H. C. DREW ESTATE, represented by its Trustees, Louie D. Barbe, III and C. W. Shaddock

Plaintiff,

Vs. No. 2019-4925

NEUMIN PRODUCTION COMPANY and STOKES & SPIEHLER, INC. Defendants

Filed: 10-18-19

14TH JUDICIAL DISTRICT COURT

STATE OF LOUISIANA

PARISH OF CALCASIEU

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PETITION FOR DAMAGES

The petition of H. C. DREW ESTATE, a Louisiana non-profit corporation qualified under 26 U.S.C. §501(c) (4), represented by its Trustees, C. Wade Shaddock, Jr. and Louie D. Barbe, III, represents as follows:

1.

A The defendants named herein are:

- a. NEUMIN PRODUCTION COMPANY, a Delaware corporation with its principal place of business in Texas, which may be served through its agent for service of process, Corporation Service Company, 501 Louisiana Avenue, Baton Rouge, LA 70802; and
- b. STOKES & SPIEHLER, INC., a Louisiana corporation that may be served through its agent for service of process, C T Corporation System, 3667 Plaza Tower Dr., Baton Rouge, LA 70816.

THE PLAINTIFF AND ITS PROPERTY

2.

The plaintiff, H. C. DREW ESTATE, is a Louisiana corporation qualifying as a nonprofit organization under 26 U.S.C. §501(c) (4). It exists to provide support for educational institutions throughout southwest Louisiana. Over the years, the plaintiff has contributed many millions of dollars for the betterment of education throughout this region.

3.

The plaintiff owns land located in Section 15, Township 10 South, Range 11 West of Calcasieu Parish located in the North Choupique Oil and Gas Field.

4.

The tract is approximately 175.55 acres, more or less.

5.

H. C. Drew Estate has owned this property continuously since 1917.

6.

On or about August 23, 2000, the plaintiff entered into a mineral lease with the defendant, Neumin Production Company. A true and correct copy of that mineral lease is attached hereto as **Exhibit A.**

7.

On or about December 1, 2000, the plaintiff entered into a road servitude agreement with the defendant, Neumin Production Company. A true and correct copy of that agreement is attached hereto as **Exhibit B**.

8.

Thereafter, the defendant, Neumin Production Company, in concert with the other named defendant, Stokes & Spiehler, organized, planned, and conducted oil and gas exploration and production activities on the plaintiff's property.

THE DEFENDANTS' OIL AND GAS OPERATIONS

9.

The plaintiff's property has sustained "environmental damage" as that term is defined in LA. R.S. 20:29(I) as a result of wrongful acts or omissions attributable to the defendants and occurring during their activities on and near the property, including, but not limited to, the exploration and production of oil and gas by the defendants (or third parties who operated on their behalf).

10.

The exploration and production activities involved the planning, drilling, and operation of oil and gas wells, as well as the construction and operation of related structures, including but not limited to associated pits, retention ponds, production ponds, separators, tank batteries, flow lines, pipelines, valves, and/or other equipment and facilities used in connection with the oil and gas operations on the property, as well as the oil and gas operations throughout the North Choupique Oil and Gas Field.

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To the best of the plaintiff's information at this time, the defendants conducted their oil and gas operations on the plaintiff's property pursuant to the contracts described above.

11. •

12.

Stokes & Spiehler were consulting engineers for Neumin and acted as an agent of Neumin at all times. On information and belief, Stokes & Spiehler were involved in the design and drilling of the primary well at issue, identified as the H. C. Drew Manuel Estate No. 15, serial number 225207, as well as the annular disposal of reserve pit fluids, which contributed to the environmental damage to the plaintiff's property.

13.

Following the plugging and abandonment of the well on September 15, 2015, testing performed on the plaintiff's property by environmental experts revealed excessive salt, petroleum hydrocarbons and other contaminants in the soil and groundwater in close proximity to the facilities operated by defendants.

14.

Significantly, the fresh water aquifer beneath the plaintiff's property—known as the Chicot Aquifer—is used extensively for drinking water and other domestic purposes. In fact, it is the primary freshwater aquifer for most of southwest Louisiana.

CLAIMS AGAINST THE DEFENDANTS

15.

As described above, the oil and gas operations on and adjacent to the plaintiff's property were conducted by the defendants (or took place under their direction, approval, and/or control) in one or more of the following capacities, to-wit: operator, contractor, subcontractor, working interest owner, mineral lessee, mineral lease assignee or sublessee, personal servitude owner, predial servitude owner, surface lessee, surface lease assignee or sublessee, landowner, or successor or assignee of any of the above interests.

16.

The defendants are legally responsible for any and all compensatory damages associated with the damage to the plaintiff's property.

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17.

More specifically, the damage to the property is actionable as a tort, a breach of contract, a failure to operate prudently, a failure to maintain *garde* or control of the harmful byproducts of operations, a failure to observe the obligations of neighborhood or other personal or predial servitudes, a failure to obey the obligations imposed by the laws governing quasi-contracts, and a failure to obey any laws under which the plaintiff is a third-party beneficiary to contract between the defendants and others.

18.

The plaintiff reserves and does not waive any cause of action to which it may be entitled and seeks to assert any and all causes of action permitted under the law and that are available under the facts of the case, as authorized by article 862 of the Louisiana Code of Civil Procedure.

19.

The damage to the plaintiff's soil and water includes, but is not necessarily limited to, deposits of brine, NORM, drilling fluids, petroleum hydrocarbons, heavy metals, and chlorides.

20.

The damage described above was caused by multiple failures of the defendants, including, but not limited to, the following: (i) the defendants' failure to obey the applicable terms of the agreements governing their operations on and adjacent to the plaintiff's property; (ii) the defendants' failure to exercise adequate care in conducting their operations and in controlling the waste produced by their operations; (iii) the defendants' failure to heed industry warnings about the improper control of oilfield waste; (iv) the defendants' failure to utilize operating practices and methods that would have eliminated or avoided the damage to the plaintiff's property; (v) the defendants' failure to inform the plaintiff, its members, and their ancestors that damage was occurring and had occurred to the property, so that they could take steps to address the damage and prevent it from becoming worse; and (vi) the defendants' failure to exercise proper care in the production, storage, handling, containment, control, and transportation of brine, NORM, hydrocarbons, metals, drilling fluids, and other materials associated with the oilfield operations conducted by or on behalf of the defendant. The environmental damage to the plaintiff's property constitutes a breach of the express and implied obligations under the agreements described above. The defendant breached these obligations by failing to promptly and fully restore the property and by failing to promptly remedy the damage they caused to the property.

22.

Upon information and belief, the defendant not only failed to inform the plaintiff about the damages to the property, but, in fact, may have acted in ways to conceal it from them.

23.

The defendants' deposit of contamination, foreign materials, abandoned equipment, and other paraphernalia on the plaintiff's property, and their failure to remove those máterials, constitutes a continuing trespass.

24.

The defendants' actions have created an ongoing and damaging nuisance to the plaintiff and its property, which continues to this date.

25.

In addition, the defendants' failure to restore the plaintiff's property constitutes a continuing breach of duties imposed by tort law, contract law, and mineral law.

26.

The measure of compensatory damages is the amount necessary to put the plaintiff in the position it would have been in if the defendants had not breached their legal duties.

27.

As a matter of law, these damages include, but are not limited to, any and all costs involved in restoring the plaintiff's property to the condition it was in before the defendant damaged it, any and all damages associated with the loss of use of the plaintiff's property as a result of the contamination, any and all loss of income arising as a result of the contamination, attorneys' fees and costs, and any other damages permitted by law.

28.

The damage to the plaintiff's property was caused by the excessive and unreasonable operations of the defendants conducted on the plaintiff's property.

The defendants not only failed to act as prudent operators, but they also failed to comply with applicable state and federal regulations governing their operations in the North Choupique Oil and Gas Field. Accordingly, the plaintiff is entitled to have its property restored to its original, or pre-oil and gas, condition.

30.

The defendants' conduct also violates the Louisiana Unfair Trade Practices and Consumer Protection Law ("LUPTA"), particularly that part enrolled at LA. R.S. 51:1401, *et seq*.

31.

In particular, the defendants' conduct, including, but not limited to, their failure to inform the plaintiff of the damage they were causing to the plaintiff's property and their willful ignorance of the decades of oil industry literature warning of the environmental damage caused by such imprudent practices and operations is immoral, unethical, oppressive, unscrupulous, and/or substantially injurious.

32.

In addition, the plaintiff is entitled to recover its attorney's fees and costs, as per the terms of its contracts described above.

33.

Additionally, under the provisions of LUPTA, the plaintiff is entitled to recover its attorneys' fees and costs in bringing this lawsuit.

34.

In addition to the defendants' breaches of their private law duties owed to the plaintiff, the defendants' conduct violated numerous regulatory laws of the State of Louisiana that governed the defendants' operations at all relevant times.

35.

These regulatory laws include the public laws enacted as part of Act 312 of 2006, which are supplemental *to* the plaintiff's private law causes of action. Thus, the plaintiff is also entitled to and do hereby assert an additional cause of action for clean up to regulatory standards under Act 312, particularly that part enrolled at LA. R.S. 30:29.

36.

On information and belief, none of the obligations that the plaintiff seeks to enforce has been discharged by bankruptcy or other debtor relief proceedings.

ACCORDINGLY, the plaintiff herein, H. C. DREW ESTATE, asks that:

I. The defendants named herein be duly cited and served with a certified copy of this petition and be made to respond in the manner and form required by law;

II. After due proceedings, there be judgment herein in favor of the plaintiff and against the defendants for any and all compensatory and exemplary damages allowed by law, including, but not limited to, the amount of money necessary to restore the plaintiff's property to its original, or pre-oil and gas, condition, as well as attorney's fees and costs;

III. After further proceedings under Act 312 of 2006, there be judgment herein in favor of the plaintiff and against the defendant, *in solido*, for any and all damages necessary to restore the soil and groundwater contaminated by the defendant, whether on or off premises, to the proper regulatory standards and awarding the plaintiff any and all attorneys' fees and expenses to which it may be entitled; and

IV. Pursuant to article 862 of the Louisiana Code of Civil Procedure, the plaintiff be granted such additional relief as the evidence warrants and this Court is competent to grant, including all costs of these proceedings.

J./MICHAEL VERON (#7570) J/ROCK PALERMO III (#21793) TURNER D. BRUMBY (#33519) VERON BICE PALERMO & WILSON, LLC 721 Kirby Street (70601) P.O. Box 2125 Lake Charles, LA 70602-2125 Telephone: (337) 310-1600 Fax: (337) 310-1601

Counsel for Plaintiff

a true copy Lake Sharles, Louisiana Oan Viduie 10-28-19 Deputy Clerk of Court Calcasleu Parish, Louisiana

SERVICE INSTRUCTIONS:

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Please see paragraph 1, above, for the named defendants and service instructions.

Please serve each defendant with a copy of the Petition for Damages and Plaintiff's First Set of Discovery to Defendants. The following constitutes the oil and gas lease agreement between H.C. DREW ESTATE, REPRESENTED BY Louie D. Barbe, III and C. W. Shaddock, Jr., sole Trustees, hereinafter referred to as "Lessor," and Neumin Production Company, hereinafter referred to as "Lessee", to be effective as of the 23rd day of August, 2000, to wit:

1. The Lease in General.

Lessor, in consideration of the payment by Lessee of ONE THOUSAND AND NO/100 (\$1,000.00) DOLLARS, and other good and valuable consideration, and subject to the provisions hereinafter, hereby leases exclusively unto Lessee the premises hereinafter described for the purpose of the exploration for and the production of oil and gas, and derivatives therefrom, it being understood that Lessor reserves all other minerals in, under and appertaining to the premises.

Lessee's rights shall include the reasonable use of the surface of the premises in order to accomplish the exploration for and the production of oil or gas. It is specifically understood, however, that Lessee shall be responsible for any damage done to the surface of Lessor's property as set forth hereinafter.

2. The Premises.

- a) The land to which this lease applies is described in Exhibit "A" attached hereto and made a part hereof.
- b) Lessee's rights shall extend only to all formations lying above the deeper of the following:
 - i A depth of one hundred (100) feet below the maximum depth drilled to by Lessee in any well, the actual drilling of which shall have begun on the leased land, or on acreage pooled therewith, during the primary term hereof, regardless of whether the well proves to be productive of oil or gas in paying quantities; or
 - ii The Stratigraphic Equivalent of the base of the deepest producing formation encountered in the drilling of any well, the actual drilling of which shall have been on the leased land, or on acreage pooled therewith, during the primary term hereof.
- c) For the purpose of this agreement, it is understood that the premises contain 175.55 acres, more or less.

3. <u>Term</u>

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This lease shall be for a Primary Term of three (3) years from this date, and for so long thereafter as oil or gas is being produced or drilling operations are being conducted on the premises in accordance with the provisions hereof.

4. **Pre-Production Rights and Obligations.**

Prior to production, the rights and obligations of the parties are as follows:

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- (a) This lease shall terminate on the August 23, 2001 , unless on or before that date Lessee either:
 - (i) Commences operations and continues same to completion or abandonment; or
 - (ii) Pays to Lessor a rental of TWO HUNDRED FIFTY AND NO/100 (\$250.00)DOLLARS per acre, which rental shall maintain Lessee's rights in effect without drilling operations for an additional twelvemonth period from the date last above-written. The same will apply for one (1) additional twelve-month period, i.e., until the end of the primary term.
- (b) After beginning operations, but prior to production, Lessee may maintain its rights by continuing such operations without a lapse of more than ninety (90) days between the abandonment of work on one well, and the beginning of operations on another well.

If such operations are discontinued, the right of Lessee may be maintained by resuming rental payments within ninety (90) days from the discontinuance of operations. In this instance the rental shall be paid proportionately on the basis of the number of days between the end of the said ninety (90) days and the next ensuing rental payment date [or the end of the Primary Term, if said ninety (90) days expires after the last rental payment date] bears to 365 days. If said ninety (90) days should expire during either the initial year or any year for which rentals have been paid, no further rental shall be due until the next fixed rental payment date.

(c) All rental payments shall be paid in advance.

5. Drilling Units.

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> In the event a portion, or portions, of the land herein leased is included in a voluntary or compulsory drilling (i.e., as ordered by the commissioner) unit with other lands, operations conducted in such unit but off of the leased premises shall not have the same effect as operations conducted on the leased premises and shall not maintain this lease in force even as to the portion, or portions, of the leased premises included in such unit. Should there be an off-premises producing well which leads to the creation of a voluntary or compulsory unit encompassing a portion of the premises, then the provisions of Section 6 will be applicable.

6. Post-Production Rights and Obligations.

Upon achieving production, the rights and obligations of the parties will be as follows:

(a) Upon completion of a well producing oil, Lessee shall designate from the leased premises a block which shall not exceed substantially forty (40) acres; and upon the completion of a well producing gas or gas derivatives, Lessee shall designate from the leased premises a block which shall not exceed substantially one hundred sixty (160) acres. Each block so designated shall consist of governmental township subdivisions wherever practicable. Each block shall include the well in question.

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The area or configuration of any such block may be altered only by agreement of Lessor or by order of the Commissioner.

Lessee shall prepare an instrument describing the well and the acreage comprising the block and, within thirty (30) days after the completion of the well, said instrument shall be recorded in the conveyance records of the parish where the well is situated and a copy of same shall be mailed or delivered to Lessor.

- (b) The production obtained from each said well will maintain this contract in force only as to the area included in the block or included in a subsequent unit authorized by the Commissioner.
- (c) The classification by the commissioner as to whether a well is an "oil well" or "gas well" shall be controlling.
- (d) Lessee may maintain its rights as to the leased premises located outside any such block if, within ninety (90) days of the completion of a well within a block, Lessee either:
 - (i) commences operations on acreage outside the block and continues same to completion or abandonment; or
 - (ii) pays to Lessor that proportion of annual rental (\$250.00 per acre) which the total number of days between the end of the 90 days following the completion of such well and the next rental payment anniversary date bears to 365 days. Under no circumstances shall the provisions of this subpart extend the lease as to areas lying outside the previously created blocks beyond two (2) years from the expiration of the Primary Term hereof.

If any well is completed during any year for which the bonus or annual rental has been paid, Lessee shall not be required to commence operations or to make a rental payment until the expiration of such year.

If Lessee elects to drill an additional well or wells, Lessee may continue its rights in force as to all of the land held hereunder outside of any previously created blocks by conducting continuous operations on the leased premises provided that not more than ninety (90) days shall elapse between the completion or abandonment of one well, and the commencement of operations for the drilling of another.

The forfeiture of this lease as to any acreage outside of the producing block or blocks through failure of Lessee to maintain its rights as to that acreage in force by rental payments or operations as set forth herein shall not affect Lessee's rights as to any block or blocks previously created under the terms hereof and which are being maintained by production as hereinabove provided.

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- (e) In the event that production from any block created in accordance with the provisions hereof should cease for any cause, this lease shall terminate as to the acreage included in such block unless, within ninety (90) days after such cessation, Lessee shall either:
 - (i) resume or commence the payment of rentals as provided in subparagraph (d) above, provided, however, Lessee's rights shall not extend beyond two (2) years from the expiration of the primary term hereof.
 - (ii) resume or restore such production; or
 - (iii) commence additional operations and continue such operations to restore production without the lapse of more than ninety (90) days between the abandonment of work on one well and the commencement of operations on another well; and, so long as such continuous operations are being conducted, it shall be considered for all purposes of this lease that the block affected is a producing block.
- (f) Once any well has been completed, i.e., brought to a productive state (capable of producing in paying quantities), Lessee shall promptly begin paying royalty payments to Lessor and in no event shall said payments be made later than ninety (90) days from date of completion. Under no circumstances shall the royalty payments due Lessor be deferred pending the pooling or unitization of the completed well.

7. <u>Pooling and Unitization</u>.

- (a) There shall be no unitization or pooling of any part of the leased premises for any purpose without the prior written consent of Lessor. Should there be pooling, each pooled tract shall form one contiguous body of land, and each such unit so created shall not exceed substantially forty (40) acres surrounding each oil well and substantially one hundred sixty (160) acres surrounding each gas or distillate well.
- (b) It is understood, of course, that drilling or production units may be established by order of the Commissioner or any regulatory body.
- (c) Lessee shall execute and record in the conveyance records of the parish or parishes in which the unitized tract is situated and mail to Lessor an instrument identifying and describing the pooled acreage. Royalties payable to Lessor from the production attributable to any such unit shall be proportioned based on the amount the leased premises' acreage placed in the unit bears to the total acreage in the unit.
- (d) It is understood that production attributable to any such unit formed hereunder shall not be deemed attributable to any acreage or strata lying outside of the unit insofar

as it pertains to the maintenance of Lessee's rights as to such outside acreage.

8. <u>Royalties</u>.

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The royalties to be paid by Lessee are as follows:

- (a) On oil, 25% of all oil produced from the leased premises.
- (b) On gas, 25% of the amount realized at the market value at the wellhead established by a third party arms-length transaction of all gas produced from the leased premises.
- (c) Lessee agrees that any and all royalty of Lessor provided for herein is reserved by and shall be delivered or paid to Lessor free and clear of any charge, expense, or fee of any nature whatsoever, including but not by way of limitation, any charges, expenses or fee for trucking, transporting, piping, collecting, cycling, recycling, lifting, pumping, treating, processing, handling, pressuring, repressuring, etc., of oil, gas or gaseous substances mentioned in this section; and no deduction whatsoever shall be made by Lessee from Lessor's royalty for any such charge, expense or fee.
- (d) Lessor may, at its option, elect to receive its royalty oil and gas in kind, with the understanding that Lessor will provide the necessary pipelines, storage facilities, etc., in order to store or transport such oil and/or gas.
- (e) The first payment of royalty shall be made within ninety (90) days following commencement of production from, or allocation of production to, the leased premises, and on a monthly basis thereafter. Should Lessee be delinquent in making royalty payments as provided herein, interest shall be payable to Lessor on the delinquent amounts from the date of delinquency until paid, payable at the rate of twelve per cent (12%) per annum.

9. Shut-in Wells.

Should there be on the premises or lands pooled therewith a well capable of production of gas or gaseous substances in paying quantities, but which Lessee is unable to produce (or which, although previously produced, Lessee is unable to continue to produce) because of the lack of market or marketing facilities or governmental restrictions, a production block shall nevertheless be declared for such well as provided in Paragraph 6(a) above, and Lessee's right as to the block upon which said shut-in well is located may be maintained in the absence of production or drilling operations thereon, by commencing or resuming rental payments as hereinabove provided for in connection with the cessation of production on that block. Should such conditions occur or exist after the Primary Term, Lessee's right in such block may be further extended by the commencement, resumption, or continuance of such rental payments at the rate and in the manner herein fixed, for the rental payments during the Primary Term. In such case, it shall then be considered that the block upon which said shut-in well is located is a producing block, provided, however, that in no event shall Lessee's rights be so extended by rental payments and without drilling operations or production of oil or gas from such block for more than two (2) consecutive years.

10. Drainage.

 (a) Lessee shall be obligated to protect the premises from drainage due to a well drilled and producing off premises with which no portion of the leased premises is unitized, which well shall be referred to herein as a "DRAINAGE WELL". A well shall be considered a DRAINAGE WELL if:

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- (i) it produced oil or gas in paying quantities for thirty (30) consecutive days; and
- (ii) assuming the well is considered to be in the geographical center of a 40-acre square block for oil and an 160 acre square block for gas and any part of such block, hereinafter called the "DRAINAGE BLOCK," encompasses a portion of the leased premises.
- (b) Once it is determined that there is a DRAINAGE WELL off the leased premises, Lessee shall be obligated to do one of the following:
 - (i) within sixty (60) days following the expiration of the said 30-day period [subparagraph (a) (i)] begin and prosecute with reasonable diligence the drilling of a well in efforts to discover oil or gas; or
 - (ii) pay to Lessor, quarterly, within sixty (60) days after the end of each calendar quarter, a royalty equal to the royalty provided herein, calculated upon the production from the DRAINAGE WELL and proportioned on that portion of the DRAINAGE BLOCK which encompasses the leased premises; or
 - (iii) commence application proceedings to the Commissioner of Conservation or other applicable governmental agency for the formation of a unit to include such portion of the leased premises as is subject to the potential drainage, provided, however, that notwithstanding the effective date of any unit so created, royalties for such unit production from an off-premise well shall be payable, based upon the percentage assigned by any such unitization order from and after the earlier of the effective date of such unit order or the ninety-first (91st) day of actual production; or
 - (iv) release this lease as to that portion of the leased premises encompassed within the DRAINAGE BLOCK.

11. Default.

If, after the discovery and production of minerals from the leased premises, Lessor considers that operations are not being conducted to satisfactorily develop the property for the minerals so discovered, or to protect the leased premises from drainage, Lessee shall be notified in writing of the facts relied upon as constituting a breach hereof and Lessee shall have sixty (60) days after receipt of such notice to comply with the obligations imposed by virtue of this instrument. Lessee's failure to comply with said obligations shall result in forfeiture of this lease. In the event of such forfeiture, Lessee shall be entitled to retain such portions of the lease as have been previously included within a producing block or blocks, in accordance with the terms of Paragraph 6 hereof and which have been maintained, either by production or operations, pursuant to Paragraph 6.

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12. <u>Releases</u>.

Lessee may, at any time (whether prior to or after the discovery or production of minerals on the land), execute and deliver to Lessor, or place of record, a release or releases of any portion or portions of the land or formations underlying the land affected hereby, and be relieved of all requirements hereof as to the land or formation surrendered, except that, during the primary term hereof, such release shall not permit Lessee to reduce delay rentals as provided in Paragraph 4.

13. Assignments.

The rights of Lessee hereunder may not be assigned or subleased in whole or in part without the prior written consent of Lessor, which will not be unreasonably withheld and then only upon the express qualification that, without Lessor's express agreement to the contrary, such assignment or sublease, when approved by Lessor, shall not be deemed to modify any of the terms of this lease or to relieve Lessee from any of its obligations hereunder, and Lessor may continue to look to Lessee for the payment of all sums due hereunder and the fulfillment of all covenants on the part of Lessee hereunder, with the same force and effect as if such assignment or sublease had not been executed. Whenever reference is made or implied in this lease to any assignee of the Lessee, it shall be deemed to refer exclusively to such assignees or sublessees and to be limited by the provisions of this paragraph.

14. Production Facilities and Pipelines.

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All storage tanks, retaining ponds and other facilities necessary to produce and process oil or gas produced from the premises must be located as close as practicable to the producing well. Pipelines may be installed only to connect the well and the various on site facilities serving that well. The right to install and construct other pipelines must be negotiated by the parties. Both parties will negotiate in good faith to establish the necessary pipeline or pipelines.

No oil, gas or any other substance produced outside of the leased premises may be stored upon or transported through the premises without the express written consent of Lessor.

15. Geothermal Resources: Seismic Operations.

This lease does not afford Lessee any rights to explore for or produce geothermal resources. It is further understood that Lessee shall have no rights to conduct or permit others to conduct seismic operations on the premises.

16. Roads, Bridges and Fencing.

Upon Lessor's demand, Lessee shall build, at its sole expense, permanent all weather surfaced roads to each producing location on the property. Such roads shall be properly ditched and bridged for drainage, follow existing roads to the extent possible, and where not possible, trace section and field boundaries. Should such roads cross fence lines, Lessee shall build permanent cattle guards or install corner posts and swinging gates. Lessee shall maintain complete enclosure at all times where fences exist, especially to maintain the security of Lessor's forest, cattle or crops. Lessee shall immediately restore all fences cut or altered by reason of its operations. All fences repaired shall be maintained at existing tension or stronger, all wood posts installed by Lessee shall be not less than six inches (6") in diameter and eight feet (8') in length, and all wood fence braces placed by Lessee shall consist of at least two pieces of two inches (2") by six inch (6") lumber. Vehicular equipment utilized by Lessee shall not traverse the property during wet conditions except over all-weather roads.

17. Damages to Premises.

Lessee shall be responsible to Lessor and to Lessor's tenants for all damages caused by Lessee's operations, including but not limited to damages to the surface of the land, timber, crops, pasture, domestic animals, roads, canals, ditches, artificial or natural drains, fences, buildings, water wells, and improvements on said land. It is to be understood that Lessee shall be liable for such damages even if same are incurred in the normal and necessary operations including but not limited to the construction and maintenance of pipelines, retaining ponds, storage facilities, etc.

18. <u>Taxes</u>.

Lessor shall be responsible for the payment of <u>ad valorem</u> taxes pertaining to the bare leased premises. Lessee shall be responsible for the payment of all other taxes excluding severance taxes, but including taxes on property and equipment brought upon the leased premises by Lessee. Should Lessor for any reason fail to pay the taxes it owes on the property, Lessee may pay same and deduct same from any future rental or royalty payments.

19. <u>Successors and Assigns</u>.

All provisions hereof shall extend to and bind the successors and assigns (in whole or in part) of both Lessor and Lessee. No change in ownership of the land or any interests therein or change in the capacity or status of Lessor, however resulting, shall impose any additional burden on Lessee, nor shall any change of ownership or change in the capacity or status of Lessor impair the effectiveness of payments made to Lessor named herein, unless the then record owner of said lease shall have been furnished, thirty (30) days before payment is due, with a certified copy of a recorded instrument or judgment evidencing such transfer, sale or change of status or capacity of Lessor. The furnishing of such evidence shall not affect the validity of payments theretofore made in advance. In the event of the assignment of this lease, either as to a segregated portion of the land or as to an undivided interest in the lease contract, delay rentals shall be apportioned among the several leasehold owners according to the surface area or the undivided interest of each.

20. Government Regulations.

Lessee shall abide by all governmental restrictions and regulations with reference to drilling operations and/or development of the premises which may now exist or which may be hereinafter imposed, and shall be solely responsible for abiding with all pollution and ecological regulations applying to the surface, as well as the subterranean, property subject to this lease.

21. Force Majeure.

It is agreed that should Lessee be prevented from complying with any expressed or implied covenant of this lease, or from conducting reworking or drilling operations thereon, or from conducting reworking or drilling operations thereon, or producing oil, gas or other minerals therefrom, by reason of acts of God, flood, storm, fire, strike, labor trouble, riot, scarcity of or inability (after effort made in good faith) to obtain equipment or material or authority to use the same, or by failure of carrier to transport or furnish facilities for transportation, or by operation of force majeure, or any federal or state law, order, rule, or by regulation or governmental authority, or other cause beyond Lessee's reasonable control, then Lessee shall so advise Lessor in writing, and during the period of such prevention, Lessee's obligation to comply with the provisions of this lease (except the requirements for payments of rentals and royalties) shall be suspended and Lessee shall not be liable in damage for failure to comply therewith. Should such prevention occur, Lessee's obligations shall be suspended for a period of forty-five (45) days beyond the date Lessee is prevented by such cause from conducting such drilling or reworking operations on, or from producing oil, gas or other minerals from, the leased premises; provided, however, that during such period, Lessee shall pay Lessor rentals attributable to the acreage involved in the manner and at the applicable rate hereinabove provided. If such condition should exist after the primary term (or extended primary term) Lessee shall have the option to pay, during the time that such condition exists, a delay rental equal to one-twelfth (1/12th) of the annual delay rental elsewhere herein provided for, which shall maintain the lease for a period of one month and may continue to make such delay rental payment during such time as the force majeure condition exists. Such payments shall otherwise be made in the same manner as is provided for delay rentals elsewhere herein, but in no event will extend the lease for more than two years beyond the primary term or six months from the event preventing Lessee's performance, whichever is later.

22. Abstracts, Surveys and Water Wells.

In the event Lessee, or any of its successors, surveys or secures abstracts on the whole or any part of the leased acreage, and Lessee or any of its successors forfeits or releases this lease in its entirety, a copy of any such survey and any such abstract shall be delivered without charge to Lessor. In the event a party having an interest in this lease surveys or secures abstracts or supplements on the whole or any part of its entirety, a plat of such survey and/or abstracts or supplements will be furnished to Lessor without charge. Should a party having an interest in this lease drill a water well on the leased land, Lessor shall have the right, prior to the abandonment of that water well, to purchase such well and the equipment therein and thereon by paying Lessee the then salvage value of the equipment in and on such water well.

23. Access to Drilling Area and Data.

At Lessor's risk, Lessor or its agents shall at all times have access to the derrick floor of any well or wells being drilled. Lessee is obligated to notify Lessor in writing by prepaid United States Mail or by telephone, Area Code 318-433-6392, as to all operations on the leased premises, which shall include by way of specification but not limitation, the dates of commencing of drilling of wells, the dates of completion and abandonment of wells, the dates of cessation of operations, the dates of resumptions of operations, a detailed report of production from the leased premises (stated both in units produced and monetary sums received, said report to be itemized on a monthly basis), the dates of commencement of reworking operations, the dates of capping of gas wells, the furnishing of true copies of well drilling programs, logs and records, core analyses, Micrologs, Schlumberger Surveys, electrical or other well surveys, and the furnishing of all other data which may be helpful to Lessor in keeping informed as to the manner in which Lessee is complying with its obligations hereunder. If Lessor is present or has a representative present at the well site when a well is logged, a field print of the log shall be delivered to Lessor or Lessor's representative upon oral request therefor. Otherwise, Lessee shall not be in default for failure to furnish the items specified in this paragraph to Lessor until after Lessor shall have made written request therefor This information must be kept confidential for a period of twelve (12) months.

24. Reports.

In addition to the information and reports otherwise required of Lessee herein, Lessee shall, within thirty (30) days after receipt of written request therefor from Lessor, provide Lessor with the following reports and information pertaining to the leased premises:

- (a) <u>Adjoining Wells</u>. A written report pertaining to each well drilled outside but within 1,320 feet of the leased premises, setting forth the location of the well, the name and address of the company drilling same, and the distance of the said well from the leased premises;
- (b) <u>Assignments and Subleases</u>. Certified copies of all contracts and agreements affecting Lessee's leasehold interest, such as assignments, subleases and the like;
- (c) <u>Sales from Leased Premises</u>. A detailed report of all sales of minerals, including oil, gas distillate, sulphur or any other minerals or hydrocarbons, from the subject premises, stating the date of sale, name and address of vendee and the price received per measured quantity such as a barrel, cubic foot, long ton or other measured quantity;
- (d) <u>Production from Leased Premises</u>. A report describing and detailing all minerals produced from the leased premises, or attributable to the leased premises in the event of a unitization involving other properties, which have not been sold by Lessee, such as minerals utilized by Lessee in the operation of the leased premises;
- (e) <u>Contracts for Sale of Minerals</u>. Copies of all contracts . entered into by Lessee with third persons and parties relative to the sale of minerals from the leased premises;
- (f) <u>Unitization Agreements</u>. With reference to any unitization agreements or orders which would encompass any portion of the leased premises, Lessee shall provide Lessor with the following:

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- (i) A copy of each unit agreement or order and all amendments thereto;
- (ii) The name and address of the current unit operator or operators;
- (iii) A current list setting forth the name and address of each working interest owner and the interest owned by each; and
 - (iv) A current list setting forth the name and address of each non-working interest participant and the interest owned by each and the nature thereof.
- (g) <u>Maintenance of Records</u>. It is understood and agreed that Lessee shall maintain its records on a current basis so that the above information may be provided to Lessor promptly. Should Lessor make written request for such information, Lessee shall provide such information within a reasonable period of time.

25. <u>Commissioner's Proceedings</u>.

Should Lessee or any third party initiate proceedings with the Commission which might in any way affect or pertain to the leased premises, Lessee shall promptly and timely notify Lessor in writing (preceded, if necessary, by verbal or telephone notice where time does not permit effective written notice, e.g., the scheduling of a pre-application hearing) of such proceedings and advise Lessor in detail of the nature of such proceedings and the potential effect upon Lessor's rights under this lease. At each step of each such proceeding, Lessee shall appear and represent the best interests of Lessor and promptly thereafter shall provide Lessor with a written report of the actions taken and their effect upon Lessor.

Should Lessor's interest be in conflict or in potential conflict with those of Lessee, Lessor shall be promptly notified of such by Lessee with an explanation of the precise nature of the conflict or potential conflict. Thereafter, Lessor may engage a geologist and/or attorney to represent its interest at such proceedings, the reasonable cost and expense of such representation to be borne by Lessee.

26. Indemnity.

Lessee shall protect, indemnify and hold Lessor harmless from any and all loss, damage, liability, claims, demands or suits of any nature whatsoever asserted by employees of Lessee or third persons (including employees of Lessor) for property damage, personal injury or death, arising out of, in connection with or incidental to work performed under this lease. This indemnity shall include, without limitation, costs, expenses and reasonable attorney's fees occasioned by said loss, damage, liability, claims, demands or suits, as well as the full amount of any judgment rendered or compromise settlement made, plus court costs and interest. This indemnity shall apply regardless of whether said loss, damage, liability, claims, demands or suits are occasioned, brought about or caused, in part, by the negligence or fault of Lessor, its agents, directors, officers, employees or servants and regardless of whether such negligence be active or passive, primary or secondary. This indemnity shall inure, by stipulation <u>pour</u> autrui, to the benefit of agents, directors, officers, employees and servants of Lessor, and any one of them may exercise this right of indemnity against Lessee independently of Lessor or of others.

27. Attorney's Fees.

Should it become necessary at any time for Lessor to engage the services of an attorney to seek enforcement of any provision hereof, or for any purpose which arises out of the existence of this lease agreement, then Lessor shall be entitled to recover from Lessee reasonable attorney's fees and expenses attendant thereto.

28. Division Orders.

If, in the event of production, a division order or any other document is circulated by lessee or by a purchaser of production, such division order or document will be a simple statement of interest, containing no warranty or indemnity clauses and containing no clauses modifying in any way the terms of this lease. If Lessor or Lessee or both become parties to any division order or other document containing any term inconsistent with this lease, the terms of this lease shall in all events remain controlling as between Lessor and Lessee unless such other document makes specific reference to this lease, declares the intent of both Lessor and Lessee to amend this lease in the respect which is inconsistent herewith, and is signed by both Lessor and Lessee.

29. Notices and Payments.

Unless otherwise provided herein, all notices and payments of any kind which are to be given or made to Lessor shall be deemed given or made when delivered in person or deposited in the United States Mails, certified postage prepaid, return receipt requested, addressed to Lessor at the following address, unless Lessor advises Lessee in writing as to a change of address, to-wit:

H. C. Drew Estate
P. O. Box 125
Lake Charles, LA 70602

All notices which are to be sent to Lessee shall be deemed given when delivered in person or deposited in the United States Mails, certified postage prepaid, return receipt requested, addressed to Lessee at the following address, unless Lessee advises Lessor in writing as to a change of address, to-wit:

> Neumin Production Company Post Office Box 769 Point Comfort, Texas 77978

30. Restoration After Termination.

Within sixty (60) days after the termination of this lease for any cause as to all or any portion of the leased premises, Lessee shall remove from such portion of the leased premises as to which this lease shall have terminated any and all surface equipment which it may have placed thereon, and shall reasonably restore the premises to the condition existing as of the date of the execution of this lease. The restoration of the premises shall include plugging any wells in strict accordance with the law and removing all contaminants including removal and replacement of all contaminated soil. Failure of Lessee to remove the improvements will result in Lessor having the option of claiming such improvements as its own or removing same at Lessee's expense. Lessee further agrees, within said sixty (60) day period, to execute and forward to Lessor without any request being made by Lessor, a release of this lease as to all or any portion of the leased premises as to which this lease shall have terminated.

31. Injections.

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No well on the lease premises shall be used for the injection of any substances (e.g., salt water, waste materials, etc.) excepting those substances which are injected solely for the direct purpose of aiding or enhancing the production from the well of oil, gas and derivatives thereof.

32. Disclaimer of Warranty.

All warranties by Lessor not expressly set forth herein are excluded.

33. Definitions.

As used herein, the following definitions will apply:

<u>Commissioner</u>: The Commissioner of Conservation of the State of Louisiana.

<u>Completed Well</u>: An oil or gas well capable of producing in paying quantities.

Dry Hole: An unproductive well which has been drilled to the depth prescribed by the drilling permit.

Lessee: Shall include the named Lessee herein and any affiliates, sublessees and permitted assigns of the named Lessee.

Operations: Regarding a new well, the actual penetration of the Earth's surface with the drilling bit followed by continuous drilling to completion of a producing well or a dry hole.

Producing Well: A well which is actually producing in paying quantities under the law.

<u>Product</u>: Any commodity made from oil or gas including those set forth in La. R.S. 30:3(10).

<u>Production Unit</u>: A unit established voluntarily or by order of the Commissioner with reference to actual production from a given sand or horizon.

Regulatory Body: A governmental agency or entity having jurisdiction and authority to regulate the rights of the parties herein.

<u>Reworking Operations</u>: Substantial work and activity conducted without interruption to achieve or improve production from a previously producing well. IN WITNESS WHEREOF, the parties have executed this lease as of the day and year first above written.

WITNESSES:

LESSOR:

H. C. DREW ESTATE

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By: home O. Baly TH Louie D. Barbe, III, Trustee

By: W. Shaddock, Jr.,

WITNESSES:

LESSEE:

NEUMIN PRODUCTION COMPANY

By: Jong Cher Title:

STATE OF LOUISIANA

ACKNOWLEDGMENT

On this 24 day of August, 2000, before me, Notary Public, personally came and appeared Louie D. Barbe, III and C. W. Shaddock, Jr., to me personally known, who being by me duly sworn, did say that they are the Trustees of the H. C. Drew Estate, a non-profit corporation, and that the foregoing instrument was signed in behalf of said H. C. Drew Estate by authority of its charter and bylaws, said Trustees, being the sole governing authority of the corporation, acknowledged said instrument to be the free act and deed of said corporation.

NOTARY PUBLIC

STATE OF TEXAS : COUNTY OF Calhoun :

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ACKNOWLEDGMENT

On this <u>//th</u> day of <u>leptember</u>, 2000, before me, Notary Public, personally came and appeared <u>Jong len</u>, to me personally known, who being by me duly sworn, did say that he is the <u>lest Vice Predent</u> of Neumin Production Company, and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and said <u>Jong Chen</u> acknowledged said instrument to be the free act and deed of said corporation.

MOTARY PUBLIC GEORGIA H. MIKOSH Notary Public, State of Texas My Commission Expires **DECEMBER 31, 2000**

EXHIBIT "A"

Attached to that certain Oil and Gas Lease by and between H.C. DREW ESTATE, as Lessor, and Neumin Production Company, as Lessee, dated August 23, 2000

Calcasieu Parish, Louisiana Township 10 South - Range 11 West

South Half of the Northwest Quarter of the Northeast Section 15: Quarter (S/2 NW/4 NE/4); Southwest Quarter of the Northeast Quarter (SW/4 NE/4); North Half of the Northwest Quarter of the Southeast Quarter (N/2 NW/4 SE/4); North Half of the Northeast Quarter of the Southwest Quarter (N/2 NE/4 SW/4); Southeast Quarter of the Northwest Quarter (SE/4 NW/4; South Half of the Northeast Quarter of the Northwest Quarter (S/2 NE/4 NW/4); Southeast Quarter of the Northwest Quarter of the Northwest Quarter (SE/4 NW/4 NW/4); East Half of the Southwest Quarter of the Northwest Quarter (E/2 SW/4 NW/4); Northeast Quarter of the Northwest Quarter of the Southwest Quarter (NE/4 NW/4 SW/4); LESS AND EXCEPT: That portion of the above describe lands comprising approximately 24.45 acres, more or less, situated within the geologic confines of the 7420' RA SUA established by Office of Conservation

Order No. 921, effective January 1, 1974.

Leaving a balance of 175.55 acres, more or less.

OFFICE OF CLERK OF COURT CALCASIEU PARISH, LA

ROAD SERVITUDE

This road servitude agreement entered, on December 1, 2000, by and between the H.C. DREW ESTATE, a Louisiana non-profit corporation herein represented by Louie D. Barbe III and C. Wade Shaddock, Jr., sole Trustees, and hereinafter referred to as "Grantor", and NEUMIN PRODUCTION COMPANY, a Texas corporation authorized to do and doing business in the State of Louisiana herein represented by its duly authorized Assistant Vice President, Tony Chen, hereinafter referred to as "Grantee":

WHEREAS, Grantor is the owner of Section 15, Township 10 South, Range 11 West, Calcasieu Parish, Louisiana;

WHEREAS, Grantor has granted an oil and gas lease to Grantee effective August 23, 2000, (hereinafter referred to as the "Mineral Lease") which oil and gas lease affects a portion of said Section 15;

WHEREAS, Grantee is establishing a drilling location in the Southwest Quarter of the Northwest Quarter of said Section 15;

WHEREAS, Grantee needs to have a road access to said drilling location; and

WHEREAS, Grantor desires to provide Grantee road access to the drilling location, primarily utilizing an existing road which traverses the property.

NOW THEREFORE, in consideration of the mutual benefits to Grantor and Grantee deriving from the drilling of the well on Grantor's property and the possible production emanating from said well, Grantor hereby grants a road servitude to Grantee, subject to the terms and conditions set forth hereinafter:

1. <u>The Grant.</u>

- A. Grantor conveys to Grantee the right and privilege to utilize the existing roadway traversing Section 15, Township 10 South, Range 11 West, Calcasieu Parish, Louisiana, which roadway begins at the juncture of said roadway with the public road known as the Gum Island Road, said juncture being on the south line of said Section 15 near the Southwest corner, the roadway extending generally through said Section 15 in a northeasterly direction.
- B. Grantor also grants unto Grantee the right to construct a temporary road from the roadway described in Section 1A above to the drill location to the east of said existing roadway. This temporary road will be initially a board road and may be converted into a permanent road if production is achieved from the drill location.
- C. As a matter of distinction, the roadway referred to in Section 1A shall be hereinafter referred to as the "Roadway" and the road described in Section 1B shall be referred to hereinafter as the "Temporary Road", even though it may be eventually become permanent.

2. Improvements.

Grantee shall immediately resurface the Roadway with at least four inches (4") of limestone and shall to the extent necessary, re-excavate the ditches on each side of the Roadway to allow free and unobstructed drainage.

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Deputy Clerk of Court Calcasieu Parish, Louisiana



3. <u>Maintenance.</u>

Grantee shall maintain the Roadway by replenishing the limestone coverage whenever needed. Grantee shall maintain the Roadway in such a manner that the Roadway will be reasonably free of potholes and ruts so that it will continually provide a smooth and solid surface for vehicles. The ditches serving the Roadway will be kept free of vegetation and debris thus permitting unhindered drainage.

At the termination of the servitude for any reason, Grantee shall make certain that the Roadway is at that time covered with at least four inches (4") of limestone.

4. <u>Gate.</u>

The Roadway is gated at its juncture with Gum Island Road. Grantee shall maintain the gate in good condition at all times and shall keep it locked except during the immediate period of passage there through by Grantee, its agents and assigns. Should it become necessary to change the lock or locks on the gate, Grantee shall immediately provide to Grantor three (3) keys to each such lock.

5. <u>Term.</u>

This term shall commence effective December 1, 2000 and shall terminate upon the termination of the Mineral Lease.

6. Use of Roadway by Grantee.

The use of the Roadway by Grantee, its contractors, agents, employees and representatives, shall be confined exclusively to serving the well being drilled and produced on the Mineral Lease as described hereinabove. Grantee shall not use the Roadway for any other purpose, including hunting, fishing and trapping, nor shall Grantee permit others to do so.

7. Grantor's Use of Roadway.

Grantor, its agents and assigns, shall have free and complete use of the Roadway provided that such use by Grantor, its agents and assigns, shall not unreasonably interfere with Grantee's use of the Roadway.

8. Private Road.

The Roadway shall at all times be considered to be a private road and Grantee shall do nothing to cause the Roadway to be considered a public road.

9. Property Damage.

Grantee shall be responsible to Grantor and to Grantor's tenants for all damages caused by Grantee's operations pursuant to this servitude.

10. Assignments.

Rights of Grantee hereunder may not be assigned or subleased in whole or in part without the prior written consent of Grantor, which consent will not be unreasonably withheld. No such assignment will be deemed to modify any of the terms and conditions of this servitude agreement nor will it relieve Grantee from any of its obligations hereunder, and Grantor may continue to look to Grantee for the fulfillment of all obligations of Grantee herein.

11. Indemnity.

Grantee shall protect, indemnify and hold Grantor harmless from any and all loss, damage, liability, claims, demands or suits of any nature whatsoever asserted by employees of Grantee or third persons (including employees of Grantor) for property damage, personal injury or death, arising out of, in connection with or incidental to work performed under this servitude. This indemnity shall include, without limitation, costs, expenses and reasonable attorney's fees occasioned by said loss, damage, liability, claims, demands or suits, as well as the full amount of any judgment rendered or compromise settlement made, plus court costs and interest. This indemnity shall apply regardless of whether said loss, damage, liability, claims, demands or suits are occasioned, brought about or caused, in part, by the negligence or fault of Grantor, its agents, directors, officers, employees or servants and regardless of whether such negligence be active or passive, primary or secondary. This indemnity shall inure, by stipulation <u>pour autrui</u>, to the benefit of agents, directors, officers, employees and servants of Grantor, and any one of them may exercise this right of indemnity against Grantee independently of Grantor or of others.

12. Insurance.

In addition to the indemnity provisions set forth in Section 11, Grantee shall maintain general liability insurance covering the premises, the policy or policies providing minimum coverage of \$2,000,000 per claim and shall name Grantor as an additional insured. Grantee shall provide to Grantor insurance certificates issued by the insurer or insurers certifying that the policy or policies will not be canceled or material amended without Grantor's being given thirty (30) days prior notice.

13. Attorney's Fees.

Should it become necessary at any time for Grantor to engage the services of an attorney to seek enforcement of any provision hereof, or for any purpose which arises out of the existence of this servitude agreement, then Grantor shall be entitled to recover from Grantee reasonable attorney's fees and expenses attendant thereto.

14. The Temporary Road.

It is understood that the Temporary Road will be a board road or similarly constructed. Within sixty (60) days from the termination of this servitude and should the Temporary Road not have been converted into a permanent road, Grantee shall remove entirely from the premises all materials used in the construction of the Temporary Road and shall restore the road bed to its previous condition, normal wear and tear expected.

In the event the Temporary Road is converted into a permanent road, all of the provisions hereinabove pertaining to the Roadway shall be applicable thereto, including the construction and maintenance provisions.

IN WITNESS WHEREOF, the parties have executed this servitude as of the day and year first above written.

WITNESSES:

Leorgette Laverge

GRANTOR:

H. C. DREW ESTATE

By: Louie D. Barbe, III, Trustee Bv: C. Wade Shaddock, Jr., Trustee

GRANTEE:

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NEUMIN PRODUCTION COMPANY

By: <u>Jony Chen</u> Tony Chen Title: Assistant Vice President

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Sim D. Cibhap

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STATE OF LOUISIANA

ACKNOWLEDGMENT

PARISH OF CALCASIEU

On this 2⁻⁻ day of _______, 2001 before me, Notary Public, personally came and appeared Louie D. Barbe, III and C. W. Shaddock, Jr., to me personally known, who being by me duly sworn, did say that they are the Trustees of the H. C. Drew Estate, a non-profit corporation, and that the foregoing instrument was signed in behalf of said H. C. Drew Estate by authority of its charter and bylaws, said Trustees, being the sole governing authority of the corporation, acknowledged said instrument to be the free act and deed of said corporation.

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NOTARY PUBLIC

STATE OF <u>TEXAS</u> :

COUNTY (PARISH) OF

ACKNOWLEDGMENT

On this <u>18th</u>day of <u>January</u>, 2001, before me appeared Tony Chen to me personally known, who, being by me duly sworn did say that he is the Assistant Vice President of NEUMIN PRODUCTION COMPANY, and that the instrument was signed in behalf of NEUMIN PRODUCTION COMPANY by authority of the company and that Tony Chen acknowledged the instrument to be the free act and deed of the company.

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***** GEORGIA H. MIKOSH MY COMMISSION EXPIRES NØTARY PUBLIC

CALHOUN

STATE OF LOUISIANA PARISH OF CALCASIEU I hereby certify this to be a full and true copy of an original instrument filed in my office on the date and hour and under the Registry Number stamped hereon to be Conveyance recorded in the Mortange recorded in the Mortgage Records. Given under my hand and seal of office an shid date of filing A æ) L DEPUTY CLERK & EX-OFFICIO RECORDER