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

STATE OF TEXAS §

SCUNTY OF MATAGORDA §

The Third Amendment to Deed of Trust, Security Agreement, Assignment of Security Interests and I as, Assignment of Production and Financing Statement ("Amendment") is entered into effective as of the 24th day of June, 1991, by and between WALTER OIL & GAS CORPORATION, a Texas corporation ("Debtor") and CITIBANK, N A. ("Secured Party").

Debtor has hereto: re < :ecuted a Deed of Trust, Security Agreement, Assignment of Security Interests and Liens, Assignment of Production and Financing Statement dated April 12, .90% 'the "Original Deed of Trust"), amended by ... a First 1. a duent to Deed of Trust, Security Agreement, Lasignment of Security Interests and Liens, Assignment of Production and Financing Statement dated July 20, 1990 (the "First Amendment"), and 'ii) a Second Amendment to Deed of Trust, Security Agreement, Assignment of Security Interests and Liens, Assignment of Production and Financing Statement dated September 1, 1990 the "Second Amendment") each filed of record 1 (a) the counties and records in the State of Texas, and (b) the Minerals Management Service lease files in Meta rie, Louisiana, all as thre particularly described in Exhibit "A" attached hereto and incorporated herein for all purposes (collect muly, and as amounted, the "Deed of Trust").

Debtor and Secured Farty now desire to amend the Deed of Trust so as to amend the Obligations secured thereby. All capitalized terms used herein shall have the same meaning in the Deed of Trust, unless otherwise defined herein.

For good and valuable considered in, the receipt and sufficiency of which are hereby acknowledged. Lettor and Secured Party do hereby agree as follows:

Article I, Section 1.7 a)

Article I, Section 1.7(a) of the Deed of Trust is hereby amended in its entirety to read at follows:

All shligations of Debtor to Securer Party pursuant to the terms and conditions of that corcam Tedit Agreement data December 12, 1988 between Debtor and Secured Party, 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 \$9,000,000.10 executed by Debtor, payable to the order of fec. rol Party, and any no given in substitution, replacement, amendment, renewal of extension chereof, including, but not limited to (w) that certain Promussory Note cuted April 12, 1990, in the original principal arount of \$10,150,000.00 executed by Debto: payable to the order of Secured Party, (%) that certain ?romissory Note dat 1 as of Apri' 12, 1990, in the original principal amount of \$13,200,000.00 executed by Debtor payable to the order of Secured Party, (y) that certain Promissory Note Lated as of Sep emter 1, 1990, in the original principal amount of \$13,200,000.00 executed by Debtor payable to the order of Secured Party, and (2) that certain Promissory Note dated as of June 24, 1991, in the original principal amount of \$15,000,000.00 which Note is due and payable on or before September 1, 1993 and (ii) all other "Obligations" as defined in the Cradit Agreement;

2. Ratification.

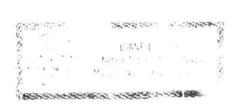
Deptor does hereby ratify and affirm the Deed of Trust, all terms and conditions contained therein, and all the rights, privileges, and liens of Secures Part, pursuant to the terms and conditions of the Deed of Trust, as amended hereby, and does hereby reaffirm and restate the security interest and grant and conveyance in trust of the property mortgaged thereunder, as amended hereby.

	ALTER OIL & GAS CORPORATION
1	By: 10 11 16 16 7 =
	Name: / J. Wilter J'
	Title:
	SECURED PARTY:
	CITIBANK, N.A.
	Ву:
	Name:
	Title:

DEBTOR:

THE STATE OF TEXAS §
COUNTY OF HARRIS

This instrument was acknowledged before me on _____,
1991 by
of Walter Oil & Gas Corporation, a Texas corporation, on
behalf elsaid corporation.



Focacy Public in and for
The State of T E X A S
Name:
My Commission Expires:

(Signature Page to Third inendment to Deed of Trust, Security Agreement, Assignment of Security Interests and Liens, Assignment of Production and Firancing Statement)

THE STATE OF LES	
COUNTY OF 100 S	
1991 by	wledged before me on
of Citibank, N.A., a national of said association.	banking association, on behalf
	Juin in race
	Notary public in and for
	The State of A
	Name: Sicient Missace 12
	My Commission Exp. res: 1/3/92
	Ouanfied in Brens Certificate filed in Law York Commission Expires January 27, 1992
GHM\16951\2012	Publis 2000 EV 21 1305

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EXHIBIT "A"

Original Deed of Tru

1. State of Texas

County Date Filed File No. Recordation
Matagorda 04/17/90 2272 Vol. 253, P. 452
Official Records

2. Minerals Management Service:

OCS-G 6080 OCS-G 10229 OCS-G 10228 OCS-G 8117

First Amendment

State of Texas

County Date Filed File No. Recordation
Matagorda 08/03/90 4617 Vol. 262, P. 49
Official Records

2. Minerals Management Service:

OCS-G 6080 OCS-G 10229 OCS-G 10228 OCS-G 8117

Second Amendment

1. State of Texas

County Date Filed File No Fe Flater Matagorda 12/26/90 Filed File No Fe Flater Matagorda 12/26/90 Filed File No Fe Flater Matagorda 12/26/90 Filed Filed File No Fe Flater Matagorda Matagorda 12/26/90 Filed File

2. Minerals Management Service

OCS-G 6030 OCS-G 10229 OCS-G 10228 OCL-G 8117

