



ENVIRONMENTAL LIEN AND AUL REPORT TO 1980

Order Number:
24-0441-COTEL8

AFX Reference Number:
79-341638-47

Subject Property:
**WYNN ST
TIPTONVILLE, TN 38079**

Effective:
03/07/2024

Completed:
03/12/2024

AFX RESEARCH, LLC

A Quarter-Century of Title Document Research Expertise

999 Monterey St. Suite 380, San Luis Obispo, CA 93401

(877) 848-5337 / www.afxllc.com

SOURCES SEARCHED

Source 1: LAKE COUNTY RECORDER'S OFFICE

Source 2: LAKE COUNTY ASSESSOR'S OFFICE

Source 3: TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION

Source 4: UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Examiner Notes: PUBLIC RECORDS OF LAKE COUNTY, TN WERE SEARCHED FROM JANUARY 1, 1980 TO MARCH 7, 2024, AND NO OTHER DEEDS VESTING TITLE IN THE SUBJECT PROPERTY WERE FOUND OF RECORD DURING THE PERIOD SEARCHED.

NOTICE: JUDICIAL RECORDS NOT SEARCHED. BASED ON AVAILABLE INFORMATION EVALUATED BY THE TITLE SEARCH PROFESSIONAL, THE JURISDICTION DOES NOT REQUIRE A SEARCH OF JUDICIAL RECORDS IN ORDER TO IDENTIFY ENVIRONMENTAL LIENS.

TARGET PROPERTY

Current Owner(s): KEISER DEVELOPMENT CO.

Street Address: WYNN ST

City, State Zip Code: TIPTONVILLE, TN 38079

APN/Parcel/PIN: 046-010.00

County: LAKE

04-046-046-010.00

Legal Description: TRUST LCL TRACT 82A \$22.00



ENVIRONMENTAL LIENS

Instrument 1. **ASSIGNMENT OF OIL AND GAS LEASES**

Date Recorded: 10/24/1986

Instrument: NA

Amount: \$10.00

1st Party: BILL MATHIS

2nd Party: MARALO INC., CAP EXPLORATION CO., MORRIS CANNAN, MORRIS MIZEL 1985 VENTURE, LARRY A.MIZEL, R.A.LOWERY, C-MARK INVESTMENTS, D.KYLE NEILL, J.C.EVANS, RICHARD GILL, WILLIAM P.KALCHOFF, R.W.KRETZLER, L.B.TAYLOR, JR.

Instrument 2. **ASSIGNMENT OF OIL AND GAS LEASES**

Date Recorded: 06/23/1986

Instrument: 42131

Amount: \$10.00

1st Party: HARRISON INTERESTS, LTD.2nd Party: BILL MATHISInstrument 3. **OIL AND GAS LEASE**

Date Recorded: 06/15/1974

Instrument: 5409

Amount: \$10.00

1st Party: GLADYS MARKHAM2nd Party: D.KIRK TRACY

ACTIVITY AND USE LIMITATIONS (AUL)

NO AUL FOUND.

DEED CHAIN**Instrument 1. WARRANTY DEED**

Date Recorded: 07/20/1998

Book/Page: X1/155

Dated: 07/03/1998

Grantor(s): ELIZABETH MARKHAM KENDALL

Grantee(s): KEISER DEVELOPMENT CO.

Instrument 2. WARRANTY DEED

Date Recorded: 07/20/1998

Book/Page: X-1/152

Dated: 07/10/1998

Grantor(s): ROY DOUGLASS MARKHAM

Grantee(s): KEISER DEVELOPMENT CO.

Instrument 3. WARRANTY DEED

Date Recorded: 07/20/1998

Book/Page: X-1/149

Dated: 07/13/1998

Grantor(s): ANNE WEBB MARKHAM

Grantee(s): KEISER DEVELOPMENT CO.

Instrument 4. TRUSTEE'S DEED

Date Recorded: 07/20/1998

Book/Page: X-1/143

Dated: 07/20/1998

Grantor(s): FIRST CITIZENS NATIONAL BANK OF DYERSBURG, TENNESSEE, SUCCESSOR TRUSTEE OF THE GLADYS MARKHAM MCCUTCHEON RESIDUARY TRUST ESTABLISHED UNDER THE LAST WILL AND TESTAMENT OF GLADYS MCCUTCHEON (AKA GLADYS MCCUTCHEON), DECEASED

Grantee(s): ELIZABETH MARKHAM KENDALL, ROY DOUGLASS MARKHAM, ANNE WEBB MARKHAM, AND FRANK TURNER MARKHAM, JR.

Instrument 5. WARRANTY DEED

Date Recorded: 07/16/1998

Instrument:

Dated: 07/16/1998

Grantor(s): FRANK T. MARKHAM, JR.

Grantee(s): KEISER DEVELOPMENT CO.

Notes: THIS IS THE OLDEST DEED OF RECORD FOUND WITHIN SCOPE OF SEARCH.

MISCELLANEOUS INSTRUMENTS

NO MISCELLANEOUS INSTRUMENTS FOUND.



THANK YOU FOR YOUR ORDER**For questions, please contact our office at 1-877-848-5337.****Order Number:****24-0441-COTEL8****AFX Reference Number:****79-341638-47**

Our Environmental Lien and AUL report to 1980 provides a summary of recorded information on a specific property from January 1st, 1980 to present time. The report is intended to assist in the search for environmental liens filed in land title records. The report will verify property ownership, links the recorded transactions which pass title from one person (and/or entity) to another, and provide information on recorded environmental liens and/or Activity and Use Limitations that have been recorded from January 1st, 1980 forward. The scope of this search is compliant with ASTM 1527-21 standards.

Our professional network of trained researchers follow established industry protocols and use client-supplied property information to complete this Environmental Lien and AUL report. The research is conducted at all appropriate government offices based on the location of the subject property. This would include City, County, State, Federal and Tribal offices as needed. The report includes:

- Current deed information (i.e. grantor, grantee, recording dates)
- Historical property transfer information from 1980 forward (i.e. grantor, grantee, recording dates)
- Legal Description
- Environmental Lien information
- Activity and Use Limitation information
- Any Environmental Liens and/or documents referencing AULs that are listed within our summary report

DISCLAIMER

This report was prepared for the intended use of AFX Research, LLC (AFX) and client, exclusively. This report is not a guarantee of title, nor a commitment to insure, nor a policy of title insurance. No warranty, expressed or implied, is made whatsoever in connection with this report. AFX Research, LLC specifically disclaims the making of any such warranties, including without limitation, merchantability or fitness for a particular use or purpose. The information contained in this report is retrieved as it is recorded from the various agencies that make it available. The total liability is limited to the fee paid for this report.



ENVIRONMENTAL LIENS EXHIBIT



ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TENNESSEE §
COUNTY OF LAKE §

KNOW ALL MEN BY THESE PRESENTS:

THAT, Bill Mathis, whose address is Blanks Building, Suite 300, Midland, Texas 79701, hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to him in hand paid by the Assignees hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, has granted, sold, transferred, assigned and conveyed, and does hereby GRANT, SELL, TRANSFER, ASSIGN and CONVEY, unto the below named Assignees, their successors and assigns, the undivided interests set out beside each respective Assignee's name in and to the full leasehold right, title and interest in and under the hereinafter Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof for all purposes ("Leases"), subject to Assignor's reservation of the overriding royalty as detailed herein.

Maralo Inc.....an undivided 38.147980% of 75% interest
4600 Post Oak Place
Suite 307
Houston, Texas 77027

CAP Exploration Co.....an undivided 21.250000% of 75% interest
404 Cities Service Building
Tulsa, Oklahoma 74119

Morris Cannan.....an undivided 14.141414% of 75% interest
1645 Milam Building
San Antonio, Texas 78205

Morris Mizel 1985 Venture..an undivided 8.500000% of 75% interest
6560 E. 41st Street
Tulsa, Oklahoma 74145

Larry A. Mizel.....an undivided 8.500000% of 75% interest
c/o Mizel Petroleum Resources, Inc.
3600 S. Yosemite Street Suite 1040
Denver, Colorado 80237

R. A. Lowery.....an undivided 2.020202% of 75% interest
#4 Fairfax Court
Midland, Texas 79705

C-Mark Investments.....an undivided 2.020202% of 75% interest
400 Woodcrest Drive
Midland, Texas 79703

D. Kyle Neill.....an undivided 0.850000% of 75% interest
3502 Baumann
Midland, Texas 79703

J. C. Evans.....an undivided 0.850000% of 75% interest
3617 Baumann
Midland, Texas 79703

Richard Gill.....an undivided 0.850000% of 75% interest
2800 Durant
Midland, Texas 79705

William P. Kalchoff.....an undivided 1.010101% of 75% interest
1315 Calhoun, Suite 1701
Houston, Texas 77002

R. W. Kretzler.....an undivided 0.850000% of 75% interest
2602 Cimmaron
Midland, Texas 79705

L. B. Taylor, Jr.....an undivided 1.010101% of 75% interest
3302 Cord Drive
Midland, Texas 79705

As a result of this assignment, said leases described on Exhibit "A" are owned as follows:

Maralo Inc.....an undivided 38.147980% of 75% interest
CAP Exploration Co.....an undivided 21.250000% of 75% interest
Morris Cannan.....an undivided 14.141414% of 75% interest
Morris Mizel 1985 Venture..an undivided 8.500000% of 75% interest
Larry A. Mizel.....an undivided 8.500000% of 75% interest
R. A. Lowery.....an undivided 2.020202% of 75% interest
C-Mark Investments.....an undivided 2.020202% of 75% interest
D. Kyle Neill.....an undivided 0.850000% of 75% interest
J. C. Evans.....an undivided 0.850000% of 75% interest
Richard Gill.....an undivided 0.850000% of 75% interest
William P. Kalchoff.....an undivided 1.010101% of 75% interest
R. W. Kretzler.....an undivided 0.850000% of 75% interest
L. B. Taylor, Jr.....an undivided 1.010101% of 75% interest

Further, Assignor does hereby GRANT, SELL, TRANSFER, ASSIGN and CONVEY, unto the below named Assignees, their successors and assigns, the undivided interests set out beside each respective Assignee's name in and to the full leasehold right, title and interest in and under the hereinafter Oil and Gas Leases described on Exhibit "A-1" attached hereto and made a part hereof for all purposes ("Leases"), subject to Assignor's reservation of the overriding royalty as detailed herein.

Maralo Inc.....an undivided 38.147980% interest
4600 Post Oak Place
Suite 307
Houston, Texas 77027

CAP Exploration Co.....an undivided 21.250000% interest
404 Cities Service Building
Tulsa, Oklahoma 74119

Morris Cannan.....an undivided 14.141414% interest
1645 Milam Building
San Antonio, Texas 78205

Morris Mizel 1985 Venture.....an undivided 8.500000% interest
6560 E. 41st Street
Tulsa, Oklahoma 74145

Larry A. Mizel.....an undivided 8.500000% interest
c/o Mizel Petroleum Resources, Inc.
3600 S. Yosemite Street
Suite 1040
Denver, Colorado 80237

R. A. Lowery.....an undivided 2.020202% interest
#4 Fairfax Court
Midland, Texas 79705

C-Mark Investments.....an undivided 2.020202% interest
400 Woodcrest Drive
Midland, Texas 79703

D. Kyle Neill.....an undivided 0.850000% interest
3502 Baumann
Midland, Texas 79703

J. C. Evans.....an undivided 0.850000% interest
3617 Baumann
Midland, Texas 79703

Richard Gill.....an undivided 0.850000% interest
2800 Durant
Midland, Texas 79705

William P. Kalchoff.....an undivided 1.010101% interest
1315 Calhoun, Suite 1701
Houston, Texas 77002

R. W. Kretzler.....an undivided 0.850000% interest
2602 Cimmaron
Midland, Texas 79705

L. B. Taylor, Jr.....an undivided 1.010101% interest
3302 Cord Drive
Midland, Texas 79705

As a result of this assignment, said leases described on Exhibit "A-1" are owned as follows:

Maralo Inc.....an undivided 38.147980% interest

CAP Exploration Co.....an undivided 21.250000% interest

Morris Cannan.....an undivided 14.141414% interest

Morris Mizel 1985 Venture.....an undivided 8.500000% interest

Larry A. Mizel.....an undivided 8.500000% interest

R. A. Lowery.....an undivided 2.020202% interest

C-Mark Investments.....an undivided 2.020202% interest

D. Kyle Neill.....an undivided 0.850000% interest

J. C. Evans.....an undivided 0.850000% interest

Richard Gill.....an undivided 0.850000% interest

William P. Kalchoff.....an undivided 1.010101% interest

R. W. Kretzler.....an undivided 0.850000% interest

L.B. Taylor, Jr.....an undivided 1.010101% interest

This assignment is made without warranty of title, either express or implied. In addition, this assignment is subject to and there is incorporated herein by this reference, (a) the terms and provisions of that certain unrecorded MAKIT Project Exploration Agreement (the "Exploration Agreement") dated January 1, 1984 among the Farmers therein and Constellation Group Limited ("Constellation"); (b) that certain Letter Agreement (the "Wesco Agreement") dated August 23, 1978 among the Dow Chemical Company,

Constellation, Dan J. Harrison, Jr., Wesco Resources, Inc. and Lawrence Barker, Jr. concerning the Area of Mutual Interest shown on Exhibit "A" thereto within the States of Missouri, Arkansas, Kentucky, Illinois and Tennessee; (c) the terms and provisions of those certain Farmout Agreements between Harrison Interests, Ltd. and Bill Mathis dated September 18, 1985 and between Bill Mathis, et al and Maralo Inc. dated September 26, 1985; and (d) the Agreement (Concerning Relinquishment of Constellation Group, Ltd. Interest in MAKIT Project) dated effective April 1, 1985 by and between the Farmers therein and Constellation (the "Constellation Agreement").

Assignor hereby expressly reserves, as an overriding royalty interest, an undivided two and one-half percent of seventy-five percent (2.5% of 75%) of all oil and gas produced, saved and sold from the lands covered by the Oil and Gas Leases described on Exhibit "A" and an undivided five percent of eight-eighths (5% if 8/8ths) of all oil and gas produced, saved and sold from the lands covered by the Oil and Gas Leases described on Exhibit "A-1", both exhibits attached hereto and made a part hereof.

If the interest covered by the leases described herein are less than the entire fee simple estates in the oil and gas under the lands covered thereby, then the fractional overriding royalty interest in production herein reserved shall be reduced proportionately to accord with the net interests covered by said leases.

The overriding royalty interest herein reserved is made subject to the terms and conditions of the herein described leases.

Said reserved overriding royalty interest shall be the hereinabove stated percentages of all oil, gas and casinghead gas produced, saved, and sold from the lands above described under the terms of said leases. The overriding royalty shall be computed and paid at the same time and in the same manner as royalties payable to the lessors under the terms of said leases are computed and paid, and the Assignor herein shall be responsible for Assignors proportionate part of all taxes of whatever kind levied by any governmental agency having taxing authority upon or against or measured by the production of oil and gas therefrom. The overriding royalty shall (a) be the total overriding royalty for which the Assignor herein is entitled payable out of production from said lands, (b) be proportionately reduced if the Assignees herein own less than the entire leasehold estate in the lands, and (c) be subject to any governmentally approved cooperative or unit plan of development or operations or communitization or pooling or other agreement forming a well spacing or proration unit under the rules or regulations of the State of Tennessee Oil and Gas Board, to which said leases are committed or may hereafter be committed, and in such event, the overriding royalty shall be computed and paid on the basis of the oil and gas allocated to the lands pursuant to the terms of the plan or agreement.

The Assignor herein shall only be entitled to an overriding royalty interest computed on the basis of the net oil produced and saved and the net gas produced and marketed from said leases, after the deduction of any amount of charges for oil and gas used by the operator of said leases for fuel and other costs of treating to deliver a marketable product.

The overriding royalty reserved herein shall extend and apply to any renewal or extension of said leases or any leases taken in lieu of the leases described herein.

Assignees herein shall bear their proportionate part of, the landowners' royalties, overriding royalties, production payments and similar payments out of production which burden the leases as of the date of this instrument.

To the extent of the interests acquired hereunder, Assignees assume all of the obligations imposed upon the Assignor under the terms of the leases and any and all agreements relating thereto.

TO HAVE AND TO HOLD the above described interest in the leases unto Assignees, their successors and assigns, forever subject to the terms and provisions of the leases and the provisions hereof.

EXECUTED this 24th day of October, 1986, but to be effective for all purposes as of the 12th day of August, 1986.

Bill Mathis
Bill Mathis

STATE OF TEXAS §
 §
COUNTY OF MIDLAND §

BEFORE ME, the undersigned authority, on this day personally appeared BILL MATHIS, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed this instrument for the purpose and consideration therein contained.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 24th day of October, 1986.

Loyle Collins
NOTARY PUBLIC IN AND FOR
The State of Texas
Printed Name: Loyle Collins
Commission Expires: 3-12-88

STATE OF TENNESSEE, LAKE COUNTY

The foregoing instrument and certificate were noted
Note Book 11 Page 142 At 9:05 O'clock A M 10-30 1986
and recorded in 120 Book 55-6, Series Page 119-134
State Tax Paid \$ Fee Recording Fee 440 Total \$ 440
Witness My hand.
Receipt No. 4723

Peggy Morris
Register

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 1 of 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

LEASE NO.	DATE OF LEASE	LESSOR	LESSEE	RECORDED BOOK	PAGE	DESCRIPTION
TN30	9-6-78	Bruce Dillard Wyatt, Sr. etal	D. Kirk Tracy	55B	82	Map No. 68, Parcel No. 30, containing 132 acres
TN32	9-7-78	George Dial, etux	D. Kirk Tracy	55B	60	Map No. 57, Parcel No. 3 containing 96 acres (50% interest in a 192 acre tract) (See PT/TN445)
PT/TN36	8-29-78	William E. Paschall etux	D. Kirk Tracy	55B	65	Map No. 57, Parcel No. 25 containing 93.3 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 56, Parcel No. 15, containing 209 acres
PT/TN43	8-17-78	Mary Y. Algee	D. Kirk Tracy	55B	5	Map No. 43, Parcel No. 47 containing 125 acres, Map No. 46, Parcel No. 11 containing 54 acres, Map No. 46, Parcel No. 14 containing 150 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 47 parcel No. 5 containing 81 acres

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 2 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN157	8-16-78	Paul N. Algee, Jr. et al	D. Kirk Tracy	55B 1	Map No. 57, Parcel No. 19 containing 44 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 64, Parcel No. 41 containing 142 acres
PT/TN 188	7-29-78	W.E. Dunlap, et ux	D. Kirk Tracy	55B 15	Map No. 57, Parcel No. 29 containing 100 acres, Map No. 58, Parcel No. 3 containing 80 acres, Map No. 63, Parcel No. 4 containing 237 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 52, Parcel No. 1 containing 539 acres, Map No. 68, Parcel No. 23 containing 267 acres.
PT/TN 367	8-31-78	Grover Paschall et ux	D. Kirk Tracy	55B 186	Map No. 57, Parcel No. 23 containing 131 acres. The remain- ing and following acreage in and part of this Lease is not included in this assignment: Map No. 47, Parcel No. 16 containing 96 acres, Map No. 53, Parcel No. 1.01 containing 90 acres, Map No. 68, Parcel No. 32 containing 108 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 3 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 372	9-16-78	Claude Dodd, et ux	D. Kirk Tracy	55B 174	Map No. 57, Parcel No. 26 containing 160 acres, Map No. 57, Parcel No. 28 containing 136 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 67, Parcel No. 9 containing 101 acres.
PT/TN 373	9-16-78	Ora Sweatt	D. Kirk Tracy	55B 192	Map No. 68, Parcel No. 1 containing 288 acres, Map No. 68, Parcel No. 12, containing 6 acres, Map No. 68, Parcel No. 28 containing 109.5 acres (50% interest in a 219 acre tract). The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 62, Parcel No. 6 containing 495 acres, Map No. 69, Parcel No. 12 containing 40 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 4 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 379	12-16-78	Betty Lee Hansel, etal	D. Kirk Tracy	55B 177	Map No. 46, Parcel No. 8, containing 91 acres, Map No. 53, Parcel No. 11 containing 191 acres, Map No. 53, Parcel No. 27 containing 130 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 5, Parcel No. 9, Map No. 12, Parcel No. 2, Map No. 35, Parcel No. 9, Map No. 46, Parcel No. 20, Map No. 48, Parcel No. 12, Map No. 62, Parcel No. 7.
TN 390	10-23-78	Carl Mae Hays	D. Kirk Tracy	55B 104	Map No. 63, Parcel No. 5 containing 51 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 5 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 391	10-23-78	Carl M. Hays	D. Kirk Tracy	55B 110	Map No. 63, Parcel No. 3.40 containing 92.5 acres, Map No. 63, Parcel No. 6 containing 192.5 acres The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 69, Parcel No. 8
PT/TN 394	9-20-78	Albert Edward Markham III	D. Kirk Tracy	55B 151	Map No. 57, Parcel No. 22 containing 95 Acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 5, Parcel No. 3 containing 110 acres, Map No. 46, Parcel No. 19 containing 113 acres, Map No. 35, Parcel No. 10 containing 151 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 6 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 398	11-25-78	Curtis M. House, etux	D. Kirk-Tracy	55B 113	Map No. 46, Parcel No. 15 containing 120 acres, Map No. 46, Parcel No. 16 containing 20 acres, Map No. 46, Parcel No. 16.01 containing 20.6 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 44, Parcel No. 5 containing 63 acres, Map No. 42, Parcel No. 37 containing 1.1 acres.
PT/TN 445	8-21-88	James Hall Shaw, etux	D. Kirk Tracy	55B 222	Map No. 57, Parcel No. 3, containing 96 acres, (50% Interest in a 192 acre tract). The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 74, Parcel No. 5 containing 173 acres (SEE TN 32)
PT/TN 520	9-16-78	Joe K. Miller, etux	D. Kirk Tracy	55B 250	Map No. 68, Parcel No. 28 containing 109.5 acres, (50% Interest in 219 acres).

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 7 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 590	11-14-78	Maynie Bess Morris	D. Kirk Tracy	55B 141	Map No. 53, Parcel No. 6 containing 122 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 35, Parcel No. 12 containing 179 acres, Map No. 42, Parcel No. 2 containing 97 acres, Map No. 48, Parcel No. 7 containing 276 acres, Map No. 48, Parcel No. 5 containing 87 acres, Map No. 21, Parcel No. 32 containing 35 acres, Map No. 26, Parcel No. 1 containing 85 acres, Map No. 64, Parcel No. 11 containing 85 acres, Map No. 5, Parcel No. 2 containing 126 acres.
TN 594	11-14-78	Herbert A. Morris, Jr. et al	D. Kirk Tracy	55B 124	Map No. 53, Parcel No. 12, containing 193 acres.
TN 596	3-26-79	Frank T. Markham, Jr. et al	D. Kirk Tracy	55B 282	Map No. 63, Parcel No. 7 containing 80 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 8 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
TN 749	4-2-79	Ben W. Morris, Jr., etal	D. Kirk Tracy	55B 342	Map No. 68, Parcel No. 2 containing 507 acres.
PT/TN 752	3-26-79	Barbara M. Markham etal	D. Kirk Tracy	55B 344	Map No. 43, Parcel No. 45 containing 24 acres (33.3% Interest, in a 72 acre tract), Map No. 46, Parcel No. 9 containing 75.3 acres (33.3% Interest in a 226 acre tract). (See PT/TN 752A) The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 30, Parcel No. 9 containing 115 acres.
PT/TN 752A	3-26-79	Frank T. Markham, Jr. etal	D. Kirk Tracy	55B 334	Map No. 43, Parcel No. 45 containing 48 acres (66.6% Interest in a 72 acre tract), Map No. 46, Parcel No. 9 containing 150.6 acres (66.6% Interest in a 226 acre tract). (SEE PT/TN 752). The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 30, Parcel No. 9 containing 115 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 9 OF 10

SCHEDULE OF LEASES
(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

COUNTY: LAKE
STATE: TENNESSEE

LEASE NO.	DATE OF LEASE	LESSOR	LESSEE	RECORDED BOOK PAGE	DESCRIPTION
TN 753	3-26-79	Gladys Markham	D. Kirk Tracy	55B 307	Map No. 46, Parcel No. 10 containing 238 acres.
TN 944	5-31-79	Dorothy Nell Leeper	The Dow Chemical Company	55B 361	Map No. 46, Parcel No. 12 containing 51.75 acres.
TN 945	5-31-79	Dorothy Nell Leeper	The Dow Chemical Company	55B 364	Map No. 46, Parcel No. 12 containing 50 acres.
PT/TN 1014	5-21-79	Joe G. Riley Estate, etal	The Dow Chemical Company	55B 411	Map No. 57, Parcel No. 1 containing 225 acres, Map No. 57, Parcel No. 8 containing 65 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 70, Parcel No. 22 containing 25 acres, Map No. 56, Parcel No. 16 containing 38.5 acres, Map No. 65, Parcel No. 1 containing 92 acres.
TN 1025	6-1-79	Dorothy Nell Leeper	The Dow Chemical Company	55B 367	Map No. 46, Parcel No. 12 containing 50 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED October 24th, 1986.

EXHIBIT A, PAGE 10 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 1030	6-14-79	Blanche M. Riley	The Dow Chemical Company	55B 401	Map No. 57, Parcel No. 8 containing 65 acres, Map No. 68, Parcel No. 19 containing 2.5 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 34, Parcel No. 40 containing 185 acres, Map No. 47, Parcel No. 1 containing 117 acres, Map No. 68, Parcel No. 20 containing 20 acres, Map No. 70, Parcel No. 21 containing 25 acres.
PT/TN 1029	6-29-79	Katherine Cates Prothro	The Dow Chemical Company	55B 384	Map No. 53, Parcel No. 3, containing 175.5 acres (75% interest in a 234 acre tract). (See TN 1460). The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 10, Parcel No. 18 containing 51 acres.
TN 1460	5-28-80	Clifton B. Cates, Jr.	The Dow Chemical Company	55B 435	Map No. 53, Parcel No. 3 containing 58.5 acres (25% interest in a 234 acre tract). (See PT/TN 1029).

HAKIT6/218

EXHIBIT "A-1"

Attached to and made a part of that certain Partial Assignment of Oil and Gas Leases dated October 24th, 1986 between BILL MATHIS, as Assignor, and MARALO INC., et al, as Assignees.

LEASE NO.	LESSOR	LESSEE	DATE	DESCRIPTION	BOOK	PAGE
	William E. Lindamood	Bill Mathis	03/28/85	Map 53 Parcel 7	55C	55-56
	Maggie D. Stanfill	Bill Mathis	03/01/85	Map 53 Parcel 4	55C	59-60
	James McDonald Hyde	Bill Mathis	03/02/85	Map 53 Parcel 2	55C	49-50
	Ann L. Twyford	Bill Mathis	03/04/85	Map 46 Parcel 13	55C	63-64
	Virginia M. Dial	Bill Mathis	07/17/85	Map 57 Parcel 3-99.87A	55C	47-48
	James H. Shaw	Bill Mathis	07/16/85	Map 57 Parcel 3-01-94A	55C	61-62
	Franklin D. Jones	Bill Mathis	07/16/85	* See description below	55C	53-54
	Henry Randolph Currin	Bill Mathis	07/23/85	Map 54 Parcel 2	55C	74-75
	Kathleen Wyatt	Bill Mathis	07/13/85	Map 64 Parcel 2	55C	74-75
	Fuqua Heirs	Bill Mathis	07/19/85	Map 54 Parcel 1	55C	69-70
	Arthur M. Zapko	Bill Mathis	07/24/85	Map 53 Parcel 5	55C	78-84
	Minnie Jo West, et al	Bill Mathis	07/15/85	Map 58 Parcel 5	55C	71-72
				Map 58 Parcel 6	55C	92-93
				<u>2,005.83 acres total</u>		

STATE OF TENNESSEE, LAKE COUNTY
 The foregoing instrument and certificate were noted
 Noted Book 11 Page 42 At 9:05 o'clock AM 10-30-1986
 and recorded in Book 55-C Series 119-134
 State Tax Paid \$ 40.00 Fee 40.00 Recording Fee 40.00 total \$ 120.00
 Witness My hand
 Receipt No. 4723
Peggy Morris
 Register

All of Parcel 5 as shown on Map 71 of the Tax Assessors office of Lake County, Tennessee, containing 75.2 acres more or less; All of Parcel 13 as shown on Map 70, containing 20 acres, more or less; All of Parcel 17 as shown on Map 70, containing 61.8 acres, more or less; All of Parcel 16 as shown on Map 70, containing 46.5 acres, more or less; All of Parcel 9 as shown on Map 60, containing 11 acres, more or less; All of Parcel 2, as shown on Map 63, containing 31 acres, more or less; all maps being those of the Tax Assessors office of Lake County, Tennessee, and a tract located South of Tenn. Hwy. 79, and being part of the L. B. Powell Estate, containing 25 acres, more or less, bounded on the North by Sadie Conklin, East by Bruce D. Wyatt, South by Griffin Lake and West by Latitia S. Miritt, containing altogether 281.7 acres, more or less.

SAVE AND EXCEPT the 80 acre drillsite proration unit for the Maralo Inc. Fuqua Estate #1 well.

ASSIGNMENT OF OIL AND GAS LEASES

STATE OF TENNESSEE § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LAKE §

THAT, HARRISON INTERESTS, LTD., a Texas limited partnership whose address is 520 Post Oak Blvd., Suite 600, Houston, TX 77027, hereinafter referred to as "Assignor", for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it in hand paid by BILL MATHIS whose mailing address is Blanks Building, Suite 300, Midland, TX 79701, hereinafter sometimes referred to as "Assignee", the receipt and sufficiency of which are hereby acknowledged, has granted, sold, transferred, assigned and conveyed, and does hereby GRANT, SELL, TRANSFER, ASSIGN and CONVEY, unto Assignee an undivided 75% interest in and to the full leasehold right, title and interest in and under the hereinafter Oil and Gas Leases described in Exhibit "A" attached hereto and made a part hereof for all purposes ("Leases"). The assigned 75% interest above represents the total obligations of assigned interest as outlined and described on Page 5, Item(e) to that certain Farmout agreement to Bill Mathis created September 18, 1985.

This Assignment is made without warranty of title, either express or implied. In addition, this Assignment is subject to and there is incorporated herein by this reference, (a) the terms and provisions of that certain unrecorded MAKIT Project Exploration Agreement (the "Exploration Agreement") dated January 1, 1984 among the Farmers and Constellation Group Limited ("Constellation"); (b) that certain Letter Agreement (the "Wesco Agreement") dated August 23, 1978 among The Dow Chemical Company, Constellation, Dan J. Harrison, Jr., Wesco Resources, Inc. and Lawrence Barker, Jr. concerning the area of Mutual Interest shown on Exhibit A thereto within the States of

Missouri, Arkansas, Kentucky, Illinois and Tennessee; (c) a total overriding royalty interest not to exceed 5% of 8/8 of the oil and gas produced from or attributable to the Leases (the "Prior Overrides"); and (d) Agreement (Concerning Relinquishment of Constellation Group, Ltd. Interest in MAKIT Project) dated effective April 1, 1985 by and between Farmors and Constellation (the "Constellation Agreement").

Assignee shall bear its proportionate part of the landowners' royalty, overriding royalties, production payments and similar payments out of production which burden the Leases as of the date of this instrument.

To the extent of the interest acquired hereunder, Assignee assumes all of the obligations imposed upon the Assignor under the terms of the Leases and any and all agreements relating thereto.

TO HAVE AND TO HOLD the above described interest in the Leases unto Assignee, its successors and assigns, forever, subject to the terms and provisions of the Leases and the provisions hereof.

EXECUTED this 15th day of March, 1986.

STATE OF TENNESSEE, LAKE COUNTY
The foregoing instrument and certificate were noted in
Note Book 11 Page 136 at 9:10 O'clock A.M. 6-23-86
and recorded in Book 55-C Series Page 102-113
State Tax Paid \$ Fee Recording Fee 96.00 Total \$96.00
Witness My hand.
Receipt No. 4273

HARRISON INTERESTS, LTD.

By:

Bruce F. Harrison
BRUCE F. HARRISON
General Partner

STATE OF TEXAS \$

COUNTY OF HARRIS \$

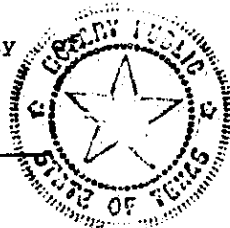
Before me, JIM SCHORGER, a Notary Public of the State and County aforesaid, personally appeared BRUCE F. HARRISON, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be General Partner of HARRISON INTERESTS, LTD., the within named bargainor, a Texas limited partnership, and that he as said General Partner, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the partnership by himself as General Partner.

WITNESS my hand at office this 15TH day
MARCH, 1986.

My Commission Expires:

8-27-88

Jim Schorger
Notary Public in and for
STATE OF TEXAS JIM SCHORGER



ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED MARCH 15, 1986

EXHIBIT A, PAGE 1 of 10

SCHEDULE OF LEASES
COUNTY: LAKE
STATE: TENNESSEE
(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
IN WHICH OIL AND GAS LEASES ARE RECORDED)

<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
TN30	9-6-78	Bruce Dillard Wyatt, Sr. et al	D. Kirk Tracy	55B 82	Map No. 68, Parcel No. 30, containing 132 acres
TN32	9-7-78	George Dial, etux	D. Kirk Tracy	55B 60	Map No. 57, Parcel No. 3 containing 96 acres (50% interest in a 192 acre tract) (See PT/TN445)
PT/TN36	8-29-78	William E. Paschall etux	D. Kirk Tracy	55B 65	Map No. 57, Parcel No. 25 containing 93.3 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 56, Parcel No. 15, containing 209 acres
PT/TN43	8-17-78	Mary V. Algee	D. Kirk Tracy	55B 5	Map No. 43, Parcel No. 47 containing 125 acres, Map No. 46, Parcel No. 11 containing 54 acres, Map No. 46, Parcel No. 14 containing 150 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 47 Parcel No. 5 containing 81 acres

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED MARCH 15, 1986
EXHIBIT A, PAGE 2 OF 10

SCHEDULE OF LEASES
COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN157	8-16-78	Paul N. Algee, Jr. etal	D. Kirk Tracy	55B 1	Map No. 57, Parcel No. 19 containing 44 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 64, Parcel No. 41 containing 142 acres
PT/TN 188	7-29-78	W.E. Dunlap, et ux	D. Kirk Tracy	55B 15	Map No. 57, Parcel No. 29 containing 100 acres, Map No. 58, Parcel No. 3 containing 80 acres, Map No. 63, Parcel No. 4 containing 237 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 52, Parcel No. 1 containing 539 acres, Map No. 68, Parcel No. 23 containing 267 acres.
PT/TN 367	8-31-78	Grover Paschall etux	D. Kirk Tracy	55B 186	Map No. 57, Parcel No. 23 containing 131 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 47, Parcel No. 16 containing 96 acres, Map No. 53, Parcel No. 1.01 containing 90 acres, Map No. 68, Parcel No. 32 containing 108 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED MARCH 15, 1986
EXHIBIT A, PAGE 3 OF 10

SCHEDULE OF LEASES
COUNTY: LAKE
STATE: TENNESSEE
(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 372	9-16-78	Claude Dodd, et ux	D. Kirk Tracy	55B 174	Map No. 57, Parcel No. 26 containing 160 acres, Map No. 57, Parcel No. 28 containing 136 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 67, Parcel No. 9 containing 101 acres.
PT/TN 373	9-16-78	Ora Sweatt	D. Kirk Tracy	55B 192	Map No. 68, Parcel No. 1 containing 288 acres, Map No. 68, Parcel No. 12, containing 6 acres, Map No. 68, Parcel No. 28 containing 109.5 acres (50% interest in a 219 acre tract). The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 62, Parcel No. 6 containing 495 acres, Map No. 69, Parcel No. 12 containing 40 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED MARCH 15, 1986

EXHIBIT A, PAGE 4 OF 10

SCHEDULE OF LEASES
COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 379	12-16-78	Betty Lee Hansel, etal	D. Kirk Tracy	55B 177	Map No. 46, Parcel No. 8, containing 91 acres, Map No. 53, Parcel No. 11 containing 191 acres, Map No. 53, Parcel No. 27 containing 130 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 5, Parcel No. 9, Map No. 12, Parcel No. 2, Map No. 35, Parcel No. 9, Map No. 46, Parcel No. 20, Map No. 48, Parcel No. 12, Map No. 62, Parcel No. 7.
TN 390	10-23-78	Carl Mee Hays	D. Kirk Tracy	55B 104	Map No. 63, Parcel No. 5 containing 51 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
 DATED MARCH 15, 1986
 EXHIBIT A, PAGE 5 OF 10

SCHEDULE OF LEASES
 COUNTY: LAKE
 STATE: TENNESSEE
 (THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 391	10-23-78	Carl M. Hays	D. Kirk Tracy	55B 110	Map No. 63, Parcel No. 3.40 containing 92.5 acres, Map No. 63, Parcel No. 6 containing 192.5 acres The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 69, Parcel No. 8
PT/TN 394	9-20-78	Albert Edward Markham III	D. Kirk Tracy	55B 151	Map No. 57, Parcel No. 22 containing 95 Acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 5, Parcel No. 3 containing 110 acres, Map No. 46, Parcel No. 19 containing 113 acres, Map No. 35, Parcel No. 10 containing 151 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED MARCH 15, 1986

EXHIBIT A, PAGE 6 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED</u>		<u>DESCRIPTION</u>
				<u>BOOK</u>	<u>PAGE</u>	
PT/TN 398	11-25-78	Curtis M. House, etux	D. Kirk Tracy	55B	113	Map No. 46, Parcel No. 15 containing 120 acres, Map No. 46, Parcel No. 16 containing 20 acres, Map No. 46, Parcel No. 16.01 containing 20.6 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 44, Parcel No. 5 containing 63 acres, Map No. 42, Parcel No. 37 containing 1.1 acres.
PT/TN 445	8-21-88	James Hall Shaw, etux	D. Kirk Tracy	55B	222	Map No. 57, Parcel No. 3, containing 96 acres, (50% interest in a 192 acre tract). The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 74, Parcel No. 5 containing 173 acres (SEE TN 32)
PT/TN 520	9-16-78	Joe K. Miller, etux	D. Kirk Tracy	55B	250	Map No. 68, Parcel No. 28 containing 109.5 acres, (50% interest in 219 acres).

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED MARCH 15, 1986
EXHIBIT A, PAGE 7 OF 10

SCHEDULE OF LEASES
COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
PT/TN 590	11-14-78	Maynie Bess Morris	D. Kirk Tracy	55B 141	Map No. 53, Parcel No. 6 containing 122 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 35, Parcel No. 12 containing 179 acres, Map No. 42, Parcel No. 2 containing 97 acres, Map No. 48, Parcel No. 7 containing 276 acres, Map No. 48, Parcel No. 5 containing 87 acres, Map No. 21, Parcel No. 32 containing 35 acres, Map No. 26, Parcel No. 1 containing 85 acres, Map No. 64, Parcel No. 11 containing 85 acres, Map No. 5, Parcel No. 2 containing 126 acres.
TN 594	11-14-78	Herbert A. Morris, Jr. et al	D. Kirk Tracy	55B 124	Map No. 53, Parcel No. 12, containing 193 acres.
TN 596	3-26-79	Frank T. Markham, Jr. et al	D. Kirk Tracy	55B 282	Map No. 63, Parcel No. 7 containing 80 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED MARCH 15, 1986
EXHIBIT A, PAGE 8 OF 10

SCHEDULE OF LEASES
COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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<u>LEASE NO.</u>	<u>DATE OF LEASE</u>	<u>LESSOR</u>	<u>LESSEE</u>	<u>RECORDED BOOK PAGE</u>	<u>DESCRIPTION</u>
TN 749	4-2-79	Ben W. Morris, Jr., etal	D. Kirk Tracy	55B 342	Map No. 68, Parcel No. 2 containing 507 acres.
PT/TN 752	3-26-79	Barbara M. Markham etal	D. Kirk Tracy	55B 344	Map No. 43, Parcel No. 45 containing 24 acres (33.3% interest, in a 72 acre tract), Map No. 46, Parcel No. 9 containing 75.3 acres (33.3% interest in a 226 acre tract). (See PT/TN 752A) The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 30, Parcel No. 9 containing 115 acres.
PT/TN 752A	3-26-79	Frank T. Markham, Jr. etal	D. Kirk Tracy	55B 334	Map No. 43, Parcel No. 45 containing 48 acres (66.6% interest in a 72 acre tract), Map No. 46, Parcel No. 9 containing 150.6 acres (66.6% interest in a 226 acre tract). (SEE PT/TN 752). The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 30, Parcel No. 9 containing 115 acres.

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EXHIBIT A, PAGE 9 OF 10

SCHEDULE OF LEASES

COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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TN 753	3-26-79	Gladys Markham	D. Kirk Tracy	55B	307	Map No. 46, Parcel No. 10 containing 238 acres.
TN 944	5-31-79	Dorothy Nell Leeper	The Dow Chemical Company	55B	361	Map No. 46, Parcel No. 12 containing 51.75 acres.
TN 945	5-31-79	Dorothy Nell Leeper	The Dow Chemical Company	55B	364	Map No. 46, Parcel No. 12 containing 50 acres.
PT/TN 1014	5-21-79	Joe G. Riley Estate, etal	The Dow Chemical Company	55B	411	Map No. 57, Parcel No. 1 containing 225 acres, Map No. 57, Parcel No. 8 containing 65 acres. The remaining and following acreage in and part of this lease is not included in this assign- ment: Map No. 70, Parcel No. 22 containing 25 acres, Map No. 56, Parcel No. 16 containing 38.5 acres, Map No. 65, Parcel No. 1 containing 92 acres.
TN 1025	6-1-79	Dorothy Nell Leeper	The Dow Chemical Company	55B	367	Map No. 46, Parcel No. 12 containing 50 acres.

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT
DATED MARCH 15, 1986

EXHIBIT A, PAGE 10 OF 10

SCHEDULE OF LEASES
COUNTY: LAKE
STATE: TENNESSEE

(THE RECORDING REFERENCES HEREIN ARE TO THE RECORDS IN SAID COUNTY
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LEASE NO.	DATE OF LEASE	LESSOR	LESSEE	RECORDED BOOK PAGE
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PT/TN 1030 6-14-79 Blanche M. Riley

The Dow Chemical Company 55B 401

DESCRIPTION

102
113

PT/TN 1029 6-29-79 Katherine Cates Prothro

The Dow Chemical Company 55B 384

TN 1460 5-28-80 Clifton B. Cates, Jr.

The Dow Chemical Company 55B 435

MAKIT6/218

STATE OF TENNESSEE, LAKE COUNTY
The foregoing instrument and certificate were filed
in the County of Lake, Tennessee, on this 11th day of March, 1986.
and recorded in Book 55C, Series 113, Page 102-113
State Tax Paid \$ Fee Recording Fee Total \$92.25
Witness My hand and seal of office this 11th day of March, 1986.
Receipt No. 4793

[Signature]
Register

Map No. 57, Parcel No. 8 containing 65 acres, Map No. 68, Parcel No. 19 containing 2.5 acres. The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 34, Parcel No. 40 containing 185 acres, Map No. 47, Parcel No. 1 containing 117 acres, Map No. 68, Parcel No. 20 containing 20 acres, Map No. 70, Parcel No. 21 containing 25 acres.

Map No. 53, Parcel No. 3, containing 175.5 acres (75% interest in a 234 acre tract). (See TN 1460). The remaining and following acreage in and part of this lease is not included in this assignment: Map No. 10, Parcel No. 18 containing 51 acres.

Map No. 53, Parcel No. 3 containing 58.5 acres (25% interest in a 234 acre tract). (See PT/TN 1029).

OIL AND GAS LEASE

THIS AGREEMENT made and entered into this 26th day of March, 19 79
by and between Gladys Markham, a widow

hereinafter called Lessor, (whether one or more) whose address is 545 Church Street, Tiptonville, Tennessee 38079
and D. Kirk Tracy, 650 17th Street, Denver, Colorado 80202 hereinafter called Lessee.

WITNESSETH:

1. That Lessor, for and in consideration of the sum of ten and more Dollars in hand paid, and of the covenants and agreements hereinafter contained to be performed by the Lessee, does hereby grant, demise, lease and let unto said Lessee the hereinafter described land, for the purpose of carrying on geological, geophysical and other exploration work, and the drilling and operating for, producing and saving all of the oil, gas, and other hydrocarbons, all that certain tract of land, together with any reversionary rights therein, situated in the County of Lake State of Tennessee and described as follows:
That certain tract of land described in the Lake County, Tennessee Tax Assessor's Office as Map 46, Parcel 10 and further described in the Lake County, Tennessee Register of Deeds Office at Deed Book T, Page 141, dated April 12, 1932.

For Assignment of Lease see Book 55 B Page 409-410

For Assignment of Lease see Book 55 B Page 416-417-418

containing 238 acres, more or less, and also, in addition to the above described land, any and all strips or parcels of land adjoining or contiguous to the above described land and owned or claimed by LESSOR, all of the foregoing land being hereinafter referred to as "leased premises."

2. This Lease shall remain in force for a primary term of Ten (10) years and as long thereafter as gas, oil or other hydrocarbons may be produced from said leased premises or from lands pooled therewith.

3. Lessee shall deliver, free of cost, to Lessor at the wells, or the credit of Lessor in the pipeline to which the wells may be connected, the equal one-eighth part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or at Lessee's option, to pay Lessor for such one-eighth royalty the market price at the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease stock tanks.

4. Lessee shall pay Lessor one-eighth of the proceeds received by Lessee at the well for all gas (including all substances contained in such gas) produced from the leased premises and sold by Lessee. If such gas is used by Lessee off the leased premises or used by Lessee for the manufacture of casinghead gasoline or other products, Lessee shall pay Lessor one-eighth of the prevailing market price at the well for the gas so used.

5. If a well capable of producing gas or gas and gas-condensate in paying quantities located on the leased premises (or on acreage pooled or consolidated with all or a portion of the leased premises into a unit for the drilling or operation of such well) is at any time shut in and no gas or gas-condensate therefrom is sold or used off the premises or for the manufacture of gasoline or other products, nevertheless such shut-in well shall be deemed to be a well on the leased premises producing gas in paying quantities and this lease will continue in force during all of the time or times while such well is so shut in, whether before or after the expiration of the primary term hereof. Lessee shall use reasonable diligence to market gas or gas-condensate capable of being produced from such shut-in well but shall be under no obligation to market such products under terms, conditions or circumstances which, in Lessee's judgment exercised in good faith, are unsatisfactory. Lessee shall be obligated to pay or tender to Lessor within 45 days after the expiration of each period of one year in length (annual period) during which such well is so shut in, as royalty, an amount equal to the annual delay rental herein provided applicable to the interest of Lessor in acreage embraced in this lease as of the end of such annual period and included within the confines of a pooled unit declared under the terms hereof or created by order, rule or regulation of any governmental authority; provided that, if gas or gas-condensate from such well is sold or used as aforesaid before the end of any such annual period, or if, at the end of any such annual period, this lease is being maintained in force and effect otherwise than by reason of such shut-in well, Lessee shall not be obligated to pay or tender, for that particular annual period, said sum of money. Such payment shall be deemed a royalty under all provisions of this lease. Such payment may be made or tendered to Lessor or to Lessor's credit in the designated depository bank in the manner prescribed for the payment of delay rentals. Royalty ownership as of the last day of each such annual period as shown by Lessee's records shall govern the determination of the party or parties entitled to receive such payment.

6. If operations for the drilling of a well for oil or gas are not commenced on said land on or before one year from the date hereof, this Lease shall terminate as to both parties, unless the Lessee shall on or before that date pay or tender to the Lessor, or to Lessor's credit in the

First State Bank and Trust Company

Bank at Tiptonville, Tennessee 38079, or its successors, which Bank and its successors are the Lessor's agent and shall continue as the Depository for any and all sums payable under this Lease regardless of changes of ownership in said land, or in the oil and gas, or in the rentals to accrue hereunder, the sum of \$119.00 Dollars, which shall operate as a rental and cover the privilege of

deferring the commencement of operations for drilling for a period of one year. In like manner, upon like payments or tenders, the commencement of operations for drilling may be further deferred for like periods successively. All payments or tenders may be paid by check or draft of the Lessee or any Assignee thereof, mailed or delivered on or before the rental paying date, either directly to Lessor or to the Depository Bank, and it is understood and agreed that the consideration first recited hereinabove, covers not only the privileges granted to the date when said first rental is payable, but also the Lessee's option of extending that period as aforesaid, and any and all other rights conferred herein.

7. If at any time prior to the discovery of oil or gas on this land, and during the term of this lease, the Lessee shall drill a dry hole or holes on this land, this Lease shall not terminate provided operations for the drilling of a well shall be commenced before the next ensuing rental paying date, or provided that the Lessee begins or resumes the payment of rentals in the manner and amount hereinabove provided for, and in this event the paragraphs hereof governing the payments of rentals, and the manner and effect thereof, shall continue in force.

8. Lessee hereby is given the right at its option, at any time and whether before or after production, to pool for development and operation purposes all or any part or parts of leased premises or rights therein with any other land in the vicinity thereof, or with any leasehold, operating or other rights or interest in such other land so as to create units of such size and surface acreage as Lessee may desire but containing not more than eighty (80) acres; provided, however, a unit may be established hereunder containing not more than 640 acres plus 10% acreage tolerance if unitized only as to gas rights or only as to gas and gas-condensate, except that units pooled for oil or oil and gas for or in conjunction with repressuring, pressure maintenance, cycling and secondary recovery operations or any one or more of same, may be formed to include not more than 320 acres. If at any time larger units are required under any then applicable law, rule, regulation or order of any governmental authority for the drilling, completion or operation of a well, or for obtaining maximum allowable from any contemplated drilling or completed well, any such unit may be established or enlarged to conform to the size specified by such law, rule, regulation or order. Each unit shall be created by Lessee's recording a declaration of Pooling containing a description of the unit so created.

Operations on any part of any lands so pooled shall, except for the payment of royalties, be considered operations on leased premises under this lease, and notwithstanding the status of a well at the time of pooling, such operations shall be deemed to be in connection with a well which was commenced on leased premises under this lease. The term "operations" as used herein shall include, without limitation, the following: commencing, construction of roadways, preparation of drillsite, drilling, testing, completing, reworking, recompleting, deepening, plugging back, repressuring, pressure maintenance, cycling, secondary recovery operations, or the production of oil or gas, or the existence of a shut-in well capable of producing oil or gas.

There shall be allocated to the portion of leased premises included in any such pooling such proportion of the actual production from all lands so pooled as such portion of leased premises, computed on an acreage basis, bears to the entire acreage of the lands so pooled. The production so allocated shall be considered for the purpose of payment or delivery of royalty to be the entire production for the portion of leased premises included in such pooling in the same manner as though produced from such portion of leased premises under the terms of this lease.

9. If the Lessor owns a lesser interest in the above-described land than the entire and undivided mineral estate therein, then the royalties and rentals herein provided for shall be paid the said Lessor only in the proportion which his interest bears to the whole and undivided mineral estate. There shall be no relationship between the amount of rentals paid hereunder and the amount of royalties which may be paid on production.

This instrument prepared by John L. Collister, Tracy Land Service

See Assignment Recorded Book 55C Page 319-324

55B/307

For Assignment of Lease see Book 55 B Page 409-410
For Assignment of Lease see Book 55 B Page 416-417-418
For Assignment of Lease see Book 55 B Page 419-420

For Assignment of Lease see Book 55 B Page 421-422

10. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is hereby expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or the minerals in and under the same or assignment of rentals or royalties shall be binding on Lessee unless Lessee shall have been furnished ninety (90) days before payment hereunder of such rentals or royalties, with certified copies of recorded instruments showing evidence of title; and it is hereby agreed that in the event this lease shall be assigned as to a part or as to parts of the land and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease insofar as it covers any part or parts of said land upon which Lessee or any assignee of Lessee shall make due payments of said rental. If six or more parties become entitled to rentals or royalties hereunder, Lessee may withhold payment thereof and until furnished with a recordable instrument executed by all of such parties designating an agent to receive payment for all.

11. Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations, except water from the wells of the Lessor. When required by the Lessor, the Lessee shall bury its pipelines below plow depth and shall pay reasonable damages for injury by reason of its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to any house or barn or other structure on said premises ~~without the written consent of the Lessor~~ without the written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this Lease to enter upon the property and to remove all machinery, fixtures, and other structures placed on said premises, including the right to draw and remove all casing, but the Lessee shall be under no obligation to do so.

12. Notwithstanding anything contained in this Lease to the contrary, it is expressly agreed that if the Lessee shall commence operations as provided herein at any time while this Lease is in force, this Lease shall remain in force and its terms shall continue so long as such operations are prosecuted, and if production results therefrom, then as long as production is maintained.

13. If within the primary term of this Lease production on the leased premises shall cease from any cause, this Lease shall not terminate provided operations for the drilling of a well shall be commenced on or before the next ensuing rental paying date, or provided Lessee begins or resumes the payment of rentals in the manner and amount hereinbefore provided. If, after the expiration of the primary term of this Lease, production on the leased premises should cease from any cause, this Lease shall not terminate provided Lessee commences operations for additional drilling or reworking within ninety days from such cessation, and this Lease shall remain in force during the prosecution of such operations and if production results therefrom, then as long as production is maintained.

14. Lessee may at any time surrender or cancel this Lease in whole or in part by delivering or mailing such release to the Lessor, or by placing such release of record in the proper County. In case this Lease is surrendered or cancelled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of this Lease as to the portion cancelled shall cease, and any rentals thereafter paid may be apportioned on an acreage basis. As to the portion of the acreage not released, the terms and provisions of this Lease shall continue and remain in full force and effect for all purposes.

15. All provisions hereof, express or implied, shall be subject to all Federal and State Laws and the orders, rules and regulations of all governmental agencies administering the same, and this Lease shall not in any way be terminated wholly or partially, nor shall the Lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations. Should the Lessee be prevented during the last year of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction, or if Lessee shall be unable during said period to drill a well hereunder due to the equipment necessary in the drilling thereof not being available for any cause, the primary term of this Lease shall continue until one year after said order is suspended or said equipment is available, but the Lessee shall continue to make delay rental payments as hereinabove provided for during such extended time.

16. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the Lessee, at its option, may pay or discharge in whole or in part any taxes, encumbrances, or other liens existing, levied or assessed against the above-described lands, and in the event Lessee exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying any royalty or rentals accruing hereunder to the amount of any such encumbrance, tax or other lien paid by Lessee.

17. Lessee hereby is given the right to acquire for its own benefit, deeds, leases, or assignments covering any interest or claim in leased premises which Lessee or any other party contends is outstanding and not covered hereby and even though such outstanding interest or claim be invalid or adverse to Lessor. In the event the validity of this lease be disputed by Lessor or by any other person, then, for the period such dispute remains undisposed of, Lessee shall be relieved of all obligations hereunder to explore or develop leased premises; all royalties, rentals, or other payments which would otherwise accrue shall be suspended for such period; and his lease automatically shall be extended for an additional period equal to the duration of such period.

18. Each Lessor executing his lease hereby waives, for the purposes and consideration contained herein, all rights of dower, courtesy and homestead which such Lessor may have in the lands herein described.

19. This Lease and all its terms, conditions and stipulations shall extend to and be binding on all successors in title of said Lessor or Lessee.

IN WITNESS WHEREOF this Lease is executed as of the date first set out hereinabove.

Gladys Markham
Gladys Markham

SOCIAL SECURITY # 412-72-5634

STATE OF Tennessee ss.
COUNTY OF Lake

Before me, the undersigned authority, on this day personally appeared Gladys Markham, a widow

known to me to be the person is whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same as her free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this 23rd day of March 19 79

My Commission Expires
Oct. 22, 1979

Notary Public in and for Lake County, State of Tennessee

STATE OF _____ ss.
COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared _____

known to me to be the person _____ whose name _____ is (are) subscribed to the foregoing instrument, and acknowledged to me that _____ executed the same as _____ free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____ 19 _____

My Commission Expires _____

Notary Public in and for _____ County, State of _____

STATE OF _____ ss.
COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared _____

and _____ husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____

My Commission Expires _____

Notary Public in and for _____

STATE OF TENNESSEE, LAKE COUNTY
The foregoing instrument and certificate were noted in
State Book 11, Page 32, at _____ o'clock P.M. 6-15-79
and recorded in 640 Book 558, Page 2303
State Tax Paid \$ _____ Fee _____ Recording Fee 40 Total \$ 40
Witness My hand,
Receipt No. 1502 7/1/79 308

DEEDS EXHIBIT



This instrument prepared by
ASHLEY, ASHLEY & ARNOLD
DYERSBURG, TENNESSEE

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, That for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS, cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, I, **ELIZABETH MARKHAM KENDALL**, have bargained and sold and by these presents do hereby transfer and convey A ONE-FOURTH UNDIVIDED INTEREST unto **KEISER DEVELOPMENT CO.**, a Tennessee corporation, and unto its successors and assigns, the following described real estate, to wit:

BEING a 240.029 acre tract of land located on the west side of the Madie-Keefe Road and on the north side of the Owl City-Cain Ridge Road in Civil District No. 4 of Lake County, Tennessee, said tract being the same conveyance recorded in Deed Book T, page 141-2, in the Office for the Register of Lake County, Tennessee, and identified as Parcel 10, Tax Map 46, and more particularly described as follows:

BEGINNING at a found railroad spike in the centerline of the Owl City-Cain Road, said spike located north 81 degrees 47 minutes 35 seconds West, 101.16 feet from a "MAG" nail in the centerline intersection of the Owl City-Cain Road and the Madie-Keefe Road, said spike being a southwest corner of a tract belonging to Barbara Markham and lying in the north line of a tract belonging to Ann Twyford; thence, north 81 degrees 53 minutes 47 seconds west, with a north line of Twyford and continuing with a north line of a tract belonging to John Hillsman and generally with the centerline of the Owl City-Cain Road, for a distance of 3,427.70 feet to a set iron pin, said pin located north 15 degrees 02 minutes 03 seconds East, 20.00 feet from a found railroad rail, driven in the ground, said pin also lying 15.6 feet south of the centerline of said road and being a northwest corner of Hillsman, a northeast corner of a tract belonging to Aaron Staulcup and a southeast corner of a tract belonging to Mary Hearn; thence, north 08 degrees 01 minutes 43 seconds East, crossing said road with an east line of Hearn and continuing with an east line of a tract belonging to Harry George, for a distance of 3,082.31 feet to a found iron pin, said pin lying in an east line of George and being a southwest corner of a tract belonging to Owen Taylor; thence south 81 degrees 25 minutes 18 seconds East, with a south line of Taylor and continuing with a south line of a tract belonging to Thomas Jones, for a distance of 3,391.01 feet to a set iron pin, said pin lying in a south line of Jones and being a northwest corner of a tract belonging to Ann Markham; thence, south 07 degrees 32 minutes 41 seconds West, with a west line of Ann Markham and running to the centerline of the Madie-Keefe Road, for a distance of 852.20 feet to a point in the centerline of said road, said point being a southwest corner of Ann Markham and a northwest corner of a tract belonging to Keiser Development Company, said point located 25.00 feet west of a found iron pin; thence, south 07 degrees 32 minutes 41 seconds west, with a west line of Keiser Development Company and the centerline of said road, for a distance of 405.09 feet to a point; thence south 06 degrees 51 minutes 51 seconds West, with a west line of Keiser Development Company and continuing with a west line of a tract belonging to Frank Markham and the centerline of said road, for a distance of 450.62 feet to a point, said point located 25.00 feet west of a found iron pin and being a southwest corner of Frank Markham and a northwest corner of Barbara Markham; thence, south 07 degrees 18 minutes 09 seconds West, with a west line of Barbara Markham and leaving the centerline of said road, for a distance of 1,346.58 feet to the point of beginning and containing 240.029 acres, according to a survey by Robert B. Nichols, TN RLS No. 1931, on June 10, 1998, with all bearing based upon Magnetic North.

This being the same property conveyed unto Elizabeth Markham Kendall, Roy Douglass Markham, Anne Webb Markham and Frank Turner Markham, Jr. by Trustees Deed from First Citizens National Bank as Trustee recorded in Deed Book X-1, pages 143-145, in the Register's Office for Lake County, Tennessee.

TO HAVE AND TO HOLD said above described real estate, together with all improvements and appurtenances thereunto belonging a ONE-FOURTH UNDIVIDED INTEREST unto the said KEISER DEVELOPMENT CO., a Tennessee corporation, its successors and assigns, forever.

I COVENANT with the Grantee herein that I am lawfully seized and possessed of a ONE-FOURTH UNDIVIDED INTEREST in the above described real estate, have a good and lawful right to sell and convey the same, and that said real estate is unencumbered.

I FURTHER COVENANT and bind myself, my heirs and representatives, that I will forever warrant and defend the title to the real estate unto the Grantees herein, its successors and assigns, against the lawful claims and demands of all persons, whomsoever.

LEE KENDALL, husband of Elizabeth Markham Kendall, joins in the execution of this instrument to convey any right, title or interest he may have in the above described realty by virtue of their marital relationship.

IN WITNESS WHEREOF, we have hereunto set our signatures, this the 3rd day of July, 1998.

Elizabeth Markham Kendall
ELIZABETH MARKHAM KENDALL
Lee Kendall
LEE KENDALL

STATE OF TENNESSEE

COUNTY OF Obion

Personally appeared before me, the undersigned Notary Public for County and State aforesaid, being duly commissioned and qualified, ELIZABETH MARKHAM KENDALL and husband, LEE KENDALL, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence and who acknowledged that they executed the foregoing and attached instrument for the purposes therein contained.

WITNESS MY HAND AND NOTARIAL SEAL of office, in Obion County, Tennessee, this the 3rd day of July, 1998.

Betty M. Illavon
NOTARY PUBLIC

My Commission Expires: May 22, 2000

STATE OF TENNESSEE
COUNTY OF LAKE

I, or we, hereby swear or affirm that the actual consideration for this transfer or value of the property or interest in property transferred, whichever is greater, is \$107,100.00, which amount is equal to or greater than the amount which the property or interest in property transferred would command at a fair and voluntary sale.

NB K... J
AFFIANT

SUBSCRIBED AND SWORN TO BEFORE ME, THIS THE 20th DAY OF July, 1998.

Claudia Adcock
NOTARY PUBLIC Register of Deeds

My Commission Expires: _____

MAIL TAX NOTICES TO:

KEISER DEVELOPMENT CO.,
a Tennessee corporation

124 Lake St.
Ridgely, TN 38080

STATE OF TENNESSEE, LAKE COUNTY

The foregoing instrument and certificate were noted in

Note Book 12, Page 54, at 3:30 o'clock P. on 7-20-98

and recorded in Deed Book X-1, Series _____, Page 155-157

State Tax Paid 26.29 Fee 1.00 Recording Fee 12.00 Total \$ 41.27

Witness My Hand.

Receipt No. 6953
Claudia Adcock
Register