

FILE#4087

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105379 RECORDING MEMORANDUM OF OIL AND GAS LEASE

Howard J. Kleinecke, whose address is 707 Oak Ridge Street, Victoria, TX 77905 (Lessor"), and BAYTECH L.L.P., P.O. Box 10158, Midland, Texas, 79702 ("Lessee"), make this Recording Memorandum of Oil and Gas Lease.

Reference is made to that certain Oil and Gas Lease dated August 1, 2008, by and between Lessor and Lessee and covering the following described land:

All of Sections 5 and 18, Block C-1, PSL Survey, Reeves County,
All of Section 19, Block C-1, PSL Survey, Reeves and Pecos Counties,
All of Section 24, Block C-2, PSL Survey, Reeves and Pecos Counties,

all situated in Reeves and Pecos Counties, Texas, (the "Oil and Gas Lease"). This Memorandum is executed by the parties for the purpose of recording, and for providing notice of the existence of, and the rights and privileges created pursuant to the Oil and Gas Lease, and the terms and provisions of the Oil and Gas Lease are incorporated into this Memorandum as if fully set forth herein.

The Oil and Gas Lease is for a primary term of three (3) years from August 1, 2008, contains an option to renew for a period of two (2) years, and a continuous development provision after the expiration of the primary term providing for termination in the absence of continuous drilling, and contains numerous other terms, conditions and limitations, all as more specifically set forth therein.

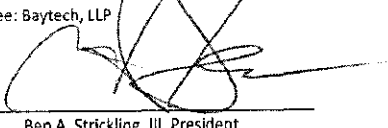
Executed as of the date of the acknowledgement of each signature hereto, but effective as of the date of the Oil and Gas Lease.

Lessor: Howard J. Kleinecke



Lessee: Baytech, LLP

By:



Ben A. Strickling, III, President

-Acknowledgments on next page-

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Texas Royalty Brokers

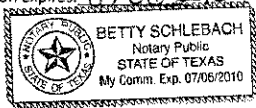
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ACKNOWLEDGMENTS

STATE OF Texas)
COUNTY OF Victoria)

This instrument was acknowledged before me on this 18th day of August, 2008, by
Harold J. Kleinschke

My Commission Expires: 07-06-2010

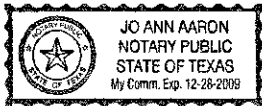


Betty Schleich
Notary Public, State of Texas

STATE OF TEXAS)
COUNTY OF MIDLAND)

This instrument was acknowledged before me on this 25th day of August, 2008, by
Ben A. Strickling, III as President of Baytech, LLP on behalf of said limited liability partnership.

My Commission Expires: 12-28-09



Jo Ann Aaron
Notary Public, State of Texas

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FILED
AT 2:30 O'CLOCK P M
ON THE 11 DAY OF Sept
A.D. 2008

STATE OF TEXAS
COUNTY OF PECOS

I hereby certify that this instrument was FILED on
the date and at the time stamped hereon by me
and was duly RECORDED in the Volume and
Page of the PUBLIC RECORDS of Pecos
County, Texas.



JUDY DEERFIELD

JUDY DEERFIELD
County Clerk, Pecos County, Texas

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RECORDED 9-12-08

FILED
SEP 11 2008

105379

Memorandum of OCT.

Howard J Kleinbecke

to

Baytech LLP

Paid \$9.00 rme \$5.00 cms \$1.00

Baytech LLP

P.O. Box 10158
Midland, TX 79702

Texas Royalty Brokers

Texas Royalty Brokers

ANY INSTRUMENT WHICH RESTRICTS THE SALE, RENTAL,
OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR
OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL
LAW

FILE# 4087

FILED FOR RECORD ON THE 26TH DAY OF SEPTEMBER A.D. 2008 10:28A. M.

DULY RECORDED ON THE 1ST DAY OF OCTOBER A.D. 2008 9:00A. M.

BY: *Dianne O. Florez* DEPUTY

DIANNE O. FLOREZ, COUNTY CLERK
REEVES COUNTY, TEXAS