

4.8. The Bank may resort to any security given by this Mortgage or to any other security now existing or hereafter given to secure the payment of the indebtedness secured hereby, in whole or in part, and in such portions and in such order as may seem best to the said Bank in its sole and controlled discretion, and any such action shall not in anywise be considered as a waiver of any of the rights, benefits, or liens evidenced by this instrument.

4.9. If, while the Mortgage is in effect, the title of Owner, its successors or assigns, to the property herein described or any part thereof, or the priority of the lien of the Mortgage, is questioned or attacked, directly or indirectly, by suit or judicial proceedings, or in any manner, or if a controversy or any dispute arises relative to such title or the priority of such lien, or if after this Mortgage is released any person shall make a claim or demand against Bank on account of any action or omission of Bank, Owner agrees to protect and save harmless Bank from any such costs, loss, damage, or claim by reason of such attack, controversy, suit, claim or demand, and Bank is hereby authorized and instructed at the cost and expense of Owner, to take such steps as in the judgment of Bank may be necessary or proper to defend against such claim, demand, controversy, suit or attack, including the employment of counsel and the prosecution and defense of litigation; and the expenses incurred in such proceeding, including all sums paid for attorney's fees, court costs, and all other expenses of every kind and nature, not to exceed 25% of the original principal amount of the Note secured hereby, while this Mortgage remains in effect, shall become an additional part of the debt secured hereby, bearing the rate of interest of 10% per annum, be payable on demand, and be secured by the lien and privilege of this Mortgage (the same not having been previously released) upon

the Mortgaged Property and whether before or after this Mortgage is released, Owner agrees to pay to Bank on demand all such sums and expenses paid and suffered by Bank and that the same shall be secured by subrogation to all the rights, liens, equities, superior title, and benefits held, owned, possessed, and received at any time by any owner or holder of any claim, lien, assessment, charge, or expense so paid. The rights of Bank secured hereby under this paragraph may be availed of by Bank and exercised at any time regardless of whether the indebtedness secured hereby be then due or not; and it is distinctly understood that the release of this Mortgage shall not relieve Owner of its liability to save Bank harmless from any damage suffered by Bank on account of any claim or demand made against it after release of this Mortgage.

4.10. Upon the occurrence of an Event of Default, Owner grants Bank its power of attorney to act for and on behalf of Owner in all transactions with the Bureau of Land Management of the United States Department of the Interior, or with any other agency, department or subdivision of any state or of the United States of America relating to any of the Mortgaged Property. Further upon request of Bank, Owner shall execute and deliver any documents or instruments for the purpose of effectuating the foregoing.

#### ARTICLE V.

##### MISCELLANEOUS PROVISIONS

5.1. This act is in all respects to be construed under the laws of the State of Louisiana, including, but not limited to, La. R.S. 31:203 et seq as (i) a mortgage, hypothecation, pledge, and confession of judgment by Owner in favor of Bank, and (ii) as a pledge and assignment of production in favor of Bank, to secure the payment of the principal and interest of the Note and also to secure all attorney's fees, costs, charges, and the performance of all obligations of Owner contained herein and in the Note.

5.2. The parties hereto waive the production of any mortgage, conveyance, and tax certificates and agree to hold the undersigned Notary harmless in the premises.

5.3. The terms, provisions, covenants, and conditions hereof shall be binding upon the Owner, its successors and assigns, and shall inure to the benefit of the Bank whether or not expressly provided for herein.

Dana L. Schultz hereby accepts this Act of Collateral Chattel Mortgage, Collateral Mortgage, Pledge and Assignment of Production on behalf of Bank.

IN WITNESS WHEREOF, the Owner and Dana L. Schultz have executed this Act of Collateral Chattel Mortgage, Collateral Mortgage, Pledge and Assignment of Production in multiple originals before me, the undersigned Notary Public in and for the County of Dallas, State of Texas, in the presence of the undersigned two competent witnesses, who have hereunto signed their names with the said Appearers and me, said Notary Public.

WITNESSES:

HASSIE HUNT EXPLORATION COMPANY

Margaret P. Zaron  
Tyra Whitson

By: James L. Parker  
James L. Parker, President

WITNESSES:

INTERFIRST BANK DALLAS, N.A.

Terry Owen McComb  
Diane M. Dycus

By: Dana L. Schultz  
Dana L. Schultz,  
Banking Officer

Charlotte B. Tiedt  
Notary Public

My Commission Expires:

CHARLOTTE B. TIEDT, Notary Public  
State of Texas  
My Commission Expires December 15, 1984.

EXHIBIT "A"

COLLATERAL MORTGAGE NOTE

\$50,000,000

Dallas, Texas.

March 15, 1984

FOR VALUE RECEIVED, On Demand, the undersigned, a corporation incorporated under the laws of the State of Delaware, promises to pay to Bearer, at the main banking offices of InterFirst Bank Dallas, N.A., in Dallas, Texas, the sum of FIFTY MILLION DOLLARS (\$50,000,000), together with interest thereon from the date hereof until paid at a rate of eighteen percent (18%) per annum.

In the event this Note should be placed in the hands of an attorney, to institute legal proceedings to recover the amount hereof, or any part hereof, in principal or interest, or to protect the interests of the holder hereof, or to compromise or take any other action with regard thereto, the maker hereby binds itself to pay the fees of the attorney who may be employed for that purpose, which fees are hereby fixed at ten percent (10%) of the amount then owing hereon and sought to be collected, protected or preserved.

The parties hereto hereby waive presentment for payment, demand, notice of nonpayment, protest, and all pleas of division and discussion, and agree that the time of payment hereof may be extended from time to time, one or more times, without notice of such extension or extensions and without previous consent, hereby binding themselves in solido, unconditionally and as original promisors, for the payment hereof in principal, interest, costs and attorney's fees. No delay on the part of the holder hereof in exercising any rights hereunder shall operate as a waiver of such rights.

HASSIE HUNT EXPLORATION COMPANY

By: \_\_\_\_\_  
James L. Parker, President

"Ne Varietur"

For identification with an Act of Collateral Chattel Mortgage, Collateral Mortgage, Pledge and Assignment of Production passed before me this \_\_\_\_ day of \_\_\_\_\_, 1984.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

EXHIBIT B

LOUISIANA OUTER CONTINENTAL SHELF LEASES  
SHIP SHOAL AREA LEASES

A 6% working interest equal to .05 revenue interest in and to all (8/8) of production from that certain Oil and Gas Lease from the United States of American, as Lessor, to Ashland Oil, Inc., Highland Resources, Inc., Hunt Oil Company, Ladd Petroleum Corporation, and Placid Oil Company, as Lessees, effective as of July 1, 1975, identified in the Office of the Bureau of Land Management, Department of the Interior, as Outer Continental Shelf Lease OCS-G-3170, describing the following area, to-wit:

All of Block 290, Ship Shoal Area - South Addition, as shown on OCS official Leasing Map, Louisiana Map No. 5A.

A 5% working interest equal to a .05 revenue interest in and to all (8/8) of production from that certain Oil and Gas Lease from the United States of American, as Lessor, to Ashland Oil, Inc., Hamilton Brothers Oil Company, Highland Resources, Inc., Hunt Oil Company, LVO Corporation and Placid Oil Company, as Lessees, effective as of December 1, 1974, identified in the Office of the Bureau of Land Management, Department of the Interior, as Outer Continental Shelf Lease OCS-G-2923, describing the following, to-wit:

N 1/2; S 1/4 of Block 291, Ship Shoal Area - South Addition, OCS Official Leasing Map, Louisiana Map No. 5A.

WEST CAMERON AREA LEASE

A 10% working interest equal to a .0833 revenue interest in and to all (8/8) of production from that certain Oil and Gas Lease from the United States of America, as Lessor, to Trans Ocean Oil, Inc., Hamilton Brothers Oil Company, Hamilton Brothers Petroleum Corporation, Placid Oil Company, and Kewanee Oil Company, as Lessees, effective as of January 1, 1971, identified in the Office of the Bureau of Land Management, Department of the Interior, as Outer Continental Shelf Lease OCS-G-1997, describing the following area, to wit:

All of Block 171, West Cameron Area, Official Leasing Map, Louisiana Map No. 1.

ST. MARY AREA LEASE

A 66.7% working interest equal to a .5556 revenue interest in and to all (8/8) of production from that certain Oil and Gas Lease from the United States of America, as Lessor, to Ray Lee, as Lessee, effective as of January 1, 1955, identified in the Office of the Bureau of Land Management, Department of the Interior as Outer Continental Shelf Lease OCS-G-0437, describing the following area, to-wit:

All of Block 199, Eugene Island Area as shown on official leasing map, La. Map No. 4 Outer Continental Shelf Leasing Map (Louisiana offshore operations)

WELL NAMES: South Pass Block 24, 8,800ft R D Sand Unit;  
 State Lease 2484 & Buras Levy District-D Well  
 No. 7-D.

South Pass Block 24, 8,800ft R D Sand Unit,  
 State Lease 2484 & Buras Levy District-D Well  
 No. 10-D.

South Pass Block 24, 8,800ft R D Sand Unit,  
 State Lease 2484 & Buras Levy District-D Well  
 No. 12-D.

<u>LEASE NO.</u>	<u>DESCRIPTION</u>
28625	That certain Oil, Gas & Mineral Lease executed by the State Mineral Board for the State of Louisiana, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated April 15, 1954, and recorded in the Records of Plaquemines Parish, Louisiana, on the 13th day of May, 1954, under C.O.B. No. 174, Folio 1049, covering Tract 5599 as therein described and estimated to contain approximately 1,830 acres, all more fully shown outlined in red on a plat on file in the State Land Office; INSOFAR AND ONLY INSOFAR as said lease is covered in and affected by Tract 24 established pursuant to the State of Louisiana, Department of Conservation, Order No. 227-DD, dated May 22, 1969; and ALSO INSOFAR AND ONLY INSOFAR as said lease covers the three above named wells.

Net Revenue Interest

.3883636

EXHIBIT B

TRANS MATCH # 1 WELL

Working Interest .2500, Net Revenue Interest .1977014

1. Lease dated February 2, 1977, executed by Trans Match, Inc., as Lessor, to Hunt Petroleum Corporation, as Lessee, recorded in Book 2552, page 223, of the Conveyance Records of East Baton Rouge Parish, Louisiana.
2. Lease dated December 8, 1976, executed by the State Mineral Board of the State of Louisiana, as Lessor, to John L. Copeland, as Lessee, recorded in Book 2546, Folio 626 of the Conveyance Records of East Baton Rouge Parish, Louisiana and recorded in Book 141, No. 33 of the Conveyance Records of West Eaton Rouge Parish, Louisiana, said lease being identified as State Lease Number 7150.
3. Lease dated August 10, 1977, executed by the State Mineral Board of the State of Louisiana, as Lessor, to Hunt Petroleum Corporation, Hassie Hunt, Incorporated and The Rosewood Corporation, as Lessees, recorded in Book 2620, Page 435 of the Conveyance Records of East Baton Rouge Parish, Louisiana, and recorded in Book 147, No. 93 of the Conveyance Records of West Baton Rouge Parish, Louisiana, said lease being identified as State Lease Number 7384.
4. Corrected Oil & Gas Lease, executed by the State Mineral Board of the State of Louisiana, as Lessor, to Hunt Petroleum Corporation, Hassie Hunt, Incorporated, and The Rosewood Corporation, as Lessees, recorded in Book 2690, Folio 680 of the Conveyance Records of East Baton Rouge Parish, Louisiana, and recorded in Book 153, No. 147 of the Conveyance Records of West Baton Rouge Parish, Louisiana.

EXHIBIT B

W. J. GREENE # A-3 WELL

Working Interest 1.00, Net Revenue Interest ~~.998125~~ .8125 *gin*

1. Lease dated September 30, 1959, executed by Frank Greene, as Lessor, to Hassie Hunt Trust, as Lessee, recorded as document number 221904 of the Oil, Gas and Mineral Lease Records of Claiborne Parish, Louisiana.



EXHIBIT B

WELL NAME: SHRINERS HOSPITAL #A-1 NET REVENUE INTEREST -.0995009

LEASE NO. DESCRIPTION

55198(A) 1. That certain oil, gas and mineral lease executed by W. F. Patterson, as Lessor, in favor of Bob L. Herd, as Lessee, dated March 4, 1975, and recorded in the Records of Claiborne Parish, Louisiana, on April 25, 1975, under Register No. 269936, covering the following described property, to-wit:

TOWNSHIP 21 NORTH - RANGE 4 WEST:  
Section 23 - NW/4 NE/4  
Claiborne Parish, Louisiana

55240(C) 2. That certain oil, gas and mineral lease executed by George Love, as Lessor, in favor of Bob L. Herd, as Lessee, dated March 7, 1975, and recorded in the Records of Claiborne Parish, Louisiana, on April 25, 1975, under Register No. 269935, covering the following described property, to-wit:

TOWNSHIP 21 NORTH - RANGE 4 WEST:  
Section 13 - W/2 SW/4, S/2 NW/4, 3 acres more or less, located in the SE Corner of the SE/4 NE/4 NW/4;  
Section 14 - E/2 SE/4;  
Section 23 - E/2 NE/4  
Claiborne Parish, Louisiana.

55240(D) 3. That certain oil, gas and mineral lease executed by William Oscar McClellan, Jr., and Gayle P. Littles, as Lessors, in favor of Bob L. Herd, as Lessee, dated June 7, 1975, and recorded in the Records of Claiborne Parish, Louisiana, on July 9, 1975, under Register No. 270786, covering the following described property, to-wit:

TOWNSHIP 21 NORTH - RANGE 4 WEST:  
Section 13 - W/2 SW/4, S/2 NW/4, 3 acres more or less, located in the SE Corner of the SE/4 NE/4 NW/4;  
Section 14 - E/2 SE/4;  
Section 23 - E/2 NE/4,  
Claiborne Parish, Louisiana.

EXHIBIT B

LEASE NO.

DESCRIPTION

55240(E) 4. That certain oil, gas and mineral lease executed by Gertrude McClellan Washington, as Lessor, in favor of Bob L. Herd, as Lessee, dated June 7, 1975, and recorded in the Records of Claiborne Parish, Louisiana, on July 9, 1975, under Register No. 270787, covering the following described property, to-wit:

TOWNSHIP 21 NORTH - RANGE 4 WEST:

Section 13 - W/2 SW/4, S/2 NW/4, 3 acres more or less, located in the SE Corner of the SE/4 NE/4 NW/4;  
Section 14 - E/2 SE/4;  
Section 23 - E/2 NE/4,  
Claiborne Parish, Louisiana.

55450 5. That certain oil, gas and mineral lease executed by Shriners Hospital for Crippled Children, a Colorado Corporation, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated August 11, 1970, and recorded in the Records of Claiborne Parish, Louisiana, under Register No. 254292, which is found in Conveyance Book 365, at page 417, covering the following described property, to-wit:

TOWNSHIP 21 NORTH - RANGE 4 WEST:

Section 23 - SW/4 NE/4, NW/4, and NW/4 SW/4  
Claiborne Parish, Louisiana.

WELL NAME: J. P. LINDSEY #1-B NET REVENUE INTEREST - .65625

5506(A) 1. That certain oil, gas and mineral lease executed by Paul H. McKnight, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 2, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247451, which is found in Conveyance Book 347, at page 641; and

5506(B) 2. That certain oil, gas and mineral lease executed by Harry W. Pfeifer, Jr., et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 5, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247452, which is found in Conveyance Book 347, at page 645; and

5506(C) 3. That certain oil, gas and mineral lease executed by Lucille Rosenfield, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated April 9, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247453, which is found in Conveyance Book 347, at page 649; and

5506(D) 4. That certain oil, gas and mineral lease executed by Mrs. Rosa P. Isacson, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated April 8, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247454, which is found in Conveyance Book 347, at page 653; and

EXHIBIT B

LEASE NO.	DESCRIPTION
5506(E)	<p>5. That certain oil, gas and mineral lease executed by Mary Brown Williams Ledbetter, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 8, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on May 16, 1968, under Register No. 247570, which is found in Conveyance Book 348, at page 3,</p> <p>all of said leases covering the following described property:</p> <p><u>TOWNSHIP 22 NORTH - RANGE 4 WEST:</u> Section 35 - NW/4 SE/4 and N/2 SW/4 SE/4, Claiborne Parish, Louisiana.</p>
50579	<p>6. That certain oil, gas and mineral lease executed by Glen T. Bays, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated August 5, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on August 22, 1968, under Register No. 248328, which is found in Conveyance Book 349, at page 708, covering the following described property:</p> <p><u>TOWNSHIP 22 NORTH - RANGE 4 WEST:</u> Section 35 - NE/4 SE/4 Section 36 - N/2 SW/4 Claiborne Parish, Louisiana.</p>
50673	<p>7. That certain oil, gas and mineral lease executed by Floy Thompson Flurry, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated August 1, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on September 5, 1968, under Register No. 248439, which is found in Conveyance Book 350 at page 42, covering the following described property:</p> <p><u>TOWNSHIP 22 NORTH - RANGE 4 WEST:</u> Section 35 - S/2 SW/4 SE/4 and SE/4 SE/4, Claiborne Parish, Louisiana.</p>
50673(A)	<p>8. That certain oil, gas and mineral lease executed by Mrs. Mary Lee Meadors, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated September 24, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on October 30, 1968, under Register No. 248818, which is found in Conveyance Book 350, at page 667, covering the following described property:</p> <p><u>TOWNSHIP 22 NORTH - RANGE 4 WEST:</u> Section 35 - All that part of the S/2 SW/4 SE/4 and SE/4 SE/4, included within the Bodcaw Sand Unit created and established by Louisiana Department of Conservation Order No. 9-C-19. Claiborne Parish, Louisiana.</p>

EXHIBIT B

WELL NAME: HARRELL NO. B-1 NET REVENUE INTEREST - .7813476

LEASE NO. DESCRIPTION

3886(E)  
5509(E) 1. That certain oil, gas and mineral lease executed by Annie M. Harrell, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated April 1, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247449, which is found in Conveyance Book 345, at page 899;

3886(F)  
5509(F) 2. That certain oil, gas and mineral lease executed by Fred L. Jackson, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 1, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247450, which is found in Conveyance Book 345, at page 903;

both of said leases covering the following described property, to-wit:

TOWNSHIP 22 NORTH - RANGE 4 WEST:  
Section 35 - NW/4 SW/4,  
Claiborne Parish, Louisiana

3897(B)  
5594(B) 3. That certain oil, gas and mineral lease executed by Lee W. Nolen, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated June 8, 1965, and filed for record in the Records of Claiborne Parish, Louisiana, on July 2, 1965, under Register No. 2399, which is found in Conveyance Book 310, at page 89, covering the following described property, to-wit:

TOWNSHIP 22 NORTH - RANGE 4 WEST:  
Section 34 - W/2 SE/4,  
Claiborne Parish, Louisiana

5506(A) 4. That certain oil, gas and mineral lease executed by Paul H. McKnight, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 2, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register no. 247451, which is found in Conveyance Book 347, at page 648; and

5506(B) 5. That certain oil, gas and mineral lease executed by Harry W. Pfeifer, Jr., et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 5, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247452, which is found in Conveyance Book 345, at page 645; and

5506(C) 6. That certain oil, gas and mineral lease executed by Lucille Rosenfield, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated April 9, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247453, which is found in Conveyance Book 347, at page 649; and

EXHIBIT B

LEASE NO.

DESCRIPTION

- 5506(D) 7. That certain oil, gas and mineral lease executed by Rosa P. Isacson, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated April 5, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247454, which is found in Conveyance Book 347 at page 613; and
- 5506(E) 8. That certain oil, gas and mineral lease executed by Mary Brown Williams Ledbetter, et al., as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 8, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on May 16, 1968, under Register No. 247570, which is found in Conveyance Book 348 at page 3;
- all of said leases covering the following described property, to-wit:
- TOWNSHIP 22 NORTH - RANGE 4 WEST:  
Section 35 - NE/4 SW/4  
Claiborne Parish, Louisiana.
- 5595(A) 9. That certain oil, gas and mineral lease executed by Monette Green Levy, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated April 1, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247456, which is found in Conveyance Book 347, at page 661; and
- 5595(B) 10. That certain oil, gas and mineral lease executed by George H. Mills, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated April 22, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247457, which is found in Conveyance Book 347, at page 605; and
- 5595(C) 11. That certain oil, gas and mineral lease executed by Marion Ray Fowler, et al., as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 5, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on May 16, 1968, under Register No. 247571 which is found in Conveyance Book 348, at page 7; and
- 5595(D) 12. That certain oil, gas and mineral lease executed by Jewel Farline Lowrey, et al., as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 5, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on May 15, 1968, under Register No. 247563, which is found in Conveyance Book 347, at page 887;

all of said leases covering the following described property, to-wit:

TOWNSHIP 22 NORTH - RANGE 4 WEST:  
Section 35 - SW/4 SW/4,  
Claiborne Parish, Louisiana.

EXHIBIT B

<u>LEASE NO.</u>	<u>DESCRIPTION</u>
50174	<p>13. That certain oil, gas and mineral lease executed by Myra Lee Sarey, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated April 2, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on April 30, 1968, under Register No. 247458, which is found in Conveyance Book 347, at page 669, covering the following described property, to-wit:</p> <p><u>TOWNSHIP 22 NORTH - RANGE 4 WEST:</u>  <u>Section 25 - SE 1/4 SW 1/4,</u>            Claiborne Parish, Louisiana.</p>
<p><u>WELL NAME:</u> <u>FLAW FLURRY NO. 1-D</u> <u>NET REVENUE INTEREST - .7621524</u></p>	
50651	<p>1. That certain oil, gas and mineral lease executed by Elizabeth Green Deason, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated August 7, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on August 29, 1968, under Register No. 248385, which is found in Conveyance Book 349, at page 830, covering the following described property, to-wit:</p> <p><u>TOWNSHIP 21 NORTH - RANGE 4 WEST:</u>  <u>Section 2 - SE 1/4 NE 1/4 and E 1/2 SW 1/4 NE 1/4,</u>            Claiborne Parish, Louisiana.</p>
50652	<p>2. That certain oil, gas and mineral lease executed by Eunice Green, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated August 7, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on August 29, 1968, under Register No. 248386, which is found in Conveyance Book 349, at page 834, covering the following described property, to-wit:</p> <p><u>TOWNSHIP 21 NORTH - RANGE 4 WEST:</u>  <u>Section 2 - E 1/2 SW 1/4 NE 1/4, SE 1/4 NW 1/4 and</u>  <u>E-3/4 SW 1/4 NW 1/4,</u>            Claiborne Parish, Louisiana.</p>
50653	<p>3. That certain oil, gas and mineral lease executed by A. N. Alford, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated August 13, 1968 and filed for record in the Records of Claiborne Parish, Louisiana, on August 29, 1968, under Register No. 248387, which is found in Conveyance Book 349, at page 838, covering the following described property, to-wit:</p> <p><u>TOWNSHIP 21 NORTH - RANGE 4 WEST:</u>  <u>Section 2 - S 1/2 NW 1/4 NW 1/4,</u>            Claiborne Parish, Louisiana.</p>
50654	<p>4. That certain oil, gas and mineral lease executed by Monette Green Levy, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated August 7, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on August 29, 1968, under Register No. 248388, which is found in Conveyance Book 349, at page 842; and</p>

EXHIBIT B

- 50654(A)      5.    That certain oil, gas and mineral lease executed by Evelyn Maxine Stevens, as Lessor, in favor of Hassie Hunt Trust, as Lessee, dated August 21, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on September 5, 1968, under Register No. 248435, which is found in Conveyance Book 350, at page 26; and
- 50654(B)      6.    That certain oil, gas and mineral lease executed by Jewel Earline Lowery, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated August 21, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on January 14, 1969, under Register No. 249292, which is found in Conveyance Book 351, at page 875; and
- 50654(C)      7.    That certain oil, gas and mineral lease executed by Marion Ray Fowler, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated August 21, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on February 11, 1969, under Register No. 249491, which is found in Conveyance Book 352, at page 431; and
- 50654(D)      8.    That certain oil, gas and mineral lease executed by George H. Mills, as Lessor, in favor of Loren G. Horton, as Lessee, dated November 12, 1965, and filed for record in the Records of Claiborne Parish, Louisiana, on December 3, 1965, under Register No. 239227, which is found in Conveyance Book 351, at page 442;

all of said leases covering the following described property, to-wit:

TOWNSHIP 21 NORTH - RANGE 4 WEST:  
Section 2 - N/2 NW/4 NW/4  
Claiborne Parish, Louisiana.

- 50673            9.    That certain oil, gas and mineral lease executed by Fly Thompson Flurry, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated August 1, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on September 5, 1968, under Register No. 248439, which is found in Conveyance Book 350, at page 42, covering the following described property, to-wit:

TOWNSHIP 21 NORTH - RANGE 4 WEST:  
Section 2 - N/2 NE/4  
Claiborne Parish, Louisiana.

- 50837            10.   That certain oil, gas and mineral lease executed by Mrs. Dean Stewart Dean, et al, as Lessors, in favor of Hassie Hunt Trust, as Lessee, dated August 13, 1968, and filed for record in the Records of Claiborne Parish, Louisiana, on September 17, 1968, under Register No. 248441, which is found in Conveyance Book 350, at page 223, covering the following described property, to-wit:

TOWNSHIP 21 NORTH - RANGE 4 WEST:  
Section 2 - W/4 SW/4 NW/4,  
Claiborne Parish, Louisiana.

CERTIFIED COPY OF  
RESOLUTIONS OF BOARD OF DIRECTORS OF  
HASSIE HUNT EXPLORATION COMPANY

I, Assistant Secretary of Hassie Hunt Exploration Company, a Delaware corporation (the "Corporation") do hereby certify as follows:

- (i) that I am the duly elected and qualified Secretary of the Corporation and custodian of the Corporation's records;
- (ii) that a meeting of the Board of Directors of the Corporation was duly called and held on March 22, 1984, and at such meeting a quorum of the Directors was present (either in person or by means of telephonic communication by which each Director could hear each other Director at all times) and acting throughout;
- (iii) that set forth below is a true and correct restatement of certain resolutions duly and unanimously adopted by the Directors of the Corporation at such meeting held on March 22, 1984:

RESOLVED, that the Corporation borrow from InterFirst Bank Dallas, N.A. or any willing lender the sum of \$50,000,000.00, and to evidence and secure such loan the Corporation execute and deliver:

(i) A Collateral Mortgage Note (the "Mortgage Note") in the principal amount of \$50,000,000.00 payable On Demand to the order of Beaver, with 18% per annum interest thereon from the date thereof until paid, and stipulating 10% attorney's fees on the amount due thereon if placed in the hands of an attorney for collection, compromise or other action;

(ii) Collateral Chattel Mortgage, Collateral Mortgage, Pledge and Assignment of Production (the "Collateral Mortgage") of even date and like tenor with and securing the Mortgage Note, mortgaging to the holder of said Mortgage Note all the properties (the "Mortgaged Properties") affected by the Collateral Mortgage, and pledging and assigning to the holder of said Mortgage Note all production accruing to the Mortgaged Properties; said Mortgaged Properties to include the Corporation's interests in certain oil and gas leases, mineral rights, and other interests in the State of Louisiana;



(iii) Act of Pledge (the "Pledge Agreement") pursuant to which the Corporation will pledge the Mortgage Note unto InterFirst Bank Dallas, N.A. to secure all indebtedness of the Corporation to said Bank;

(iv) All other documents, notes, contracts and instruments which said InterFirst Bank Dallas, N.A. may require in connection with or arising from the loan herein authorized;

RESOLVED FURTHER that the form, terms, and provisions of the aforesaid Mortgage Note, Collateral Mortgage, and Pledge Agreement were presented to the meeting and are hereby approved in all respects, and that James L. Parker, President of the Corporation, be, and he hereby is, authorized and empowered to execute and deliver the same in the name and on behalf of the Corporation and under its seal or otherwise, in the form presented to this meeting with such changes in the terms and provisions thereof as he shall, in his sole discretion, deem necessary or desirable and in the best interest of the Corporation, his signature on said documents or any of them being conclusive evidence that he did so deem any such changes to be necessary or desirable and in the best interest of the Corporation; and further

RESOLVED, that the President, any Vice President, the Treasurer, and the Secretary of the Corporation be, and each of them hereby is, authorized and empowered to execute and deliver all such further certificates, instruments, documents, mortgages, notes, and papers in the name and on behalf of the Corporation and under its seal or otherwise, and to perform all acts and to do all things, which such officer may deem necessary or desirable to consummate the transactions contemplated by the foregoing resolution or by the Collateral Mortgage with such modifications, amendments, or further agreements that such officer, in his sole discretion, may deem necessary or desirable and in the best interest of the Corporation, and his execution and delivery in the name and on behalf of the Corporation of any such agreement, certificate, instrument, document, mortgage, note or paper or the taking of any such action shall be conclusive evidence that he did so deem the same to be necessary or desirable and in the best interest of the Corporation; and further

RESOLVED, that the President, the Treasurer, the Secretary, and any Assistant Secretary of the Corporation be, and each of them hereby is authorized and empowered to certify and attest any agreements, instruments or documents which such officer may deem necessary or appropriate to consummate the

transactions contemplated by the foregoing resolutions or by the Collateral Mortgage, provided that such attestation shall not be required for the validity of the particular document.

- (iv) That none of the resolutions set forth above have been amended, modified, or rescinded; and each such resolution is in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Corporation on this 22 day of March, 1984.

HASSIE HUNT EXPLORATION COMPANY

By: Inez Haygood  
Inez Haygood, Assistant Secretary

HASSIE HUNT EXPLORATION COMPANY  
2800 THANKSGIVING TOWER  
DALLAS, TEXAS 75201

December 29, 1987

Ms. La Nelle Boehm  
Minerals Management Service  
Mail Stop Code LE-3-1  
1201 Elmwood Park Boulevard  
New Orleans, Louisiana 70123-2394

RE: Recordation of Release of Collateral  
Chattel Mortgage, Collateral Mortgage,  
Pledge, and Assignment of Production  
Hassie Hunt Exploration Company  
\$50,000,000.00 Mortgage Note of 8/27/80

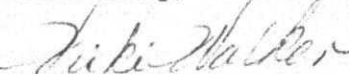
Dear Ms. Boehm:

Enclosed is Hassie Hunt Exploration Company's check number 1015596 in the amount of \$100.00 to cover the cost of filing the referenced Release in the following Outer Continental Shelf Lease Files: OCS G-2923, OCS G-3170, OCS G-1997, and OCS G-0437.

Also enclosed for your convenience are four (4) extra copies of this letter which we would appreciate your executing and returning to us as evidence for our files that the above have been filed in the records of the Minerals Management Service.

Thanking you in advance, I am

Yours truly,



Mrs. Vicki Walker  
Legal Department

FILED AS REQUESTED:

MINERALS MANAGEMENT SERVICE

By: La Nelle Boehm

La Nelle Boehm

DATE:

January 4, 1988

RECEIVED

JAN 4 1988

Minerals Management Service  
Leasing & Environment

RELEASE OF COLLATERAL MORTGAGE, COLLATERAL CHATTEL  
MORTGAGE, PLEDGE AND ASSIGNMENT OF PRODUCTION RECEIVED

STATE OF TEXAS  
COUNTY OF DALLAS

KNOW ALL MEN BY THESE PRESENTS:

Minerals Management Service  
Leasing & Environment

INTERFIRST BANK DALLAS, N.A. (formerly First National Bank in Dallas), a national banking association whose address is 901 Main Street, P.O. Box 83000, Dallas, Texas, 75283, represented herein by Craig R. Olson, its duly authorized Vice President

said above mentioned Bank (hereinafter referred to as "Mortgagee"), appearing herein before the undersigned Notary Public, in the presence of the undersigned competent witnesses, and in the jurisdiction hereinafter indicated, and said Mortgagee, being duly sworn, declared:

I.

Mortgagee is the last and current holder of the following:

1. One (1) certain Collateral Mortgage Note (hereinafter the "Note") executed by Hassie Hunt Exploration Company ("Company") through its duly authorized President, James L. Parker, payable on Demand to the order of "Bearer", dated as of August 27, 1980, said note being in the sum of FIFTY MILLION (\$50,000,000.00) DOLLARS and paraphed for identification with and secured by, among other things, a
2. Collateral Chattel Mortgage, Collateral Mortgage, Pledge and Assignment of Production filed with the Clerks of Court of Cameron, Claiborne, East Baton Rouge, Iberia, Plaquemines, St. Mary, Terrebonne and West Baton Rouge Parishes, Louisiana (hereinafter the "Mortgage") executed by Hassie Hunt Exploration Company through its duly authorized President, James L. Parker; and
3. An Act of Pledge of the Collateral Mortgage Note dated the 27th day of August, 1980 (hereinafter referred to as the "Pledge") executed by Hassie Hunt Exploration Company through its duly authorized President, James L. Parker,

all of the above-described documents (hereinafter collectively referred to as the "Collateral Mortgage Documents") being executed before Charlotte B. Tiedt, Notary Public in and for Dallas County, Texas. For satisfaction of the indebtedness evidenced and secured by the Collateral Mortgage Documents, and certain other considerations, Mortgagee, as last holder thereof does hereby grant a full and complete release of the Collateral Mortgage Documents, or any extensions, amendments or forebearances thereof and all rights accruing to mortgagee thereunder. The Note is marked "CANCELLED", a copy of which is attached hereto as Exhibit "C" and made a part hereof for all purposes.

II.

The Mortgage has been filed for record on the date and

place indicated on the Recordation Schedule attached hereto as Exhibit "A" and made a part hereof. Mortgagee hereby authorizes and directs the Clerk of Court and Recorder of Mortgages, Conveyances or Chattel Mortgages for the Parish(es), listed on attached Exhibit "A", in Louisiana, and the appropriate official or custodian of records for each other place, where said Mortgage is filed or recorded, regardless of whether the recordation information is identified on Exhibit "A", to cancel and erase entirely from their respective records the inscription of said Mortgage, and any extensions, amendments or forebearances thereof.

III.

The Mortgage contains an Assignment of Production in favor of Mortgagee, and in satisfaction of the indebtedness, and other considerations, Mortgagee does hereby release, relinquish and reassign unto Hassie Hunt Exploration Company all rights to production and the proceeds thereof acquired by or transferred to Mortgagee under the Mortgage.

IV.

As evidence of the Pledge of the Note, Hassie Hunt Exploration Company entered into an Act of Pledge ("Pledge") dated as of the 27th day of August, 1980, a copy of which is attached hereto as Exhibit "B" and made a part hereof. In consideration of the satisfaction of the indebtedness secured by the Pledge, Mortgagee does hereby release and relinquish all rights acquired by or transferred to Mortgagee under the Pledge, or any modification or amendment thereof, and Mortgagee expressly terminates and releases the Act of Pledge and any modification or amendment thereof as of the date of this instrument.

THUS DONE AND PASSED, in my office in the County of Dallas, State of Texas, in the presence of the undersigned two competent witnesses and me, Notary, on this 1st day of June, 1987.

WITNESSES:

[Signature]  
Ray A. Jackson, Assistant Cashier

INTERFIRST BANK DALLAS, N.A.

By: [Signature]  
Craig R. Olson, Vice President

[Signature]

[Signature]  
NOTARY PUBLIC - STATE OF TEXAS  
My Commission expires:  
DANA KARL, Notary Public  
Name: In and for the State of Texas  
My commission expires May 10, 1989  
Date: JUNE 1, 1987

EXHIBIT "A"

RECORDATION SCHEDULE

<u>PARISH</u>	<u>DATE OF RECORDATION</u>	<u>BOOK AND PAGE</u>
East Baton Rouge	June 3, 1982	Original <u>726</u> of Bundle <u>9500</u>  Chattel 820463 (and was ordered to be and was recorded in the Mortgage, Conveyance and Chattel Book Records of East Baton Rouge Parish, LA.

CERTIFICATE OF RECORDATION

STATE OF LOUISIANA  
PARISH OF EAST BATON ROUGE

I HEREBY CERTIFY THAT A Collateral Chattel Mortgage, Collateral Mortgage Pledge and Assignment of Production in the name of Hassie Hunt Exploration Co. in favor of First National Bank in Dallas.

DATED May 10 19 82, WAS FILED FOR RECORD IN THIS OFFICE AT 2:37 M. ON THE 3 DAY OF June 19 82.

ORIGINAL 726 OF BUNDLE 9500  
Chattel 820463

AND WAS ORDERED TO BE AND WAS RECORDED IN THE:

MORTGAGE X  
CONVEYANCE X  
OTHER Chattel Bk

RECORDS OF EAST BATON ROUGE PARISH.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS 3 DAY OF June, 19 82.

Barbara W. Irigoin  
BY: DEPUTY CLERK OF COURT

H.M. "Mike" Cannon  
Clerk of Court  
19th Judicial District Court  
East Baton Rouge Parish.

EXHIBIT "A"

RECORDATION SCHEDULE

PARISH

DATE OF RECORDATION

BOOK AND PAGE

Office of  
CLERK OF COURT AND EX-OFFICIO RECORDER  
Parish of Cameron, Louisiana

Collateral Chattel Mortgage, Collateral  
Mortgage, Pledge and Assignment of Product

DEAR SIR:

This certifies that there has been received for recordation an Act  
from Hassie Hunt Exploration Company to Bearer  
filed for record on the 17 day of September 1980, bearing file No. 166478 and duly  
recorded in Conveyance Record No. 449, page \_\_\_\_\_ of Mortgage Record No. 91, page \_\_\_\_\_  
Chattel Mortgage Record No. 11, page \_\_\_\_\_ of the records of the Parish of Cameron,  
State of Louisiana.  
Recording Fee Paid \$ \_\_\_\_\_

ROLAND U. PRIMEAUX, Clerk of Court

By Robin B. Hunt  
Deputy Clerk of Court

NOTE: All Notarial Acts and all Private Acts affecting real estate must remain on file in this office. (R. S. Sec. 30 and Act No. 212 of the General Assembly of the Year 1920.)

CAMERON OFFICE SUPPLY

Office of  
CLERK OF COURT AND EX-OFFICIO RECORDER  
Parish of Cameron, Louisiana

DEAR SIR:

This certifies that there has been received for recordation an Act  
from Hassie Hunt Exploration Company to Pledge  
First National Bank in Dallas  
filed for record on the 17 day of September, 1980, bearing file No. 166479 and duly  
recorded in Conveyance Record No. 449, page \_\_\_\_\_ of Mortgage Record No. 91, page \_\_\_\_\_  
Chattel Mortgage Record No. 11, page \_\_\_\_\_ of the records of the Parish of Cameron,  
State of Louisiana.  
Recording Fee Paid \$ \_\_\_\_\_

ROLAND U. PRIMEAUX, Clerk of Court

By Robin B. Hunt  
Deputy Clerk of Court

NOTE: All Notarial Acts and all Private Acts affecting real estate must remain on file in this office. (R. S. Sec. 30 and Act No. 212 of the General Assembly of the Year 1920.)

CAMERON OFFICE SUPPLY

RECORDATION SCHEDULE

PARISH

DATE OF  
RECORDATION

BOOK AND PAGE

Recordation Receipt

**STATE OF LOUISIANA**  
**PARISH OF ST. MARY**

This Certifies that there has been received for  
recordation an act of COLLATERAL CHATTEL MORTGAGE,  
COLLATERAL MORTGAGE, PLEDGE AND ASSIGNMENT OF  
PRODUCTION

FROM MASSIE HUNT EXPLORATION COMPANY

TO FIRST NATIONAL BANK IN DALLAS

Passed before CHARLOTTE B. TIEDT  
DALLAS COUNTY, TEXAS

Notary Public, of the Parish of St. Mary, La., the  
27th day of August 19 80

To be registered in book 23-D pg 142

of Conveyances, Entry No. 185,896 and in

Book 420 p. 416 of Mortgages, Entry No.  
146,341

C/M 167, Entry No. 241,764 pg 20 of the records of the Parish of  
St. Mary, State of Louisiana, this 17th  
day of September, 19 80.

**BENNY A. BLAKEMAN,**  
Clerk, Ex-Officio Recorder, St. Mary Parish, La.

By *Agnes B. Boudreau*  
Deputy Clerk



EXHIBIT "A"

RECORDATION SCHEDULE

<u>PARISH</u>	<u>DATE OF RECORDATION</u>	<u>BOOK AND PAGE</u>
---------------	--------------------------------	----------------------

STATE OF LOUISIANA  
PARISH OF TERREBONNE

CERTIFICATE OF RECORDATION

I, the undersigned Deputy Clerk of the Thirty-Second Judicial District Court of the State of Louisiana, in and for the Parish of Terrebonne, do hereby certify that an Act of Collateral Chattel, Mortgage, Collateral Mortgage, Pledge & Assignment of Production

from Hassie Hunt Exploration Co.

to Any Person, Firm, or Corporation

was this day recorded in this office in the record book or books, as follows:

Book	Number	Page	Entry No.
Conveyance	808		633364
Mortgage	532		633364
Chattel	-----	-----	633364

on September 17th, 19 80, at 10:07 o'clock A. M.

IN TESTIMONY WHEREOF, witness my hand and official seal, this 17th

day of September, A. D., 1980, at Houma, Louisiana.

*Elaine P. Godet*

Deputy Clerk of Court  
and Ex-Officio Recorder,  
Parish of Terrebonne, La.

ACT OF PLEDGE

BE IT KNOWN, that on the date hereinafter set forth, before me, the undersigned Notary Public, duly commissioned and qualified, in the presence of the undersigned witnesses, personally came and appeared Hassie Hunt Exploration Company, a corporation incorporated under the laws of the State of Delaware whose principal place of business is situated at 1401 Elm Street, 2500 First National Bank Building, Dallas, Texas 75202 (herein called "Debtor"), and Sam P. Henry, a Vice President of, and acting in behalf of FIRST NATIONAL BANK IN DALLAS, a national banking association (herein called "Creditor"), who did declare and acknowledge that:

1.

Debtor has executed and delivered to Creditor an act of Collateral Chattel Mortgage, Collateral Mortgage, Pledge and Assignment of Production, of even date herewith (herein called the "Mortgage"), relating to and affecting the Debtor's interest in certain oil and gas leases, the production attributable thereto and the equipment located thereon, all as more fully described therein, which secures the payment of a certain promissory note described in the Mortgage in the original principal sum of FIFTY MILLION DOLLARS (\$50,000,000), of even date herewith, drawn and subscribed by Debtor and payable to Bearer, due on demand, with interest at the rate of eighteen percent (18%) per annum from its date until paid (herein called the "Mortgage Note").

2.

The Mortgage Note is hereby pledged and delivered by Debtor to Creditor as security for the payment of any and every debt, liability and obligation, due or to become due, direct or indirect, absolute or contingent, whether now existing or to arise hereafter, of Debtor (or either one of them) to Creditor (hereinafter said debts, liability and obligations collectively referred to as "Obligations"); the maximum amount or limit of this pledge of the Mortgage Note to be secured hereunder is fixed at \$50,000,000.

3.

Notwithstanding any contrary provisions hereof, or the fact that the payment of the Obligations may be secured by other and additional security or guaranty, it is distinctly agreed and understood that the Mortgage Note and the pledge thereof shall secure the Obligations whether such Obligations be represented by agreements, promissory notes, money loaned and advanced, overdrafts, letters of credit or otherwise, together with any and all interest accrued and owing, and that all such indebtedness and interest shall be and are hereby accorded equal rank and priority.

4.

Debtor agrees that, upon the occurrence of an event of default under the Mortgage or the failure by Debtor to pay any of the evidences of the Obligations, when due ("Event of Default") the entire unpaid principal represented by all evidences of the Obligations whatever the form thereof, and all accrued and unpaid interest thereof, shall, at the election of the holder thereof (as evidenced by notice in writing given by air mail to Debtor at 500 First National Bank Building, Dallas, Texas, 75202, or such other address as Debtor shall hereafter furnish in writing to the holder hereof), become due and payable immediately, without presentment, demand for payment, protest or notice of nonpayment, dishonor or protest or any other notice or demand of any kind, and the Creditor, if it elects, shall have the right to enforce payment in full of the Obligations and to enforce payment upon the Mortgage Note and execution upon and foreclosure of the Mortgage.

5.

Creditor hereby covenants and agrees that:

- (a) Although the Mortgage Note is by its terms payable on demand, payment thereof shall not be demanded by Creditor and/or any other holder or holders thereof unless or until an Event of Default shall have occurred;
- (b) Notwithstanding the face amount of the Mortgage Note or the amount of interest or attorney's fees provided for therein, the liability of the Debtors shall be limited to and neither Creditor nor any other holder or holders of the Mortgage Note shall enforce the same for an amount exceeding the aggregate amount of the Obligations and the indebtedness of Debtors under the Mortgage Note. If upon the foreclosure sale of properties covered by the Mortgage, an amount is realized which exceeds the aggregate amount secured hereby, then such excess shall be paid over by the Creditor to Debtors;
- (c) Creditor will not sell, assign, deliver or otherwise surrender possession of the Mortgage Note to any other party or parties except upon and subject to such terms and conditions as will render the Mortgage Note subject to the provisions hereof.

6.

Creditor, on behalf of itself and any future holder or holders of the Mortgage Note hereby accepts this Act of Pledge.

IN WITNESS WHEREOF, Debtor and Creditor have caused to be executed this Act of Pledge, before me, the undersigned Notary Public in and for the County of Dallas, State of Texas, in the presence of the undersigned competent witnesses,

who have hereunto signed their names with said Appearers,  
and me, Notary, on this 27 day of August 1980.

HASSIE HUNT EXPLORATION COMPANY,  
& Delaware Corporation

WITNESSES:

By: James L. Parker  
James L. Parker, President

Doris Steiner  
Mary Haygood

FIRST NATIONAL BANK IN DALLAS

WITNESSES:

By: Sam P. Henry  
Sam P. Henry

T. C. Ballster  
Burr C. Cannon

Charlotte B. Tiedt  
NOTARY PUBLIC

My Commission Expires:  
CHARLOTTE B. TIEDT, Notary Public  
in and for Dallas County, Texas  
My Commission Expires 2-21-81

COLLATERAL MORTGAGE NOTE

\$50,000,000

Dallas, Texas  
Aug 27, 1980

FOR VALUE RECEIVED, on demand, the undersigned, a corporation incorporated under the laws of the State of Delaware promises to pay to Bearer, at the main banking offices of First National Bank in Dallas, Dallas, Texas, the sum of FIFTY MILLION DOLLARS (\$50,000,000), together with interest thereon from the date hereof until paid at a rate of eighteen percent (18%) per annum.

In the event this Note should be placed in the hands of an attorney, to institute legal proceedings to recover the amount hereof, or any part hereof, in principal or interest, or to protect the interests of the holder hereof, or to compromise or take any other action with regard thereto, the maker hereby binds itself to pay the fees of the attorney who may be employed for that purpose, which fees are hereby fixed at ten percent (10%) of the amount then owing hereon and sought to be collected, protected or preserved.

The parties hereto hereby waive presentment for payment, demand, notice of non-payment, protest, and all pleas of division and discussion, and agree that the time of payment hereof may be extended from time to time, one or more times, without notice of such extension or extensions and without previous consent, hereby binding themselves in solido, unconditionally and as original promisors, for the payment hereof in principal, interest, costs and attorney's fees. No delay on the part of the holder hereof in exercising any rights hereunder shall operate as a waiver of such rights.

ATTEST:

HASSIE HUNT EXPLORATION COMPANY

Julia Sheerin  
Julia Sheerin  
Assistant Secretary

By: James Hunter  
James Hunter,  
President

**CANCELLED**

**CANCELLED**

"Ne Varietur"

For identification with an Act of Collateral Chattel Mortgage, Collateral Mortgage, Pledge and Assignment of Production passed before me this 27 day of August, 1980.

Charlotte B. Tiedt  
NOTARY PUBLIC

My Commission Expires:

CHARLOTTE B. TIEDT, Notary Public  
in and for Dallas County, Texas  
My Commission Expires 7-21-81