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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

MEMORANDUM OF OIL AND GAS LEASE

Texas Royalty Brokers

THE STATE OF TEXAS §
§
COUNTY WEBB §

BE IT REMEMBERED, that on January 3, 2022, an Oil and Gas Lease (said Lease) was made and entered into by and between **John P. Healey**, whose address is 90804 Alvadore Rd., Junction city, OR 97448, **Mary E. Scarborough**, 1933 SW Broadleaf Dr., Portland, OR 97219, **Kathleen A. Bartholomew,** whose address is 12624 SW 56th Ct., Portland, OR 97219, **James M. Healey, Jr.,** whose address is 3802 N. Frace Ave., Tacoma, WA 98407, and **Patricia E. Healey**, whose address is P.O. Box 2425, Cortaro, AZ 85652-2425, as Lessor (whether one or more), and **SEGUNDO NAVARRO DRILLING, LTD., a Texas limited partnership**, whose address is 10101 Reunion Place, Suite 1000, San Antonio, Texas 78216, as "Lessee", wherein Lessor granted, leased, and let exclusively unto Lessee for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, (including all liquid hydrocarbons and casinghead gas or other products produced from any well classified as an oil well or oil wells by Governmental authority) and gas (the term "gas" as used herein in defined as to include natural gas, condensate, distillate or other by-products recovered from well specified as gas wells by any Governmental authority), conducting exploration, geologic and geophysical surveys by seismograph, core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon and on, over and across lands owned or claimed by Lessor to produce, save, take care of, treat, transport and own said products, and housing its employees, the following described land in Webb County, Texas, to-wit:

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Lessor's undivided interest in the following tract:

1,238.7016 acres of land, more or less, being described as follows:

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Tract 1: 296.46522 acres of land, more or less, lying and being situated in Porcion 9, Blas Maria Diaz Original Grantee, Abstract 41, Webb County, Texas, being described in two (2) separate tracts, as follows:

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Tract One: 243.23631 acres of land, more or less, lying and being situated in Porcion 9, Blas Maria Diaz Original Grantee, Abstract 41, Webb County, Texas, described more particularly as "Tract I" on "Exhibit A-1" in that certain Warranty Deed dated November 12, 1986, from August C. Richter and wife, Elizabeth Nell Richter, to Douglas M. Brice, being recorded in Volume 1207, Page 69 of the Deed Records of Webb County, Texas.

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Tract Two: 53.22891 acres of land, more or less, lying and being situated in Porcion 9, Blas Maria Diaz Original Grantee, Abstract 41, Webb County, Texas, being more particularly described as "Tract III" of "Exhibit A-2" in that certain Warranty Deed dated November 12, 1986, from August C. Richter and wife, Elizabeth Nell Richter to Douglas M. Brice, being recorded in Volume 1207, Page 69 of the Deed Records of Webb County, Texas.

Tract 2: 207.13626 acres of land, more or less, lying and being situated in Porcion 9, Blas Maria Diaz Original Grantee, Abstract 41, Webb County, Texas, being more particularly described as two separate tracts, being 198.0366 acres described in metes and bounds as "Tract 1" and 9.09966 acres described in metes and bounds as "Parcel 2", both being a part of "Tract No. I" in that certain Warranty Deed with Vendor's Lien dated July 6, 1990, from Ermilo Richer, Jr. and wife, Adriana Mounetou De Richer, to City Ready Mix, Inc., being recorded in Volume 1433, Page 1 of the Deed Records of Webb County, Texas.

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Tract 3: 80.21497 acres of land, more or less, lying and being situated in Porcion 9, Abstract 41, Blas Maria Diaz Original Grantee, Webb County, Texas, being more particularly described as a 103.23497 acre tract of land, more or less, described in metes and bounds in that certain Warranty Deed dated December 18, 1990, from Douglas M. Brice and Thomas G. Wilson, Trustee of the JPJ Trust, to Rodolfo Garcia, being recorded in Volume 1464, Page 594 of the Real Property Records of Webb County, Texas, **SAVE AND EXCEPT** 23.02 acres of land, more or less, being described in that certain Warranty Deed dated April 4, 2016, from Laredo Sand and Gravel to W.W. Rowland Investment Co., Inc., being recorded in Volume 4028, Page 805 of the Official Public Records of Webb County, Texas, **LEAVING IN AGGREGATE 80.21497 acres of land, more or less.**

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Tract 4: 631.86515 acres of land, more or less, being described as 1,261.95 acres lying and being situated in Porcion 9, Blas Maria Diaz Original Grantee, Abstract 41, Webb County, Texas, being the same land described in metes in bounds in that certain Warranty Deed dated July 31, 1967, from Sam Stockbridge, et al to Thomas G. Wilson, et al, recorded in Volume 352, Page 226 of the Deed Records of Webb County, Texas, **SAVE AND EXCEPT** 296.46522 acres of land, more or less, being the same land described by metes and bounds in that certain Warranty Deed dated

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November 12, 1986, from August C. Richter, et ux to Douglas C. Brice, being recorded in Volume 1207, Page 69 of the Deed Records of Webb County, Texas, **FURTHER SAVE AND EXCEPT** 207.13626 acres of land, more or less, being the same land described more particularly as "Tract No. I" in that certain Warranty Deed with Vendor's Lien dated July 6, 1990, from Ermilo Richer, Jr., et ux to City Ready Mix, Inc., being recorded in Volume 1433, Page 1 of the Deed Records of Webb County, Texas, **FURTHER SAVE AND EXCEPT** 103.23497 acres of land, more or less, being the same land described by metes and bounds in that certain Warranty Deed dated December 18, 1990, from Thomas G. Wilson, Trustee of the JPJ Trust, to Rodolfo Garcia, being recorded in Volume 1464, Page 594 of the Real Property Records of Webb County, Texas, **FURTHER SAVE AND EXCEPT** 13.2717 acres of land, more or less, being the same land described by metes and bounds in that certain Warranty Deed dated June 13, 1972, from Thomas G. Wilson, et al to James W. Knight, et ux, being recorded in Volume 423, Page 252 of the Deed Records of Webb County, Texas, **FURTHER SAVE AND EXCEPT** 9.9767 acres of land, more or less, being the same land described in metes and bounds in that certain Special Warranty Deed dated May 21, 1992, from International Bank of Commerce to Motorola, Inc., being recorded in Volume 38, Page 69 of the Official Public Records of Webb County, Texas **LEAVING IN AGGREGATE 631.86515 acres of land, more or less.**

Tract 5: 23.02 acres of land, more or less, lying and being situated in Porcion 9, Blas Maria Diaz Original Grantee, Abstract 41, Webb County, Texas, being the same land described in "Exhibit B" in that certain Warranty Deed with Vendor's Lien dated April 4, 2016, from Laredo Sand and Gravel Co. to W.W. Rowland Investment Co., Inc., being recorded in Volume 4028, Page 805 of the Official Public Records of Webb County, Texas.

Subject to the other provisions therein contained, said Lease provides for a primary term ending at 11:59 p.m. on January 2, 2027, further subject to such extensions as Lessee might earn by conducting drilling operations thereunder and as long thereafter as oil or gas or either of them is produced in paying quantities from said Lease.

Further, this Memorandum may be signed in counterparts, each of which shall be deemed an original and all of which taken together shall be deemed one instrument.

In the event of any conflict between the recitations contained in this Memorandum and those contained in said Lease, the provisions in said Lease shall control.

The Lease requires the prior written consent of Lessor prior to any transfer or assignment of the Lease as provided therein.

Furthermore, Lessors retain all statutory lien rights under the Texas Property Code or any other applicable law.

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Executed copies of said Lease is in the possession of Lessor and Lessee at their respective addresses indicated above.

Dated this 3rd day of January, 2022.

Texas Royalty Brokers

LESSOR:

JOHN P. HEALEY

MARY E. SCARBOROUGH

Texas Royalty Brokers

KATHLEEN A. BARTHOLOMEW

JAMES M. HEALEY, JR.

PATRICIA E. HEALEY

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Dated this 3rd day of January, 2022.

Texas Royalty Brokers

LESSOR:

_____
JOHN P. HEALEY

Mary E. Scarborough
MARY E. SCARBOROUGH

Texas Royalty Brokers

_____
KATHLEEN A. BARTHOLOMEW

_____
JAMES M. HEALEY, JR.

_____
PATRICIA E. HEALEY

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Dated this 3rd day of January, 2022.

Texas Royalty Brokers

LESSOR:

_____
JOHN P. HEALEY

_____
MARY E. SCARBOROUGH

Texas Royalty Brokers

Kathleen A. Bartholomew
KATHLEEN A. BARTHOLOMEW

_____
JAMES M. HEALEY, JR.

_____
PATRICIA E. HEALEY

Texas Royalty Brokers

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Executed copies of said Lease is in the possession of Lessor and Lessee at their respective addresses indicated above.

Dated this 3rd day of January, 2022.

Texas Royalty Brokers

LESSOR:

JOHN P. HEALEY

MARY E. SCARBOROUGH

KATHLEEN A. BARTHOLOMEW

Texas Royalty Brokers

1/12/22 James M. Healey Jr

JAMES M. HEALEY, JR.

PATRICIA E. HEALEY

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Dated this 3rd day of January, 2022.

Texas Royalty Brokers

LESSOR:

JOHN P. HEALEY

MARY E. SCARBOROUGH

Texas Royalty Brokers

KATHLEEN A. BARTHOLOMEW

JAMES M. HEALEY, JR.

Patricia E. Healey

PATRICIA E. HEALEY

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LESSEE:

SEGUNDO NAVARRO DRILLING, LTD.
By and through Tercero Navarro, Inc.
Its General Partner

By: _____

Name: CHAD MCGUFFIN

Title: EXECUTIVE VICE PRESIDENT

Texas Royalty Brokers

ACKNOWLEDGEMENTS

STATE OF OREGON §
§
COUNTY OF Lane §

This instrument was acknowledged before me on the 12th day of January, 2022, by **John P. Healey.**

Texas Royalty Brokers

OFFICIAL STAMP
RYAN CHRISTOPHER SCOTT POWELL
NOTARY PUBLIC - OREGON
COMMISSION NO. 1011484
MY COMMISSION EXPIRES APRIL 26, 2025

_____
Notary Public in and for the State of Oregon

STATE OF OREGON §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2022, by **Mary E. Scarborough.**

Texas Royalty Brokers

_____
Notary Public in and for the State of Oregon

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LESSEE:

SEGUNDO NAVARRO DRILLING, LTD.
By and through Tercero Navarro, Inc.
Its General Partner

By: _____
Name: CHAD MCGUFFIN
Title: EXECUTIVE VICE PRESIDENT

Texas Royalty Brokers

ACKNOWLEDGEMENTS

STATE OF OREGON §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2022, by **John P. Healey.**

Texas Royalty Brokers

_____
Notary Public in and for the State of Oregon

STATE OF OREGON §
§
COUNTY OF _____§

This instrument was acknowledged before me on the ___ day of _____, 2022, by **Mary E. Scarborough.**

Texas Royalty Brokers

_____
Notary Public in and for the State of Oregon

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LESSEE:

SEGUNDO NAVARRO DRILLING, LTD.
By and through Tercero Navarro, Inc.
Its General Partner

By: _____

Name: CHAD MCGUFFIN

Title: EXECUTIVE VICE PRESIDENT

Texas Royalty Brokers

ACKNOWLEDGEMENTS

STATE OF OREGON §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2022, by **John P. Healey.**

Texas Royalty Brokers

_____
Notary Public in and for the State of Oregon

STATE OF OREGON §
§
COUNTY OF Clackamas §

This instrument was acknowledged before me on the 12th day of January, 2022, by **Mary E. Scarborough.**

Texas Royalty Brokers

OFFICIAL STAMP
KATHLEEN ANN COVEY
NOTARY PUBLIC - OREGON
COMMISSION NO. 1010531
MY COMMISSION EXPIRES MARCH 24, 2025

Kathleen A Covey
Notary Public in and for the State of Oregon

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STATE OF OREGON §
§
COUNTY OF Clackamas §

This instrument was acknowledged before me on the 13th day of January, 2022, by **Kathleen A. Bartholomew.**

Texas Royalty Brokers

OFFICIAL STAMP
KATHLEEN ANN COVEY
NOTARY PUBLIC - OREGON
COMMISSION NO. 1010531
MY COMMISSION EXPIRES MARCH 24, 2025

Kathleen A Covey
Notary Public in and for the State of Oregon

STATE OF WASHINGTON §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2022, by **James M. Healey, Jr.**

Texas Royalty Brokers

Notary Public in and for the State of Washington

STATE OF ARIZONA §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2022, by **Patricia E. Healey.**

Texas Royalty Brokers

Notary Public in and for the State of Arizona

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STATE OF OREGON §
§
COUNTY OF _____§

This instrument was acknowledged before me on the ___ day of _____, 2022, by **Kathleen A. Bartholomew.**

Texas Royalty Brokers

_____
Notary Public in and for the State of Oregon

STATE OF WASHINGTON §
§
COUNTY OF Pierce §

This instrument was acknowledged before me on the 9 day of February, 2022, by **James M. Healey, Jr.**

Texas Royalty Brokers

SONJA RAE HASTINGS
NOTARY PUBLIC
COMMISSION EXPIRES
21008307
2-08-25
STATE OF WASHINGTON

_____
Notary Public in and for the State of Washington

STATE OF ARIZONA §
§
COUNTY OF _____§

This instrument was acknowledged before me on the ___ day of _____, 2022, by **Patricia E. Healey.**

Texas Royalty Brokers

_____
Notary Public in and for the State of Arizona

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STATE OF OREGON §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2022, by **Kathleen A. Bartholomew.**

Texas Royalty Brokers

_____
Notary Public in and for the State of Oregon

STATE OF WASHINGTON §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2022, by **James M. Healey, Jr.**

Texas Royalty Brokers

_____
Notary Public in and for the State of Washington

STATE OF ARIZONA §
§
COUNTY OF Pima §

This instrument was acknowledged before me on the 12th day of January 2022, by **Patricia E. Healey.**

Texas Royalty Brokers

Myriam Evano
Notary Public
Pima County, Arizona
My Comm. Expires 04-29-2022

_____
Notary Public in and for the State of Arizona

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STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on the 9 day of February, 2022, by **Chad McGuffin**, **Executive Vice President** of Tercero Navarro, Inc., General Partner of **SEGUNDO NAVARRO DRILLING, LTD.**, a Texas limited partnership, on behalf of said partnership.

Notary Public in and for the State of Texas

CLINT HOLLOWAY
Notary Public, State of Texas
Comm. Expires 07-19-2022
Notary ID 129784811

Texas Royalty Brokers

DOC #1476814
Recorded 08/16/2022 01:40:20 PM

By: Manuel Eduardo Villa, DEPUTY
MARGIE RAMIREZ IBARRA, COUNTY CLERK
Fees: $82.25

STATE OF TEXAS
COUNTY OF WEBB
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED ON THE DATE AND AT THE TIME STAMPED HERON BY ME AND WAS DULY RECORDED IN THE VOLUME AND PAGE OF THE OFFICIAL PUBLIC RECORDS OF WEBB COUNTY TEXAS AS STAMPED HEREON BY ME

COUNTY CLERK
WEBB COUNTY, TEXAS

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