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April 20, 1990

Mineral Management Service
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394

Re: Recording of First Amendment to Dec'd of Trust,
Security Agreement, Assignment of Security
Interests and Liens, Assignment of Production
and Financing Statement. ("First Amendment")

Ladies and Gentlemen:

Please file one of the enclosed First Amendments in each of
the following lease files:

- (i) OCS-G 4137;
- (ii) OCS-G 4138;
- (iii) OCS-G 4259;
- (iv) OCS-G 4721;
- (v) OCS-G 6055;
- (vi) OCS-G 8132; and
- (vii) OCS-G 9047.

RECEIVED

APR 23 1990

Mineral Management Service
Leasing & Environment

Please find enclosed our check in the amount of \$175.00 to
cover recording fees.

Very truly yours,

Bracewell & Patterson

DeJeanne P. Keller
DeJeanne P. Keller

DPK/db
Enclosures

DPK/10851/2012
08030417.L2E

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**Minerals Management Service
Leasing & Environment**

**FIRST AMENDMENT TO DEED OF TRUST
SECURITY AGREEMENT, ASSIGNMENT OF SECURITY
INTERESTS AND LIENS, ASSIGNMENT OF PRODUCTION
AND FINANCING STATEMENT**

This First Amendment to Deed of Trust, Security Agreement, Assignment of Security Interests and Liens, Assignment of Production and Financing Statement ("Amendment") is entered into by and between WALTER OIL & GAS CORPORATION, a Texas corporation ("Debtor") and CITIBANK, N.A. ("Secured Party").

Debtor has heretofore executed a Deed of Trust, Security Agreement, Assignment of Security Interests and Liens, Assignment of Production and Financing Statement dated December 12, 1988, filed of record in (i) the counties and records in the State of Texas, (ii) the Minerals Management Service lease files in Metairie, Louisiana, and (iii) with the General Land Office of the State of Texas, all more particularly described in Exhibit "A" attached hereto and incorporated herein for all purposes (collectively the "Deed of Trust").

Debtor and Secured Party now desire to amend certain terms and conditions of the Deed of Trust.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Debtor and Secured Party do hereby agree to amend the terms and conditions of the Deed of Trust as follows:

Article I, Sections 1.7(a) and 1.7(b) of the Deed of Trust shall be amended in their entirety to read as follows:

1.7 "Obligations" means

(a) All obligations of Debtor to Secured Party pursuant to the terms and conditions of that certain Credit Agreement dated December 12, 1988 between Debtor and Secured Party, as amended from time to time (the "Credit Agreement"), including but not limited to (i) all obligations under that certain Promissory Note dated December 12, 1988 in the original principal amount of \$9,000,000.00 executed by Debtor, payable to the order of Secured Party, and any note given in substitution, replacement, amendment, renewal or extension thereof including, but not limited to, that certain Promissory

Note of even date herewith in the original principal amount of \$10,150,000.00, executed by Debtor payable to the order of Secured Party, which Note is due and payable in full on or before September 1, 1992 and (ii) all other "Obligations" (as defined in the Credit Agreement);

(b) All debt arising under or pursuant to those two (2) Applications and Agreements for Clean Irrevocable Letters of Credit, each dated April 12, 1990, executed by Debtor, providing for the issuance of two (2) letters of credit in the aggregate face amount of \$1,850,000 for the benefit of The Ministry of Mines and Hydrocarbons, The Republic of Equatorial Guinea, as such instruments may be amended or supplemented from time to time, including specifically, but not limited to, any reimbursement obligations thereunder; and all promissory notes evidencing additional loans which Secured Party may hereafter make to Debtor (although it is understood that Secured Party is under no obligation to do so) other than loans made by Secured Party pursuant to Chapter 4 of the Texas Credit Code, as amended;

Debtor does hereby ratify and affirm the Deed of Trust, and all terms and conditions contained therein, and all the rights, privileges, and liens of Secured Party pursuant to the terms and conditions of the Deed of Trust, as amended hereby, and do hereby reaffirm and restate the grant and conveyance in trust of the property mortgaged thereunder. Except as specifically modified by the terms of this Amendment, all of the terms, provisions, covenants, warranties and agreements contained in the Deed of Trust (including, without limitation, exhibits thereto) remain in full force and effect.

DEBTOR:

WALTER OIL & GAS CORPORATION

By: J. C. Walter Jr.
Name: J. C. WALTER JR.
Title: PRESIDENT

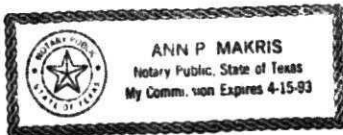
SECURED PARTY:

CITIBANK, N.A.

By: [Signature]
Name: JAMES P. LYNN
Title: Vice President

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on April 12,
1990 by A.C. WALTER III, PRESIDENT
of Walter Oil & Gas Corporation, a Texas corporation, on
behalf of said corporation.



Ann P. Makris
Notary Public in and for the
State of Texas
Printed Name: _____
My Commission Expires: _____

THE STATE OF ^{New York} ~~TEXAS~~ §
COUNTY OF ^{New York} ~~HARRIS~~ §

This instrument was acknowledged before me on APRIL 13,
1990 by JAMES P. LYDON, VICE PRESIDENT
of Citibank, N.A., a national banking association, on behalf
of said association.

Mary Taylor
Notary Public in and for the
State of Texas NEW YORK
Printed Name: MARY TAYLOR
My Commission Expires: 3-6-91

DPK/16951/2012
08050398.DOC

MARY TAYLOR
Notary Public, State of New York
No. 41-4947088
Qualified in Queens County
Certificate filed in New York County
Commission Expires March 6, 1991

EXHIBIT "A"

1. State of Texas

<u>County</u>	<u>Date Filed</u>	<u>File No.</u>	<u>Recordation</u>
Aransas	12/15/88	164703	Image No. 95509
Brazoria	12/15/88	38567	Vol. 622, P. 788 Official Records
Calhoun	12/15/88	13658	Vol. 25, P. 923 Official Records
Chambers	12/15/88	5237-B	Vol. 65, P. 289 Official Records
Galveston	12/15/88	8843565	Film Code No. 006-20-1935
Matagorda	12/15/88	7851	Vol. 207, P. 199 Official Records

2. Minerals Management Service:

OCS-G 4137
OCS-G 4138
OCS-G 4259
OCS-G 4721
OCS-G 6055
OCS-G 8132
OCS-G 9047

3. General Land Office, State of Texas:

Under State Lease Nos: M-90571
M-92454

DOT 16051 2012
00000308 OC