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Shelby Cnty Judge of Probate, AL
08/16/2004 03:50:00 FILED/CERTIFIED

Upon Recordation, Return to:
Black Stone Minerals Company, L.P.
1001 Fannin, Suite 2020
Houston, Texas 77002
Attn: Mr. J.A. Mills, Vice President Operations

MINERAL AND ROYALTY DEED

BLACK STONE IVORY ACQUISITIONS PARTNERS, L.P.

as Grantor,

and

THOSE PARTIES LISTED ON EXHIBIT C HERETO

as Grantees

STATE OF ALABAMA
COUNTY OF SHELBY

HOUSTON:017018/00038:902020v5

MINERAL AND ROYALTY DEED

THIS MINERAL AND ROYALTY DEED (this "*Deed*"), effective as of October 1, 2003 (the "*Effective Time*"), is made by Black Stone Ivory Acquisitions Partners, L.P. ("*Grantor*"), whose address for notice purposes is 1001 Fannin, Suite 2020, Houston, Texas 77002 to those parties listed on Exhibit C hereto ("*Grantees*"), whose addresses are set forth on Schedule I. Grantor and Grantees are herein sometimes individually called a "*Party*" and collectively called the "*Parties*."

WHEREAS, pursuant to that certain Mineral and Royalty Deed dated effective as of October 1, 2003, from Pure Resources, L.P., as grantor, to Black Stone Ivory Acquisitions Partners, L.P., as grantee, Grantor was conveyed certain assets (the "*Pure Deed*");

WHEREAS, subject to certain reservations and limitations set forth herein, Grantor desires to convey to the Grantees an undivided Ninety Five and 972973/100ths per cent (95.972973%) of the rights, titles, interests and obligations it received pursuant to the Pure Deed, to be owned in the manner set forth on Exhibit C.

WHEREAS, the Parties hereto are also parties to that certain Management and Executive Rights Agreement (the "*Management Agreement*") dated effective as of June 29, 2004.

ARTICLE I Granting and Habendum

For ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, bargains, sells, transfers, conveys, sets over, assigns and delivers unto Grantees, their successors and assigns, effective for all purposes as of the Effective Time and subject to the matters set forth herein, the Assets as hereinafter defined. The term "*Assets*" shall mean an undivided Ninety Five and 972973/100ths percent (95.972973%), to be owned as set forth on Exhibit C attached hereto and incorporated herein, of all of Grantor's right, title and interest in and to the following, less and except the Excluded Assets (as hereinafter defined):

(a) the mineral fee estates, mineral servitudes and royalty interests in all oil, liquid hydrocarbons, gas, coal seam gas, coal bed methane and any and all other liquid or gaseous hydrocarbons, as well as their respective constituent products (including, without limitation, condensate, casinghead gas, distillate and natural gas liquids), and any other minerals produced in association therewith (including elemental sulfur, helium, carbon dioxide and other non-hydrocarbon substances produced in association with any of the above-described items, as hereinafter defined) (all such substances are defined for purposes of this Deed as "*Hydrocarbons*") in and under those certain tracts of land referenced by applicable county or parish recording information on Exhibit A attached hereto and made a part hereof (the "*Mineral Lands*") and all additional interests of Grantor in the Hydrocarbons in and under the Mineral Lands, or any of them, presently owned or held by Grantor with respect to the interests of any other parties in any or all of the Hydrocarbons in and under any of the Mineral Lands. The term "*Mineral Lands*" shall also include for purposes of this Deed all of the Hydrocarbons, mineral

fees, mineral servitudes and royalty interests in Hydrocarbons owned or claimed by Grantor as of the Effective Time in and under only those certain lands included within the counties and parishes identified on Exhibit B attached hereto and made a part hereof (the "*Subject Area*"), to the extent, and only to the extent conveyed to Grantor in the Pure Deed, irrespective of whether such rights or lands are adjacent, adjoining, contiguous or in the vicinity of the lands referenced by applicable county or parish recording information on Exhibit A, it being the intent hereby to sell and convey all of Grantor's right, title and interest in and to all Hydrocarbons, mineral fees, mineral servitudes and royalty interests in Hydrocarbons in and under the Subject Area owned or claimed by Grantor as of the Effective Time, to the extent, and only to the extent conveyed to Grantor in the Pure Deed, subject in all cases to the retention by Grantor of the Excluded Assets (as hereinafter defined);

(b) all real or immovable property and rights incident to the Mineral Lands, including (i) all rights with respect to the use and occupation of the surface of and the subsurface depths under the Mineral Lands; (ii) all rights with respect to any pooled, communitized or unitized acreage by virtue of any Mineral Lands being a part thereof, including all production from such pool or unit allocated to any such Mineral Lands; and (iii) all platforms and pipelines;

(c) all easements, rights-of-way, servitudes, permits, licenses, franchises and other estates or similar rights and privileges to the extent related to or used solely in connection with the Mineral Lands (the "*Easements*");

(d) all Hydrocarbons produced from or attributable to the Mineral Lands after the Effective Time and all personal property, fixtures, inventory and improvements located on the Mineral Lands and the Easements or used in connection with the production, treatment, sale, or disposal of the Hydrocarbons, byproducts or waste produced therefrom or attributable thereto, including all wells (whether producing, shut in or abandoned, and whether for production, injection or disposal), wellhead equipment, pumps, pumping units, flowlines, gathering systems, platforms, pipelines, piping, tanks, buildings, treatment facilities, injection facilities, disposal facilities, compression facilities, and other materials, supplies, equipment, facilities and machinery;

(e) the contracts, fee leases and instruments listed on Schedule 2.02(g) of the Purchase and Sale Agreement dated March 11, 2004 among Black Stone Minerals Company, L.P., as Purchaser, and Pure Partners, L.P. and Pure Resources, L.P., as Sellers (the "*Purchase Agreement*") and, to the extent assignable, all joint operating agreements and other similar contracts that are related directly to the operation and maintenance of the Assets, in each case to the extent the same relate to the Mineral Lands after the Effective Time (collectively, the "*Contracts*");

This Deed is made subject to and does not include the Excluded Assets retained by Sellers in the Purchase Agreement and more particularly described in Exhibit C of the Pure Deed (collectively, the "*Excluded Assets*").

Notwithstanding anything to the contrary contained herein, there is also expressly reserved to Grantor, its successors and assigns, all of the Executive Rights relating to the Assets, including the Executive Rights of the minerals conveyed to Grantees herein. For purposes of this

Deed, "Executive Rights" shall mean the power, authority and right to execute oil, gas and mineral leases, ratifications and/or amendments thereto, including the power, authority and right to executive oil, gas and mineral leases containing pooling, communitization and/or unitization provisions or agreements. It is understood and agreed by the parties hereto that in the exercise of the Executive Rights, Grantor, its successors and assigns, shall have the sole and exclusive discretion as to the price of bonus and rentals to be paid for an oil, gas and mineral lease, the length of the primary term, the royalty interest to be paid to the Grantor and Grantees in said oil and gas lease and the conditions, covenants and other provisions to be contained therein, and that such discretion and judgment shall be exercised in good faith, as any reasonably prudent mineral owner would exercise such executive rights. The reservation by Grantor of the Executive Rights shall not prevent Grantees from receiving their proportionate share of all bonuses, delay rentals, royalties and other economic benefits under oil, gas and mineral leases relating to the Assets, and Grantor acknowledges that Grantees shall be entitled to same. The term of this reservation shall be the same as the Executive Rights Term set forth in the Management Agreement. This paragraph is expressly made subject to Article 8 of the Management Agreement.

Grantor hereby grants, bargains, sells, transfer, conveys, sets over, assigns and delivers unto Black Stone Minerals Company, L.P., one of the Grantees herein, the Executive Rights reserved by Grantor in the foregoing paragraph. Such grant is expressly made subject to Article 8 of the Management Agreement.

Assignees shall own the Assets and all other rights, titles, interests and obligations conveyed to Assignees in this Deed as set forth on Exhibit C.

TO HAVE AND TO HOLD the Assets, subject to any Hydrocarbon lease covering all or part of any Mineral Lands as of the Effective Time, together with all and singular the rights, privileges, contracts and appurtenances, in any way appertaining or belonging thereto, unto Grantees and to its successors and assigns, forever, together with and subject to the matters set forth herein.

ARTICLE II

Use Restrictions Relating to Surface Tracts

Section 2.01 Surface Use Restrictions. Grantees' rights under this Deed shall be subject to that certain Surface Use Restrictions Agreement dated October 1, 2000 among International Paper Company, International Paper Realty Corporation, IP Farms, Inc., IP Petroleum Company, Inc., IP Timberlands Operating Company, Ltd., GCO Minerals Company, The Long-Bell Petroleum Company, Inc., American Central Corporation, Champion Realty Corporation, Sustainable Forests L.L.C. and SP Forests L.L.C., as Surface Owners, and Grantor, as Mineral Owner, as assigned to Grantees.

ARTICLE III

No Warranty and Disclaimers

Section 3.01 No Warranty of Title. This Deed is made without warranty of title of any kind whatsoever, express, implied or statutory, and without recourse, even as to the return of the purchase price or other consideration, but with full substitution and subrogation of Grantees,

and all persons claiming by, through and under Grantees, to the extent assignable, in and to all covenants and warranties by Grantor's predecessors in title and with full subrogation of all rights accruing under the statutes of limitation or prescription under the laws of various states in which the Mineral Lands are located. Any covenants or warranties implied by statute or law by the use of the word "grants," "transfers" or "conveys" or other similar words in this Deed are hereby expressly restrained, disclaimed, waived and negated. This Deed is subject to the Permitted Encumbrances (as defined in the Purchase Agreement). It is the intent of Grantor to convey particular rights in land itself as specifically described in this Deed and not just a chance of title. Consequently, this instrument is a conveyance without warranties, as provided herein, and not a quitclaim.

Section 3.02 Disclaimers. Grantor disclaims all liability and responsibility for any representation, warranty, statements or communications (orally or in writing) to any Person (including, any information contained in any opinion, information or advice that may have been provided to any such Person by any officer, director, stockholder, partner, employee, agent, consultant, representative or contractor of Grantor, its Affiliates or any engineer or engineering firm, or other agent, consultant or representative) wherever and however made with respect to the transactions contemplated hereby. **BY ACCEPTING THIS DEED GRANTEEES ACKNOWLEDGE THAT GRANTOR HAS MADE NO, AND GRANTOR HEREBY EXPRESSLY DISCLAIMS AND NEGATES, AND GRANTEEES HEREBY EXPRESSLY WAIVE, ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE RELATING TO (a) PRODUCTION RATES, RECOMPLETION OPPORTUNITIES, DECLINE RATES, OR THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES OF HYDROCARBONS, IF ANY, ATTRIBUTABLE TO THE ASSETS, (b) THE ACCURACY, COMPLETENESS OR MATERIALITY OF ANY INFORMATION, DATA OR OTHER MATERIALS (WRITTEN OR ORAL) NOW, HERETOFORE OR HEREAFTER FURNISHED TO GRANTEEES BY OR ON BEHALF OF GRANTOR, OR (c) THE ENVIRONMENTAL CONDITION OF THE ASSETS. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS DEED AND EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN SECTION 4.08, GRANTOR EXPRESSLY DISCLAIMS AND NEGATES, AND BY ACCEPTING THIS DEED GRANTEEES HEREBY WAIVE, AS TO PERSONAL PROPERTY, EQUIPMENT, INVENTORY, MACHINERY AND FIXTURES CONSTITUTING A PART OF THE ASSETS (i) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (ii) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (iii) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, (iv) ANY IMPLIED OR EXPRESS WARRANTY OF FREEDOM FROM DEFECTS, WHETHER KNOWN OR UNKNOWN, (v) ANY AND ALL IMPLIED WARRANTIES EXISTING UNDER APPLICABLE LAW, AND (vi) ANY IMPLIED OR EXPRESS WARRANTY REGARDING ENVIRONMENTAL LAWS, THE RELEASE OF MATERIALS INTO THE ENVIRONMENT, OR PROTECTION OF THE ENVIRONMENT OR HEALTH, IT BEING THE EXPRESS INTENTION OF GRANTEEES AND GRANTOR THAT (EXCEPT TO THE EXTENT EXPRESSLY PROVIDED IN ARTICLE V OF THE PURCHASE AGREEMENT) THE PERSONAL PROPERTY, EQUIPMENT, INVENTORY, MACHINERY AND FIXTURES INCLUDED IN THE ASSETS SHALL BE CONVEYED TO GRANTEEES, AND GRANTEEES SHALL**

ACCEPT SAME, AS IS, WHERE IS, WITH ALL FAULTS AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR AND GRANTEES REPRESENT TO GRANTOR THAT GRANTEES HAVE MADE OR CAUSED TO BE MADE SUCH INSPECTIONS WITH RESPECT TO SUCH PERSONAL PROPERTY, EQUIPMENT, INVENTORY, MACHINERY AND FIXTURES AS GRANTEES DEEM APPROPRIATE. GRANTOR AND GRANTEES AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "*CONSPICUOUS*" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE OR ORDER.

ARTICLE IV **Miscellaneous**

Section 4.01 Construction. The captions in this Deed are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Deed. Grantor and Grantees acknowledge that they have participated jointly in the negotiation and drafting of this Deed and as such they agree that if an ambiguity or question of intent or interpretation arises hereunder, this Deed shall not be construed more strictly against one party than another on the grounds of authorship.

Section 4.02 No Third Party Beneficiaries. Nothing in this Deed shall provide any benefit to any third party or entitle any third party to any claim, cause of action, remedy or right of any kind, it being the intent of the parties hereto that this Deed shall otherwise not be construed as a third party beneficiary contract.

Section 4.03 Successors and Assigns. The rights and interests of any party to this Deed may be sold or assigned in whole or in part, and the provisions hereof shall extend to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Notwithstanding the foregoing, if a Grantee elects to sell or assign any part or all of its rights and interests hereunder, such Grantee and their assignees shall remain liable and responsible for all surface and subsurface damages that may be caused to the tracts in connection with the ownership or operation of the Mineral Lands as provided under this Deed, both before and after the effective date of any such assignment. Grantees shall comply and cause any successor or assignee to comply with all valid laws affecting the Mineral Lands and all operations thereon.

Section 4.04 Governing Law. This Deed, other documents delivered pursuant hereto and the legal relations between the parties hereto shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the principles of conflicts of laws, except to the extent that it is mandatory that the law of some other jurisdiction, wherein the Mineral Lands are located, shall apply.

Section 4.05 Counterpart Execution. This Deed may be executed in any number of counterparts, and each counterpart hereof shall be effective as to each party that executes the same whether or not all of such parties execute the same or any counterpart. If counterparts of this Deed are executed, the signature pages from various counterparts may be combined into one

composite instrument for all purposes. All counterparts together shall constitute only one Deed, but each counterpart shall be considered an original.

Section 4.06 Recording. To facilitate the recording or filing of this Deed, the counterpart to be recorded in a given county may contain only that portion of the Exhibits that describes Assets located in that county. In addition to filing this Deed, the parties hereto shall execute and file with the appropriate authorities, whether federal, state or local, all forms or instruments required by applicable law to effectuate the conveyance contemplated hereby. Said instruments shall be deemed to contain all of the exceptions, reservations, rights, titles and privileges set forth herein as fully as though the same were set forth in each such instrument. The interests conveyed by such separate deeds are the same, and not in addition to the Assets conveyed herein.

Section 4.07 Further Cooperation. After the Effective Time, Grantor agrees to execute and deliver, or cause to be executed and delivered, from time to time and without additional consideration, such further deeds, conveyances, assignments or other instruments of conveyance as may be necessary to evidence the transfer of the Assets to Grantees in the manner contemplated by this Deed.

Section 4.08 Limited Warranty of Title - Alabama Properties. The following provisions shall apply only to Assets located in Alabama. Notwithstanding anything in Section 3.01 to the contrary, except as to Grantor's covenant ("*Grantor's Implied Covenant Against Certain Incumbrances*") that the Assets located in Alabama are free from incumbrances done or suffered by Grantor as created by Section 35-4-271 of the Code of Alabama (1975) by virtue of the use in this Deed of the word "grant" "bargain" or "sale" and subject to those permitted exceptions set forth below, this Deed and the grants made herein are made without warranty of title of any kind whatsoever, express, implied or statutory, and without recourse, even as to the return of the purchase price or other consideration, but with full substitution and subrogation of Grantees, and all persons claiming by, through and under Grantees, to the extent assignable, in and to all covenants and warranties by Grantor's predecessors in title and with full subrogation of all rights accruing under the statutes of limitation or prescription under the laws of Alabama. Except as to Grantor's Implied Covenant Against Certain Incumbrances, all covenants or warranties implied by statute or law by the use of the word "grant," "transfer" or "convey" or other similar words in this Deed are hereby expressly restrained, disclaimed, waived and negated. It is the intent of Grantor to convey particular rights in land itself as specifically described in this Deed and not just a chance of title. Consequently, except as to Grantor's Implied Covenant Against Certain Incumbrances, this instrument is a conveyance without warranties, as provided herein, and not a quitclaim. Grantor's Implied Covenant Against Certain Incumbrances is expressly subject to the following permitted exceptions: (i) all liens for ad valorem taxes hereafter falling due; (ii) all liens for unpaid mineral documentary taxes; (iii) all oil, gas, and other minerals as may have been previously reserved by or conveyed to others; (iv) all titles, claims, rights, security interests, mortgages, and/or liens held by or claims asserted by any person or entity in and to, encumbering, and/or affecting the Assets by virtue of recorded or unrecorded deeds, leases, agreements, mortgages, operating agreements, adverse possession, and/or any other claim of right; (v) all rights of the State of Alabama and/or the United States of America in and to any navigable waterways situated in, on, upon, and/or under the Assets; and/or

(vi) boundary line disputes, overlaps, encroachments and any other similar matters to the extent not of record.

Section 4.09 Special Provisions Regarding Mineral Lands in the State of Michigan. Each Grantee represents that it is exempt from state property transfer taxes and county transfer taxes for the Mineral Lands located in the State of Michigan pursuant to Michigan Statutes Annotated §207.505 and §207.526.

Section 4.10 Description of the Properties. Assignor expressly disclaims and negates any warranty as to any acreage description set forth in Exhibit A.

Section 4.11 Subject to Purchase and Sale Agreement. This Deed is expressly made subject to the terms and conditions of the Purchase Agreement. Except for a conflict between the provisions of the Agreement and this Conveyance, the provisions of the Purchase Agreement shall control.

IN WITNESS WHEREOF, this instrument is executed by the parties on the date of their respective acknowledgments below, but shall be effective for all purposes as of the Effective Time.

GRANTOR:

BLACK STONE IVORY ACQUISITIONS
PARTNERS L.P., by its general partner
Black Stone Ivory GP, L.L.C.

Witnesses:

Shila Watson
Betty Headley

By: *J.A. Mills*

J.A. Mills, Vice President of Operations

Address of Grantor:

Black Stone Ivory Acquisitions Partners, L.P.
1001 Fannin, Suite 2020
Houston, Texas 77002

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

BE IT REMEMBERED, THAT I, the undersigned authority, a notary public duly qualified, commissioned, sworn and acting in and for Harris County, Texas, and being authorized in such county and state to take acknowledgments, hereby certify that, on this 30th day of June, 2004, there personally appeared before me J.A. Mills, Vice President of Operations of Black Stone Ivory GP, L.L.C., a Delaware limited liability company, general partner of Black Stone Ivory Acquisitions Partners, L.P., a Delaware limited partnership, known to me to be such officer, such limited liability company acting as general partner of such limited partnership being a party to the foregoing instrument, and I hereby further certify as follows:

FLORIDA,
MICHIGAN,
OKLAHOMA and
TEXAS

This instrument was acknowledged before me on this day, by J.A. Mills, Vice President of Operations of Black Stone Ivory GP, L.L.C., general partner of Black Stone Ivory Acquisitions Partners, L.P., on behalf of said limited partnership.

ALABAMA

I, the undersigned notary in and for the said county and state, hereby certify that J.A. Mills, whose name as the Vice President of Operations of the above named limited liability company, as general partner of the above named limited partnership, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Vice President of Operations and with full authority, executed the same voluntarily for and as the act of said limited liability company as general partner of said limited partnership.

MISSISSIPPI

Personally appeared before me, the undersigned authority in and for the above named county and state, on this day, within my jurisdiction, the within named J.A. Mills, who acknowledged that he is the Vice President of Operations of the above named limited liability company as general partner of the above named limited partnership, and that for and on behalf of such limited liability company as general partner of said limited partnership, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by the limited liability company as general partner of said limited partnerships so to do.

NEW YORK

City of: Houston
County of: Harris
State of: Texas

On this day, before me, the undersigned, personally appeared J.A. Mills, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, that by his signature on the instrument, the individual, or the entity on behalf of which the individual acted, executed the instrument and that such individual made such appearance before the undersigned.

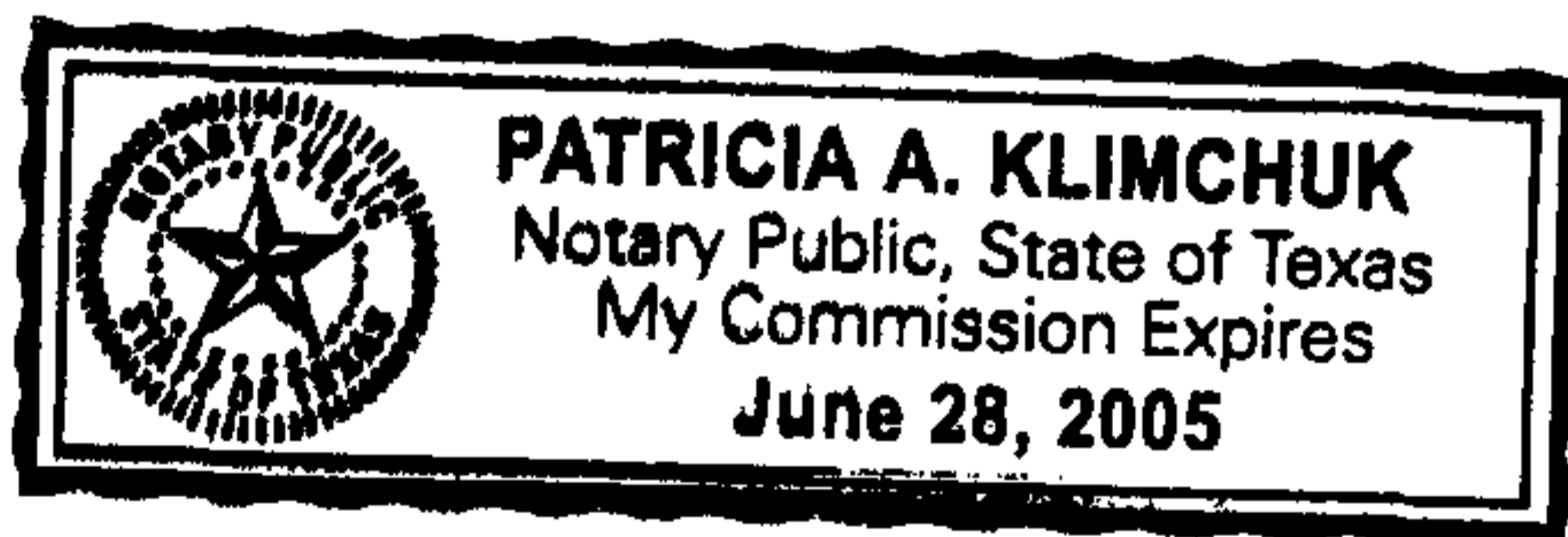
ARKANSAS

On this day before me, the undersigned notary, personally appeared J.A. Mills, who acknowledged himself to be the Vice President of Operations of the above named limited liability company, as general partner of the above named limited partnership and that he, as such Vice President of Operations, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company, as general partner of the above named limited partnerships by him as Vice President of Operations.

PENNSYLVANIA

On this day, before me, the undersigned officer, personally appeared J.A. Mills, Vice President of Operations of Black Stone Ivory GP, L.L.C., known to me or satisfactorily proven to be the person described in the foregoing instrument, and acknowledged that he executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal in the City of Houston, Harris County, Texas, on the day and year first above written.



Patricia A. Klimchuk
Notary Public in and for
the State of Texas

This document was prepared by:

Black Stone Minerals Company, L.P.
1001 Fannin, Suite 2020
Houston, Texas 77002
Attn: Mr. J.A. Mills, Vice President Operations

EXHIBIT "A"
Attached to and made a part of that
certain Mineral and Royalty Deed
Dated Effective October 1, 2003

Grantor: INTERNATIONAL PAPER COMPANY, ET AL
Grantee: PURE RESOURCES, L.P.
Book: **Page:** **Reception:** 2001-8845
State: ALABAMA **County:** SHELBY
Description:

T18S R2E SEC 19:	SE , SESESE , SWSENE	Net Mineral Acres: 3,075.18
T18S R2E SEC 20:	SENE , W2SW	
T18S R2E SEC 29:	E2SW , SWSE	
T18S R2E SEC 30:	NE , NESE	
T20S R1W SEC 16:	E2NW , N2NE	
T20S R1W SEC 25:	NENW	
T20S R1E SEC 31:	NW	
T20S R4W SEC 27:	SWSW	
T21S R1W SEC 13:	N2SW , NW , SWSW , W2NE	
T21S R1W SEC 14:	NE , NENW , W2SWSW	
T21S R1W SEC 15:	NENE , SESE , W2 , W2E2	
T21S R1W SEC 16:	N2NE , S2 , S2NE , S2NW	
T21S R1E SEC 19:	E2W2	
T21S R1W SEC 29:	NWNW	
T21S R1W SEC 31:	W2NE	
T21S R4W SEC 6:	NE	
T21S R4W SEC 25:	NW	
T21S R4W SEC 26:	SESE , SWSE	



 

Exhibit B
Subject Area

The Subject Area shall include only those certain lands located within the following identified Counties and States.

STATE	COUNTY
ALABAMA:	Autauga, Baldwin, Barbour, Bibb, Blount, Bullock, Butler, Calhoun, Chambers, Chilton, Choctaw, Clarke, Clay, Cleburne, Coffee, Colbert, Conecuh, Coosa, Covington, Crenshaw, Cullman, Dale, Dallas, Elmore, Escambia, Etowah, Fayette, Franklin, Geneva, Greene, Hale, Henry, Houston, Jackson, Jefferson, Lamar, Lauderdale, Lawrence, Lee, Lowndes, Macon, Madison, Marengo, Marion, Marshall, Mobile, Monroe, Montgomery, Morgan, Perry, Pickens, Pike, Randolph, Russell, St. Clair, Shelby, Talladega, Tallapoosa, Tuscaloosa, Walker, Washington, Wilcox, Winston
ARKANSAS:	Ashley, Bradley, Calhoun, Clark, Cleburne, Cleveland, Columbia, Conway, Dallas, Drew, Garland, Grant, Hempstead, Hot Spring, Howard, Independence, Jefferson, Johnson, Lafayette, Lincoln, Little River, Logan, Miller, Montgomery, Nevada, Ouachita, Perry, Pike, Polk, Pope, Pulaski, Saline, Scott, Sebastian, Sevier, Stone, Union, Van Buren, White, Yell
FLORIDA:	Bay, Calhoun, Escambia, Franklin, Gulf, Holmes, Jackson, Liberty, Okaloosa, Santa Rosa, Walton, Washington
MICHIGAN:	Antrim, Otsego
MISSISSIPPI:	Adams, Alcorn, Amite, Attala, Calhoun, Carroll, Choctaw, Claiborne, Clarke, Clay, Copiah, Covington, Forrest, Franklin, George, Greene, Grenada, Hancock, Harrison, Hinds, Holmes, Humphreys, Issaquena, Itawamba, Jackson, Jasper, Jefferson, Jones, Kemper, Lafayette, Lamar, Lauderdale, Lawrence, Leake, Lincoln, Madison, Marion, Marshall, Montgomery, Neshoba, Newton, Noxubee, Oktibbeha, Pearl River, Perry, Pike, Prentiss, Rankin, Scott, Sharkey, Simpson, Smith, Stone, Tallahatchie, Tippah, Tishomingo, Union, Walthall, Warren, Wayne, Webster, Wilkinson, Winston, Yalobusha, Yazoo
NEW YORK:	Chautauqua
OKLAHOMA:	LeFlore, McCurtain, Oklahoma, Pushmataha, Roger Mills
PENNSYLVANIA:	Crawford, Erie, Forest, McKean, Potter, Sullivan, Union, Venango, Warren

TEXAS:

Anderson, Angelina, Bastrop, Bowie, Brazoria, Brazos, Brown, Burleson, Camp, Cass, Chambers, Cherokee, Comal, Dallas, Fort Bend, Galveston, Gray, Gregg, Grimes, Hardin, Harris, Harrison, Hidalgo, Houston, Jasper, Jefferson, Karnes, Liberty, Marion, Montgomery, Morris, Nacogdoches, Newton, Orange, Panola, Polk, Red River, Rusk, Sabine, San Augustine, San Jacinto, Shelby, Smith, Titus, Trinity, Tyler, Upshur, Walker, Wood

Exhibit C

<u>NAME OF GRANTEE</u>	<u>OWNERSHIP OF THE 95.972973% UNDIVIDED INTEREST CONVEYED TO GRANTEES¹</u>	<u>8/8THS OWNERSHIP OF THE ASSETS CONVEYED PURSUANT TO THE PURE DEED</u>
Black Stone Acquisitions Partners I, L.P.	25.168966%	24.155405%
Black Stone Acquisitions Partners II, L.P.	16.246778%	15.592516%
Black Stone Overline Acquisition, L.P.	10.330243%	9.914241%
NGP 2004 Income, L.P.	13.744796%	13.191289%
RCG Ivory Holdings, LP	6.872647%	6.595884%
Robert B. Rowling Rollover Individual Retirement Account	3.976410%	3.816279%
Ivory Investments, L.P.	4.581765%	4.397256%
Sterling Minerals, L.P.	3.976410%	3.816279%
B.S. Ivory Associates, L.L.C.	3.238524%	3.108108%
Ivorytowered Partnership	0.310400%	0.297900%
Black Stone Minerals Company, L.P.	2.580855%	2.476923%
PIP Minerals, L.P.	2.290882%	2.198628%
TCF Minerals I, L.P.	0.458376%	0.439917%
San Miguel River Partners	0.641228%	0.615405%
Nirvana Minerals II, L.P.	1.191279%	1.143306%
Black Stonefly, LLC	1.374629%	1.319272%
Brown Advisory Investors 2004-BSMC, LLLP	0.747352%	0.717256%
Atlanta Mineral Partners, LLC	0.641228%	0.615405%
Treadaway 2003 Grandchildren's Trust for the benefit of Catherine Story Sinex	0.229188%	0.219958%
Treadaway 2003 Grandchildren's Trust for the benefit of William Walker Sinex	0.229188%	0.219958%
Gary A. Rosenthal	0.174382%	0.167360%
Joseph A. Mills	0.099647%	0.095634%
Hallie A. Vanderhider	0.074735%	0.071726%
Marshall M. Eubank	0.062279%	0.059771%
Eugenia Graves Carter	0.045838%	0.043992%
Mollie G. Pettigrew	0.045838%	0.043992%
Barbara G. Shannon	0.045838%	0.043992%
Nora Watson	0.068756%	0.065988%
Betty G. Palmquist	0.068756%	0.065988%
Black Stone Ivory GP, L.L.C.	<u>0.482787%</u>	<u>0.463345%</u>
		95.972973%
Interest Retained by Grantor	-----	<u>4.027027%</u>
TOTAL	<u>100.000000%</u>	<u>100.000000%</u>

¹ Grantor has retained 4.027027%.

SCHEDULE I

Addresses of Assignees

Black Stone Acquisitions Partners I, L.P.

1001 Fannin, Suite 2020
Houston, Texas 77002

Black Stone Acquisitions Partners II, L.P.

1001 Fannin, Suite 2020
Houston, Texas 77002

Black Stone Overline Acquisition, L.P.

1001 Fannin, Suite 2020
Houston, Texas 77002

NGP 2004 Income, L.P.

125 E. John Carpenter Freeway
Suite 600
Irving, Texas 75062

RCG Ivory Holdings, LP

c/o Ramius Capital Group, LLC
666 Third Avenue, 26th Floor
New York, New York 10017

Robert B. Rowling Rollover Individual Retirement Account

420 Decker Drive, Suite 100
Irving, Texas 75062

Ivory Investments, L.P.

c/o Lefrak Organization
97-77 Queens Blvd.
Rego Park, New York 11374

Sterling Minerals, L.P.

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Houston, Texas 77002

B.S. Ivory Associates, L.L.C.

1001 Fannin #4700
Houston, Texas 77002

Black Stonefly, LLC

c/o Goelet, LLC
425 Park Avenue, 28th Floor
New York, New York 10022

Brown Advisory Investors

2004-BSMC, LLLP
901 S. Bond Street
Suite 400
Baltimore, Maryland 21231

Atlanta Mineral Partners, LLC

2903 Rivermeade Drive
Atlanta, Georgia 30327

Treadaway 2003 Grandchildren's Trust for the Benefit of Catherine Story Sinex

5927 Pine Forest
Houston, Texas 77057

Treadaway 2003 Grandchildren's Trust for the Benefit of William Walker Sinex

5927 Pine Forest
Houston, Texas 77057

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Houston, Texas 77019

Joseph A. Mills

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Hallie A. Vanderhider

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Houston, Texas 77002

PIP Minerals, L.P.
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TCF Minerals I, L.P.
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Mollie G. Pettigrew
2510 Locke Lane
Houston, Texas 77019

Barbara G. Shannon
7743 N. New Braunfels
San Antonio, Texas 78209

Nora Watson
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Houston, Texas 77056

Betty G. Palmquist
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Houston, Texas 77056

Black Stone Ivory GP, L.L.C.
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Houston, Texas 77002

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Shelby Cnty Judge of Probate, AL
08/16/2004 03:50:00 FILED/CERTIFIED