

RAMON FERNANDEZ JR. P.E.
DEPUTY DIRECTOR, OIL AND GAS DIVISION
WILLIAM B. MIERTSCHIN
ASSISTANT DIRECTOR, SITE REMEDIATION

RAILROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

VOLUNTARY CLEANUP PROGRAM FINAL CERTIFICATE OF COMPLETION RELYING ON INSTITUTIONAL CONTROLS

As provided for Chapter 91, Subchapter 0, Texas Natural Resource Code.

I, WILLIAM B. MIERTSHIN, ASSISTANT DIRECTOR OF THE SITE REMEDIATION SECTION, OIL AND GAS DIVISION, RAILROAD COMMISSION OF TEXAS, CERTIFY UNDER CHAPTER 91, SUBCHAPTER 0, TEXAS NATURAL RESOURCE CODE, THAT NECESSARY RESPONSE ACTIONS HAVE BEEN COMPLETED FOR VOLUNTARY CLEANUP PROGRAM SITE VCP NO. 03-60010 AS OF FOR THE TRACT OF LAND DESCRIBED IN EXHIBIT "A", BASED ON THE AFFIDAVIT OF COMPLETION OF RESPONSE ACTION AND INSTITUTIONAL CONTROLS, EXHIBIT "B" AND WHICH ARE FURTHER DESCRIBED IN THE APPROVED FINAL REPORT FOR THE SITE. APPLICANTS WHO WERE NOT RESPONSIBLE PARTIES UNDER SECTION 91.113 ON THE DATE OF ISSUANCE OF THIS CERTIFICATE ARE QUALIFIED TO OBTAIN THE PROTECTION FROM LIABILITY PROVIDED BY CHAPTER 91, SUBCHAPTER 0, TEXAS NATURAL RESOURCE CODE.

EXECUTED this the 24th day of March 2011.

William B. Miertschin,

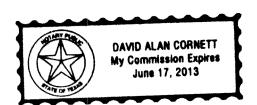
Assistant Director, Site Remediation

STATE OF TEXAS

COUNTY OF TRAVIS

BEFORE ME, personally appeared William B. Miertschin, Assistant Director, Remediation Division, of the Railroad Commission of Texas, known to me to be the person and agent of said commission whose name is subscribed to the foregoing instrument, and he acknowledged to me that he executed the same for the purposes and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 24th day of March 2011.



Notary Public in and for the State of Texas

1701 NORTH CONGRESS AVENUE ★ POST OFFICE BOX 12967 ★ AUSTIN, TEXAS 78711-2967 ★ PHONE: 512/463-6765 ★ FAX: 512/463-2388 TDD 800/735-2989 OR TDY 512/463-7284 ★ AN EQUAL OPPORTUNITY EMPLOYER ★ http://www.rrc.state.tx.us

EXHIBIT "A" RAILROAD COMMISSION OF TEXAS VOLUNTARY CLEANUP PROGRAM LEGAL DESCRIPTION 47.101 Acre Tract

VCP No. 03-60010

KeystoneRESmithCOC.doc 3/24/2011

C & G LAND SURVEYORS

May 29, 2009

METES & BOUNDS DESCRIPTION Exhibit "A-2" Page 1 of 1 Page

BEING a 47.101 acre tract of land in the Ashby S. James Survey, A-741, Montgomery County, Texas also out of the called 648.7 acres described in deed to Keystone Natural Resources, Inc. and recorded under Clerk's File #9773447 of the Real Property Records of Montgomery County, Texas (RPRMCT), said 47.101 acres being more particularly described as follows:

BEGINNING at a 2" iron pipe found marking the northwest corner of said 648.7 acres and the Ashby James Survey, also the northeast corner John Bricker Survey, A-98, in the south line of the Alfonso Steele Survey, A-477 and Gulf Coast Drilling Company called 89.0 acres described in deed recorded in Volume 165, Page 242 of Montgomery County Deed Records (MCDR), for the northwest corner of herein described tract;

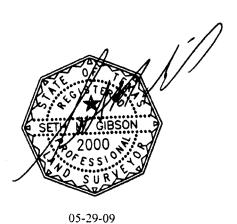
THENCE N.59°36'50"E., (Patent Call N.59°30'E., 2897.22 vrs.) along the north line of said Bricker Survey and the south line of said Steele Survey for a distance of 1867.00 feet to a 2" iron pipe found for the northeast corner of herein described tract;

THENCE S.30°22'46"E., crossing said James Survey and said 648.7 acres at 933.08 feet pass a 2" iron pipe and continue on in all a total distance of 1098.95 feet to the southeast corner of herein described tract;

THENCE S.59°36'04"W., continuing across said James Survey and said 648.7 acres for a distance of 1866.29 feet to the southwest corner of herein described tract in the west line of said James Survey and the 648.7 acres, also the east line of said Bricker Survey;

THENCE N.30°25'00"W., (Call N.30°25'W., 1271.8 vrs.) along the west line of said James Survey and the 648.7 acres, also the east line of said Bricker Survey, at 165.87 feet pass a 2" iron pipe and continue on in all a total distance of 1099.36 feet to the POINT OF BEGINNING and containing 47.101 acres of land.

This description is prepared in conjunction with a boundary survey and plat to which further reference is hereby made. \C&G\47.101 Acre Tract A. James Survey



Office at 1210½ North Thompson Street - Conroe Texas 77301 936 756 6116 Fax 936 756 2120 Email c-g @cox-internet.com

EXHIBIT "B" RAILROAD COMMISSION OF TEXAS VOLUNTARY CLEANUP PROGRAM AFFIDAVIT OF COMPLETION OF RESPONSE ACTION AND INSTITUTIONAL CONTROLS

I, William Tuthill, representing Keystone Energy Resources, Inc. have completed response actions necessary, pursuant to Chapter 91, Subchapter O, Texas Natural Resource Code, at a 47.101 acre tract of land described in Exhibit "A" (Site) of this certificate pertaining to VCP No. 03-60010. At the time of the application the applicant owned the Site, which is located in Conroe, Montgomery County, Texas. The Applicant has submitted and received approval from the Railroad Commission of Texas (RRC) Voluntary Cleanup Program (VCP) on all plans and reports required by the Voluntary Cleanup Agreement. The plans and reports were prepared using a prudent degree of inquiry of the Site consistent with accepted industry standards to identify all contaminants, waste and contaminated media of regulatory concern. The response actions for the Site have achieved response action levels as determined by the standards of the RRC and remain protective as long as the following institutional controls are

- 1. Use of the uppermost groundwater-bearing zone within the affected property, ranging from 20 feet to 30 feet below ground surface, shall not be allowed except for monitoring purposes.
- 2. Penetration or excavation for any purpose below the surface of the natural ground shall only be conducted in such a manner as to prevent the migration or release of benzene, arsenic and chloride to any other groundwater zone or media and to prevent uncontrolled exposure to human and ecological receptors.
- 3. These restrictions shall be a covenant running with the land.

An environmental restrictive covenant was filed in the Montgomery County Clerk's office on 10 September 2010, Document 2010094368 (Attachment 1).

The response actions eliminate substantial present or future risk to public health and safety and to the environment from releases and threatened releases of contaminants at or from the Site. The Applicant has not acquired this certificate of completion by fraud, misrepresentation, or knowing failure to disclose material information. Further information concerning the response actions at this Site may be found in the final report at the central office of the RRC under VCP No. 03-60010.

Applicant ,

The preceding is true and correct to the best of my knowledge and belief

	By: Welliam Tuthill Print Name: WILLIAM TUTHILL
	Print Name: WILLIAM TUTHILL
STATE OF NOW WAK COUNTY OF ALBANY	
BEFORE ME, personally appeared Wikhiam to be the person and agent of said commission whose na acknowledged to me that he executed the same for the p	me is subscribed to the foregoing instrument, and he urposes and in the capacity therein expressed
GIVEN UNDER MY HAND AND SEAL OF OFFICE,	this 20 day of December 2014
Notary Public in and for the State of NEW York	Alhalle time



Railroad Commission of Texas Groundwater Use Environmental Restrictive Covenant

STATE OF TEXAS

COUNTY OF MONTGOMERY

This Restrictive Covenant is filed pursuant to the authority of the Railroad Commission of Texas (The Commission) to control and clean up pollution caused by activities over which the Commission exercises jurisdiction in accordance with Section 91.113 of the Texas Natural Resources Code, and affects the real property (Property) described as follows:

Keystone Natural Resources, Inc., Trustee is the current owner of the 47.101 acre tract of land, and premises, and appurtenances thereto, located in Montgomery County, Texas within the Ashby James Survey A-741, as more fully described on **Exhibit A** (the "**Property**"), which is attached hereto and incorporated herein.

Groundwater on a portion of the Property is affected by certain chemicals of concern. This portion of the Property being 7.279 acres, (considered to be the "Affected Property"), is described on Exhibit B which is attached hereto and incorporated herein. The groundwater in the uppermost groundwater bearing zone of the Affected Property is the only portion of the Property subject to this Restrictive Covenant.

This Restrictive Covenant is required for the following reasons:

The Property contains a former oil and gas production site, otherwise known as the R.E. Smith Lease that was operated from the 1930s through the 1970s. A subsurface investigation identified the following constituents (e.g., benzene, chloride, and arsenic) in the uppermost groundwater bearing zone beneath the site with a depth range of approximately 20 feet to 30 feet below ground surface (hereinafter referred to as "**Uppermost Groundwater Bearing Zone**"). These chemicals are attributable to the former oil and gas exploration operations at the R.E. Smith Lease. ExxonMobil Corporation and Waptiti Energy LLC performed the response action to characterize and remediate the chemicals of concern. The remediation was performed in such a manner that the following constituents remain in the uppermost groundwater bearing zone at the following maximum levels at the time of filing:

- Chloride, maximum concentration of 1,020 milligrams per liter (mg/L) in groundwater.
- Benzene, maximum concentration of 0.39 mg/L in groundwater
- Arsenic, maximum concentration of 0.02mg/L in groundwater

The investigation, assessment, remediation and analytical data are contained in the following reports:

Preliminary Oilfield Assessment, Conroe Field, R.E. Smith, dated June 23, 2003. (as an enclosure to the Phase I ESA below), prepared by Stillmeadow Incorporated.

Phase I Environmental Site Assessment Report for the Evaluation of Potentially Hazardous Materials, R.E. Smith Lease, dated July 2006 prepared by Conestoga Rovers and Associates (CRA).

Phase II Environmental Site Assessment, R.E. Smith Tract, dated January 2006, prepared by CRA.

Monitoring Well Installation Report, R.E. Smith Tract, dated 31 January 2006, prepared by CRA.



Page 1 of 10

I hereby certify that this is a true and correct copy of the original record on file in my office.

Mark Turnbull, County Clerk

also fall Deputy

Issued __/()/2///0

Site Assessment Report, Approximate 40-Acre Tract, R.E. Smith Lease, Conroe, dated 28 September 2007, prepared by Hydro-Environmental Technology, Inc. (Hydro-Environmental)

1st Quarter of 2008 Monitor Well Sampling Events and Additional Assessment Activities, R.E. Smith Tract, dated 30 June 2008 prepared by Hydro-Environmental

Petition for Site Closure, quarterly Monitoring Report, Third Quarter of 2008, R.E. Smith Tract- Conroe Field Unit, dated 26 November 2008 prepared by Hydro-Environmental

Remedial Action Completion Report, R.E. Smith Tract-Conroe Field Unit, Montgomery County Texas, dated 12 March 2010, prepared by Hydro-Environmental

Copies of the reports may be obtained from the Railroad Commission of Texas.

The response action has been approved by the Commission based on the presumption that the Uppermost Groundwater Bearing Zone beneath the Property will not be used for any purpose, except monitoring. The Commission has determined that the Affected Property (except for the Uppermost Groundwater Bearing Zone beneath the Property) meets acceptable recognized standards for residential land use.

Based on information contained in the reports identified above, and under the concurrence of the Railroad Commission of Texas, constituents contained in the Uppermost Groundwater Bearing Zone (at an approximate depth of 20 to 30 feet below the ground surface) within the total area delineated in Exhibit B pose a potential future risk to humans through groundwater ingestion. This Restrictive Covenant is necessary to assure that all present and future owners of the Affected Property described on Exhibit B are aware of its condition and do not use the Uppermost Groundwater Bearing Zone in any manner inconsistent with this restriction. If any person desires to use the groundwater beneath the Affected Property described on Exhibit B, the Railroad Commission of Texas must be notified at least 60 days in advance of such use. Additional response actions contemplating a change in land use or in size of the assumed exposure area may be necessary.

Keystone Natural Resources, Inc. Trustee is the owner of the Property. In consideration of the Response Action leading to final approved remediation of the Affected Property, which is described on Exhibit B, the owner of the Property has agreed to place the following restrictions on the Property in favor of the Railroad Commission of Texas and the State of Texas. Now therefore, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the following restrictive covenants in favor of the Railroad Commission of Texas and the State of Texas are placed on the Property described in Exhibit "A," to-wit:

- 1. Use of the Uppermost Groundwater Bearing Zone within the **Affected Property**, ranging from 20 feet to 30 feet below ground surface, shall not be allowed except for monitoring purposes.
- 2. Penetration or excavation for any purpose that contacts the impacted groundwater zones at or below a depth of approximately 20 feet below the surface of the natural ground shall only be conducted in such a manner as to prevent the migration or release of benzene, arsenic and chloride to any other groundwater zone or media and to prevent uncontrolled exposure to human and ecological receptors.
- 3. These restrictions shall be a covenant running with the land.

Page 2 of 10

I hereby certify that this is a true and correct copy of the original record on file in my office.

Mark Turnbull, County Clerk Montgomery County, Texas

Deputy

aleh

exper 10/1/1/1/

For additional information, contact:

Railroad Commission of Texas Site Remediation P. O. Box 12967 Austin, Texas 78711-2967

Railroad Commission of Texas Voluntary Cleanup Program No.: VCP No. 03-60010 and Operator Cleanup Program No. 03-2563.

As of the date of this Restrictive Covenant, the record owner of fee title to the Property is Keystone Natural Resources, Inc., Trustee, with an address 15090 FM 1314, Conroe, Texas 77306. Keystone Natural Resources, Inc., Trustee was not a responsible person, under VCP No. 03-60010 as that term is defined under Rule §4.405 of Title 16, Part 1, Chapter 4, Subchapter D of the Texas Administrative Code (relating to Definitions).

This Restrictive Covenant covering only the Affected Property may be rendered of no further force or effect only by a release executed by the Railroad Commission of Texas and filed in the same Real Property Records as those in which this Restrictive Covenant is filed.

Ref. To:
Lennice Cangill
Resources
P.O.BOX 1409
Conroe TX 773/15

Page 3 of 10

I hereby certify that this is a true and correct copy of the original record on file in my office.



Mark Turnbull, County Clerk Montgomery County, Texas

SCHOT

Deputy

Executed this 27th day of September 010

	lliam Tuthill, President systone Natural Resources, Inc.
Sig	gnature: Malliam Junil
Pr	inted Name: WILLIAM TUTHILL
Tit	de: President
STATE OF NEW YORK (Albany) COUNTY BEFORE ME, on this the 21th day of 5epten	مهجر 2010, personally appeared William Tuthill known to
me to be the person whose name is subscribed that they executed the same for the purposes a	d to the foregoing instrument, and they acknowledged to me
GIVEN UNDER MY HAND AND SEAL 2010.	OF OFFICE, this the 27^{n} day of $5ptember$
	otary Public in and for the State of New York
Co	ounty of Albany
М	y Commission Expires: 11/13/2611

MARK GRLEN Noten Public in the State of New York Observation of the County No. 01016177824
No Commission Explore November 12, 1011

Page 4 of 10

I hereby certify that this is a true and correct copy of the original record on file in my office.



Executed this 20 TN day of Sep 104162, 2010

2010.

(Charles E. Gibson Denbury Onshore, LLC Signature:
!	Printed Name: Charles E. Gibson
-	Title: Vice President – West Region
STATE OF TEXAS (COLL () COUNTY	
BEFORE ME, on this the 20 day of separate me to be the person whose name is subscribt that they executed the same for the purposes	2010, personally appeared Charles Gibson, known to bed to the foregoing instrument, and they acknowledged to me s and in the capacity herein expressed.
GIVEN UNDER MY HAND AND SEA	AL OF OFFICE, this the 20th day of Store BtR.

County of COLLIST

My Commission Expires: 8/8/12

Page 5 of 10

I hereby certify that this is a true and correct copy of the original record on file in my office.



Mark Turnbull, County Clerk Montgomery County, Texas

Deputy Issued

Accepted as Third Party Beneficiary this 1/1/	day of <u>October</u> 2010.
Siç Pr	inted Name: Kathy Rells inted Name: Kathy Rells inted Name: Special lausel beautilians
STATE OF TEXAS TRAVIS COUNTY	
the foregoing instrument, and they acknowledge in the capacity herein expressed.	known to me to be the person whose name is subscribed to ged to me that they executed the same for the purposes and
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11th day of October., 2010.	
DAVID ALAN CORNETT My Commission Expires Co	otary Public in and for the State of Texas, ounty of

Page 6 of 10

I hereby certify that this is a true and correct copy of the original record on file in my office. Mark Turnbull, County Clerk Montgomery County, Texas _Deputy Ussued 10/2/10

Exhibit "A"

C & G LAND SURVEYORS

May 29, 2009

METES & BOUNDS DESCRIPTION Exhibit "A-2" Page 1 of 1 Page

BEING a 47.101 acre tract of land in the Ashby S. James Survey, A-741, Montgomery County, Texas also out of the called 648.7 acres described in deed to Keystone Natural Resources, Inc. and recorded under Clerk's File #9773447 of the Real Property Records of Montgomery County, Texas (RPRMCT), said 47.101 acres being more particularly described as follows:

BEGINNING at a 2" iron pipe found marking the northwest corner of said 648.7 acres and the Ashby James Survey, also the northeast corner John Bricker Survey, A-98, in the south line of the Alfonso Steele Survey, A-477 and Gulf Coast Drilling Company called 89.0 acres described in deed recorded in Volume 165, Page 242 of Montgomery County Deed Records (MCDR), for the northwest corner of herein described tract;

THENCE N.59°36'50"E., (Patent Call N.59°30'E., 2897.22 vrs.) along the north line of said Bricker Survey and the south line of said Steele Survey for a distance of 1867.00 feet to a 2" iron pipe found for the northeast corner of herein described tract;

THENCE S.30°22'46"E., crossing said James Survey and said 648.7 acres at 933.08 feet pass a 2" iron pipe and continue on in all a total distance of 1098.95 feet to the southeast corner of herein described tract;

THENCE \$.59°36'04"W., continuing across said James Survey and said 648.7 acres for a distance of 1866.29 feet to the southwest corner of herein described tract in the west line of said James Survey and the 648.7 acres, also the east line of said Bricker Survey;

THENCE N.30°25'00"W., (Call N.30°25'W., 1271.8 vrs.) along the west line of said James Survey and the 648.7 acres, also the east line of said Bricker Survey, at 165.87 feet pass a 2" iron pipe and continue on in all a total distance of 1099.36 feet to the POINT OF BEGINNING and containing 47.101 acres of land.

This description is prepared in conjunction with a boundary survey and plat to which further reference is hereby made \C&G\47.101 Acre Tract A. James Survey

SETY W GIBSON 2000 SUR

05-29-09

office it is that Thompson Street - Course for its Mad also has often for the house the formation of the for

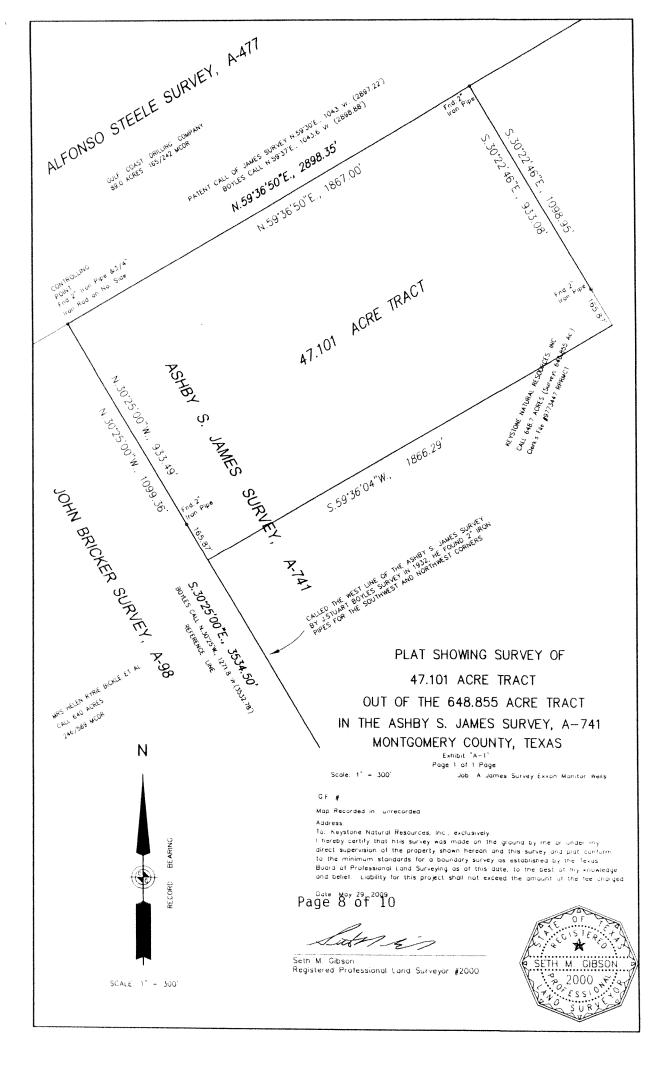
I hereby certify that this is a true and correct copy of the original record on file in my office.

10/2/10

Mark Turnbull, County Clerk Montgomery County, Texas

Issued

_Deputy



I hereby certify that this is a true and correct copy of the original record on file in my office.

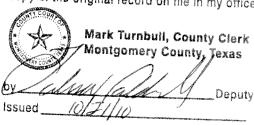


Exhibit "B"

C & G LAND SURVEYORS

May 27, 2010

METES & BOUNDS DESCRIPTION Page 1 of 1 Page

BEING a 7.279 acre easement tract of land in the Ashby S. James Survey, A-741, Montgomery County, Texas also out of the called 648.7 acres described in deed to Keystone Natural Resources, Inc. and recorded under Clerk's File #9773447 of the Real Property Records of Montgomery County, Texas (RPRMCT), said 7.279 acres being more particularly described as follows:

COMMENCING at a 2" iron pipe found marking the northwest corner of said 648.7 acres and the Ashby James Survey, also the northeast corner John Bricker Survey, A-98, in the south line of the Alfonso Steele Survey, A-477 and Gulf Coast Drilling Company called 89.0 acres described in deed recorded in Volume 165, Page 242 of Montgomery County Deed Records (MCDR);

THENCE N.78°41'32"E., crossing said 648.7 acres for a distance of 847.69 feet to Monitor Well #11 for the POINT OF BEGINNING of herein described tract;

THENCE around the perimeter of herein described tract as follows:

N.39°24'07"E., 82.76 feet to a capped 1/2" iron rod set for angle point;

N.78°50'45"E., 295.59 fee to Monitor Well #14;

N.82°58'54"E., 121.23 feet to Monitor Well #17;

S.14°36'47"E., 663.52 feet to Monitor Well #6;

S.39°14'42"W., 186.28 feet to Monitor Well #7;

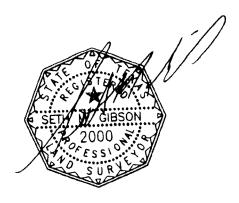
S.79°12'43"W., 139.80 feet to Monitor Well #8;

N.33°24'48"W., 603.41 feet to Monitor Well #4;

N.13°54'19"W., 178.09 feet to the POINT OF BEGINNING and containing 7.279 acres of

land.

Bearings based on the west line of the Ashby James Survey, A-741, S.30°25′00°E. This description is prepared in conjunction with a boundary survey and plat to which further reference is hereby made \C&G\17.279 Acre Easement Tract A. James Survey.



Page 9 of 10 05-27-10

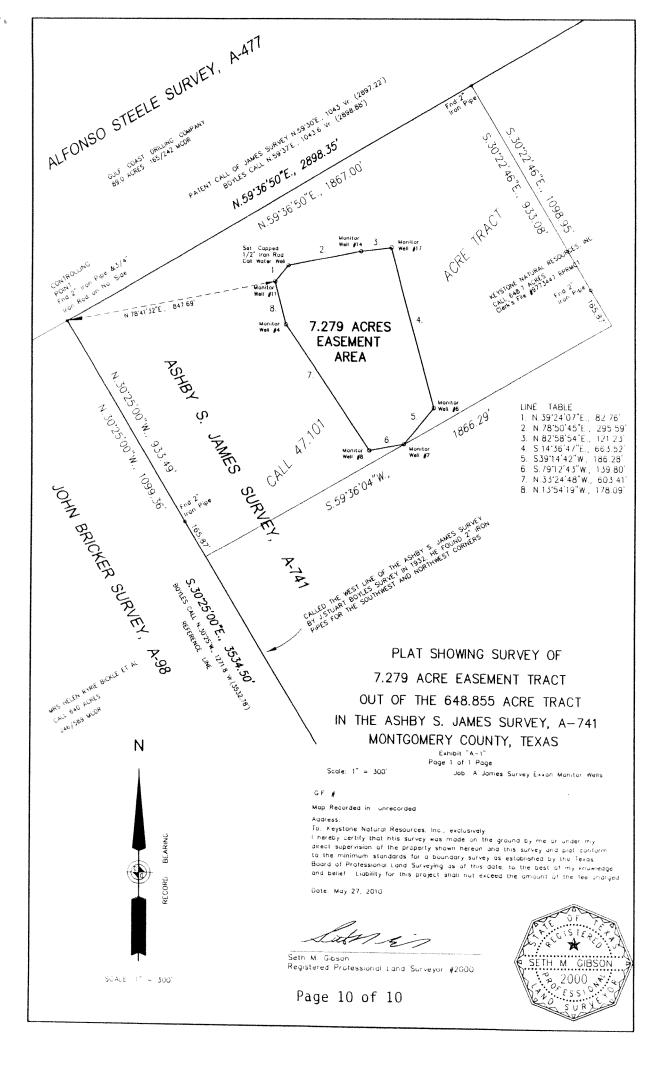
ാണ് dial 1009. North (nongson Street - Comme Teras 7 301905 ് നാർ de Fax കുറി - - -Email 73 ഇടടെ ലെബോടുന

I hereby certify that this is a true and correct copy of the original record on file in my office.

Mark Turnbull, County Clerk Montgomery County, Texas

_Deputy

Issued 10/2///0



I hereby certify that this is a true and correct copy of the original record on file in my office.

Mark Turnbull, County Clerk
Montgomery County, Texas

Issued.

0/21/10

LDeputy

FILED FOR RECORD

10/21/2010 8:40AM

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS

COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Montgomery County, Texas.

10/21/2010

County Clerk Montgomery County, Texas

I hereby certify that this is a true and correct copy of the original record on file in my office.

Mark Turnbull, County Cierk Montgomery County, Texas

Issued 10/2//10

_Deputy