

facilities and appurtenances which have not been excepted and excluded from this conveyance may be located thereon. Grantee further accepts said Property (including, but not limited to, any timber located thereon) AS IS, WHERE IS, IN ITS PRESENT CONDITION AND STATE OF REPAIR, AND WITHOUT ANY REPRESENTATIONS, GUARANTIES, OR WARRANTIES, EXPRESS OR IMPLIED, AS TO ITS QUALITY, MERCHANTABILITY, OR ITS SUITABILITY OR FITNESS FOR GRANTEE'S INTENDED USE, OR FOR ANY USES OR PURPOSES WHATSOEVER, OR THAT SAID PROPERTY HAS BEEN RENDERED FREE FROM ANY DEFECTS, HAZARDS, OR DANGEROUS CONDITIONS. Furthermore, pursuant to Section 17.42 of the Texas Deceptive Trade Practices-Consumer Protection Act, with full access to and advice from Grantee's legal counsel, Grantee hereby waives all and each part of said act and Subchapter E of Chapter 17 of Title 2 of the Texas Business and Commerce Code, which contains the provisions of said act, with the exception only of Section 17.555 concerning contribution or indemnity; and, for this purpose, Grantee's legal counsel also joins in the execution of this Agreement immediately following the execution by Grantee.

Grantor agrees to defend, indemnify and hold harmless Grantee (Grantee's heirs, successors and assigns) from and against each and every claim, demand or cause of action, and any liability, cost, expense, damage or loss incurred in connection therewith, including but not limited to attorneys' fees and court costs, arising out of the ownership, operation or use, of the Property prior to the Closing, including but not limited to each and every claim, demand or cause of action as may be caused by or result from seeps, spills, leaks, discharges or releases of any Hazardous Substance arising out of or resulting from activities or events occurring prior to the Closing, whether or not such activity was performed by Grantor, its employees, agents, contractors and subcontractors, or any other party acting under the direction of Grantor, including but not limited to any claim or demand by any governmental authority, or incurred in the defense of same, and any cost and expense incurred in the control or removal of any such substance, and whether or not originating on or above the surface of the land or water, and whether or not discharge from facilities located on the Property. "Hazardous Substance" shall have the meaning given in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Sections 9601, et seq., except that it shall also include petroleum, including crude oil and any fraction thereof, natural gas, natural gas liquids, liquified natural gas, synthetic gas usable for fuel, drilling fluids, brine and sulphur. Anything herein to the contrary notwithstanding, "Hazardous Substance" shall not include naturally occurring radioactive materials.

Grantee agrees to defend, indemnify and hold harmless Grantor (its subsidiaries and affiliates and its or their employees, representatives, officers, directors, attorneys and agents), from and against each and every claim, demand or cause of action, and any liability, cost, expense, damage or loss incurred in connection therewith, including but not limited to attorneys' fees and court costs, arising out of Grantee's ownership, operation or use of the Property after the Closing, other than with respect to conditions that existed prior to the Closing. After the Closing, Grantee shall have no right to rescind the transfer of the Property based on a claim that the Property contains less acreage or timber than anticipated by Grantee or any other similar claim arising out of the quantity or value of the Property or its suitability for a particular use; and Grantee releases Grantor from any such claims, indemnity, warranty or representation which was made or may have been made by Grantor in this Section (e).

(f) All of the covenants set forth in this conveyance and the definitions set forth in subparagraph (d) shall be covenants running with the land and title to the oil, gas and minerals reserved herein by Grantor, binding upon Grantor, Grantee, and their respective successors and assigns.

TO HAVE AND TO HOLD the Property and all and singular the rights and appurtenances thereto in anywise belonging unto Grantee and Grantee's successors and assigns forever; and, subject to the exceptions, reservations, covenants,