

**ACT OF SUPPLEMENT TO
COLLATERAL MORTGAGE, PLEDGE
AND ASSIGNMENT**

UNITED STATES OF AMERICA

BY

**STATE OF TEXAS
COUNTY OF DALLAS**

**EDISTO EXPLORATION &
PRODUCTION COMPANY (formerly
named Hall-Houston Offshore**

**STATE OF NEW YORK
COUNTY OF NEW YORK**

AND

**CHEMICAL BANK (successor by
merger to Manufacturers
Hanover Trust Company**

RECEIVED
JUL 27 1992

MINERALS MANAGEMENT SERVICE
LEASING & ENVIRONMENT

* * * * *

BE IT KNOWN, that on the dates hereinafter set forth,
with an effective date of July 15, 1992, before the undersigned
notaries public, duly commissioned and qualified in and for the
states and counties set forth herein, and in the presence of the
undersigned competent witnesses, personally came and appeared:

EDISTO EXPLORATION & PRODUCTION COMPANY ("Mortgagor"),
a Texas general partnership formerly named Hall-Houston
Offshore, duly qualified as a foreign partnership to
enjoy the rights, privileges and juridical status of a
Louisiana partnership, having its principal place of
business in Louisiana c/o CT Corporation, 601 Poydras
Street, New Orleans, Louisiana 70130, which is the
Mortgagor's designated agent for service of process
within Louisiana, currently organized pursuant to and
governed by the Amended and Restated General
Partnership Agreement of Mortgagor dated as of
October 15, 1991, herein appearing through and
represented by its partners duly authorized hereunto
pursuant to said Amended and Restated Partnership
Agreement:

(1) **EDISTO RESOURCES CORPORATION ("ERC")**, a Delaware
corporation, which said corporation is, in turn,
appearing through and represented by Thomas W. Pickett,
its Vice-President and Treasurer, duly authorized to
act herein by resolutions adopted by the board of
directors of said corporation, a certified copy of
which is attached hereto; and

(2) **NRM OPERATING COMPANY, L.P. ("NRM")**, a Delaware
limited partnership, duly qualified to do business in
Louisiana as a foreign partnership, organized pursuant
to the Fifth Amended and Restated Agreement of Limited
Partnership dated March 10, 1987, which said agreement
has been filed with the Secretary of State of
Louisiana, herein appearing through and represented by
its general partner, Edisto Resources Corporation, a
Delaware corporation, duly authorized to act herein,
which said Edisto Resources Corporation is in turn,
appearing through and represented by Thomas W. Pickett,
its Vice-President and Treasurer, duly authorized to
act herein by resolutions adopted by the board of
directors of said corporation, a certified copy of
which is attached hereto;

and

CHEMICAL BANK the successor by merger to **Manufacturers Hanover Trust Company ("Mortgagee")**, a New York banking corporation acting in its capacity as agent for the banks and other financial institutions which are, from time to time, parties to that certain Credit Agreement among **Hall-Houston Offshore, Edisto Resources Corporation, NRM Operating Company, N.P., Manufacturers Hanover Trust Company** and the banks that are signatory thereto dated as of August 15, 1991, having a mailing address at 270 Park Avenue, New York, New York 10017, herein represented by **Charles Freedgood**, its Vice President, duly authorized hereunto;

who declared and acknowledged as follows:

RECITALS

Mortgagee is the holder and pledgee of that certain Collateral Mortgage Note (the "Note") executed by Mortgagor under its former name **Hall-Houston Offshore**, dated August 15, 1991, in the principal sum of One Hundred One Million and No/100 (\$101,000,000.00) Dollars, payable to Bearer on demand, bearing interest at the rate of eighteen percent (18%) per annum from date until paid.

The Note is secured by an act of Collateral Mortgage, Pledge and Assignment (the "Mortgage") passed before **Andrew J. Miller**, Notary Public, on August 15, 1991, recorded in the mortgage records of the Louisiana parishes listed on Exhibit "A" annexed hereto and made a part hereof, encumbering Mortgagor's interests in certain federal oil and gas leases and related property and rights located offshore Louisiana on the Outer-Continental Shelf.

Under the terms of the Credit Agreement between Mortgagor and **Manufacturers Hanover Trust Company** dated as of August 15, 1991, Mortgagor agreed to supplement the Mortgage from time to time to include Mortgagor's undivided interests in certain other oil and gas leases.

NOW THEREFORE, in addition to the interests heretofore encumbered by the Mortgage as security for the Note, Mortgagor does, by this instrument, hereby mortgage, affect and specially hypothecate in favor of Mortgagee, to inure to the use and benefit of any future holder or holders of the Note, the following described interests, to-wit:

1. Those certain undivided interests stated in Exhibit "B" attached hereto and made part hereof, of Mortgagor in and to those certain oil and gas and/or oil, gas and mineral leases, interests and properties which are described on Exhibit "B" hereto.
2. Like undivided interests of Mortgagor in and to (a) the properties now or hereafter pooled or unitized with any of the properties described in or covered by this Mortgage; (b) all units created by all presently existing or future unitization, communitization and pooling agreements (including, without limitation, all units formed under orders, regulations, rules or other official acts of any Federal, State, or other governmental body or agency having jurisdiction) which relate to any of the properties, rights and interests described or referred to in this Mortgage or to the production of oil, gas, casing-head gas, drip gasoline, natural gasoline, condensate and all other liquid hydrocarbons (hereinafter collectively called the "Hydrocarbons") and any other minerals from said properties; and (c) the properties described in or covered by this Mortgage even though the Mortgagor's interests in said properties be incorrectly described in, or a description of a part or all of such interests be omitted from, this Mortgage.
3. Like undivided interests of Mortgagor in and to all appurtenances and properties in anywise appertaining, belonging, affixed or incidental to the properties, rights, titles, interests and estates described or referred to in subparagraphs 1 and 2 above, which are now owned or which may hereafter be acquired by Mortgagor, including, without limitation, (a) any and all immovable property now owned or hereafter acquired and situated upon, and used, and held for use, or useful in connection with or dedicated to the operating, working or developing of any of such properties and including any and all petroleum and/or natural gas wells, buildings, structures, field separators and liquid extractors, plant compressors, pumps, pumping units, field gathering systems, tanks and tank batteries, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, appliances, tools, implements, cables, wires, towers, casing, tubing and rods, and (b) any and all other items incorporated into such properties or improvements located therein or thereon in such manner that said items no longer remain movable property under the laws of the State of Louisiana, together with all additions, substitutes, replacements for, accessions and attachments to any and all of the foregoing properties.
4. Like undivided interests of Mortgagor now owned or hereafter acquired by Mortgagor in and to all Hydrocarbons and other minerals in or under or accruing or attributable to such properties described in and covered by this Mortgage.
5. Like undivided interests of Mortgagor of every nature whatsoever now owned or hereafter acquired by Mortgagor in and to the properties, rights, titles, interests and estates and every part and parcel thereof described in and covered by this Mortgage, including without limitation, said properties, rights, titles, interests and estates attributable thereto as the same shall be enlarged by the discharge of any payments out of production or by the removal of any charges or encumbrances to which any of said properties, rights,

titles, interests and estates are subject or otherwise; any and all renewals and extensions of any of said properties, rights, titles, interests or estates; and any and all additional interests of any kind hereafter acquired by Mortgagor in and to said properties, rights, titles, interests or estates, it being the intention of Mortgagor to include hereunder all of the property, rights, titles, interests and things hereinabove described and insofar as possible, to render by this act all of such properties described herein immovable by law.

6. Like undivided interests of Mortgagor in and to all presently existing or future unitization, communitization and pooling agreements (including, without limitation, all such agreements formed under orders, regulations, rules or other official acts of any Federal, State, or other governmental body or agency having jurisdiction) which relate to any of the properties, rights and interests described in or referred to in this Mortgage or to the production of Hydrocarbons and any other minerals from said properties.
7. Like undivided interests of Mortgagor in and to all operating agreements, contracts and other agreements which relate to any of the properties or interests described or referred to herein or to production, sale, purchase, exchange or processing of Hydrocarbons or other minerals from or attributable to such properties or interests; and all contracts and agreements supplemental to or amendatory of or in substitution for such contracts and agreements.
8. Like undivided interests of Mortgagor now owned or hereafter acquired by Mortgagor in and to all Hydrocarbons and other minerals that may be extracted or produced from or accruing or attributable to such properties described in and covered by this Mortgage, including, without limitation, oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other income of or from such properties.
9. Like undivided interests in the incorporeal right to receive proceeds attributable to the insurance loss of any property encumbered by this Mortgage.

For convenience of reference, the interests described above in subparagraphs 1-9 are collectively referred to herein as the "Additional Property."

Mortgagor further declares that the mortgage granted hereby on the Additional Property shall be and is hereby made pursuant to, and under the terms, provisions and conditions of, the Mortgage, in the same manner and to the same extent as though the Additional Property had been described specifically in the Mortgage at the time the same was executed, it being intended without limitation of any other terms, provisions or conditions in the Mortgage, all of which are to remain in full force and effect, that as to the Additional Property, the Mortgage is also

given and affected with the pact de on alienando, confession of judgment, the waiver of appraisal and the waiver of the demand and three days' delay provided for by Article 2639 of the Louisiana Code of Civil Procedure; and that in the event of a foreclosure, the Additional Property shall be treated in the same manner as though it had been described specially in the Mortgage, and may be sold with, as a part of, and at the same time as the property originally encumbered by the Mortgage.

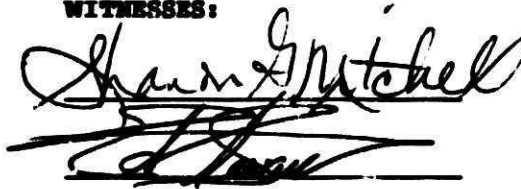
The Additional Property shall remain so specifically mortgaged, affected and hypothecated until the full and final payment of the Note in principal and interest, together with all attorney's fees, insurance premiums, taxes, repairs and other costs and expenses which may be due under the terms of the Mortgage.

Thereupon, Mortgagee, through its representative, presented the Note to me, the notary before whom Mortgagee appeared, and I did paraph the Note "Ne Varietur" for identification herewith, and returned the Note to Mortgagee's representative, who hereby acknowledges receipt thereof.

THUS DONE, SIGNED AND PASSED by Mortgagor, in multiple originals in the County of Dallas, State of Texas, on July 21, 1992, in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

MORTGAGOR:

WITNESSES:



EDISTO EXPLORATION & PRODUCTION COMPANY

By its partners:

(1) **EDISTO RESOURCES CORPORATION**

By: 
David M. Broussard
President

(2) **HRM OPERATING COMPANY, L.P.**

By its general partner:

Edisto Resources Corporation

By: *David N. Broussard*
David N. Broussard
President



Teresa M. Harry
Notary Public

My Commission Expires on _____.

THUS DONE, SIGNED AND PASSED by Mortgagee, in multiple originals in the County of New York, State of New York, on July 22nd, 1992, in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

MORTGAGEE:

WITNESSES:

CHEMICAL BANK

James W. Stewart
[Signature]

By: *Charles Freedgood*
Charles Freedgood
Its: Vice President

Dorothy E. Denney
Notary Public

My Commission Expires on _____.

DOROTHY E. DENNEY
Notary Public, State of New York
No. 41-4952009
Qualified in Queens County
Certificate filed in New York County
Commission Expires June 5, 1993

EXHIBIT "A"

Document Description: Collateral Mortgage, Pledge and Assignment by Hall-Houston Offshore, a Texas general partnership, in favor of Any Future Holder of the Collateral Note Secured Hereby, dated as of August 15, 1991 regarding \$101,000,000.00 Note (HHO-1)

Louisiana Parish

Recordation Information

Cameron

August 19, 1991 at 11:47 A.M. at File No. 223881, COB 734, MOB 179

Iberia

August 16, 1991 at 1:40 P.M. in COB 1016, Folio 631, MOB A589, Folio 583, Entry No. 91-5425

Jefferson

August 16, 1991 at 3:05 P.M. in COB 2546, Folio 154, MOB 3005, Folio 232, Mineral Book 119, Folio 224

LaFourche

August 16, 1991 at 11:20 A.M. in COB 1120, Folio 393, MOB 604, Folio 169, under Entry No. 727979

Plaquemines

August 16, 1991 at 11:47 A.M. in COB 761, Folio 468, MOB 206, Folio 819

St. Bernard

August 16, 1991 at File No. 270776, in COB 504, Folio 298, MOB 626, Folio 585, Mineral Book 85, Folio 92

St. Mary

August 16, 1991 at 1:35 P.M. in COB 34-N, Folio 744, under Entry No. 235302, MOB 631, Folio 489, under Entry No. 196226

Terrebonne

August 16, 1991 at 1:55 P.M. in COB 1289, Folio 459, MOB 872, Folio 269, under Entry No. 885893

Vermilion

August 16, 1991 at 3:29 P.M. in COB and MOB under Entry No. 9107610

and

**Minerals Management
Service**

August 16, 1991

**EXHIBIT "B" TO ACT OF SUPPLEMENT TO COLLATERAL
MORTGAGE, PLEDGE AND ASSIGNMENT**

An undivided 39.084922% interest in and to the record title interest under that certain Oil and Gas Lease of Submerged Lands bearing Serial Number OCS-G 10869, effective May 1, 1989, granted by the United States of America, as lessor, in favor of Hall-Houston Oil Company, as lessee, covering the NE/4 of Block 82, Grand Isle Area, OCS Leasing Map, Louisiana Map No. 7.

Subject to the following:

- 1. Offshore Operating Agreement effective May 1, 1989;**
- 2. Proportionate share of a 1.00% of 8/8ths overriding royalty interest to Hall-Houston Oil Company Employee Royalty Trust;**
- 3. Proportionate share of a 1.00% of 8/8ths overriding royalty interest to NRM Operating Company, L.P.;**
- 4. Proportionate share of a 3.33333% of 8/8ths overriding royalty interest to Ridgewood Leasebank-IV, L.P.;**
- 5. Proportionate share of a 1.00% of 8/8ths overriding royalty interest to Deborah Eversull; and**
- 6. Gas Purchase Contract between Texas Eastern Transmission Corporation and Hall-Houston Offshore, et al., dated August 15, 1980.**

As a result of Mortgagor's interest in OCS-G 10869, Mortgagor is entitled to the following interest therein:

<u>Working Interest</u>	<u>Net Revenue Interest</u>
39.084922%	30.085390%

JHB 085

**EXHIBIT "B" TO ACT OF SUPPLEMENT TO COLLATERAL
MORTGAGE, PLEDGE AND ASSIGNMENT**

An undivided 46.90191% interest in and to the operating rights under that certain Oil and Gas Lease of Submerged Lands bearing Serial Number OCS-G 5572, effective July 1, 1983, granted by the United States of America, as lessor, in favor of Exxon Corporation, as lessee, covering all of Block 316, Ship Shoal Area, OCS Leasing Map, Louisiana Map No. 5A, from the surface of the earth to the stratigraphic equivalent of 5,000 feet total vertical depth, which is the total depth of the OCS-G 5572 Well No. 1, plus 100 feet, for a total of 5,000 feet; less and except the stratigraphic equivalent of that interval between 5,055 feet and 5,430 feet measured depth as indicated on the electric log of the OCS-G 5572 Well No. 2.

Subject to the following:

- 1. All terms and provisions of Oil and Gas Lease;**
- 2. Farmout Agreement dated April 20, 1990, by and between Exxon Corporation and Hall-Houston Oil Company;**
- 3. Assignment of Operating Rights dated effective January 1, 1991, from Exxon Corporation to Hall-Houston Oil Company;**
- 4. Offshore Operating Agreement dated May 1, 1990;**
- 5. Proportionate share of a 1.00% of 8/8ths overriding royalty interest to Hall-Houston Oil Company Employee Royalty Trust; and**
- 6. Proportionate share of a 1.00% of 8/8ths overriding royalty interest to NRM Operating Company, L.P.**

As a result of Mortgagor's interest in OCS-G 5572, Mortgagor is entitled to the following interest therein:

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
BPO	46.90191%	45.025831%

JH-B.082

**EXHIBIT "B" TO ACT OF SUPPLEMENT TO COLLATERAL
MORTGAGE, PLEDGE AND ASSIGNMENT**

An undivided 26.05662% interest in and to the operating rights under that certain Oil and Gas Lease of Submerged Lands bearing Serial Number OCS-G 7738, effective September 1, 1985, granted by the United States of America, as lessor, in favor of Texaco Inc. and Amoco Production Company, as lessee, covering all of Block 274, Eugene Island Area, South Addition, OCS Leasing Map, Louisiana Map No. 4A, INsofar AND ONLY INsofar as Said Lease covers the Southwest Quarter (SW/4) down to 100 feet below the stratigraphic equivalent of the true vertical depth of 10,579 feet, as measured in the Hall-Houston Oil Company, OCS-G 7738, No. C-7 Well located on Eugene Island Block 274, save and except the 4,000' Sand as seen at the electric log depth interval between 4,100' and 4,600' in the Exxon, OCS 4133, No. 1 well located on Eugene Island Block 274.

Subject to the following:

1. Farmout Agreement dated May 7, 1990, as amended, by and between Amoco Production Company, Texaco Inc. and Hall-Houston Oil Company;
2. Letter Agreement dated June 15, 1990, by and between Texaco Inc. and Hall-Houston Oil Company;
3. Assignment of Operating Rights dated January 7, 1991, from Amoco Production Company to Hall-Houston Oil Company;
4. Proportionate share of a .50% of 8/8ths overriding royalty interest to Hall-Houston Oil Company Employee Royalty Trust;
5. Proportionate share of a .50% of 8/8ths overriding royalty interest to NRM Operating Company, L.P.; and
6. Proportionate share of a 1.6667% of 8/8ths overriding royalty interest to Ridgewood Leasebank-V, L.P.

As a result of Mortgagor's interest in OCS-G 7738, Mortgagor is entitled to the following interest therein:

<u>Working Interest</u>	<u>Net Revenue Interest</u>
26.05662%	21.192713%

JHB.001

EXHIBIT "B" TO ACT OF SUPPLEMENT TO COLLATERAL
MORTGAGE, PLEDGE AND ASSIGNMENT

An undivided 50.00000% interest in and to the record title interest under that certain Oil and Gas Lease of Submerged Lands bearing Serial Number OCS-G 12965, effective May 1, 1991, granted by the United States of America, as lessor, in favor of Hall-Houston Oil Company, as lessee, covering all of Block 144, South Timbalier Area, OCS Leasing Map, Louisiana Map No. 6.

Subject to the following:

1. Offshore Operating Agreement between Hall-Houston Oil Company, as Operator, and Edisto Exploration & Production Company, as Non-Operator, effective August 15, 1991;
2. Sale and Repurchase Agreement dated effective February 25, 1991, between Hall-Houston Offshore, Nuevo Energy Company and Gary L. Hall;
3. Proportionate share of a 1.00% of 8/8ths overriding royalty interest to Hall-Houston Oil Company Employee Royalty Trust;
4. Proportionate share of a 1.00% of 8/8ths overriding royalty interest to NRM Operating Company, L.P.; and
5. Proportionate share of a 1.25% of 8/8ths overriding royalty interest to Samuel J. St. Roman.

As a result of Mortgagor's interest in OCS-G 12965, Mortgagor is entitled to the following interest therein:

<u>Working Interest</u>	<u>Net Revenue Interest</u>
50.00000%	38.37500%

JHB.077

**EXHIBIT "B" TO ACT OF SUPPLEMENT TO COLLATERAL
MORTGAGE, PLEDGE AND ASSIGNMENT**

An undivided 30.00459% interest in and to the operating rights under that certain Oil and Gas Lease of Submerged Lands bearing Serial Number OCS-G 6868, effective July 1, 1984, granted by the United States of America, as lessor, in favor of Getty Oil Company 50% and Conoco Inc. 50%, as lessees, covering all of Block 27, Viosca Knoll, OCS Official Protraction Diagram, NH 16-7, containing approximately 5,760 acres, from the surface of the Earth down to and including, but not below, -3,264 feet subsea, said depth being 100 feet below the deepest depth drilled and logged in the OCS-G 6868 No. 1 Well, or the stratigraphic equivalent thereof.

Subject to the following:

1. Assignment of Operating Rights dated effective September 1, 1990, from Conoco, Inc., and Texaco Exploration and Production, Inc., to Hall-Houston Oil Company;
2. Farmout Agreement dated December 19, 1965, by and between Conoco, Inc., Texaco Exploration and Production, Inc., and Gulfstar Operating Company;
3. Mobile Bay Offshore Operating Agreement, as amended, dated effective January 3, 1989;
4. Assignment of Overriding Royalty Interest from Hall-Houston Oil Company to Edmund L. Russell and Regina L. Russell, Trustees, et al;
5. Assignment of Overriding Royalty Interest from Hall-Houston Oil Company to Gulf Royalty Interests, Inc., et al;
6. Assignment of Production Payment from Hall-Houston Oil Company to Gulfstar Petroleum Company.

As a result of Mortgagor's interest in OCS-G 6868, Mortgagor is entitled to the following interest therein:

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
BPO	30.00459%	18.94749%
APD*	30.00459%	19.68311%

* As provided in Item 6 above.

JHB.074

EXHIBIT A TO ACT OF SUPPLEMENT TO COLLATERAL
MORTGAGE, PLEDGE AND ASSIGNMENT

An undivided 34.39473% interest in and to the operating rights under that certain Oil and Gas Lease No. OCS-G 7849, dated September 1, 1985, between the United States of America, as Lessor and Conoco, Inc., Amoco Production Company, and Pennzoil Exploration and Production Company, as Lessee, covering Block 947, Mobile OCS Official Protraction diagram, MH 16-4, from the surface of the earth down to and including, but not below, the stratigraphic equivalent of 100' below a depth of 3,200' True Vertical Depth, as identified on the electric log of the Gulfstar Mobile 947 OCS-G 7849 No. 1 Well,

Subject to the following:

1. Assignment of Operating Rights dated effective September 1, 1990, from Conoco, Inc., Amoco Production Company and Pennzoil Production Company to Hall-Houston Oil Company,
2. Farmout Agreement dated April 4, 1990, by and between Conoco, Inc., Amoco Production Company, and Pennzoil Production Company and Hall-Houston Oil Company;
3. Mobile Ray Offshore Operating Agreement, as amended, dated effective January 3, 1989;
4. Assignment of Overriding Royalty Interest from Hall-Houston Oil Company to Edmund L. Russell and Regina L. Russell, Trustees, et al;
5. Assignment of Overriding Royalty Interest from Hall-Houston Oil Company to Gulf Royalty Interests, Inc., et al;
6. Assignment of Production Payment from Hall-Houston Oil Company to Gulfstar Petroleum Company dated March 3, 1992.

As a result of Mortgagor's interest in OCS-G 7849, Mortgagor is entitled to the following interest therein:

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
BPO	34.394731%	22.627679%
APO*	34.394731%	23.659520%

* As provided in item 6 above.

JHE.073

EXHIBIT "B" TO ACT OF SUPPLEMENT TO COLLATERAL ASSIGNMENT
MORTGAGE, PLEDGE AND ASSIGNMENT

An undivided 10.20551% interest in and to the operating rights under that certain Oil and Gas Lease No. OCS-G 7856, dated July 1, 1985, between the United States of America, as Lessor, and Conoco, Inc., Amoco Production Company, and Pennzoil Exploration and Production Company, as Lessee, covering Block 990, Mobile, OCS Official Production diagram, NH 16-4, from the surface of the earth down to and including, but not below, the stratigraphic equivalent of 100' below a depth of 4,032' True Vertical Depth, as identified on the electric log of the Gulfstar Mobile 990 OCS-G 7856 No. 1 Well.

Subject to the following:

1. Assignment of Operating Rights dated effective September 1, 1990, from Conoco, Inc., Amoco Production Company and Pennzoil Production Company to Hall-Houston Oil Company;
2. Farmout Agreement dated April 4, 1990, by and between Conoco, Inc., Amoco Production Company, and Pennzoil Production Company and Hall-Houston Oil Company;
3. Mobile Bay Offshore Operating Agreement, as amended, dated effective January 3, 1989;
4. Assignment of Overriding Royalty Interest from Hall-Houston Oil Company to Edmund L. Russell and Regina L. Russell, Trustees, et al;
5. Assignment of Overriding Royalty Interest from Hall-Houston Oil Company to Gulf Royalty Interests, Inc., et al;
6. Assignment of Production Payment from Hall-Houston Oil Company to Gulfstar Petroleum Company dated March 3, 1992.

As a result of Mortgagor's interest in OCS-G 7856, Mortgagor is entitled to the following interest therein:

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
BPO	10.20551%	6.63016%
APOR	10.20551%	6.93633%

* As provided in Item 6 above.

JMB.072

**EXHIBIT "B" TO ACT OF SUPPLEMENT TO COLLATERAL
MORTGAGE, PLEDGE AND ASSIGNMENT**

An undivided 37.27421% interest in and to the operating rights under that certain Oil and Gas Lease No. OCS-G 7847, dated September 1, 1985, between the United States of America, as Lessor, and Conoco, Inc., Amoco Production Company, and Pennzoil Exploration and Production Company, as Lessee, covering Block 945, Mobile, OCS Official Protracting Diagram, NH 16-4, from the surface of the earth down to and including, but not below, the stratigraphic equivalent of 100' below a depth of 4,320' True Vertical Depth, as identified on the electric log of the Gulfstar Mobile 9/5 OCS-G 7847 No. 1 Well,

Subject to the following:

1. Assignment of Operating Rights dated effective September 1, 1985, from Conoco, Inc., Amoco Production Company and Pennzoil Production Company to Hall-Houston Oil Company;
2. Farmout Agreement dated April 4, 1990, by and between Conoco, Inc., Amoco Production Company, and Pennzoil Production Company and Hall-Houston Oil Company;
3. Mobile Bay Offshore Operating Agreement, as amended, dated effective January 3, 1989;
4. Assignment of Overriding Royalty Interest from Hall-Houston Oil Company to Edmund L. Russell and Regina L. Russell, Trustees, et al;
5. Assignment of Overriding Royalty Interest from Hall-Houston Oil Company to Gulf Royalty Interests, Inc., et al;
6. Assignment of Production Payment from Hall-Houston Oil Company to Gulfstar Petroleum Company dated March 3, 1992.

As a result of Mortgagor's interest in OCS-G 7847, Mortgagor is entitled to the following interest therein:

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
BPO	37.27421%	25.5849%
APO*	37.27421%	26.09828%

* As provided in Item 6 above.

JH2.071

**EXHIBIT "E" TO ACT OF SUPPLEMENT TO COLLATERAL
MORTGAGE, PLEDGE AND ASSIGNMENT**

That certain Farmout Agreement dated effective as of January 1, 1990, by and among Amoco Production Company, as farmor, and Gulfstar Petroleum Company, as farmee, covering (i) federal oil and gas lease bearing Serial No. OCS-G 8767, covering Viosca Knoll Block 68, and (ii) federal oil and gas lease bearing Serial No. CCS-G 7877, covering Viosca Knoll 69.

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
BPO	24.75378%	16.28459%
APO*	24.75378%	17.02760%

* As provided in the Farmout Agreement referenced above.

JH13.076

**RESOLUTIONS OF THE BOARD OF DIRECTORS
OF EDISTO RESOURCES CORPORATION,
a Delaware corporation**

RESOLVED that David M. Broussard, President of this corporation, be and he is hereby authorized and directed, for and on behalf of this corporation in its capacity as (a) the sole general partner of NRM Operating Company, L.P., a Delaware limited partnership (the "Delaware Partnership") which is a partner of Edisto Exploration & Production Company, a Texas general partnership (the "Texas Partnership"), and (b) a partner of the Texas Partnership, to execute an Act of Supplement to the Collateral Mortgage, Pledge and Assignment granted by the Texas Partnership on August 15, 1991 (the "Collateral Mortgage") to secure the collateral mortgage note of the Texas Partnership in the amount of One Hundred One Million (\$101,000,000.00) and No/100 Dollars, payable to bearer on demand, with interest at the rate of eighteen (18%) percent per annum from date until paid (the "Collateral Note"), for the purpose of adding to and subjecting to the lien of the Collateral Mortgage such oil and gas and/or oil, gas and mineral leases, interests and properties, and such other immovable property of the Texas Partnership as said officer, in his uncontrolled discretion, may elect on behalf of this corporation as (a) the sole general partner of the Delaware Partnership, acting in turn as a partner of and for and in behalf of the Texas Partnership, and (b) a partner of the Texas Partnership, the execution of said Act of Supplement by said officer to be conclusive evidence of such election.

RESOLVED FURTHER that the aforesaid Act of Supplement to be executed by the above named officer shall be in such form and shall contain a waiver of appraisal, confession of judgment, and such other terms and conditions as the said officer, in his uncontrolled discretion, may approve on behalf of this corporation as (a) the sole general partner of the Delaware partnership, acting in turn as a partner of and for and in behalf of the Texas Partnership and (b) as a partner of the Texas Partnership, the execution of said Act of Supplement by the said officer to be conclusive evidence of such approval.

RESOLVED FURTHER that the above named officer of this corporation be and he is hereby authorized and directed, for and on behalf of this corporation as (a) the sole general partner of the Delaware Partnership, acting in turn as a partner of and for and in behalf of the Texas Partnership and (b) a partner of the Texas Partnership, to execute such agreements, notices and other documents as he may deem reasonable and appropriate and approve in order to effectuate the above and foregoing resolutions, such documents to contain such terms and conditions as the said officer, in his uncontrolled discretion, may approve on behalf of this corporation as (a) the sole general partner of the Delaware partnership, acting in turn as a partner of and for and in behalf of the Texas Partnership and (b) a partner of the Texas Partnership, the execution of the said documents by the said officer to be conclusive evidence of such approval.

CERTIFICATE

I certify that I am the duly elected and qualified Assistant Secretary of Edisto Resources Corporation, a Delaware corporation, and as such the keeper of the records and minutes of said corporation; that the above and foregoing is a true and correct copy of resolutions adopted by the unanimous consent in writing of

Board of
the Directors of said corporation, dated July 21, 1992, an
original of which has been filed in corporate minute book; and that
the said resolutions have neither been rescinded nor modified and
are now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate this 21
day of July, 1992.


Assistant Secretary