Reba Murrill, his wife
 Lessee: S.P. Yates (33.3%), John A. Yates (33.33%) and Martin Yates, III (33.34%)
 Lease Date: March 13, 1985
 Recorded: Book 248, Page 139 Eddy County Records and corrected by instrument of same date recorded in Book 248, Page 1169, Misc Records
 Covering: Township 18 South, Range 26 East, Section 3: Lots 3,4, S2NW4, among other lands

Lessor: Helen B. Smith, dealing in her sole and separate property
 Lessee: Richard Nightengale
 Lease Date: April 11, 2001
 Recorded: Book 419, Page 1000, Eddy County Records
 Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Emalynn Smith Mahan, dealing in her sole and separate property
 Lessee: Richard Nightengale
 Lease Date: April 11, 2001
 Recorded: Book 419, Page 1002, Eddy County Records
 Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Maybell Smith Harris, dealing in her sole and separate property
 Lessee: Richard Nightengale
 Lease Date: April 11, 2001
 Recorded: Book 419, Page 1004, Eddy County Records

Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Loren Smith, dealing in her sole and separate property

Lessee: Richard Nightengale

Lease Date: April 11, 2001

Recorded: Book 419, Page 1006, Eddy County Records

Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Kay Kamp, dealing in her sole and separate property

Lessee: Richard Nightengale

Lease Date: April 11, 2001

Recorded: Book 421, Page 674, Eddy County Records

Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Charles E. Kamp, Jr., dealing in his sole and separate property

Lessee: Richard Nightengale

Lease Date: April 11, 2001

Recorded: Book 421, Page 698, Eddy County Records

Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: J.A. Clayton, III, dealing in his sole and separate property

Lessee: Richard Nightengale

Lease Date: June 25, 2001

Recorded: Book 423, Page 58, Eddy County Records

Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Linda Clayton Nelson, dealing in her sole and separate property

Lessee: Richard Nightengale

Lease Date: June 25, 2001

Recorded: Book 425, Page 46, Eddy County Records

Description: That certain 110 acre tract of land beginning at the northeast corner of Section

3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Mary Catherine Smith, dealing in her sole and separate property, by Thomas S. Smith, Attorney-in-Fact
Lessee: Richard Nightengale
Lease Date: April 11, 2001
Recorded: Book 426, Page 620, Eddy County Records
Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Darla Sue Shaw, dealing in her sole and separate property
Lessee: Richard Nightengale
Lease Date: September 17, 2001
Recorded: Book 434, Page 93, Eddy County Records
Description: A 97.00 acre tract of land lying in the northeastern part of Section 3, T18S, R26E, beginning at the northeast corner of said Section 3 running west 1,603', running south 2,588', running east 1,603' to the east line of said section, thence running north to the point of beginning, containing 97 acres, more or less.

Lessor: Chere Edwards Johnson a/k/a Sherrie Edwards, married, dealing in her sole and separate property
Lessee: Richard Nightengale
Lease Date: June 21, 2001
Recorded: Book 426, Page 618, Eddy County Records
Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Lessor: Marilou L. Conner, as personal representative of the Estate of Julia Kenneth Calvert
Lessee: Richard Nightengale
Lease Date: December 4, 2001
Recorded: Book 441, Page 416 Eddy County Records
Description: Township 18 South, Range 26 East, Lots 3 and 4 of Section 3, containing 80.55 acres, more or less

Lessor: Marilou L. Conner, dealing in her sole and separate property
Lessee: Richard Nightengale
Lease Date: July 3, 2001
Recorded: Book 423, Page 346 Eddy County Records

Description: Township 18 South, Range 26 East, Lots 3 and 4 of Section 3, containing 80.55 acres, more or less

Lessor: John Donald Clayton, dealing in his sole and separate property
 Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
 Lease Date: June 19, 2001
 Recorded: Book 420, Page 1011, Eddy County Records
 Description: Beginning at the northeast corner of Section 3, T18S-R26E, thence north 350'; thence west 1,603'; thence south 2,938'; thence east 1,603'; thence north to the point of beginning.

Lessor: Barbara Kay Clayton Scott, dealing in her sole and separate property
 Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
 Lease Date: June 19, 2001
 Recorded: Book 421, Page 496, Eddy County Records
 Description: Beginning at the northeast corner of Section 3, T18S-R26E, thence north 350'; thence west 1,603'; thence south 2,938'; thence east 1,603'; thence north to the point of beginning.

Lessor: Leon J. Clayton, dealing in his sole and separate property
 Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
 Lease Date: June 19, 2001
 Recorded: Book 421, Page 498, Eddy County Records
 Description: Beginning at the northeast corner of Section 3, T18S-R26E, thence north 350'; thence west 1,603'; thence south 2,938'; thence east 1,603'; thence north to the point of beginning.

Lessor: John A. Donaldson and Desiree Rose Donaldson, husband and wife
 Lessees: Yates Petroleum Corporation (70%), Yates Drilling Company (10%), Abo Petroleum Corporation (10%) and Myco Industries, Inc. (10%)
 Lease Date: February 3, 2003
 Recorded: Book 492, Page 662, Eddy County Records
 Description: Beginning at the northwest corner of the NE4 of Section 3; thence in a southerly direction 2388' to the center of Section 3; thence at a right angle running east a distance of 941.2'; thence at a right angle running north to a point on the north line of said Section 3, which point is 941.2' east of the point of beginning; thence west to the point of beginning.

Lessor: Vernon D. Dyer and Wanda D. Dyer, husband and wife
 Lessee: Richard Nightengale
 Lease Date: November 4, 2003
 Recorded: Book 531, Page 1193, Eddy County Records
 Description: Township 18 South, Range 26 East, Section 3: East 7.0 acres of the West 62.0

acres of the NE4
 Lessor: Eddie Vincent Peoples, by Charlotte Laveron Falls, Attorney-In-Fact
 Lessee: Richard Nightengale
 Lease Date: November 24, 2003
 Recorded: Book 532, Page 1014, Eddy County Records
 Description: That certain 110 acre tract of land beginning at the northeast corner of Section 3, T18S-R26E, running north 350', running west 1603', running south 2938', running east 1603', running north to the point of beginning, said 100 acre tract of land being in Section 3, T18-S-R26E, among other lands.

Esperanza Prospect

Date: February 14, 1965
 Recorded: Book 154, Page 492, Oil and Gas Records
 Lessor: Willie L. Pierce, a widow, and Dorothy S. Carlson, a married woman, dealing in her sole and separate property
 Lessee: E.S. Grear
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: SE/4, SE/4 SW/4; Section 24: E/2 NW/4, containing 274.46 acres more or less

Date: July 25, 2000
 Recorded: Book 392, page 282, Eddy County Records
 Lessor: Mary Grace Malcy, a widow
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: N/2 SW/4, save and except the south 250' of the NW/4, SW/4, containing 72.5 acres, more or less, described as Tract No. 4

Date: September 8, 2000
 Recorded: Book 393, Page 842, Eddy County Records
 Lessor: Alan Stanley Hargett, Jr.
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: a tract of land described as the south 250' of the NW/4 SW/4, containing 7.576 acres, more or less, and described as Tract No. 5

Date: September 8, 2000
 Recorded: Book 393, Page 844, Eddy County Records
 Lessor: Mary Ethel Hartman
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: a tract of land described as the south 250' of the NW/4 SW/4, containing 7.576 acres, more or less, and described as Tract No. 5

Date: September 8, 2000

Recorded: Book 397, Page 161, Eddy County Records
 Lessor: Jacqueline Louise Reed, a/k/a Jackie Reed, dealing in her sole and separate property
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: a tract of land described as the south 250' of the NW/4 SW/4, containing 7.576 acres, more or less, and described as Tract No. 5

Date: September 8, 2000
 Recorded: Book 395, Page 1079, Eddy County Records
 Lessor: Ruth Elizabeth Mayr, a/k/a Betsy Mayr, dealing in her sole and separate property
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: a tract of land described as the south 250' of the NW/4 SW/4, containing 7.576 acres, more or less, and described as Tract No. 5

Date: August 24, 2000
 Recorded: Book 393, Page 332, Eddy County Records
 Lessor: Marvin Bailey and wife, Margaret A. Bailey
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: The north 165' of the SW/4 SW/4, containing 5 acres, more or less, and described as Tract No. 6

Date: September 7, 2000
 Recorded: Book 393, Page 848, Eddy County Records
 Lessor: Arthur L. Cook, a married man dealing in his sole and separate property
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: S/2 N/2 N/2 SW/4 SW/4 and N/2 S/2 N/2 SW/4 SW/4, containing 10 acres more or less and described as Tract No. 7

Date: July 28, 2000
 Recorded: Book 392, Page 284, Eddy County Records
 Lessor: Marvin A. Kenagy and wife, Helen M. Kenagy
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: A tract of land within SW/4 SW/4 containing 13.8511 acres, more or less, and described as Tract No. 8

Date: August 24, 2000
 Recorded: Book 392, Page 288, Eddy County Records
 Lessor: Barbara Ann Carter, a widow and sole heir of Lewis A. Carter
 Lessee: George M. O'Brien
 Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico:

Section 13: A tract of land in the SW/4 SW/4, containing 20.0064 acres, more or less, and described as Tract No. 8 and 8-A

Date: July 25, 2000
Recorded: Book 392, Page 286, Eddy County Records
Lessor: Santiago E. Granger and wife, Bella Granger
Lessee: George M. O'Brien
Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico:
Section 13: A tract of land in the SW/4 SW/4 containing 1.3251 acres, more or less, and described as Tract No. 9

Date: June 4, 2001
Recorded: Book 419, Page 887, Eddy County Records
Lessor: Western Commerce Bank, a New Mexico banking corporation
Lessee: George M. O'Brien
Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico:
Section 13: A tract of land within SW/4 SW/4 containing 2.0202 acres, more or less, and described as Tract No. 10

Date: August 28, 2000
Recorded: Book 392, Page 925, Eddy County Records
Lessor: Joanne D. Van Winkle, a widow and sole heir of Lonnie Kemper
Lessee: George M. O'Brien
Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico:
Section 13: A tract of land within SW/4 SW/4 containing 1.5335 acres, more or less, and described as Tract No.11

Date: August 3, 2001
Recorded: Book 426, Page 622, Eddy County Records
Lessor: Neva June Robinson Wheeler, dealing in her sole and separate property
Lessee: Richard Nightengale
Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico:
Section 13: A tract of land in the SW/4 SW/4 containing .1148 acres, more or less, and described as Tract No. 12

Date: December 16, 2000
Recorded: Book 401, Page 1162, Eddy County Records
Lessor: William C. Sibley, d/b/a Sibley & Sons
Lessee: George M. O'Brien
Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico:
Section 13: 15 acres in the SE/4 described as Tract Nos. 1 and 2.

Date: June 12, 2004
Recorded: Book 567, Page 1168, Eddy County Records
Lessor: Michael C. Suggs and Brenda Suggs
Lessee: Richard Nightengale

Lands Covered: Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico: Section 13: Part of the SW/4 SW/4, described as that certain 1.00 acre out of Tract No. 8 as described in Warranty Deed dated March 19, 1979, recorded in Book 239, Page 221, Deed Records, from Jonenus O. Brouwer, et al to Michael C. Suggs, et ux.

Date: June 12, 2004

Recorded: Book 568, Page 475, Eddy County Records

Lessor: Amy L. Brouwer, sole heir of Jonenus O. Brouwer

Lessee: Richard Nightengale

Lands Covered: Those portions of the SW/4 SW/4 of Section 13 described a Tract No. 8 save and except that certain 9.30 acre tract and that certain 1.00 acre tract described in Warranty Deed dated March 19, 1979 recorded in Book 239, page 221, Deed Records, from Jonenus O. Brouwer, et al. to Michael C. Suggs, et ux. and Warranty Deed dated March 18, 1979, recorded in Book 263, page 1136, Deed Records, from Jonenus O. Brouwer, et al., to Carl D. Suggs, et ux, containing 3.5511 acres, more or less.

Date: June 12, 2004

Recorded: Book 567, Page 1156, Eddy County Records

Lessor: Barbara J. Suggs, sole heir of Carl D. Suggs

Lessee: Richard Nightengale

Lands Covered: That part of Tract No. 8 in the SW/4 SW/4 of Section 13, being a 9.30 acre tract of land described in Warranty Deed dated March 19, 1979, recorded in Book 263, page 1136, Deed Records, from Jonenus O. Brouwer, et al. to Carl D. Suggs, et ux., containing 3.5611 acres, more or less.

Date: June 12, 2004

Recorded: Book 567, Page 1163, Eddy County Records

Lessor: Cindy Vana, heir of Karen M. Brouwer

Lessee: Richard Nightengale

Lands Covered: That part of Tract No. 8 in the SW/4 SW/4 of Section 13, being a 9.30 acre tract of land described in Warranty Deed dated March 19, 1979, recorded in Book 263, page 1136, Deed Records, from Jonenus O. Brouwer, et al. to Carl D. Suggs, et ux., containing 3.5611 acres, more or less.

Date: June 12, 2004

Recorded: Book 567, Page 1160, Eddy County Records

Lessor: Sandy Erickson, heir of Karen M. Brouwer

Lessee: Richard Nightengale

Lands Covered: That part of Tract No. 8 in the SW/4 SW/4 of Section 13, being a 9.30 acre tract of land described in Warranty Deed dated March 19, 1979, recorded in Book 263, page 1136, Deed Records, from Jonenus O. Brouwer, et al. to Carl D. Suggs, et ux., containing 3.5611 acres, more or less.

Pecos River Prospect

Lessor: Pecos Irrigation Company
 Lessee: Walter C. Cremin
 Lease Date: September 18, 1972
 Recorded: Book 90, Page 280, Miscellaneous Records
 Description: E/2 of Section 11, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, containing 320 acres, more or less

Carter Prospect *

1. Oil and Gas Lease dated January 15, 1973, recorded in Book 97, Page 270 of the Miscellaneous Records of Eddy County, New Mexico, from Carter Farms Company, a limited partnership, as lessor, to Max Combs, as lessee, covering the following described lands in Eddy County, New Mexico:

Township 23 South, Range 28 East, N.M.P.M.

Section 17: N $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ and Malaga Tracts 303 and 306-308, inclusive (being the SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$)
 containing 285 acres, more or less.

2. Oil and Gas Lease dated July 29, 1980, recorded in Book 187, Page 584, Miscellaneous Records of Eddy County, New Mexico, from Mary Evelyn Smith, a widow, as lessor, to James E. Kiehne, as lessee, covering the following described lands in Eddy County, New Mexico:

Township 23 South, Range 28 East, N.M.P.M.

Section 17: SE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$
 containing 10 acres, more or less.

3. The following oil and gas leases, all dated March 18, 1982, all originally in favor of Cities Service Company, as lessee, covering the following lands in Eddy County, New Mexico:

Township 23 South, Range 28 East, N.M.P.M.

Section 17: W $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$
 containing 25 acres, more or less.

said leases being from the following lessors and recorded at the following book and page locations in the Miscellaneous Records in the office of the county clerk of Eddy County, New Mexico:

| <u>Lessor</u> | <u>Book/Page</u> |
|---------------------|------------------|
| Ruth G. Alexander | 211/82 |
| Barbara Lee Backman | 211/85 |
| Earl B. Guitar | 211/87 |
| John Guitar, Jr. | 211/90 |

| | |
|--|---------|
| Mary Beth Guitar | 211/92 |
| Laura Jean Hofer | 211/94 |
| Ruth Guitar Murchison | 211/96 |
| Mary G. Polk | 211/98 |
| Guy P. Witherspoon, Jr., as Trustee of the Guy Pittman Witherspoon III Trust and Jan Witherspoon Trust | 211/100 |
| Jack Woods, Dennis Woods and Laura Woods Gail | 211/102 |
| Marilyn G. Galusha | 212/303 |
| Leslie David Guitar | 212/305 |
| Presley H. Guitar | 212/307 |
| Repps B. Guitar, Jr. | 212/309 |
| John G. Witherspoon, Sr., Trustee of the John Guitar Witherspoon Trust, Whitten Guitar Witherspoon Trust and Wende Guitar Witherspoon Trust, u/t/a dated June 27, 1962 | 222/774 |
| Betty Witherspoon Nevill, Trustee of the Gayle Nevill Trust and Virginia Nevill Trust | 222/778 |

* Insofar and only insofar as the Leases cover rights from the surface to the base of the Bone Springs Formation, LESS AND EXCEPT rights in the Carter #1 wellbore. Further, the rights assigned herein shall cover rights from the surface to a depth of 12,600' in the leases in and to the Carter #1 wellbore.

Fortson Prospect

Lessor: Pardue Farms, a New Mexico limited partnership
 Lessee: J.R. Rowan
 Lease Date: August 17, 1982
 Recorded: Book 216, Page 986, Miscellaneous Records of Eddy County, New Mexico
 Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Jack Woods, dealing in his sole and separate property
 Lessee: J.R. Rowan
 Lease Date: August 20, 1982
 Recorded: Book 216, Page 988, Miscellaneous Records of Eddy County, New Mexico
 Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Dennis Woods, dealing in his sole and separate property
 Lessee: J.R. Rowan
 Lease Date: August 20, 1982
 Recorded: Book 216, Page 990, Miscellaneous Records of Eddy County, New Mexico

Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Mary Guitar Polk, a widow

Lessee: J.R. Rowan

Lease Date: August 20, 1982

Recorded: Book 216, Page 992, Miscellaneous Records of Eddy County, New Mexico

Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Repps B. Guitar, Jr., dealing in his sole and separate property

Lessee: J.R. Rowan

Lease Date: August 20, 1982

Recorded: Book 216, Page 994, Miscellaneous Records of Eddy County, New Mexico

Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Mary Beth Guitar, dealing in her sole and separate property

Lessee: J.R. Rowan

Lease Date: August 20, 1982

Recorded: Book 216, Page 996, Miscellaneous Records of Eddy County, New Mexico

Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Ruth Guitar Murchison, dealing in her sole and separate property

Lessee: J.R. Rowan

Lease Date: August 20, 1982

Recorded: Book 216, Page 998, Miscellaneous Records of Eddy County, New Mexico

Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Marilyn Guitar Galusha, dealing in her sole and separate property

Lessee: J.R. Rowan

Lease Date: August 20, 1982

Recorded: Book 216, Page 1000, Miscellaneous Records of Eddy County, New Mexico

Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Barbara Lee Backman, dealing in her sole and separate property

Lessee: J.R. Rowan

Lease Date: August 20, 1982

Recorded: Book 216, Page 1002, Miscellaneous Records of Eddy County, New Mexico

Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Laura Jean Hofer, dealing in her sole and separate property

Lessee: J.R. Rowan

Lease Date: August 20, 1982
Recorded: Book 216, Page 1004, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Guy P. Witherspoon, Jr., Trustee of the Jan Witherspoon and Guy Pittman Witherspoon, III, Trusts
Lessee: J.R. Rowan
Lease Date: August 20, 1982
Recorded: Book 216, Page 1006, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Betty Witherspoon Nevill, Trustee of the Gayle Nevill and the Virginia Nevill Trusts
Lessee: J.R. Rowan
Lease Date: August 20, 1982
Recorded: Book 216, Page 1008, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Leslie David Guitar, dealing in his sole and separate property
Lessee: J.R. Rowan
Lease Date: August 20, 1982
Recorded: Book 216, Page 1012, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Laura Woods Gall, dealing in her sole and separate property
Lessee: J.R. Rowan
Lease Date: August 20, 1982
Recorded: Book 216, Page 1014, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: Earl B. Guitar, dealing in his sole and separate property
Lessee: J.R. Rowan
Lease Date: August 20, 1982
Recorded: Book 216, Page 1016, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M., Eddy County, New Mexico

Lessor: John Guitar Witherspoon, Trustee of the John Guitar Witherspoon, Jr., Whitten Guitar Witherspoon, Bret Guitar Witherspoon and Wende Guitar Witherspoon Trusts
Lessee: J.R. Rowan
Lease Date: August 20, 1982

Recorded: Book 216, Page 1018, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M.,
Eddy County, New Mexico

Lessor: John Guitar, III, Executor of the Estate of John Guitar, Jr., deceased
Lessee: J.R. Rowan
Lease Date: August 20, 1982
Recorded: Book 216, Page 1020, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M.,
Eddy County, New Mexico

Lessor: Ruth Guitar Alexander, dealing in her sole and separate property
Lessee: J.R. Rowan
Lease Date: August 20, 1982
Recorded: Book 216, Page 1022, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M.,
Eddy County, New Mexico

Lessor: Pressley H. Guitar, dealing in his sole and separate property
Lessee: J.R. Rowan
Lease Date: August 20, 1982
Recorded: Book 216, Page 1024, Miscellaneous Records of Eddy County, New Mexico
Description: NW/4 NW/4 of Section 12, Township 24 South, Range 28 East, N.M.P.M.,
Eddy County, New Mexico

Lessor: State of New Mexico Oil and Gas Lease, bearing Lease No. LG-797
Lessee: The Eastland Oil Company
Lease Date: November 1, 1972
Description: Section 12: NE/4, Township 24 South, Range 28 East
Lessor: United States of America, bearing Federal Lease No. NM 54398
Lessee: J.R. Rowan
Lease Date: November 1, 1982
Description: Section 12: E/2 NW/4, Township 24 South, Range 28 East (operating rights
only)

EXHIBIT A
WELLS AND INTERESTS

| Lease Name | Well | County | ST | Working Interest % | Net Revenue Interest % | GasNRI % if diff | Overriding Royalty Interest% |
|-----------------------|------|--------|----|--------------------|------------------------|------------------|------------------------------|
| AGNES BEB COM | 1 | EDDY | NM | | | | 0.0008877 |
| BARBIE '23' STATE COM | 1 | EDDY | NM | 0.0664063 | 0.0537568 | | |
| BASS | 1 | EDDY | NM | 0.5781667 | 0.4648853 | 0.4746353 | |
| BASS | 2 | EDDY | NM | 0.6425000 | 0.5251396 | 0.4965904 | |
| CARTER | 1 | EDDY | NM | 0.7050000 | 0.5289368 | | |
| DESIREE BDS | 1 | EDDY | NM | 0.0021539 | 0.0017435 | | |
| DIRTY DOZEN ST COM | 3H | EDDY | NM | 0.0081595 | 0.0065276 | | |
| ESPERANZA 13 | 1 | EDDY | NM | 0.1000000 | 0.0791029 | | 0.0329422 |
| ESPERANZA 13 | 2 | EDDY | NM | | | | 0.0345451 |
| FLINT | 1 | EDDY | NM | 0.8250000 | 0.4779471 | 0.4779472 | |
| FLINT | 2 | EDDY | NM | 0.6963874 | 0.4779471 | 0.4396268 | |
| GR '30' STATE | 1 | EDDY | NM | 0.0399200 | 0.0344062 | | |
| GR '30' STATE | 2 | EDDY | NM | 0.0199600 | 0.0172031 | | |
| KLINGENSMITH | 1 | EDDY | NM | 0.0312500 | 0.0233765 | | 0.0082967 |
| LIZARD POT STATE COM | 1H | EDDY | NM | 0.0081622 | 0.0065297 | | |
| OTIS 35 FEE COM | 1 | EDDY | NM | 0.0348638 | 0.0258365 | | |
| OXY RUGER STATE | 1 | EDDY | NM | 0.0579861 | 0.0443593 | | 0.0110525 |
| OXY RUGER STATE | 2 | EDDY | NM | 0.0579861 | 0.0443593 | | 0.0014496 |
| PECOS RIVER 11 | 1 | EDDY | NM | | | | 0.0335989 |
| ROUGHNECK RED 29 | 1 | EDDY | NM | | | | 0.0009375 |
| WILD CAP STATE COM | 1 | EDDY | NM | 0.0082228 | 0.0065782 | | 0.0005524 |
| WILD CAP STATE COM | 3H | EDDY | NM | 0.0083610 | 0.0066888 | | 0.0005524 |
| WILD CAP STATE COM | 4H | EDDY | NM | 0.0082228 | 0.0065782 | | 0.0005524 |
| WILD CAP STATE COM | 5H | EDDY | NM | 0.0082228 | 0.0065782 | | 0.0005524 |
| WILD CAP STATE COM | 6H | EDDY | NM | 0.0082228 | 0.0065782 | | 0.0005524 |

| Lease Name | Well | County | ST | Working Interest % | Net Revenue Interest % | GasNRI % if diff | Overriding Royalty Interest% |
|---------------------------|-------------|---------------|-----------|---------------------------|-------------------------------|-------------------------|-------------------------------------|
| WILD CAP STATE COM | 7H | EDDY | NM | 0.0082228 | 0.0065782 | | 0.0005524 |
| WILD CAP STATE COM | 2 | EDDY | NM | | | | 0.0005524 |

EXHIBIT A

LEASES

Lea County, New Mexico

Quail Prospect

Lease Date: April 1, 2008
 Lessor: State of New Mexico (VB1390)-o
 Lessee: Adventure Exploration Partners, LLC
 Recorded: Book 1573, Page 822
 Description: S/2 Section 36, Township 20 South, Range 34 East, Lea County, New Mexico, containing 320 acres,

Lease Date: April 1, 2008
 Lessor: State of New Mexico (VB1383)-o
 Lessee: Adventure Exploration Partners, LLC
 Recorded: Book 1573, Page 827
 Description: Lot(s) 9 (40.00), 10 (40.00) 11 (40.00) 12 (40.00), 13 (40.00), 14 (40.00, 15 (40.00) 16 (40.00), Section 1, Township 21 South, Range 33 East, Lea County, New Mexico, containing 320 acres, more or less.

Lease Date: January 1, 2009
 Lessor: State of New Mexico (VB1561)-o
 Lessee: Wise Oil & Gas No. 8, Ltd.
 Recorded: Not recorded in the Official Public Records of Lea County, NM
 Description: Lots 9-16, Section 2, Township 21 South, Range 33 East, N.M.P.M., Lea County, New Mexico, containing 320 acres, more or less

Lease Date: January 1, 2009
 Lessor: State of New Mexico (VB1562)-o
 Lessee: Wise Oil & Gas No. 8, Ltd.
 Recorded: Not recorded in the Official Public Records of Lea County, NM
 Description: S/2 Section 2, Township 21 South, Range 33 East, N.M.P.M., Lea County, New Mexico, containing 320 acres, more or less.

Lease Date: April 1, 2008
 Lessor: State of New Mexico (VO-8250)-l
 Lessee: Marbob Energy Corp.
 Recorded: Not provided
 Description: Lots 1, 2, NE/4, E/2 NW/4 of Section 31, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico, containing 320 acres, more or less.

Lease Date: April 1, 2008
 Lessor: State of New Mexico (VO-8251)-l

Lessee: Marbob Energy Corp.
Recorded: Not provided
Description: Lots 3, 4, E/2 SW/4, SE/4 of Section 31, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico, containing 320 acres, more or less.

Lease Date: July 1, 2010
Lessor: State of New Mexico (VB-1879)-0
Lessee: MBF Land Services
Recorded: Not provided
Description: S/2, Section 32, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico, containing 320 acres, more or less.

Lease Date: April 1, 2008
Lessor: State of New Mexico (VB-1382)-1
Lessee: Marbob Energy Corp.
Recorded: Not provided
Description: Lots 1-8, Section 1, Township 21 South, Range 33 East, N.M.P.M., Lea County, New Mexico, containing 320 acres, more or less.

Lease Date: April 1, 2008
Lessor: State of New Mexico (VB-1392-1)
Lessee: Clay Johnson
Recorded: Not provided
Description: N/2 of Section 12, Township 21 South, Range 33 East, Lea County, New Mexico.

Lease Date: April 1, 2008
Lessor: State of New Mexico (VB-8252-1)
Lessee: Clay Johnson
Recorded: Not provided
Description: SW/4 of Section 12, Township 21 South, Range 33 East, Lea County, New Mexico.

Lease Date: April 1, 2008
Lessor: State of New Mexico (VB-1391)-0
Lessee: MAR Oil & Gas Corp.
Recorded: Not provided
Description: Lots 1 (40.23), 2 (40.17), Lot 3 (40.11), Lot 4 (40.05), Lot 5 (40.00), Lot 6 (40.00), Lot 7 (40.00) Lot 8 (40.00) Section 2, Township 21 South, Range 33 East, N.M.P.M., Lea County, New Mexico, containing 320.56 acres or less.

Amoco State, State RW, Union State, Yeso State Prospects

Lease Dated: January 17, 1967
Recorded: Book 250, Page 495, Oil and Gas Records

Lessor: State of New Mexico K-6666-1
Lessee: Amoco Production Company
Lands Covered: W/2 of Section 28, Township 16 South, Range 33 East, N.M.P.M., Lea County, New Mexico, limited to depths from the surface down to 13,735' beneath the surface

Lease Dated: September 1, 1983
Recorded: N/A
Lessor: State of New Mexico LH-2622-0
Lessee: Rockwood Resources, Inc.
Lands Covered: NW/4 of Section 10, Township 13 South, Range 32 East, N.M.P.M., Lea County, New Mexico

Lease Dated: February 21, 1967
Recorded: N/A
Lessor: State of New Mexico K-6725-0
Lessee: Union Oil Company of California
Lands Covered: N/2 of Section 32, Township 16 South, Range 33 East, N.M.P.M., Lea County, New Mexico limited to depths from the surface down to 11,950' beneath the surface as to the NW/4 and limited to depths from the surface down to 10,910' beneath the surface as to the NE/4.

Lease Dated: February 21, 1967
Recorded: N/A
Lessor: State of New Mexico K-6724-0
Lessee: Union Oil Company of California
Lands Covered: S/2 of Section 29, Township 16 South, Range 33 East, N.M.P.M., Lea County, New Mexico limited to depths from the surface down to 13,662' beneath the surface

Lease Dated: August 1, 2000
Recorded: N/A
Lessor: State of New Mexico VO-5915-2
Lessee: Western Oil Producers, Inc.
Lands Covered: NW/4 of Section 13, Township 18 South, Range 34 East, Lea County, New Mexico

Klein Prospect

Lease Dated: February 1, 2008 (VB1344)-0
Lessor: State of New Mexico
Lessee: Adventure Exploration Partners, LLC
Recorded: Book 1573, Page 837
Lands Covered: N/2 of Section 16, Township 19 South, Range 35 East, Lea County, New Mexico

Lease Dated: February 1, 2008 (VB1345) -0
 Lessor: State of New Mexico
 Lessee: Adventure Exploration Partners, LLC
 Recorded: Book 1573, Page 832
 Lands Covered: S/2 of Section 16, Township 19 South, Range 35 East, Lea County, New Mexico

New Mexico 36 Prospect

Serial No: LG-2484 -3
 Lease Dated: June 1, 1975
 Recorded: Book 292, Page 138, Oil and Gas Records
 Lessor: The State of New Mexico acting by and through its Commissioner of Public Lands
 Lessee: Chalfant, Magee & Hansen, Inc.
 Lands Covered: W/2 of Section 36, Township 18 South, Range 33 East, containing 320 acres, more or less.

Serial No: V-697 - 4
 Lease Dated: April 1, 1983
 Recorded: Book 362, Page 328, Oil and Gas Records
 Lessor: The State of New Mexico acting by and through its Commissioner of Public Lands
 Lessee: Sun Exploration & Production Company
 Lands Covered: E/2 of Section 36, Township 18 South, Range 33 East, containing 320 acres, more or less.

Sunburst State Prospect

Serial No: V0-4486 -0
 Lease Dated: October 1, 1994
 Recorded: Volume 841, Page 131, Official Public Records, Lea County, New Mexico
 Lessor: The State of New Mexico
 Lessee: V-F Petroleum, Inc.
 Lands Covered: S/2NE/4 of Section 14, T-9-S, R-32-E, NMPM, Lea County, NM, from the surface down to 100 feet below the base of the Bough "C" formation.

EXHIBIT A
WELLS AND INTERESTS

| Lease Name | Well | County | ST | Working Interest % | Net Revenue Interest % | GasNRI % if diff | Overriding Royalty Interest% |
|---------------------|------|--------|----|--------------------|------------------------|------------------|------------------------------|
| STRATOJET 31-3H | 3H | LEA | NM | 0.1388887 | 0.1128473 | | |
| AMOCO STATE | 1 | LEA | NM | 0.5650000 | 0.3936335 | 0.3967843 | |
| KLEIN 16 STATE | 1 | LEA | NM | 0.3475000 | 0.2834724 | | |
| MESC '36' STATE COM | 3 | LEA | NM | 0.1020400 | 0.0789106 | | |
| N M '36' STATE COM | 1 | LEA | NM | 0.0831636 | 0.0650292 | | |
| N M '36' STATE COM | 2 | LEA | NM | 0.3103870 | 0.2565671 | | |
| N M '36' STATE COM | 4 | LEA | NM | 0.2040790 | 0.1608264 | | |
| STATE LG-2484 | 1 | LEA | NM | 0.3103870 | 0.2565667 | | |
| STATE RW | 1 | LEA | NM | 0.6688794 | 0.5652030 | | |
| SUNBURST STATE | 1 | LEA | NM | 0.0400000 | 0.0316000 | | |
| TORO 16 STATE | 1 | LEA | NM | 0.3475000 | 0.2834724 | | |
| UNION STATE | 1 | LEA | NM | 0.7050000 | 0.4958000 | 0.4882220 | |
| UNION STATE | 2 | LEA | NM | 0.3476587 | 0.2544000 | 0.2602530 | |
| YESO STATE | 1 | LEA | NM | 0.5950000 | 0.4958000 | | |

SIMPSON THACHER & BARTLETT LLP

909 FANNIN, SUITE 1475
HOUSTON, TEXAS 77010-1014
(713) 821-5650

FACSIMILE (713) 821-5602

DIRECT DIAL NUMBER
(713) 821-5623

E-MAIL ADDRESS
ldaugherty@stblaw.com

May 15, 2012

New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

Dear Sir or Madam:

Enclosed are an original and duplicate copy of Memorandum of Assignment of Liens and Security Interests and Amendment to Mortgage among BNP Paribas, Paribas North America, Inc., Wells Fargo Bank, National Association and Bluestem Energy Assets, LLC.

Please file this instrument as a Miscellaneous Instrument (it references the previously filed instrument in Book No. 4, #0132) and return the copy stamped with the filing information to me.

Also enclosed is our firm check to cover the filing fees. If you have any questions, please call me at the above number.

Very truly yours,



Linda Daugherty
Sr. Oil and Gas Documentation Specialist

Enclosures

RECORDED IN THE OFFICE OF
THE COUNTY CLERK OF DALLAS COUNTY TEXAS
ON 22nd DAY OF May 2012, IN BOOK
NO. 4 REGISTER OF MISCELLANEOUS
INSTRUMENTS NO. 0248

WHEN RECORDED OR FILED,
PLEASE RETURN TO:
Simpson Thacher & Bartlett LLP
909 Fannin Street, Suite 1475
Houston, Texas 77010
Attention: Linda Daugherty

Space above for County Recorder's Use

**MEMORANDUM OF ASSIGNMENT
OF LIENS AND SECURITY INTERESTS AND AMENDMENT TO MORTGAGE
(BLUESTEM ENERGY ASSETS, LLC)**

This Memorandum of Assignment of Liens and Security Interests and Amendment to Mortgage (this "Memorandum") dated as of April 20, 2012 (the "Effective Date"), is entered into among BNP Paribas, as Existing Agent (as defined below) (in such capacity, the "Assignor"), Paribas North America, Inc., as sub-agent for the Assignor, Wells Fargo Bank, National Association, as Successor Agent (as defined below) (in such capacity, the "Assignee") and Bluestem Energy Assets, LLC as Mortgagor (the "Mortgagor").

A. BNP Paribas served as administrative agent (in such capacity, the "Existing Agent") under that certain Credit Agreement dated as of November 15, 2011, among Bluestem Energy Assets, LLC (the "Borrower"), Bluestem Energy Partners, LP, the Existing Agent, and the other financial institutions party thereto (as amended, restated, supplemented or otherwise modified, the "Credit Agreement"), and the other documents referred to in the Credit Agreement as to which BNP Paribas is acting as the administrative agent thereunder (including, without limitation, the "Loan Documents" (as defined in the Credit Agreement), as amended, restated, supplemented or otherwise modified through the date hereof, collectively, the "Loan Documents").

B. Paribas North America, Inc. served as sub-agent (in such capacity, the "BNPP Sub Agent") for the Existing Agent with respect to certain of the Assigned Security Instruments (as defined below).

C. In connection with the Credit Agreement, the Borrower entered into certain mortgages, deeds of trust and other security documents (collectively, the "Security Instruments") to secure, *inter alia*, the indebtedness, obligations and liabilities described therein, including, without limitation, the Security Instruments listed on, and recorded in the jurisdictions referenced in, Annex I attached hereto (as amended, modified, supplemented or restated, collectively, the "Assigned Security Instruments").

D. The Assignor, the BNPP Sub Agent, the Assignee, the Borrower and the other parties thereto have entered into that certain Resignation, Consent and Appointment Agreement and Amendment Agreement (the "Agency Transfer Agreement") dated as of April 20, 2012, pursuant to which the Assignor has resigned as administrative agent under the Credit Agreement

and the other Loan Documents, and the Assignee has been appointed and has agreed to become successor administrative agent (in such capacity, the "Successor Agent") under the Credit Agreement and the other Loan Documents and has succeeded to and become vested with all the rights, powers, privileges and duties of the Assignor and the BNPP Sub Agent under the Credit Agreement and the other Loan Documents (including, without limitation, the Assigned Security Instruments), all as more particularly described in the Agency Transfer Agreement.

E. Pursuant to the Agency Transfer Agreement, the Assignor and the BNPP Sub Agent each has assigned to the Assignee, all powers of attorney, liens and security interests and all other rights and interests granted to the Assignor or the BNPP Sub Agent, for the ratable benefit of the Lenders and any other secured parties on whose behalf it may be acting under any security documents included within the Loan Documents, under the Credit Agreement and other Loan Documents (including, without limitation, the Assigned Security Instruments), and the Assignee has accepted the benefit of all such powers of attorney, liens and security interests and other rights and interests, for its benefit and for the ratable benefit of the Secured Parties, all as more particularly described in the Agency Transfer Agreement.

F. The Assignor and the BNPP Sub Agent each desire to transfer of record such powers of attorney, liens and security interests and other rights and interests under the Assigned Security Instruments to the Assignee.

G. The Assignor, BNPP Sub Agent, the Assignee and the Mortgagor desire to amend certain provisions of the Assigned Security Instruments.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Credit Agreement.

Section 2. Memorandum of Assignment of Liens and Security Interests. For agreed consideration and pursuant to the Agency Transfer Agreement, the Assignor and the BNPP Sub Agent each has assigned, transferred and conveyed to the Assignee, and hereby does assign transfer and convey, and the Assignee has assumed, and hereby does assume, from the Assignor and the BNPP Sub Agent, all powers of attorney, liens, security interests and all other rights, interests, benefits, remedies and privileges (collectively, the "Liens") granted to the Assignor or the BNPP Sub Agent, for the ratable benefit of the Lenders and any other secured parties on whose behalf it may be acting under any security documents included within the Assigned Security Instruments, and in its capacity as the holder, mortgagee, assignee or beneficiary of the security under or pursuant to the Assigned Security Instruments (the "Assigned Security Interest").

Section 3. Acknowledgement. The Mortgagor hereby (a) acknowledges and agrees that (i) the Assignor and the BNPP Sub Agent each have assigned, transferred and conveyed to the Assignee, and the Assignee has assumed from the Assignor and the BNPP Sub Agent, all of the Liens as provided in Section 2 above and in the Agency Transfer Agreement and (ii) the

Assignee has succeeded to all of the Liens as provided in Section 2 above and in the Agency Transfer Agreement, and (b) ratifies and affirms all such Liens in favor of the Assignee.

Section 4. Mortgage Amendments. The Security Instruments listed on, and recorded in the jurisdictions referenced in, Annex I attached hereto are hereby amended as follows.

a. Section 2.01 is hereby amended by adding the following paragraph to the end of such Section:

Notwithstanding any provision in this Mortgage to the contrary, in no event is any Building (as defined in the applicable Flood Insurance Regulation) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Regulation) included in the definition of "Mortgaged Property" and no Building or Manufactured (Mobile) Home is hereby encumbered by this Mortgage. As used herein, "Flood Insurance Regulations" shall mean (i) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (iii) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), as the same may be amended or recodified from time to time, and (iv) the Flood Insurance Reform Act of 2004 and any regulations promulgated thereunder.

b. The definition of "Oil and Gas Properties" is hereby amended by deleting "buildings," from such definition.

c. Section 7.15(a)(i) is hereby amended by inserting the words "or an Affiliate of a Lender" immediately after the word "Lender" therein.

Section 5. Miscellaneous.

a. Annexes. Annex I attached hereto is hereby incorporated in this Memorandum by reference and constitutes a part of this Memorandum.

b. Successors and Assigns. This Memorandum shall be binding upon each party hereto and their respective successors and assigns.

c. Invalidity. In the event that any one or more of the provisions contained herein shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof.

d. Counterparts. This Memorandum may be executed in two or more counterparts, and it shall not be necessary that the signatures of all parties hereto be contained on any one counterpart hereof; each counterpart shall be deemed an original, but all of which together shall constitute one and the same instrument.

e. Notices. Commencing as of the Effective Date, notices to the Successor Agent in respect of the Security Instruments listed on, and recorded in the jurisdictions referenced in, Annex I attached hereto shall be directed as follows (and any notice provisions of the Security

Instruments including Section 7.08 and 7.12 of the Security Instruments are hereby amended to reflect such notice information):

Wells Fargo Bank, National Association
Attn: Yvette McQueen
1525 West W.T. Harris Boulevard
MAC D1109-019
Charlotte, NC 28262
Fax: 704 590 2782
Phone: 704 590 2706
Email: Yvette.mcqueen@wellsfargo.com

Section 6. Governing Law. Insofar as permitted by otherwise applicable law, this Memorandum shall be construed under and governed by the laws of the State of Texas.

[Signature page follows]

EXECUTED on this 18 day of April, 2012 to be effective as of the Effective Date.

ASSIGNOR:

BNP PARIBAS, as Assignor

By: *PJ de Filippis*
Name: PJ de Filippis
Title: Managing Director

By: *Mylene Dao*
Name: Mylene Dao
Title: Managing Director

STATE OF NEW YORK §
 §
COUNTY OF NEW YORK §

This instrument was acknowledged before me this 18 day of April, 2012 by PJ de Filippis, Managing Director and Mylene Dao, Managing Director of BNP Paribas, a banking entity organized in the Republic of France, on behalf of such banking entity.

Denise P. Campbell
Notary Public

[SEAL]

DENISE P. CAMPBELL
Notary Public, State of New York
No. 01875016635
Commission in Westchester County
Commission expires Oct. 12, 2014

EXECUTED on this 17th day of APRIL, 2012 to be effective as of the Effective Date.

BNPP SUB AGENT:

PARIBAS NORTH AMERICA, INC., as Sub-Agent

By: [Signature]
Name: Jane Lee
Title: Authorized Signatory

PARIBAS NORTH AMERICA, INC., as Sub-Agent

By: [Signature]
Name: Shirley Woo
Title: Authorized Signatory

STATE OF NEW YORK §
 §
COUNTY OF NEW YORK §

This instrument was acknowledged before me the 17th day of APRIL, 2012 by Jane Lee, an authorized signatory, Shirley Woo, an authorized signatory of Paribas North America, Inc., a Delaware corporation, on behalf of such entity.

[Signature]
Notary Public

Seal: **NADIA CARBONE**
Notary Public, State of New York
No 31 4983446
Qualified in New York County [initials]
Commission Expires Jul 1 9~~3~~ 5 2015

EXECUTED on this 17 day of April, 2012 to be effective as of the Effective Date.

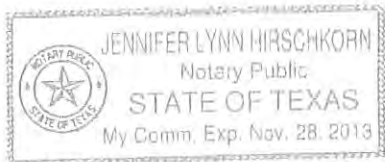
ASSIGNEE:

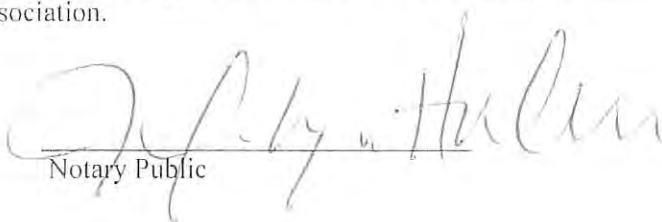
WELLS FARGO BANK, NATIONAL ASSOCIATION, as Assignee

By: 
Name: Ronald A. Mahle
Title: Managing Director

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me the 17 day of April, 2012 by Ronald A. Mahle, Managing Director of Wells Fargo Bank, National Association, a bank association, on behalf of such banking association.

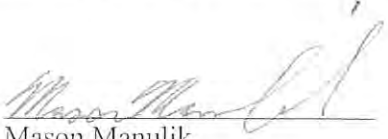



Notary Public

[SEAL]

EXECUTED on this 3 day of May, 2012 to be effective as of the Effective Date.


BLUESTEM ENERGY ASSETS, LLC

By: 
Name: Mason Manulik
Title: Vice President Finance

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me the 3 day of May, 2012 by Mason Manulik, Vice President Finance of Bluestem Energy Assets, LLC, a Delaware limited liability company, on behalf of such limited liability company.


Notary Public

[SEAL]



ANNEX I

RECORDING SCHEDULE

BNP PARIBAS, AS ADMINISTRATIVE AGENT

and BLUESTEM ENERGY ASSETS, LLC

Mortgage, Line of Credit Mortgage, Deed of Trust, Assignment of As-Extracted Collateral, Security Agreement, Fixture Filing and Financing Statement dated effective November 15, 2011 from Bluestem Energy Assets, LLC to BNP Paribas, as Administrative Agent, filed as follows:

| JURISDICTION | FILING INFORMATION | FILE DATE |
|--|---------------------------|------------------|
| Eddy County, New Mexico | Book 876, Page 253 | 12/12/11 |
| Lea County, New Mexico | Book 1755, Page 629 | 12/5/11 |
| Glasscock County, Texas | Book 179, Page 89 | 12/2/11 |
| Loving County, Texas | #2011-1902 | 12/2/11 |
| Midland County, Texas | #2011-24143 | 12/6/11 |
| Terrell County, Texas | Volume 110, Page 361 | 12/5/11 |
| Upton County, Texas | Volume 862, Page 844 | 12/5/11 |
| Winkler County, Texas | #C7254 | 12/2/11 |
| Office of Commissioner of Public Lands, New Mexico State Land Office | Book No. 4, #0132 | 12/13/11 |