ASSIGNMENT OF OIL, GAS AND MINERAL LEASE

STATE OF TEXAS
COUNTIES OF DeWITT AND LAVACA

For valuable consideration received, Shell Oil Company, herein called "Shell", hereby transfers and assigns unto Highland Resources, Inc., herein called "Assignee", its successors and assigns, without warranty of title, express or implied, all of Shell's right, title and interest in and to the following described Oil, Gas and Mineral Lease insofar and only insofar as said lease covers rights from and below, but not above, a depth of 15,000 feet, in that part of the land described in said lease and not lying within the boundaries of the Brushy Creek Gas Unit as described in gas pooling agreement dated May 25, 1942, one counterpart of which pooling agreement executed by D. G. McManus et al., is recorded in Volume 21, at page 194, of the Oil and Gas Records of DeWitt County, Texas, and in Volume 34, at page 489, of the Lease Records of Lavaca County, Texas (the land described in said lease and lying outside the boundaries of the said Brushy Creek Gas Unit, being estimated to contain 450 acres of land, more or less):

Lease dated June 16, 1933, between Edwin Steinman, et al., as lessors, and Shell Petroleum Corporation, as lessee, recorded in Volume 8, at page 633, of the Oil & Gas Records of DeWitt County, and in Volume 17, at page 97, of the Lease Records of Lavaca County, Texas, as amended by that certain lease amendment dated March 8, 1940, executed by Edwin Steinmann, et al., to Shell Oil Company, Incorporated, recorded in Volume 16, at page 41, of the Oil & Gas Records of DeWitt County, and in Volume 26, at page 578, of the Lease Records of Lavaca County, Texas, covering 600 acres, more or less, out of the John Garelli 1/3 League, A-198, Charles P. Delmas 1/3 League, A-157, and adjoining surveys in DeWitt and Lavaca Counties. Texas.