

D. G. McMANUS, ET AL.....)

(COUNTER-PART 1 of 6 )

TO..GAS POOLING AGREEMENT....)

GAS POOLING AGREEMENT  
(Brushy Creek Area)

SHELL OIL COMPANY, INC.....)

THIS AGREEMENT, dated the 25th day of May, 1942, and entered into by and between Shell Oil Company, Incorporated, herein called "SHELL," and all other parties who sign this agreement or any counterpart hereof, herein called "ROYALTY OWNERS" and referred to in the masculine gender,

WITNESSETH: That,

WHEREAS, SHELL is the owner of certain oil, gas and mineral leases described in Exhibit "A" attached hereto and made a part hereof, in so far as said leases cover, respectively, certain tracts of land situated in DeWitt and/or Lavaca Counties, Texas, as described in said Exhibit "A"; and,

WHEREAS, ROYALTY OWNERS claim to own royalty reserved in and payable under said leases as to said tracts; and,

WHEREAS, it is the desire of all parties hereto that said leases, and the royalties reserved therein and payable thereunder, be combined and pooled for development and production purposes to the extent herein specified;

NOW, THEREFORE, for valuable consideration to each of ROYALTY OWNERS paid by SHELL, and in consideration of the mutual covenants and conditions herein contained, it is agreed by and between the parties hereto, each with the other, as follows:

## I.

The words defined in this Section of this contract shall have the following meaning when used in this contract:

(a) Oil is any liquid hydrocarbon, regardless of gravity, capable of being produced in liquid form at the well by ordinary production methods in quantities of one (1) barrel or more to each 10,000 cubic feet of gas, and which is not the result of condensation of gas after it leaves the reservoir.

(b) Gas includes (but not by way of limitation) gasoline, condensate, distillate, butanes, propanes, and other lighter hydrocarbons, and gas rights under the leases affected by this agreement shall be considered to include (but not by way of limitation) the rights under such leases to such gasoline, condensate, distillate, butanes, propanes, and other lighter hydrocarbons.

(c) Gasoline, condensate, distillate, butanes, propanes, and other lighter hydrocarbons are any mixture of liquid hydrocarbons, other than oil as defined above, condensed, absorbed or separated out of or from the gas after it leaves the reservoir, or produced from the reservoir with a gas-liquid hydrocarbon ratio of less than one (1) barrel of liquid hydrocarbons to each 10,000 cubic feet of gas.

(d) An oil well is any well which produces one (1) barrel or more of oil as defined above to each 10,000 cubic feet of gas as defined above.

(e) A gas well is a well producing gas as defined above, and which produces no oil as defined above or less than one (1) barrel of oil to each 10,000 cubic feet of gas.

## II.

The oil, gas and mineral leases described in Exhibit "A" hereof, to the extent only of the gas, as herein defined, in the respective tracts of land described in said Exhibit "A", are hereby combined and pooled for the purpose of developing and operating said tracts of land for the production and utilization of gas. Said leases, as to the gas rights under said tracts, shall henceforth be treated and considered as an entirety (except for payment of royalties) just as though all of the lands described in Exhibit "A" had been included in one lease executed by ROYALTY OWNERS in favor of SHELL.

The leases included within the pool created by this agreement shall be sometimes called