IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ 8	Chapter 11
m ic.	8 §	Chapter 11
CHESAPEAKE ENERGY CORPORATION, et al.,1	§	Case No. 20-33233 (DRJ)
	§	
Reorganized Debtors.	§	(Jointly Administered)
	§	

STIPULATION AND AGREED ORDER REGARDING THE KINSEL CLAIMS

The above-captioned reorganized debtors (before the Effective Date² of the Plan, the "<u>Debtors</u>," and after the Effective Date of the Plan, the "<u>Reorganized Debtors</u>" or "<u>Lessees</u>," as applicable), CNOOC Energy U.S.A. ("<u>CEU</u>"), Jamestown Resources, L.L.C. ("<u>Jamestown</u>"), and Pelican Energy, L.L.C. ("<u>Pelican</u>," and together with CEU, Jamestown, and the Debtors or Reorganized Debtors, as applicable, the "<u>Lessees</u>") and Dan W. Kinsel III as Trustee of the 2009 Dan and Leslie Kinsel Children's Trust, Karl Gene Kinsel as Trustee of the 2009 Karl Gene Kinsel Children's Trust, Karl Gene Kinsel, and Dan W Kinsel III and Leslie Kinsel (collectively, the "<u>Claimants</u>" or the "<u>Lessors</u>," as applicable, and together with the Lessees, the "<u>Settlement Parties</u>") hereby enter into this stipulation and agreed order (this "<u>Stipulation and Agreed Order</u>") as follows:

A complete list of each of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the Reorganized Debtors' claims and noticing agent at https://dm.epiq11.com/chesapeake. The location of Reorganized Debtor Chesapeake Energy Corporation's principal place of business and the Reorganized Debtors' service address in these chapter 11 cases is 6100 North Western Avenue, Oklahoma City, Oklahoma 73118.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the *Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2915, Ex. A] (the "Plan").

WHEREAS, the Settlement Parties entered into the following oil and gas leases, as amended (collectively, the "Leases"):

- "Headquarters" Lease, dated April 30, 2010, between Dan W. Kinsel III as
 Trustee of the 2009 Dan and Leslie Kinsel Children's Trust and Karl Gene
 Kinsel as Trustee of the 2009 Karl Gene Kinsel Child's Trust, as Lessors, and
 Chesapeake Exploration, LLC, as Lessee, a memorandum of which is recorded
 at Volume 512, Page 196, Deed Records, La Salle County, Texas;
- "Brown" Lease, dated April 30, 2010, between Dan W. Kinsel III as Trustee of the 2009 Dan and Leslie Kinsel Children's Trust and Karl Gene Kinsel as Trustee of the 2009 Karl Gene Kinsel Child's Trust, as Lessors, and Chesapeake Exploration, LLC, as Lessee, a memorandum of which is recorded at Volume 512, Page 193, Deed Records, La Salle County, Texas;
- "Neal" Lease, dated April 30, 2010, between Dan W. Kinsel III, Leslie Kinsel, and Karl Gene Kinsel, as Lessors, and Chesapeake Exploration, LLC, as Lessee, a memorandum of which is recorded at Volume 512, Page 203, Deed Records, La Salle County, Texas;
- "Mit" and "Railroad" Lease, dated April 30, 2010, between Dan W. Kinsel III, Leslie Kinsel, and Karl Gene Kinsel, as Lessors, and Chesapeake Exploration, LLC, as Lessee, a memorandum of which is recorded at Volume 512, Page 199, Deed Records, La Salle County, Texas;
- "So. Millett" Lease, dated April 30, 2010, between Dan W. Kinsel III, Leslie Kinsel, and Karl Gene Kinsel, as Lessors, and Chesapeake Exploration, LLC, as Lessee, a memorandum of which is recorded at Volume 512, Page 206, Deed Records, La Salle County, Texas; and
- "Earnest" Lease, dated April 30, 2010, between Dan W. Kinsel III as Trustee of the 2009 Dan and Leslie Kinsel Children's Trust and Karl Gene Kinsel as Trustee of the 2009 Karl Gene Kinsel Child's Trust, as Lessors, and Chesapeake Exploration, LLC, as Lessee, a memorandum of which is recorded at Volume 516, Page 425, Deed Records, La Salle County, Texas;

WHEREAS, on or about June 17, 2020, the Claimants requested information pursuant to Paragraph 12 of the Leases related to retained acreage under the Well Tracts called for in the Leases;

WHEREAS, on June 28, 2020, the Debtors filed voluntary petitions for relief under title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court");

WHEREAS, on August 13, 2020, the Bankruptcy Court entered the *Order (I) Setting Bar Dates For Filing Proofs of Claim, Including Requests For Payment Under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Manner For Filing Proofs of Claim, Including Section 503(b)(9) Requests, (IV) Approving Notice of Bar Dates, and (V) Granting Related Relief [Docket No. 787] (the "Bar Date Order");*

WHEREAS, on or about October 8, 2020, Claimants asserted the size of Well Tracts under Paragraph 12 of the Leases should be limited to 500 foot spacing (250 feet of each side of a producing horizontal lateral) and that leasehold rights to certain depths should be released (collectively, the "Release Issues");

WHEREAS, Lessees believe the Well Tracts proposed at the time complied with Paragraph 12 of the Leases so that no acreage other than release of certain depths are required to be released;

WHEREAS, on or about October 27, 2020, each of the Claimants timely filed the following proofs of claim (collectively, the "Kinsel Claims"):

- Claim Nos. 3934, 3935, 3936, 3938, 3940, 3941, 3942, and 3946 against Chesapeake Exploration, L.L.C. for an unsecured, unliquidated amount; and
- Claim Nos. 4079, 4080, 4081, and 4083 against Chesapeake Operating, L.L.C. for an unsecured, unliquidated amount;

WHEREAS, on January 16, 2021, the Bankruptcy Court entered the *Order Confirming Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2915] (the "Confirmation Order") confirming the Plan; and

WHEREAS, the Claimants and the Lessees have consensually agreed, after good faith, arm's-length negotiations, to resolve the Release Issues and the Kinsel Claims on the terms set forth in this Stipulation and Agreed Order.

NOW, THEREFORE, IT IS STIPULATED AND AGREED, AND UPON APPROVAL BY THE COURT OF THIS STIPULATION AND ORDER, IT IS SO ORDERED:

- 1. The settlement agreement attached hereto as **Exhibit A** (the "Settlement Agreement") is hereby approved.
- 2. In full and final satisfaction of the Release Issues and the Kinsel Claims, the Lessees shall pay (the "Settlement Payment") to the Claimants.
- 3. The Leases shall be amended as described in the Settlement Agreement to resolve the Release Issues.
- 4. Lessors agree to grant, let, lease, jointly revive, adopt, ratify and confirm the Leases, as amended, including all Well Tracts and pooled units in which a portion of the leased premises is included and represent the Leases are in full force and effect as to all lands covered by the Leases, subject only to previously recorded releases of acreage or depths.
- 5. The Settlement Parties agree to file a memorandum amending and ratifying the Leases, as set forth in Exhibit A of the Settlement Agreement (the "Memorandum"), in the real property records of La Salle County, Texas within ten (10) business days of receipt of the Settlement Payment by Lessors.
- 6. The Lessors hereby release and forever discharge Lessees' Releasees³ and their respective current and former employees, agents, representatives, officers, directors, shareholders,

4

The "<u>Lessee Releasees</u>" means, collectively, Lessees and all other working interest owners associated with the Leases and each of their respective affiliates, beneficiaries, owners, employees, members, managers, officers,

corporate parents, subsidiaries, affiliates partners, beneficiaries, predecessors, successors, assigns, and each of the attorneys and law firms representing the Lessees' Releasees, from any and all of the following settled matters (collectively, the "Settled Matters"):

- From the beginning of time through May 2021 production, all claims, demands, actions, causes of action, liabilities, and damages, of every kind and character whatsoever, whether known or unknown, asserted or unasserted, at law or in equity, relating to the royalty payments under the Leases, and any associated attorney's fees, expert or consultant fees or expenses, interest, costs, or any other amounts arising out of or relating to any such claims, including the Kinsel Claims and Release Issues; and
- From the beginning of time through May 31, 2021, all claims, demands, actions, causes of action, liabilities, and damages, of every kind and character whatsoever, whether known or unknown, asserted or unasserted, at law or in equity, directly or indirectly, relating to lease termination, release of acreage, or release of leasehold rights in certain depths, and any associated damages, attorney's fees, expert or consultant fees or expenses, interest, costs, or any other amounts arising out of or relating to lease termination, retention of acreage, or release of leasehold rights in certain depths, including the Kinsel Claims and Release Issues.
- 7. The Lessees hereby release and forever discharge Lessors and Lessors' current and former employees, agents, representatives, officers, directors, shareholders, corporate parents, subsidiaries, affiliates, partners, beneficiaries, heirs, predecessors, successors, assigns, and each of the attorneys and law firms representing the Lessors, from any and all Settled Matters.
- 8. Nothing in this Stipulation and Agreed Order shall be interpreted to release Lessee Releasees and Claimants from the obligations imposed by this Stipulation and Agreed Order or Lease Amendment.

5

directors, agents, partners, representatives, heirs, attorneys, predecessors, successors, assigns, divisions, and all other persons or entities acting on their behalf.

9. Epiq Corporate Restructuring, LLC is hereby authorized and directed to remove the Kinsel Claims from the Official Claims Register to reflect the terms of this Stipulation and Agreed Order.

10. Nothing in this Stipulation and Agreed Order shall be interpreted to impair in any way the rights, claims or defenses reserved under the Plan with regard to or on behalf of the Reorganized Debtors, except to the extent inconsistent with the terms of the Stipulation and Agreed Order.

[Remainder of page intentionally left blank.]

IT IS SO ORDERE	D.	
Signed:	, 2021	
Houston, Texas		DAVID R. JONES
		LINITED STATES BANKRUPTCY HIDGE

STIPULATED AND AGREED TO THIS 27TH DAY OF JULY, 2021:

By: /s/ Matthew D. Cavenaugh

JACKSON WALKER L.L.P.

Matthew D. Cavenaugh (TX Bar No. 24062656) Jennifer F. Wertz (TX Bar No. 24072822) Kristhy M. Peguero (TX Bar No. 24102776) Veronica A. Polnick (TX Bar No. 24079148)

1401 McKinney Street, Suite 1900

Houston, Texas 77010 Telephone: (713) 752-4200 Facsimile: (713) 752-4221 Email: mcavenaugh@jw.com

jwertz@jw.com kpeguero@jw.com vpolnick@jw.com

Co-Counsel to the Reorganized Debtors

KIRKLAND & ELLIS LLP KIRKLAND & ELLIS INTERNATIONAL LLP

Patrick J. Nash, Jr. P.C. (admitted *pro hac vice*) Alexandra Schwarzman (admitted *pro hac vice*)

300 North LaSalle Chicago, Illinois 60654 Telephone: (312) 862-2000

Facsimile: (312) 862-2200

Email: patrick.nash@kirkland.com

alexandra.schwarzman@kirkland.com

Co-Counsel to the Reorganized Debtors

By: /s/ *Albert M. Gutierrez*

PERSON, MOHRER, MORALES, BODDY,

GARCIA & GUTIERREZ, PLLC

Albert M. Gutierrez

8610 Broadway Street, Suite 440

San Antonio, Texas 78217 Telephone: (210) 824-4411

Email: cperson@pmbglaw.com

Counsel to the Claimant

By: /s/ Thomas G. Ciarlone, Jr.

KANE RUSSELL COLEMAN LOGAN PC

Thomas G. Ciarlone, Jr. (TX Bar No. 24075649)

Michael P. Ridulfo (TX Bar No. 16902020)

Demetri J. Economou (TX Bar No. 24078461)

5051 Westheimer Road, Suite 1000

Houston, Texas 77056

Telephone: (713) 425-7400

Fax: (713) 425-7700

Email: tciarlone@krcl.com mridulfo@krcl.com deconomou@krcl.com

Co-Counsel to Jamestown Resources, L.L.C. and Pelican Energy, L.L.C.

By: /s/ Edward L. Ripley

ANDREWS MYERS, P.C.

Edward L. Ripley (TX Bar No. 16935950)

1885 St. James Place, 15th Floor

Houston, Texas 77056

Telephone: (713) 850-4200 Facsimile: (713) 850-4211

Email: eriplet@andrewsmyers.com

Counsel for CNOOC Energy U.S.A., L.L.C.

Exhibit A

Settlement Agreement

CONFIDENTIAL SETTLEMENT AGREEMENT AND RELEASE

This Confidential Settlement Agreement and Release ("Settlement Agreement") is made and entered into between and among Lessors and Lessees, as defined below, as of the Effective Date as herein defined. Lessors and Lessees may hereafter be referred to individually as a "Party" and collectively as the "Parties."

WHEREAS, Lessors and Lessees are parties to six (6) oil and gas leases defined below (the "Leases"); and

WHEREAS, Lessors on or about June 17, 2020 requested information pursuant to Paragraph 12 of the Leases related to retained acreage under Well Tracts; and

WHEREAS, on June 28, 2020, Chesapeake Exploration, L.L.C. and its parent and affiliated entities (collectively, the "<u>Debtors</u>") filed voluntary petitions for relief under title 11 of the United States Code (the "<u>Bankruptcy Code</u>") in the United States Bankruptcy Court for the Southern District of Texas (the "<u>Bankruptcy Court</u>");

WHEREAS, on August 13, 2020, the Bankruptcy Court entered the *Order (I) Setting Bar Dates For Filing Proofs of Claim, Including Requests For Payment Under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Manner For Filing Proofs of Claim, Including Section 503(b)(9) Requests, (IV) Approving Notice of Bar Dates, and (V) Granting Related Relief [Docket No. 787] (the "Bar Date Order");*

WHEREAS, on or about October 8, 2020, Lessors asserted the size of Well Tracts under Paragraph 12.1.1. of the Leases should be limited to 500 foot spacing (250 feet of each side of a producing horizontal lateral) and that leasehold rights to certain depths should be released (the "Release Issues"); and

WHEREAS, Lessees believe the Well Tracts in existence comply with Paragraph 12.1.1 of the Leases so that no acreage other than release of certain depths are required to be released; and

WHEREAS, On or about October 27, 2020, Lessors filed proof of claims in the above referenced Bankruptcy proceeding against CELLC and Chesapeake Operating, L.L.C. ("COLLC") alleging royalty underpayment and seeking release of acreage and rights to certain depths under Paragraph 12 of the Leases (the "Proof of Claims"); and

WHEREAS, on December 7, 2020, Lessors filed the *Royalty Owners' Limited Objection to Debtors' Second Amended Joint Chapter 11 Plan of Reorganization and Amended Disclosure Statement* [Docket No. 2155];

WHEREAS, on January 12, 2021, the Debtors filed the *Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2833];

WHEREAS, on January 16, 2021, the Bankruptcy Court entered the Order Confirming

Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates (the "Confirmation Order") [Docket No. 2915] confirming the Plan;

WHEREAS, the Lessors and Lessees have consensually agreed, after good faith, arm's length negotiations, to resolve the Release Issues and Proof of Claims pursuant to the terms of this Settlement Agreement;

NOW, THEREFORE, in consideration of the mutual promises set forth in this Settlement Agreement and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS:** As used in this Settlement Agreement:

A. "<u>Lessors</u>" means:

- 1) Dan W. Kinsel, III, Individually and as Trustee of the 2009 Dan and Leslie Kinsel Children's Trust;
- 2) Leslie Kinsel;
- 3) Karl Gene Kinsel, Individually and as Trustee of the 2009 Karl Gene Kinsel Child's Trust; and
- 4) their respective affiliates, beneficiaries, owners, employees, members, managers, officers, directors, agents, partners, representatives, heirs, attorneys, predecessors, successors, assigns, divisions, and all other persons or entities acting on their behalf.

B. "Lessees" means:

- 1) Chesapeake Exploration, L.L.C. and its respective affiliates, parents, beneficiaries, owners, employees, members, managers, officers, directors, agents, partners, representatives, heirs, attorneys, predecessors, successors, assigns, divisions, and all other persons or entities acting on its behalf ("CELLC"); and
- 2) CNOOC Energy U.S.A. LLC f/k/a OOGC America LLC and its respective affiliates, parents, beneficiaries, owners, employees, members, managers, officers, directors, agents, partners, representatives, heirs, attorneys, predecessors, successors, assigns, divisions, and all other persons or entities acting on its behalf ("CNOOC").
- Jamestown Resources, L.L.C. and its respective affiliates, parents, beneficiaries, owners, employees, members, managers, officers, directors, agents, partners, representatives, heirs, attorneys, predecessors, successors, assigns, divisions, and all other persons or entities acting on its behalf ("Jamestown").

- 4) Pelican Energy, L.L.C., and its respective affiliates, parents, beneficiaries, owners, employees, members, managers, officers, directors, agents, partners, representatives, heirs, attorneys, predecessors, successors, assigns, divisions, and all other persons or entities acting on its behalf ("Pelican").
- C. "<u>Lessee Releasees</u>" means Lessees and all other working interest owners associated with the Leases and each of their respective affiliates, beneficiaries, owners, employees, members, managers, officers, directors, agents, partners, representatives, heirs, attorneys, predecessors, successors, assigns, divisions, and all other persons or entities acting on their behalf.
- D. The "Leases" means the following oil and gas leases, as amended:
 - 1) "Headquarters" Lease, dated April 30, 2010, between Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust, and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 196, Deed Records, La Salle County, Texas;
 - 2) "Brown" Lease, dated April 30, 2010, between Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust, and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 193, Deed Records, La Salle County, Texas;
 - 3) "Neal" Lease, dated April 30, 2010, between Dan W. Kinsel III, and wife, Leslie Kinsel, and Karl Gene Kinsel as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 203, Deed Records, La Salle County, Texas;
 - 4) "Mit" and "Railroad" Lease, dated April 30, 2010, between Dan W. Kinsel III, and wife, Leslie Kinsel, and Karl Gene Kinsel as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 199, Deed Records, La Salle County, Texas;
 - 5) "So. Millett" Lease, dated April 30, 2010, between Dan W. Kinsel III, and wife, Leslie Kinsel, and Karl Gene Kinsel as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 206, Deed Records, La Salle County, Texas; and
 - 6) "Earnest" Lease, dated April 30, 2010, between Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust, and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 516, Page 425, Deed Records, La Salle County, Texas
- E. "Settled Matters" means:

- 1) From the beginning of time through May 2021 production, all claims, demands, actions, causes of action, liabilities, and damages, of every kind and character whatsoever, whether known or unknown, asserted or unasserted, at law or in equity, relating to the royalty payments under the Leases, and any associated attorney's fees, expert or consultant fees or expenses, interest, costs, or any other amounts arising out of or relating to any such claims, including the Proof of Claims and Release Issues; and
- 2) From the beginning of time through May 31, 2021, all claims, demands, actions, causes of action, liabilities, and damages, of every kind and character whatsoever, whether known or unknown, asserted or unasserted, at law or in equity, directly or indirectly, relating to lease termination, release of acreage, or release of leasehold rights in certain depths, and any associated damages, attorney's fees, expert or consultant fees or expenses, interest, costs, or any other amounts arising out of or relating to lease termination, retention of acreage, or release of leasehold rights in certain depths, including the Proof of Claims and Release Issues.
- F. "Settlement Amount" means the sum of

2. PAYMENT AND WELL TRACT DESIGNATION:

- A. Upon the latter of execution of this Settlement Agreement by all Parties or approval of this settlement by the Bankruptcy Court, Lessees shall pay the Settlement Amount by wire transfer to the account listed on Exhibit B to this Settlement Agreement.
- B. The Parties agree that the Well Tracts required pursuant to Paragraph 12.1 of the Leases are described and depicted on Exhibit "C" and such Well Tracts shall be effective June 1, 2021. Within 60 days of the occurrence of 2A above, COLLC will record in the La Salle County Official Records a designation of the Well Tracts along with a release of all depths except the Eagle Ford Formation as more particularly described in Paragraph 3B below.

3. AMENDMENT TO AND RATIFICATION OF THE LEASES:

- A. The Parties agree herein to amend the Leases by adding Paragraph 5.1.5. with the following language:
 - Effective June 1, 2021 production, and only as to CELLC, CNOOC, and Jamestown as Lessees and only for so long as the Leases are operated by COLLC, Lessors and Lessees agree that no royalty shall accrue, be paid, or be owed Lessors related to skim oil that is recovered off the Lease premises by third-parties in which Lessees are not paid for the sale of such skim oil by the third-parties and/or do not realize any proceeds.
- B. The Parties agree to herein amend the Leases by replacing Paragraph 12.1.1. of the Leases in its entirety with the following language:

Effective June 1, 2021, all depths in the Leased Premises are released except for the Eagle Ford Formation, being the stratigraphic equivalent of the depths from 8,348 feet measured depth to 8,517 feet measured depth as shown on the log of the Kinsel LAS



- C. Lessors herein agree to grant, let, lease, jointly revive, adopt, ratify and confirm the Leases, as amended, including all Well Tracts and pooled units in which a portion of the Leased premises is included and represent the Lease is in full force and effect as to all lands covered by the Leases, subject only to previously recorded releases of acreage or depths.
- D. The Parties agree to file the attached Exhibit A Memorandum of Lease Amendment and Ratification of Leases in the real property records of La Salle County, Texas within ten (10) business days of receipt of the Settlement Payment by Lessors.

4. RELEASES AND WITHDRAW OF PROOF OF CLAIM

- A. Lessors hereby release and forever discharge Lessees' Releasees and their respective current and former employees, agents, representatives, officers, directors, shareholders, corporate parents, subsidiaries, affiliates partners, beneficiaries, predecessors, successors, assigns, and each of the attorneys and law firms representing the Lessees' Releasees, from any and all Settled Matters. This release and discharge of claims does not include the obligations imposed by this Settlement Agreement or Lease Amendment.
- B. Lessees hereby release and forever discharge Lessors and Lessors' current and former employees, agents, representatives, officers, directors, shareholders, corporate parents, subsidiaries, affiliates, partners, beneficiaries, heirs, predecessors, successors, assigns, and each of the attorneys and law firms representing the Lessors, from any and all

- Settled Matters. This release and discharge of claims does not include the obligations imposed by this Settlement Agreement or Lease Amendment.
- C. Upon the Effective Date of this Settlement Agreement, as herein defined, Lessors agree that Epiq Corporate Restructuring, LLC is hereby authorized and directed to remove the POCs from the Official Claims Register.
- D. <u>Complete Bar Other Than to Enforce Settlement Agreement</u>. The releases in this Settlement Agreement shall forever be a complete bar to the commencement or prosecution of any action or proceeding by the Lessors against the Lessees or by the Lessees against the Lessors with regard to the Settled Matters, other than to enforce the Settlement Agreement or Lease Amendment.
- E. <u>Lessors' Representation</u>. Lessors represent and warrant that they have not sold, assigned, pledged, or in any other way transferred an interest in the Settled Matters released under this Settlement Agreement or the properties that are the subject of the Lease Amendment and Ratification.
- F. <u>Lessees' Representation</u>. Lessees represent and warrant that they have not sold, assigned, pledged, or in any other way transferred an interest in the Settled Matters released under this Settlement Agreement.
- G. <u>Confidentiality</u>. The Parties represent, warrant, and agree that the terms of this Settlement Agreement SHALL BE KEPT STRICTLY CONFIDENTIAL. Notwithstanding the foregoing, the Parties may disclose certain terms contained herein to the extent necessary to obtain approval of this Settlement Agreement by the Court in the Bankruptcy Matter. The Parties agree to take all reasonable efforts to maintain the confidentiality of the terms of the Agreement as well as the negotiations related thereto, except as required by law, statute, ordinance, or any court order, and except as may be reasonably necessary to their personal accountants, advisors, and/or attorneys.

4. MERGER CLAUSE AND EXPRESS DISCLAIMER OF RELIANCE:

Each Party:

- A. has entered into this Settlement Agreement freely and without duress after consulting with professionals of its choice;
- B. expressly warrants and represents that other than those expressly stated in this Settlement Agreement, no promise or agreement has been made to it in executing this Settlement Agreement;
- C. is not relying upon, and expressly disclaims and waives any statement, representation, or omission of any agent of the entities or persons being released hereby, other than those expressly stated within this Settlement Agreement;
- D. is relying on its own judgment and has been represented by legal counsel in the negotiation and drafting of this Settlement Agreement;

E. represents that it has discussed this Settlement Agreement and its legal consequences with its respective counsel; and

5. GENERAL TERMS:

- A. <u>Ambiguity</u>. Any ambiguity in or dispute regarding the interpretation of this Settlement Agreement shall not be resolved by any rule of interpretation providing for interpretation against the drafting party.
- B. <u>Change or Modification</u>. No change or modification to this Settlement Agreement is binding unless it is in writing and executed by all Parties.
- C. <u>Legal and Other Costs</u>. The Parties will each pay their own legal and other costs and expenses incurred in connection with this Settlement Agreement.
- D. <u>Governing Law</u>. This Settlement Agreement is governed by the laws of the State of Texas, without reference to any conflict of laws provision or analysis.
- E. <u>Authority to Enter into Settlement</u>. Lessors, Lessees, and their undersigned representatives represent and warrant that they are authorized to bind the entities on whose behalf they enter into this Settlement Agreement.
- F. <u>Effective Date</u>. This Settlement Agreement is effective upon the latter of execution of this Settlement Agreement by all Parties or approval of this Settlement Agreement by the Bankruptcy Court.
- G. <u>Compromise of Disputed Claims</u>. This Settlement Agreement is a compromise of disputed claims between Lessors and Lessees. The terms and conditions of this Settlement Agreement and the negotiations leading up to it are not to be construed as an admission of liability or wrongdoing by any Party, or as a concession by any Party as to the correctness or incorrectness of any Party's position concerning the Settled Matters.
- H. <u>Entire Agreement</u>. This Settlement Agreement supersedes all prior agreements, written or oral, between the Lessors and the Lessees concerning the Settled Matters. There are no other agreements, covenants, promises or arrangements between the Lessors and the Lessees relating to the Settled Matters than those set forth herein.
- I. <u>Headings</u>. Headings in this Settlement Agreement are for the Parties' convenience and are not to be used in construing this Settlement Agreement.
- J. <u>Binding Effect</u>. All of the terms and provisions of this Settlement Agreement are binding upon and inure to the benefit of the Parties and their respective successors and assigns.

LESSEES:	Signed this 22 day of June, 2021 by:
	Chesapeake Exploration, L.L.C.
	By: Sheldon W. Burleson Title: Vice President – Southern Region
	Signed thisday of June, 2021 by:
	CNOOC Energy U.S.A. LLC f/k/a OOGC America LLC
	By: Rick Sumrall Title: Vice President
	Signed thisday of June, 2021 by:
	Jamestown Resources, L.L.C.
	By: Matthew Reynolds Title: Manager
	Signed thisday of June, 2021 by:
	Pelican Energy, L.L.C.
	By: Matthew Reynolds Title: Manager

LESSEES:	Signed this day of June, 2021 by:
	Chesapeake Exploration, L.L.C.
	By: Sheldon W. Burleson Title: Vice President – Southern Region
	July Signed this 13 day of June, 2021 by:
	CNOOC Energy U.S.A. LLC f/k/a OOGC America LLC By: Rick Sumrall Title: Vice President
	Signed thisday of June, 2021 by:
	Jamestown Resources, L.L.C.
	By: Matthew Reynolds Title: Manager
	Signed thisday of June, 2021 by:
	Pelican Energy, L.L.C.
	By: Matthew Reynolds Title: Manager

LESSEES:	Signed this day of June, 2021 by:
	Chesapeake Exploration, L.L.C.
	By: Sheldon W. Burleson Title: Vice President – Southern Region
	Signed thisday of June, 2021 by:
	CNOOC Energy U.S.A. LLC f/k/a OOGC America LLC
	By: Rick Sumrall Title: Vice President
	Signed this 23 day of June, 2021 by:
	By: Matthew Reynolds Title: Manager
	Signed this 23 ¹² day of June, 2021 by:
	Pelican Energy, L.L.C. By: Matthew Reynolds Title: Manager

LESSORS:	Signed this 13 day of June, 2021 by: Dan W. Kinsel III
	Signed this 13 day of June, 2021 by: By: Dan W. Kinsel III Title: Trustee
	For: 2009 Dan and Leslie Kinsel Children's Trust Signed this /3 day of June, 2021 by: Leslie Kinsel
	Signed this Bday of June, 2021 by: Karl Gene Kinsel
	Signed this Aday of June, 2021 by: By: Karl Gene Kinsel

Title: Trustee

For: 2009 Karl Gene Kinsel Child's Trust

SETTLEMENT AGREEMENT PAGE 9

EXHIBIT A

MEMORANDUM OF LEASE AMENDMENT AND SETTLEMENT AGREEMENT AND RATIFICATION AND REVIVOR OF LEASES

NOTICE IS GIVEN that Chesapeake Exploration, L.L.C., CNOOC Energy U.S.A. LLC f/k/a OOGC America LLC, Jamestown Resources, L.L.C., and Pelican Energy, L.L.C. ("Lessees") and Dan W. Kinsel, III, Individually and as Trustee of the 2009 Dan and Leslie Kinsel Children's Trust, Leslie Kinsel, and Karl Gene Kinsel, Individually and as Trustee of the 2009 Karl Gene Kinsel Child's Trust ("Lessors") (collectively, the "Parties") have entered into Lease Amendments ("Lease Amendments") amending the following leases in LaSalle County, Texas pursuant to a Confidential Settlement Agreement and Release Agreement effective June 1, 2021 production:

- (1) "Headquarters" Lease, dated April 30, 2010, between Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust, and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 196, Deed Records, La Salle County, Texas;
- (2) "Brown" Lease, dated April 30, 2010, between Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust, and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 193, Deed Records, La Salle County, Texas;
- (3) "Neal" Lease, dated April 30, 2010, between Dan W. Kinsel III, and wife, Leslie Kinsel, and Karl Gene Kinsel as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 203, Deed Records, La Salle County, Texas;
- (4) "Mit" and "Railroad" Lease, dated April 30, 2010, between Dan W. Kinsel III, and wife, Leslie Kinsel, and Karl Gene Kinsel as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 199, Deed Records, La Salle County, Texas;
- (5) "So. Millett" Lease, dated April 30, 2010, between Dan W. Kinsel III, and wife, Leslie Kinsel, and Karl Gene Kinsel as lessor, and Chesapeake Exploration, LLC, as lessee, a memorandum of which is recorded at Volume 512, Page 206, Deed Records, La Salle County, Texas; and
- (6) "Earnest" Lease, dated April 30, 2010, between Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust, and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust as lessor, and Chesapeake Exploration, LLC,

as lessee, a memorandum of which is recorded at Volume 516, Page 425, Deed Records, La Salle County, Texas

The Parties execute and record this Memorandum of Lease Amendments and Settlement Agreement to place everyone on notice of the existence of the Lease Amendments and Settlement Agreement and of all the terms, provisions, and conditions therein, and is given in lieu of filing the original of the Lease Amendments and Settlement Agreement for record in the Official Public Records of La Salle County, Texas.

Among other provisions, the Lease Amendments and Settlement Agreement address the retention of acreage under Well Tracts, the release of certain rights by depth, and the computation of royalties. The Lease Amendments and Settlement Agreement are binding on successors and assigns of the Lessors and Lessees. All of the terms, covenants, and other provisions of the Lease Amendments and Settlement Agreement are hereby incorporated into this Memorandum for all purposes.

NOTICE IS ALSO GIVEN that in the Settlement Agreement the Lessors grant, let, lease, jointly revive, adopt, ratify and confirm the Leases, as amended, including all Well Tracts and pooled units in which a portion of the Leased premises is included and represent the Leases are in full force and effect as to all lands covered by the Leases, subject only to previously recorded releases of acreage or depths or the releases provided for in the Settlement Agreement.

Executed copies of the Lease Amendments and Settlement Agreement are in the possession of Chesapeake Exploration, L.L.C. at 6100 N. Western Avenue, Oklahoma City, Oklahoma 73118 and Lessors.

Executed to be effective as of June 1, 2021.

Signature Pages Follow

T	TIA	CITY	TO
	H	V H	ES:
т.	11 21 7	. 7 .	1111

Signed this 22 day of June, 2021 by:

Chesapeake Exploration, L.L.C.

By:

Sheldon W. Burleson

Title: Vice President – Southern Region

STATE OF OKLAHOMA

0

COUNTY OF OKLAHOMA

0

This instrument was acknowledged before me on the <u>13</u> day of June, 2021, by Sheldon W. Burleson as Vice President – Southern Region of Chesapeake Exploration, L.L.C., on behalf of said limited liability company.

Notary Public in and for the State of Oklahoma

My Commission Expires:

2/28/22

Commission Number: 18012735



July Signed this 13 day of June, 2021 by:

CNOOC Energy U.S.A. LLC f/k/a OOGC America

LLC

By:

Rick Sumrall

Vice President Title:

STATE OF _

COUNTY OF _

000

July This instrument was acknowledged before me on the 12 day of June, 2021, by Rick Sumrall as Vice President of CNOOC Energy U.S.A. LLC f/k/a OOGC America LLC, on behalf of said limited liability company.

Notary Public in and for the State of _

My Commission Expires: <u>July 15,2022</u>

Commission Number: 128





Signed this ZZ day of June, 2021 by:

	Jamestown Resources, L.L.C. By: Matthew Reynolds Title: Manager
	before me on the <u>23</u> day of June, 2021, by Matthew ces, L.L.C., on behalf of said limited liability company.
	Notary Public in and for the State of Texas
My Commission Expires: 6/18 hor	2/
Commission Number:	
PATRICIA L PEARSON Notary Public, State of Texas Comm. Expires 06-28-2021	

	Signed this Ziday of June, 2021 by:
	Pelican Energy, L.L.C. By: Matthew Reynolds Title: Manager
STATE OF TEXAS COUNTY OF HARRIS This instrument was acknowledged to Reynolds as Manager of Pelican Energy, L.I.	before me on the 23 ² day of June, 2021, by Matthew L.C., on behalf of said limited liability company. Notary Public in and for the State of 18x05
My Commission Expires: 6/28/202	PATRICIA L PEARSON Notary Public, State of Texas Comm. Expires 06-28-2021
Commission Number:	Notary ID 7148080

LESSORS:	Signed this 4 day of June, 2021 by: Dan W. Kinsel III
STATE OF TRYAS COUNTY OF LA SALLE This instrument was acknowledged Kinsell III.	before me on the Hay of June, 2021, by Dan W Notary Public in and for the State of TEXAS
My Commission Expires: 10 27 202 Commission Number: 12 507 302	IMELDA G. TELLEZ My Notary ID # 125073025 Expires October 27, 2024

	Signed this 4day of June, 2021 by: By: Dan W. Kinsel III Title: Trustee For: 2009 Dan and Leslie Kinsel Children's Trust
STATE OF <u>TEXAS</u> COUNTY OF <u>LA SALLE</u> This instrument was acknowledged! Kinsel III as Trustee for the 2009 Dan and	before me on the day of June , 2021, by Dan W Leslie Kinsel Children's Trust.
	Notary Public in and for the State of TEXAS
My Commission Expires: 1127/2025 Commission Number: 125013025	IMELDA G. TELLEZ My Notary ID # 125073025 Expires October 27, 2024

	Signed this Aday of June, 2021 by:
	Leslie Kinsel
STATE OF TEXAS COUNTY OF LA SAUE	§
	§ §
This instrument was acknowledged Kinsel.	before me on the day of June, 2021, by Leslie
	Notary Public in and for the State of TEXAS
My Commission Expires: 1007	4
Commission Number: 125072025	5
	IMELDA G. TELLEZ My Notary ID # 125073025 Expires October 27, 2024

Signed this Lay of June, 2021 by:

Karl Gene Kinsel

STATE OF TEXAS

COUNTY OF BEXA72

This instrument was acknowledged before me on the Lay of June, 2021, by Karl Gene Kinsel.

My Commission Expires: 13-15-2022

Commission Number: 1058308-6

Signed this Lday of June, 2021 by:

And County Public in and for the State of Texas Comm. Expires 03-15-2022

Notary ID 1058308-6

EXHIBIT B

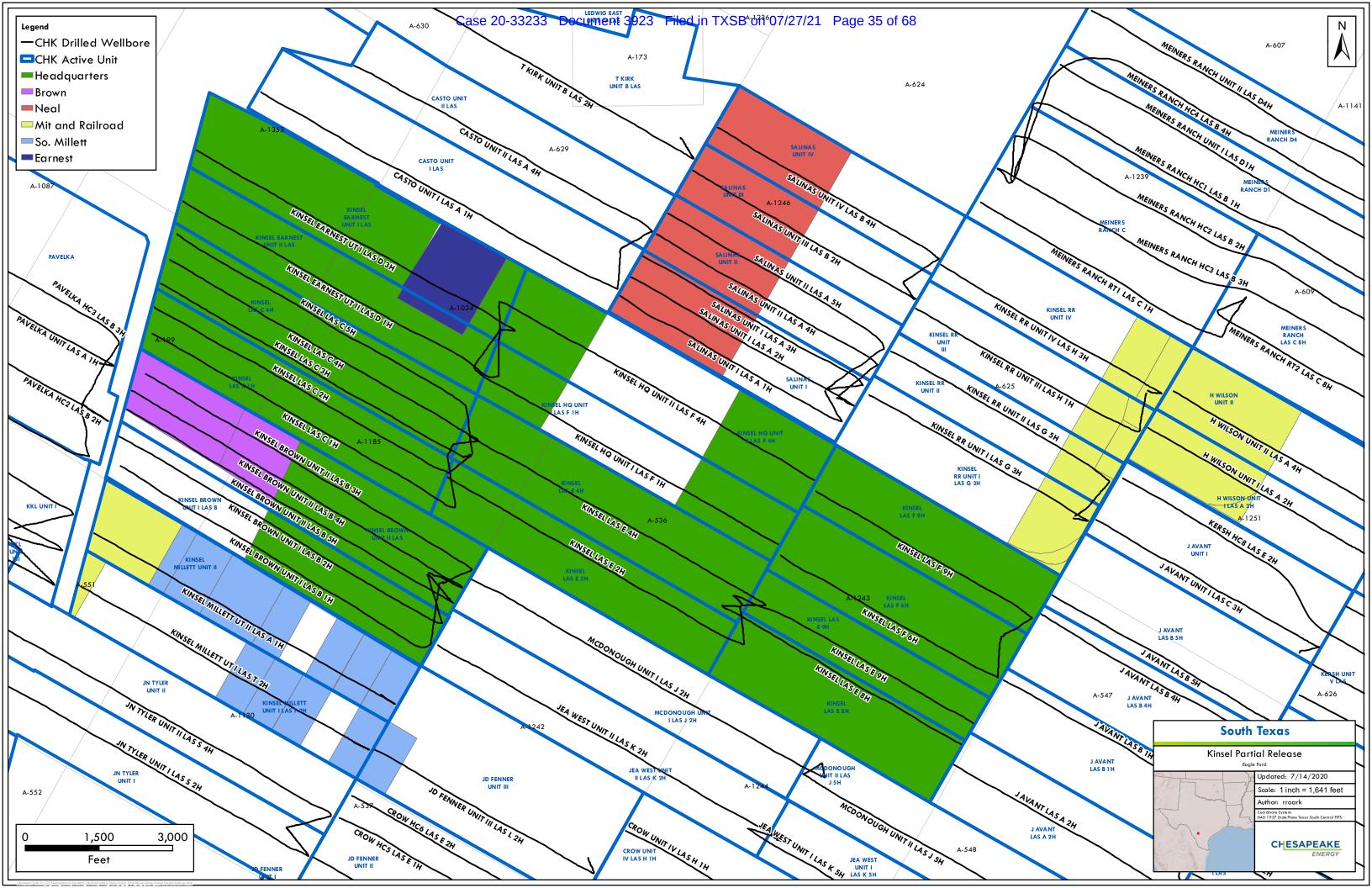
Settlement payment instructions:

WIRE INSTRUCTIONS:

BANK:

BENEFICIARY'S NAME:

EXHIBIT C



PARTIAL RELEASE OF OIL AND GAS LEASE

STATE OF TEXAS §

COUNTY OF LA SALLE §

WHEREAS Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust, as Lessor, entered into that certain Oil and Gas Lease dated April 30, 2010, with Chesapeake Exploration, L.L.C., ("Chesapeake") an Oklahoma limited liability company, as Lessee; said Lease recorded by way of that certain Memorandum of Oil and Gas Lease filed in Vol. 512, Page 196, on August 19, 2010, of the Official Records of La Salle County, Texas; and

WHEREAS Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust, as Lessor, entered into that certain Oil and Gas Lease dated April 30, 2010, with Chesapeake, as Lessee; said Lease recorded by way of that certain Memorandum of Oil and Gas Lease filed in Vol. 512, Page 193, on August 19, 2010, of the Official Records of La Salle County, Texas; and

WHEREAS Dan W. Kinsell III, and wife, Leslie Kinsel and Karl Gene Kinsel, as Lessor, entered into that certain Oil and Gas Lease dated April 30, 2010, with Chesapeake, as Lessee; said Lease recorded by way of that certain Memorandum of Oil and Gas Lease filed in Vol. 512, Page 203, on August 19, 2010, of the Official Records of La Salle County, Texas; and

WHEREAS Dan W. Kinsell III, and wife, Leslie Kinsel and Karl Gene Kinsel, as Lessor, entered into that certain Oil and Gas Lease dated April 30, 2010, with Chesapeake, as Lessee; said Lease recorded by way of that certain Memorandum of Oil and Gas Lease filed in Vol. 512, Page 199, on August 19, 2010, of the Official Records of La Salle County, Texas; and

WHEREAS Dan W. Kinsell III, and wife, Leslie Kinsel and Karl Gene Kinsel, as Lessor, entered into that certain Oil and Gas Lease dated April 30, 2010, with Chesapeake, as Lessee; said Lease recorded by way of that certain Memorandum of Oil and Gas Lease filed in Vol. 512, Page 206, on August 19, 2010, of the Official Records of La Salle County, Texas; and

WHEREAS Dan W. Kinsel III, Trustee of the 2009 Dan and Leslie Kinsel Children's Trust and Karl Gene Kinsel, Trustee of the 2009 Karl Gene Kinsel Child's Trust, as Lessor, entered into that certain Oil and Gas Lease dated April 30, 2010, with Chesapeake, as Lessee; said Lease recorded by way of that certain Memorandum of Oil and Gas Lease filed in Vol. 516, Page 425, on October 8, 2010, of the Official Records of La Salle County, Texas

WHEREAS the leases described above are hereinafter collectively referred to as the "Lease".

WHEREAS Chesapeake subsequently assigned an undivided interest in the Lease to CNOOC Energy U.S.A. LLC ("CNOOC") (f/k/a OOGC America LLC), a Delaware limited liability company, with a notice address of 945 Bunker Hill Rd, Suite 1000, Houston, TX 77024, an undivided interest in the Lease to Jamestown Resources, L.L.C. ("Jamestown"), an Oklahoma limited liability company, with a notice address of 717 Texas St., Suite 3100, Houston, TX 77002, and an undivided interest in the Lease to Pelican Energy, L.L.C. ("Pelican"), an Oklahoma limited liability company, with a notice address of 717 Texas St., Suite 3100, Houston, TX 77002. Chesapeake, CNOOC, and Jamestown are the current Lessees under the Lease and are collectively referred to herein as "Lessees"; and

WHEREAS the Lessees now desire to partially release the Lease.

NOW THEREFORE, pursuant to the terms of said Lease, Lessees do hereby release, relinquish and surrender the Lease to the present owners of the mineral estate underlying the subject lands described in the Lease SAVE AND EXCEPT all of Lessees' right, title and interest in and to the Lease as to each of the Well Tracts which are more particularly described on Exhibit "A" attached hereto and made a part hereof. Furthermore, as to each of the Well Tracts described on Exhibit "A", Lessees do hereby release, relinquish and surrender to the present owners of the mineral estate underlying those lands within each of the Well Tracts, all their right, title and interest in and to the Lease as to all subsurface depths SAVE AND EXCEPT the Eagle Ford formation. The Eagle Ford formation, as used herein, shall be defined as the entire vertical correlative interval located between and including the stratigraphic equivalent of a depth equal to 8,703 feet TVD and the stratigraphic equivalent of a depth equal to 8,842 feet TVD as shown on the log of the Edwards 1H Well (API 42-283-32288) Section 35, Block D, AB&M Survey, A-45, LaSalle County, Texas, said log containing measured depths is of record with the Railroad Commission of Texas. Such well tracts being retained hereunder limited to those depths retained by the Lessees are referred to herein as the "Well Tracts".

Lessees hereby reserve and except from this Partial Release of Oil and Gas Lease all other right, title and interest in and to the Lease not specifically released herein, including, but not limited to, the rights of ingress and egress and rights of way upon, over and under the lands released hereunder to drill, complete, operate, maintain, workover, recomplete, and produce any wells located or to be located on the lands not being released hereunder.

This instrument may be executed in multiple counterparts, each of which shall be given the same effect as the execution of an original instrument. The executed counterparts may be combined into one or more instruments for recordation, by combining the signature pages acknowledgments, and the executing parties agree that such instruments shall be treated and given effect for all purposes as a single instrument.

IN WITNESS WHEREOF, the undersigned owners have signed this instrument on the date of the respective acknowledgments.

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company	
By: Monty Mayfield, Land Manager – Southern Re Chesapeake E&P Holding, L.L.C., Manager	_ gion
<u>ACKNOWLEDGMENT</u>	
STATE OF OKLAHOMA) COUNTY OF OKLAHOMA) This instrument was acknowledged before me on this, day, 2020, by Monty Mayfield, Land Manager – Southern Region Chesapeake E&P Holding, L.L.C., Manager of Chesapeake Exploration, L.L.C. Oklahoma limited liability company, as the act and deed and on behalf of corporation.	, an
Notary Public My Commission Expires:	

CNOOC ENERGY U.S.A. LLC						
(f/k/a OOGC AMERICA LLC),						
a Delaware limited liability compan	١.					

a Bolamaro ilimitoa liability company

Ву:			
	R. L. Sumrall, Vice President		

ACKNOWLEDGMENT

STATE OF TEXAS	§			
COUNTY OF HARRIS	§ §			
This instrument was acknowledged before me on this day of, 2020, by R.L. Sumrall, as Vice President of CNOOC Energy U.S.A. LLC, (f/k/a OOGC America LLC), a Delaware limited liability company, as the act and deed and on behalf of such company.				
	Notary Public My Commission Expires:			

	JAMESTOWN RESOURCES, L.L.C., an Oklahoma limited liability company
	By: Matthew Reynolds, Manager
ACKNOWLE	<u>EDGEMENT</u>
STATE OF TEXAS)) SS: COUNTY OF HARRIS)	
On thisday of, personally known, who, being by me personally swo Resources, L.L.C., an Oklahoma limited liability comp act and deed of said limited liability company.	
	Notary Public in and for the State of Texas
	PELICAN ENERGY, L.L.C., an Oklahoma limited liability company
	By: Matthew Reynolds, Manager
ACKNOWLE	EDGEMENT
STATE OF TEXAS)) SS: COUNTY OF HARRIS)	
On thisday of, personally known, who, being by me personally swo Resources, L.L.C., an Oklahoma limited liability compact and deed of said limited liability company.	2020, before me appeared Brian Shannon, to me orn, did say that he is the Manager of Jamestown any, and acknowledged said instrument to be the free
	Notary Public in and for the State of Texas

Exhibit "A"

Attached to and by reference made a part of that certain Partial Release of Oil and Gas Lease

METES AND BOUNDS DESCRIPTION OF A CALLED 202.84 ACRE UNIT H&W SURVEY 43, A-199 H&W SURVEY 44, A-1185 LA SALLE COUNTY, TEXAS

KINSEL BROWN UNIT I

Being a called 202.84 acre Unit, situated in H & W Survey 43, A-199, and H & W Survey 44, A-1185 La Salle County, Texas, said called 202.84 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point in the east boundary line of the I& GNN RR Co. ROW and being the west corner of a 108 acre tract conveyed to John H. Northcut et ux, same being the west corner of this herein describe unit, from which a 1/2" iron rod found at a 3-way fence corner post in the west ROW line of Highway 35 for the south corner of a 103.2 acre tract conveyed to Paul P. Brown et ux. brs N 02°12'05" E 1782.17 feet, said 1/2" iron rod having Texas Coordinate System of 1927 values of X = 1934899, Y = 264584;

THENCE N 14°56'27" E along west boundary line of said 108 acre tract same being the east line of said I& GNN RR Co. ROW, a distance of 1219.06 feet to a point for the north corner of the herein describe unit;

THENCE S 59°13'45" E across said 108 acre tract and a 2361.58 acre tract conveyed to Exchange Two Inc., a distance of 7768.64 feet to a point in a southeast boundary line of said 2361.58 acre tract, same being the ostensible southeast line of H & W Survey 44, A-1185;

THENCE S 29°29'48" W along a southeast boundary line of said 2361.58 acre tract, a distance of 1173.12 feet to a point for the upper south corner of said 2361.58 acre tract;

THENCE N 58°59'32" W along a southwest line of said 2361.58 acre tract, a distance of 4193.29 feet to the lower west corner of said 2361.58 acre tract;

THENCE N 25°20'12" E along the lower northwest line of said 2361.58 acre tract, a distance of 12.05 feet to a point for the south corner of the aforementioned 108 acre tract;

THENCE along the southeast boundary line of said 108 acre tract as follow; N 59°25′50″ W 1291.67 feet and N 59°56′52″ W 1976.28 feet to **PLACE OF BEGINNING**; and being called a 202.84 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 282.47 ACRE UNIT H&W SURVEY 43, A-199 H&W SURVEY 44, A-1185 LA SALLE COUNTY, TEXAS

KINSEL BROWN UNIT II

Being a called 282.47 acre Unit, situated in H & W Survey 43, A-199, and H & W Survey 44, A-1185 La Salle County, Texas, said called 282.47 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod for the north corner of a 108 acre tract conveyed to Dorothy Kinsel Family Partnership, Ltd., and being in the east line of I.& G.N.N.R.R. Co. ROW, said 1/2 " iron rod having Texas Coordinate System of 1927 values of X = 1935544, Y = 265459;

THENCE S 60°18'12" E along the north boundary line of said 108 acre tract, a distance of 3754.16 feet to a point for the east corner of the said 108 acre tract, same being a lower interior corner of a 2361.58 acre tract conveyed to Exchange Two Inc.;

THENCE S 60°00'05" E across said 2361.58 acre tract, a distance of 4392.39 feet to a point in the ostensible southeast line of the H & W Survey 44, A-1185 and being the most south interior corner of said 2361.85 acre tract;

THENCE S 29°29'48" W along a southeast line of said 2361.58 acre tract, and the ostensible southeast line of said Survey 44, a distance of 1604.11 feet to a point, from which a 1/2" iron rod brs. S 28°32'11" E 1193.28 feet;

THENCE N 59°13'45" W across said 2361.58 acre tract, and a second 108 acre tract conveyed to John H. Northcut & Judy D. Northcut, a distance of 7768.64 feet to a point in the east ROW line of I & GNN RR Co. same being the northwest line of said Northcut tract;

THENCE along the east ROW line of said I& GNN RR Co., and the northwest line of both aforementioned 108 acre tracts as follows; N 14°56'27" E 262.85 feet and N 15°10'40" E 1267.92 feet, to the **PLACE OF BEGINNING**; and being called a 282.47 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 263.18 ACRE UNIT J. Poitevent Survey 36, A-1353 I. & G.N.R.R. CO SURVEY 161, A-1024 LA SALLE COUNTY, TEXAS

KINSEL EARNEST UNIT I

Being a called 263.18 acre Unit, situated in J. Poitevent Survey 36, A-1353 and the I. & G.N.R.R. CO Survey 161, A-1024 LaSalle County, Texas, said called 263.18 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8" iron rod found in the west boundary line of a 2361.58 acre tract conveyed to Exchange Two, Inc., same being in the South right-of-way line of F.M. 469, said iron rod having Texas Coordinate System of NAD 1927 values of X = 1936923.7 and Y = 270619.6;

THENCE N 14°57'46" E along the west boundary line of said 2361.58 acre tract, 42.47 feet to a point in the centerline of F.M. 469, said point being the north corner of the herein described Unit;

THENCE S 63°27'39" E, with the centerline of said F.M. 469, same being a northeast boundary line of said 2361.58 acre tract 1324.20 feet to a point;

THENCE S 60°25'38" E, continuing with said centerline, same being a northeast boundary line of said 2361.58 acre tract, 4082.25 feet to the northwest corner of a 1.22 acre tract conveyed to Dan W. Kinsel et ux;

THENCE S 60°52'29" E, along the northeast boundary line of said 1.22 acre tract, 1525.22 feet to the east corner of said 1.22 acre tract, same being a northwest corner of aforementioned 2361.58 acre tract:

THENCE S 61°01'26" E, with a northeast boundary line of said 2361.58 acre tract, 446.95 feet to a point for the east corner of the herein described Unit;

THENCE S 21°37'53" W, across said 2361.58 acre tract, 1598.57 feet, to a point for the south corner of the herein described Unit;

THENCE N 60°32′56″ W, continuing across said 2361.58 acre tract, 7203.53 feet to the west boundary line of said 2361.58 acre tract, said point being the west corner of the herein described Unit;

THENCE N 14°57′54″ E, along the west boundary line of said 2361.58 acre tract, 1519.93 feet, to the **PLACE OF BEGINNING**; and being called a 263.18 acre unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 191.01 ACRE UNIT J. Poitevent Survey 36, A-1353 I. & G.N.R.R. CO SURVEY 161, A-1024 LA SALLE COUNTY, TEXAS

KINSEL EARNEST UNIT II

Being a called 191.01 acre Unit, situated in J. Poitevent Survey 36, A-1353 and the I. & G.N.R.R. CO Survey 161, A-1024 LaSalle County, Texas, said called 191.01 acre Unit being more particularly described by metes and bounds as follows:

COMMENCING from a 5/8" iron rod found in the west boundary line of a 2361.58 acre tract conveyed to Exchange Two Inc., having Texas Coordinate System of NAD 1927 values of X = 1936923.7 and Y = 270619.6;

THENCE S 14°57'54" W, along the west boundary line of said 2361.58 acre tract, 1519.93 feet to a point, said point being the north corner of the herein described Unit and the **PLACE OF BEGINNING**;

THENCE N 60°32'56" W, across said 2361.58 acre tract, 7203.53 feet to a point for the east corner of the herein described Unit;

THENCE S 21°37'53" W, continuing across said 2361.58 acre tract, 1169.70 feet to a point on the ostensible southwest boundary line of the I.& G.N.R.R. Survey 161, A-1024 said point being the south corner of the herein described Unit;

THENCE N 60°59'52" W, continuing across said 2361.58 acre tract and along the southwest boundary line of said I.& G.N.R.R. Survey 161, A-1024, 3898.13 feet to the west corner of said survey, same being the south corner of the J. Poitevent Survey 36, A-1353;

THENCE N 59°22'49" W, continuing across said 2361.58 acre tract and along the southwest boundary line of the J. Poitevent Survey 36, A-1353, 3174.78 feet to a point in the west boundary line of said 2361.58 acre tract;

THENCE N 14°57'54" E, along west boundary line of said 2361.58 acre tract, 1161.52 feet back to the **PLACE OF BEGINNING**; and being called a 191.01 acre unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 181.53 ACRE UNIT I. & G.N.R.R. CO SURVEY 161, A-1024 I. R.R. CO SURVEY 77, A-536 LA SALLE COUNTY, TEXAS

KINSEL HQ UNIT I

Being a called 181.53 acre Unit, situated in the I. & G.N.R.R. Co. Survey 161, A-1024 and I. R.R. Co. Survey 77, A-536 LaSalle County, Texas, said called 181.53 acre Unit being more particularly described by metes and bounds as follows:

COMMENCING from a 5/8" iron rod found in the west boundary line of a 2361.58 acre tract conveyed to Exchange Two Inc., having Texas Coordinate System of NAD 1927 values of X = 1936923.7 and Y = 270619.6;

THENCE N 14°57'46" E along the west boundary line of said 2361.58 acre tract, 42.47 feet to a point in the centerline of F.M. 469;

THENCE S 63°27'39" E, with the centerline of said F.M. 469, same being a northeast boundary line of said 2361.58 acre tract 1324.20 feet to a point;

THENCE S 60°25'38" E, continuing with said centerline, same being a northeast boundary line of said 2361.58 acre tract, 4082.25 feet to the northwest corner of a 1.22 acre tract conveyed to Dan W. Kinsel et ux;

THENCE S 60°52'29" E, along the northeast boundary line of said 1.22 acre tract, 1525.22 feet to the east corner of said 1.22 acre tract, same being a northwest corner of aforementioned 2361.58 acre tract;

THENCE S 61°01'26" E, along a northeast boundary line of said 2361.58 acre tract, 668.77 feet to a point;

THENCE S 21°37′53″ W, across said 2361.58 acre tract, 1598.57 feet to a point for the north corner of the herein described Unit and the and the **PLACE OF BEGINNING**;

THENCE S 60°14'37" E, continuing across said 2361.58 acre tract and across a 186.66 acre tract that was conveyed to Exchange Two Inc., 7041.69 feet, to a point for the east corner of the herein described Unit;

THENCE S 29°09'40" W, continuing across said 2361.58 acre tract, 1127.54 feet to a point for the south corner of the herein described Unit;

THENCE N 60°19'34" W, continuing across said 2361.58 acre tract, 5132.98 feet to the most westerly southwest corner of said 186.66 acre tract;

THENCE N 60°59'52" W, continuing across said 2361.58 acre tract, 1755.27 feet to a point for the west corner of the herein described Unit;

THENCE N 21°37′53″ E, 1169.70 feet, to the **PLACE OF BEGINNING**; and being called a 181.53 acre unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 256.90 ACRE UNIT I. & G.N.R.R. CO SURVEY 161, A-1024 I. R.R. CO SURVEY 77, A-536

KINSEL HQ UNIT II

Being a called 256.90 acre Unit, situated in the I. & G.N.R.R. Co. Survey 161, A-1024 and I. R.R. Co. Survey 77, A-536 LaSalle County, Texas, said called 256.90 acre Unit being more particularly described by metes and bounds as follows:

COMMENCING from a 5/8" iron rod found in the west boundary line of a 2361.58 acre tract conveyed to Exchange Two Inc., having Texas Coordinate System of NAD 1927 values of X = 1936923.7 and Y = 270619.6;

THENCE N 14°57'46" E along the west boundary line of said 2361.58 acre tract, 42.47 feet to a point in the centerline of F.M. 469;

THENCE S 63°27'39" E, with the centerline of said F.M. 469, same being a northeast boundary line of said 2361.58 acre tract 1324.20 feet to a point;

THENCE S 60°25'38" E, continuing with said centerline, same being a northeast boundary line of said 2361.58 acre tract, 4082.25 feet to the northwest corner of a 1.22 acre tract conveyed to Dan W. Kinsel et ux;

THENCE S 60°52'29" E, along the northeast boundary line of said 1.22 acre tract, 1525.22 feet to the east corner of said 1.22 acre tract, same being a northwest corner of aforementioned 2361.58 acre tract;

THENCE S 61°01'26" E, along a northeast boundary line of said 2361.58 acre tract, 668.77 feet to a point for the north corner of the herein described Unit and the **PLACE OF BEGINNING**:

THENCE S 61°01'26"E, along a northeast boundary line of said 2361.58 acre tract, 1877.25 feet to a point being the north corner of a 186.66 acre tract conveyed to Exchange Two Inc., same being a corner on the northeast boundary line of said 2361.58 acre tract;

THENCE S 60°05'57" E, along the northeast boundary line of said 186.66 acre tract, 3117.40 feet to the east corner of said 186.66 acre tract, same being a corner on the northeast boundary line of said 2361.58 acre tract;

THENCE S 59°47'40" E, along the northeast boundary line of said 2361.58 acre tract, 2256.79 feet to a point for the east corner of the herein described Unit;

THENCE S 29°09'40" W, across said 2361.58 acre tract, 1582.61 feet to a point for the south corner of the herein described Unit;

THENCE N 60°14'37" W, continuing across said 2361.58 acre tract, 7041.69 feet to a point for the west corner of the herein described Unit;

THENCE N 21°37'53" E, continuing across said 2361.58 acre tract, 1598.57 feet, to the **PLACE OF BEGINNING**; and being called a 256.90 acre unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 189.76 ACRE UNIT H & W SURVEY 43, A-199, H & W SURVEY 44, A-1185, LA SALLE COUNTY, TEXAS

KINSEL LAS C 1H

Being a called 189.76 acre Unit, situated in the H & W Survey 43, A-199 and the H & W Survey 44, A-1185, in La Salle County, Texas, said called 189.76 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod found in southeast line of the right-of-way of the International and Great Northern Railroad and being the southwest corner of a 2359.887 acre tract known as the Kinsel Family Ranch, said iron rod having Texas Coordinate System of 1927 values of X = 1935544 and Y = 265459;

THENCE N 14°57'54" E along the northwest boundary line of said 2359.887 acre tract and southeast boundary line of said Railroad right-of-way a distance of 1262.97 feet to a point for the north corner of the herein described unit;

THENCE S 60°04'09" E across said 2359.887 acre tract a distance of 6913.39 feet to a point for the east corner of the herein described unit;

THENCE S 22°17'04" W continuing across said 2359.887 acre tract a distance of 1219.19 feet to a point for the south corner of the herein described unit;

THENCE N 60°00'05" W continuing across said 2359.887 acre tract a distance of 2995.33 feet to a point for an interior corner of said 2359.887 acre tract;

THENCE N 60°18'12" W along the southwest boundary line of said 2359.887 acre a distance of 3754.16 feet to the **PLACE OF BEGINNING** and being called 189.76 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 215.08 ACRE UNIT H & W SURVEY 43, A-199, H & W SURVEY 44, A-1185, LA SALLE COUNTY, TEXAS

KINSEL LAS C 4H

Being a called 215.08 acre Unit, situated in the H & W Survey 43, A-199 and the H & W Survey 44, A-1185, in La Salle County, Texas, said called 215.08 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point in the southeast line of the International and Great Northern Railroad right-of-way and the northwest boundary line of a 2359.887 acre tract known as the Kinsel Family Ranch, a 1/2" iron rod found at the southwest corner of said 2359.887 acre tract brs. S $14^{\circ}57'54$ " W 1262.97 feet, said iron rod having Texas Coordinate System of 1927 values of X = 1935544 and Y = 265459;

THENCE N 14°57'54" E along the northwest boundary line of said 2359.887 acre tract and southeast boundary line of said Railroad right-of-way a distance of 1397.59 feet to a point for the north corner of the herein described unit;

THENCE across said 2359.887 acre tract as follows: S 59°22'49" E 3174.78 feet and S 60°59'52" E 3915.61 feet to a point for the east corner of the herein described unit;

THENCE S 22°17'04" W continuing across said 2359.887 acre tract a distance of 1387.80 feet to a point for the south corner of the herein described unit;

THENCE N 60°04'09" W continuing across said 2359.887 acre tract a distance of 6913.39 feet to the **PLACE OF BEGINNING**, and being called 215.08 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 183.11 ACRE UNIT I RR CO SURVEY 77, A-536, H & W SURVEY 44, A-1185, LA SALLE COUNTY, TEXAS

KINSEL LAS E 2H

Being a called 183.11 acre Unit, situated in the I RR CO Survey 77, A-536 and the H & W Survey 44, A-1185, La Salle County, Texas, said called 183.11 acre Unit being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2" iron rod found in southeast line of the right-of-way of the International and Great Northern Railroad and being the southwest corner of a 2359.887 acre tract known as the Kinsel Family Ranch, said iron rod having Texas Coordinate System of 1927 values of X = 1935544 and Y = 265459;

THENCE S 60°18'12" E along the southwest boundary line of said 2359.887 acre tract a distance of 3754.16 feet to point at an interior corner of said 2359.887 acre tract;

THENCE S 60°00'05" E across said 2359.887 acre tract a distance of 3033.68 feet to a point for the west corner of the herein described unit and the **PLACE OF BEGINNING**;

THENCE N 22°17'04" E across said 2359.887 acre tract a distance of 1219.23 feet to a point for the north corner of the herein described unit;

THENCE S 60°04'09" E continuing across said 2359.887 acre tract a distance of 6666.66 feet to a point for the east corner of the herein described unit;

THENCE S 29°09'40" W continuing across said 2359.887 acre tract a distance of 1210.11 feet to a point in the southwest boundary line of said 2359.887 acre tract, for the south corner of the herein described unit;

THENCE N 60°04'09" W along the southwest boundary line of said 2359.887 acre tract a distance of 5161.98 feet to an interior corner of said 2359.887 acre tract;

THENCE N 60°00'05" W across said 2359.887 acre tract a distance of 1358.71 feet to the **PLACE OF BEGINNING**, and being called 183.11 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 219.56 ACRE UNIT I RR CO SURVEY 77, A-536, H & W SURVEY 44, A-1185, LA SALLE COUNTY, TEXAS

KINSEL LAS E 4H

Being a called 219.56 acre Unit, situated in the I RR CO Survey 77, A-536 and the H & W Survey 44, A-1185, La Salle County, Texas, said called 219.56 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point for the west corner of the herein described unit from which a 1/2" iron rod found in southeast line of the right-of-way of the International and Great Northern Railroad and being the southwest corner of a 2359.887 acre tract known as the Kinsel Family Ranch, brs N 70°33'47" W, a distance of 6699.29 feet, said iron rod having Texas Coordinate System of 1927 values of X = 1935544 and Y = 265459;

THENCE N 22°17'04" E across said 2359.887 acre tract a distance of 1387.80 feet to a point for the north corner of the herein described unit;

THENCE S 60°59'52" E continuing across said 2359.887 acre tract a distance of 1737.79 feet to a point at an interior corner of said 2359.887 acre tract;

THENCE S 60°19'34" E continuing across said 2359.887 acre tract at 2827.72 feet pass a found iron rod with cap 33.15 feet left for the most east interior corner of said 2359.887 acre tract, at 5132.98 feet a point for the east corner of the herein described unit;

THENCE S 29°09'40" W across said 2359.887 a distance of 1426.75 feet to the south corner of the herein described unit;

THENCE N 60°04'09" W continuing across said 2359.887 acre tract a distance of 6705.00 feet to the **PLACE OF BEGINNING**, and being called 219.56 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 173.49 ACRE UNIT I RR CO SURVEY 68, A-1243 LA SALLE COUNTY, TEXAS

KINSEL LAS E 8H

Being a called 173.49 acre Unit, situated in the I RR CO Survey 68, A-1243, La Salle County, Texas, said called 173.49 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at the south corner of a 2359.887 acre tract known as the Kinsel Family Ranch, said corner having Texas Coordinate System of 1927 values of X = 1951590.7 and Y = 256231.8;

THENCE S 60°04'09" E along the southwest boundary line of said 2359.887 acre tract a distance of 5201.68 feet to a point for the west corner of the herein described unit;

THENCE N 29°09'40" E across said 2359.887 acre tract a distance of 1450.13 feet to a point for the north corner of the herein described unit;

THENCE S 60°04'09" E continuing across said 2359.887 acre tract a distance of 5223.11 feet to a point in the southeast boundary line of said 2359.887 acre tract;

THENCE S 30°00'29" W along the southeast boundary line of said 2359.887 acre tract a distance of 1450.00 feet to the **PLACE OF BEGINNING**, and being called 173.49 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 120.07 ACRE UNIT I RR CO SURVEY 68, A-1243, LA SALLE COUNTY, TEXAS

KINSEL LAS E 9H

Being a called 120.07 acre Unit, situated in the I RR CO Survey 68, A-1243, La Salle County, Texas, said called 120.07 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point for the west corner of the herein described unit from which a 1/2" iron rod found in southeast line of the right-of-way of the International and Great Northern Railroad and being the southwest corner of a 2359.887 acre tract known as the Kinsel Family Ranch, brs N 66°20'22" W, a distance of 13368.99 feet, said iron rod having Texas Coordinate System of 1927 values of X = 1935544 and Y = 265459;

THENCE N 29°09'40" E across said 2359.887 acre tract a distance of 1000.09 feet to a point for the north corner of the herein described unit;

THENCE S 60°04'09" E continuing across said 2359.887 acre tract, a distance of 5237.89 feet to a point of intersection with the most easterly southeast boundary line of said 2359.887 acre tract;

THENCE S 30°00'29" W along said boundary line, a distance of 1000.00 feet a point for the south corner of the herein described unit;

THENCE N 60°04'09" W continuing across said 2359.887 acre tract a distance of 5223.11 feet to the **PLACE OF BEGINNING**, and being called 120.07 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 180.73 ACRE UNIT I RR CO SURVEY 68, A-1243 LA SALLE COUNTY, TEXAS

KINSEL LAS F 6H

Being a called 180.73 acre Unit, situated in the I RR CO Survey 68, A-1243, La Salle County, Texas, said called 180.73 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point for the west corner of the herein described unit from which a 1/2" iron rod found in southeast line of the right-of-way of the International and Great Northern Railroad and being the southwest corner of a 2359.887 acre tract known as the Kinsel Family Ranch, brs N 70°34'04" W, a distance of 13501.6 feet, said iron rod having Texas Coordinate System of 1927 values of X = 1935544 and Y = 265459;

THENCE N 29°09'40" E across said 2359.887 acre tract, a distance of 1500.14 feet to a point for the north corner of the herein described unit;

THENCE S 60°04'09" E continuing across said 2359.887 acre tract, a distance of 5260.07 feet to a point of intersection with the most easterly southeast boundary line of said 2359.887 acre tract;

THENCE S 30°00'29" W along said boundary line, a distance of 1500.00 feet a point for the south corner of the herein described unit;

THENCE N 60°04'09" W across said 2359.887 acre tract a distance of 5237.89 feet to the **PLACE OF BEGINNING**, and being called 180.73 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 167.41 ACRE UNIT I RR CO SURVEY 68, A-1243 LA SALLE COUNTY, TEXAS

KINSEL LAS F 9H

Being a called 167.41 acre Unit, situated in the I RR CO Survey 68, A-1243, La Salle County, Texas, said called 167.41 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point for the west corner of the herein described unit from which a 1/2" iron rod found in southeast line of the right-of-way of the International and Great Northern Railroad and being the southwest corner of a 2359.887 acre tract known as the Kinsel Family Ranch, brs N 76°42'11" W, a distance of 13834.3 feet, said iron rod having Texas Coordinate System of 1927 values of X = 1935544 and Y = 265459;

THENCE N 29°09'40" E across said 2359.887 acre tract a distance of 1396.65 feet to the point of intersection with the most eastern northeast boundary line of said 2359.887 acre tract and being the north corner of the herein described unit;

THENCE S 59°47'40" E along said northeast boundary line, a distance of 5280.74 feet to the most east corner of said 2359.887 acre tract and being the east corner of the herein described;

THENCE S 30°00'29" W along the most easterly southeast boundary line of said 2359.887 acre tract, a distance of 1371.21 feet a point for the south corner of the herein described unit;

THENCE N 60°04'09" W across said 2359.887 acre tract a distance of 5260.07 feet to the **PLACE OF BEGINNING**, and being called a 167.41 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 197.51 ACRE UNIT POITEVENT, J. SURVEY 25, A-625 LA SALLE COUNTY, TEXAS

KINSEL RR UNIT I

Being a called 197.51 acre Unit, situated in the Poitevent, J Survey 25, A-625, La Salle County, Texas, said called 197.51 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a west corner of a called 200.00 acre tract that was conveyed to Joe Sherwood Kotis, same being in Ranch Road 469, said corner having Texas Coordinate System of NAD 1927 values of X = 1949648.1 and Y = 263519.9;

THENCE N 30°05'20" E along the west boundary line of said 200 acre tract, a distance of 1609.77 feet to a point in the west boundary line of said 200 acre tract, same being the north corner for the herein describe unit;

THENCE S 59°57'11" E across said 200 acre tract, a called 151 acre tract conveyed to Joe Sherwood Kotis, a called 151.77 acre tract conveyed to Irma Ramirez Gomez et al, and a called 100.00 acre tract conveyed to Dan W. Kinsel III, a distance of 5300.33 feet to a point in the west Row line of said road, same being the east corner of the herein described unit, from which an 1/2" iron rod for reference found in the east ROW line of Ranch Road 469, brs. N 59°58'45" E 221.89 feet;

THENCE S 29°53'46" W along the west ROW line of said road, a distance of 50.80 feet to a point;

THENCE S 29°07'05" W along and across said ROW, a distance of 1573.92 feet to a point for the south corner a called 2.665 acre tract conveyed to Dan W. Kinsel III, for the south corner of the herein described unit;

THENCE N 59°47'40" W along the south boundary line of said 2.665 acre tract and the centerline of said Ranch Road, a distance of 5327.19 feet to **PLACE OF BEGINNING**; and being called a 197.51 acre unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 121.66 ACRE UNIT POITEVENT, J. SURVEY 25, A-625 LA SALLE COUNTY, TEXAS

KINSEL RR UNIT II

Being a called 121.66 acre Unit, situated in the Poitevent, J Survey 25, A-625, La Salle County, Texas, said called 121.66 acre Unit being more particularly described by metes and bounds as follows:

COMMENCING at the west corner of a called 200.00 acre tract that was conveyed to Joe Sherwood Kotis, same being in Ranch Road 469, said corner having Texas Coordinate System of NAD 1927 values of X = 1949648.1 and Y = 263519.9;

THENCE N 30°05'20" E along the west boundary line of said 200.00 acre tract, a distance of 1609.77 feet to **THE POINT OF BEGINNING** and the west corner for the herein describe unit;

THENCE N 30°05'20" E continuing along the west boundary line of said 200.00 acre tract, a distance of 1000.00 feet to a point for the north corner of the herein described unit;

THENCE S 59°57'11" E across said 200.00 acre tract, a called 151.00 acre tract conveyed to Joe Sherwood Kotis, a called 151.77 acre tract conveyed to Irma Ramirez Gomez et al, a called 100.00 acre tract conveyed to Dan W. Kinsel III, and a called 12.00 acre tract conveyed to Dan W. Kinsel III, a distance of 5301.13 feet to a point in the east boundary line of said 12.00 acre tract, same being the east corner of the herein described unit, from which an 1/2" iron rod for the west corner of said 12.00 acre tract, brs. S 80°20'55" W 596.40 feet;

THENCE S 30°31'28" W along said southeast boundary of said 12 acre tract, a distance of 379.27 feet to a point for the south corner of said 12.00 acre tract;

THENCE S 29°53'46" W along southeast boundary line of said 100.00 acre tract, distance of 620.75 feet to a point on the west ROW line of Ranch Road 469, same being the south corner of the herein described unit, from which a 1/2" iron rod for reference in the east ROW line of said Ranch Road, brs N 59°58'45" E, 221.89 feet;

THENCE N 59°57'11" W across said 100.00 acre tract, said 151.77 acre tract, said 151.00 acre tract and said 200.00 acre tract, a distance of 5300.33 feet to **PLACE OF BEGINNING**; and being called a 121.66 acre unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 150.99 ACRE UNIT POITEVENT, J. SURVEY 25, A-625 LA SALLE COUNTY, TEXAS

KINSEL RR UNIT III

Being a called 150.99 acre Unit, situated in the Poitevent, J Survey 25, A-625, La Salle County, Texas, said called 150.99 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point in the southeast boundary line of a called 12.00 acre tract conveyed to Dan W. Kinsel III, being the south corner of for the herein described unit, having Texas Coordinate System of NAD 1927 values of X = 1955545.2 and Y = 263123.7, from which a 1/2" iron rod found at the west corner of said 12.00 acre tract brs $S = 80^{\circ}20'55$ " W, S = 50'40'55" w, S = 50'40'555 w, S = 50'40'5555 w, S

THENCE N 59°57'11" W across the said 12.00 acre tract, a called 100 acre tract conveyed to Dan W. Kinsel III, a called 151.00 acre tract conveyed to Joe Sherwood Kotis, a called 151.77 acre tract conveyed to Irma Ramirez Gomez et al, and a 200.00 acre tract conveyed to Joe Sherwood Kotis, a distance of 5301.13 feet to a point in the west boundary line of said 200.00 acre tract, same being the west corner for the herein described unit;

THENCE N 30°05'20" E along the west boundary line of said 200.00 acre tract, a distance of 1240.01 feet to a point for the north corner of the herein described unit;

THENCE S 59°57'11" E across said 200.00 acre tract, said 151.00 acre tract, said 151.77 acre tract, said 100.00 acre tract, and a called 179.52 acre tract conveyed to Dan W. Kinsel III, a distance of 5310.55 feet to a point for the east corner of the herein described unit, from which a found 1/2" iron rod for the north corner of said 12.00 acre tract, brs. S 74°23'22" W 690.98 feet;

THENCE S 30°31'28" W across said 179.52 acre tract, a distance of 495.50 feet to a point for the east corner of said 12.00 acre tract;

THENCE S 30°31'28" W along the southeast boundary line of said 12.00 acre tract, a distance of 744.54 feet to **PLACE OF BEGINNING**; and being called a 150.99 acre unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 183.64 ACRE UNIT POITEVENT, J. SURVEY 25, A-625 LA SALLE COUNTY, TEXAS

KINSEL RR UNIT IV

Being a called 183.64 acre Unit, situated in the Poitevent, J Survey 25, A-625, La Salle County, Texas, said called 183.64 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at the northeast boundary line of a called 179.52 acre tract conveyed to Dan W. Kinsel III, being the east corner of for the herein described unit, having Texas Coordinate System of NAD 1927 values of X = 1956936.7 and Y = 265483.6;

THENCE S 30°31'28" W across the said 179.52 acre tract, a distance of 1499.58 feet to a point for the south corner for the herein described unit, from which a 1/2" iron rod for the north corner of a called 12.00 acre tract conveyed to Dan W. Kinsel III brs S 74°23'22" W, 690.98 feet;

THENCE N 59°57'11" W continuing across said 179.52 acre tract, a called 100.00 acre tract conveyed to Dan W. Kinsel III, a called 151.77 acre tract conveyed to Irma Ramirez Gomez et al, a called 151.00 acre tract conveyed to Joe Sherwood Kotis, and a called 200.00 acre tract conveyed to Joe Sherwood Kotis, a distance of 5310.55 feet to a point on the northwest boundary line of said 200.00 acre tract, same being the west corner of the herein described unit;

THENCE N 30°05'20" E along the northwest boundary line of said 200.00 acre tract, a distance of 1495.44 feet to a point for the north corner of said 200.00 acre tract, same being the north corner of the herein described unit;

THENCE S 60°04'42" E along the north boundary of said 200.00 acre tract, a distance of 2088.61 feet to a point for the east corner of said 200.00 acre tract, same being the north corner of said 151.00 acre tract;

THENCE S 59°56'41" E along northeast boundary line of said 151.00 acre tract, said 151.77 acre tract, said 100 acre tract and said 179.52 acre, a distance of 3233.35 feet to the **PLACE OF BEGINNING**; and being called a 183.64 acre unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 208.63 ACRE UNIT C. J. BUCK SURVEY 80, A-1130 AND INDIANOLA R.R. CO. SURVEY 87, A-551 LA SALLE COUNTY, TEXAS

KINSEL MILLETT UNIT I

Being 208.63 acres of land, more or less, lying and being situated in La Salle County, Texas in the C. J. Buck Survey 80, A-1130 and in the Indianola RR. Co. Survey 87, A-551, being Lots 10, 11, 12, 13, 14, 15, 16 and 17, Block 80, Gardendale Colony Lands and Lots 15-1/2, 16and17, Block 87, Gardendale Colony Lands, according to the subdivision plat recorded in Volume U, Page 135, Deed Records of La Salle County, Texas, being more particularly described, as follows:

BEGINNING at the east comer of this tract and the apparent east corner of said Lot 17, Block 80, Gardendale Colony Lands, common with the north corner of Lot 26, Block 78, Gardendale Colony Lands, having Texas Coordinate System of 1927, South Central Zone (4204) values of X=1,940,582.7 and Y=257,865.4;

THENCE along the southeast line of this tract and of said Lot 17, Block 80, South 29 degrees 38 minutes 40 seconds West, 1320.00 feet to the south comer of this tract;

THENCE along the southwest line of this tract, North 60 degrees 21 minutes 20 seconds West, 6711.96 feet to the west corner of this tract, being on the east right-of-way line of the Union Pacific Railroad;

THENCE along said railroad right-of-way line, North 14 degrees 58 minutes 26 seconds East, 1364.49 feet to the north corner of this tract;

THENCE along the northeast line of this tract, South 60 degrees 21 minutes 20 seconds East, 7057.54 feet to the **PLACE OF BEGINNING**, containing 208.63 acres of land, more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 234.08 ACRE UNIT C. J. BUCK SURVEY 80, A-1130 AND INDIANOLA R.R. CO. SURVEY 87, A-551 LA SALLE COUNTY, TEXAS

KINSEL MILLETT UNIT II

Being 234.08 acres of land, more or less, lying and being situated in La Salle County, Texas in the C. J. Buck Survey 80, A-1130 and in the Indianola R.R. Co. Survey 87, A-551, being Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9, Block 80, Gardendale Colony Lands and Lots 1, 2 and 3, Block 87, Gardendale Colony Lands, according to the subdivision plat recorded in Volume U, Page 135, Deed Records of La Salle County, Texas, being more particularly described, as follows:

BEGINNING at the east corner of this tract and the apparent east corner of said Lot 1, Block 80, Gardendale Colony Lands, common with the north corner of Lot 25, Block 78, Gardendale Colony Lands, having Texas Coordinate System of 1927, South Central Zone (4204) values of X=1,941,235.5 and Y=259,012.6;

THENCE along the southeast line of this tract and of said Lot 1, Block 80, South 29 degrees 38 minutes 40 seconds West, 1320.00 feet to the south corner of this tract;

THENCE along the southwest line of this tract, North 60 degrees 21 minutes 20 seconds West, 7057.54 feet to the west corner of this tract, being on the east right-of-way line of the Union Pacific Railroad;

THENCE along said railroad right-of-way line, North 14 degrees 58 minutes 26 seconds East, 1548.44 feet to the north corner of this tract;

THENCE along the northeast lines of this tract, as follows:
South 58 degrees 56 minutes 20 seconds East, 2059.53 feet; and
South 59 degrees 00 minutes 20 seconds East, 5392.30 feet to the **PLACE OF BEGINNING**, containing 234.08 acres of land, more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 316.46 ACRE UNIT L. M. LANE SURVEY 78, A-1242 LA SALLE COUNTY, TEXAS

JD FENNER UNIT III

All that certain tract or parcel of land, lying and being situated in La Salle County, Texas in the L. M. Lane Survey 78, A-1242, being all of Lots 18 through 33, Block 78, Gardendale Colony Lands, according to the subdivision plat recorded in Volume U, Page 135, Deed Records of La Salle County, Texas, and being more particularly described, as follows:

BEGINNING at the south corner of this tract, being the apparent common corner of Blocks 78, 70, 72, and 79 of said Gardendale Colony Lands, and having Texas Coordinate System of 1927, South Central Zone 4204, values of X=1,944,467.8 and Y=254,135.6;

THENCE along the southwest line hereof, North 60 degrees 21 minutes 20 seconds West, 5221.69 feet to the west corner hereof;

THENCE along the northwest line hereof, North 29 degrees 38 minutes 40 seconds East, 2640.00 feet to the north corner hereof;

THENCE along the northeast line hereof, South 60 degrees 21 minutes 20 seconds East, 5221.69 feet to the east corner hereof;

THENCE along the southeast line hereof, South 29 degrees 38 minutes 40 seconds West, 2640.00 feet to the **PLACE OF BEGINNING**, containing 316.46 acres of land, more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 175.05 ACRE UNIT POITEVENT, J. SURVEY 24, A-1246 LA SALLE COUNTY, TEXAS

SALINAS UNIT I

Being a called 175.05 acre Unit, situated in the Poitevent, J. Survey 24, La Salle County, Texas, said called 175.05 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point on the northwest boundary line of a 323.13 acre tract conveyed to Dan W. Kinsel III et al, and the northwest line of said Piotevent, J. Survey 24, A-1246, same being the north corner of the herein described Unit, a iron pipe post found for the north corner of said 323.13 acre tract brs. N 30°00'45" E 3871.31 feet having Texas Coordinate System of 1927 values of X = 1947713, Y = 270807;

THENCE S 60°02'25" E across said 323.13 acre tract, and a 323.79 acre tract conveyed to Leonardo Salinas et al, a distance of 5322.85 feet, to a point on the southeast boundary line of said 323.79 acre tract, and the southeast boundary line of Piotevent, J. Survey 24, A-1246 and being the East corner of the herein described unit,

THENCE S 30°05'20" W with the southeast boundary line of said 323.79 acre tract, and said Piotevent, J. Survey 24, A-1246, a distance of 1432.32 feet to the southernmost corner of the said 323.79 acre tract, and being the South corner of this Unit;

THENCE N 59°59'26" W with the southwest boundary of said 323.79 acre tract, a distance of 2664.77 feet to an iron pipe post for the west corner for the said 323.79 acre tract;

THENCE N 60°06'35" W along the southwest boundary line of the aforementioned 323.13 acre tract, a distance of 2656.18 feet, to a point for the west corner of the said 323.13 tract;

THENCE N 30°00'45" E with the northwest boundary line of said 323.13 acre tract, a distance of 1433.22 feet to **PLACE OF BEGINNING**; and being called a 175.05 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 158.88 ACRE UNIT POITEVENT, J. SURVEY 24, A-1246 LA SALLE COUNTY, TEXAS

SALINAS UNIT II

Being a called 158.88 acre Unit, situated in the Poitevent, J. Survey 24 A-1246, La Salle County, Texas, said called 158.88 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point on the northwest boundary line of a 323.13 acre tract conveyed to Dan W. Kinsel III et al, same being the northwest line of said Poitevent J. Survey 24, A-1246, and being the west corner of the herein described Unit, from which an iron pipe post found for the south corner of said 323.13 acre tract bears S $31^{\circ}43'55''$ E 3015.49 feet, said iron pipe post having Texas Coordinate System of 1927 values of X = 1947362, Y = 264890;

THENCE N 30°00'45" E along the northwest boundary line of said 323.13 acre tract and the northwest boundary line of said Poitevent J. Survey 24, A-1246, a distance of 1300.00 feet, to a point for the North corner of said Unit;

THENCE S 60°02'25" E across said 323.13 acre tract and a 323.79 acre tract conveyed to Leonardo Salinas et al, a distance of 5324.59 feet, to a point on the southeast boundary line of said 323.79 acre tract, same being the southeast boundary line of said Poitevent J. Survey 24, A-1246, and the East corner of said Unit;

THENCE S 30°05'20" W with the southeast boundary line of said 323.79 acre tract, and the southeast boundary line of said Poitevent J. Survey 24, A-1246, a distance of 1300.00 feet, to the South corner of this Unit;

THENCE N 60°02'25" W across said 323.79 acre tract and aforementioned 323.13 acre tract, a distance of 5322.85 feet, to **PLACE OF BEGINNING**; and being called a 158.88 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 146.71 ACRE UNIT POITEVENT, J. SURVEY 24, A-1246 LA SALLE COUNTY, TEXAS

SALINAS UNIT III

Being a called 146.71 acre Unit, situated in the Poitevent, J. Survey 24, La Salle County, Texas, said called 146.71 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point on the Northwest boundary line of a 323.13 acre tract conveyed to Dan W. Kinsel III et al, same being the north corner of the herein described Unit, from which an iron pipe post bears N 30°00'45" E, 1371.31 feet, said iron pipe post having Texas Coordinates System of 1927 values of X = 1947713, Y = 270807;

THENCE S 60°02'25" E across said 323.13 acre tract, and a 323.79 acre tract conveyed to Leonardo Salinas et al, a distance of 5326.19 feet, to a point on the southeast boundary line of said 323.79 acre tract, and the southeast boundary line of Poitevent J. Survey 24, A-1246, same being the east corner of the herein described unit

THENCE S 30°05'20" W with the southeast boundary line of said 323.79 acre tract, same being southeast boundary line of the Poitevent J. Survey 24, A-1246 distance of 1200.00 feet to a point for the South corner of this Unit;

THENCE N 60°02'25" W across said 323.79 acre tract and aforementioned 323.13 acre tract, a distance of 5324.59 feet, to a point on the northwest boundary line of the said 323.13 tract and said Survey 24, for the west corner of this Unit;

THENCE N 30°00'45" E with the northwest boundary line of said 323.13 acre tract and said Survey 24, a distance of 1200.00 feet to **PLACE OF BEGINNING**; and being called a 146.71 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 166.28 ACRE UNIT POITEVENT, J. SURVEY 24, A-1246 LA SALLE COUNTY, TEXAS

SALINAS UNIT IV

Being a called 166.28 acre Unit, situated in the Poitevent, J. Survey 24, La Salle County, Texas, said called 166.28 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at an iron pipe post found for the north corner of a 323.13 acre tract conveyed to Dan W. Kinsel III et al, same being the north corner of Poitevent Survey 24, A-1246 and the north corner of the herein described Unit, said iron pipe post having Texas Coordinate System of 1927 values of X = 1947713, Y = 270807;

THENCE S 59°33'27" E along the northeast boundary line of said 323.13 acre tract, same being the northeast boundary line of the Poitevent Survey 24, A-1246, a distance of 2660.42 feet to a fence corner post called to be the east corner of said 323.13 acre tract, same being the north corner of a 323.79 acre tract conveyed to Leonardo Salinas et al:

THENCE S 60°28'56" E along the northeast boundary line of said 323.79 acre tract and said Survey 24, a distance of 2667.77 feet, to wood fence corner post found at the east corner of said Survey 24, same being the east corner of said 323.79 acre tract, and the east corner of herein Unit;

THENCE S 30°05'20" W along the southeast boundary line of said 323.79 acre tract same being the southeast boundary line of said Survey 24, a distance of 1369.47 feet to a point for the south corner of the herein described Unit;

THENCE N 60°02'25" W across said 323.79 acre tract and the aforementioned 323.13 acre tract, a distance of 5326.19 feet, to a point on the northwest boundary line of the said 323.13 tract, same being the northwest boundary line of said Survey 24, and being the west corner of the herein described Unit;

THENCE N 30°00'44" E along the northwest boundary line said 323.13 acre tract, same being the northwest boundary line said Survey 24, a distance of 1371.31 feet to **PLACE OF BEGINNING**; and being called a 166.28 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 147.72 ACRE UNIT J. POITEVENT SURVEY 26, A-1251 LA SALLE COUNTY, TEXAS

H. WILSON UNIT I

Being a called 147.72 acre Unit, situated in the J. Poitevent Survey 26, A-1251 La Salle County, Texas, said called 147.72 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point on a northwest boundary line of a 179.52 acre tract conveyed to Dan W. Kinsel III et al, same being the west corner of the herein described Unit, a 1/2" steel rod found for the west corner of a 12.00 acre tract conveyed to Dan Kinsel III et al, brs. S 72°01'55" W 687.60 feet, having Texas Coordinate System of 1927 values of X = 1954957, Y = 263024;

THENCE N 30°31'28" E along a or the lower northwest boundary line of said 179.52 acre tract, and the southeast boundary line of said 12.00 acre tract, at 614.37 feet, pass the east corner of said 12.00 acre tract, continuing a total distance of 1159.39 feet to a point for the north corner of the herein described unit;

THENCE S 59°59'32" E across said 179.52 acre tract, and a 161.90 acre tract conveyed to Rusell Earl Wilson, a distance of 5331.34 feet to a point in the southeast boundary line of said 161.90 acre tract, being the east corner of herein described unit;

THENCE S 30°11'20" W along the southeast boundary line of said 161.90 acre tract, a distance of 1192.07 feet to a 1/2" iron rod found for the south corner of the said 161.90 acre tract, same being the south corner of the herein described unit;

THENCE N 60°02'09" W along the southwest boundary line of said 161.90 acre tract, a distance of 2704.09 feet to west corner of the said 161.90 acre tract;

THENCE N 29°46'03" E along the northwest boundary line of said 161.90 acre tract, a distance of 35.89 feet to a point for corner;

THENCE N 60°01'00" W along the southwest boundary line a 7.457 acre tract conveyed by Dan W. Kinsel III, a 3.283 acre tract conveyed by Dan W. Kinsel III to the State of Texas, and the aforementioned 179.52 acre tract, a distance of 2633.79 feet to **PLACE OF BEGINNING**; and being called a 147.72 acre Unit more or less.

METES AND BOUNDS DESCRIPTION OF A CALLED 174.36 ACRE UNIT J. POITEVENT SURVEY 26, A-1251 LA SALLE CO.

H. WILSON UNIT II LAS A 4H

Being a called 174.36 acre Unit, situated in the J. Poitevent Survey 26, A-1251 La Salle County, Texas, said called 174.36 acre Unit being more particularly described by metes and bounds as follows:

BEGINNING at a point, being the west corner of the herein described Unit, from which a 1/2" iron rod found for the north corner of a 12.00 acre tract conveyed to Dan W. Kinsel III et al, brs. S 71°41′08" W 727.49 feet, having Texas Coordinate System of 1927 values of X = 1955510, Y = 264006;

THENCE N 30°31'28" E across said 179.52 acre tract, a distance of 1450.06 feet to a point for corner, same being the ostensible common corner of J. Poitevent Surveys 21, 22, 25, and 26;

THENCE S 59°59'32" E along the northeast boundary lines of said 179.52 acre tract, and a 161.9 acre tract conveyed to Horace R. Wilson, a distance of 5322.85 feet to a point for corner, same being the ostensible common corner of J. Poitevent surveys 20, 21, 26, and 27, also being the east corner of said 161.9 acre tract;

THENCE S 30°11'20" W along the southeast boundary line of said 161.9 acre tract, a distance of 1450.01 to a point for corner in the southeast boundary line of said 161.9 acre tract;

THENCE N 59°59'32" W across the said 161.9 acre tract, Ranch road 469, and said 179.52 acre tract, a distance of 5331.34 feet to **PLACE OF BEGINNING**; and being called a 174.36 acre Unit more or less.

End of Exhibit "A"