

Filed for Record at Two o'clock A. M., JAN 12, 1947, H. R. Stevens, Jr.,
Clerk County Court, Brazoria County, Texas By Bessie R. White Deputy

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THE STATE OF TEXAS
COUNTIES OF BRAZORIA
AND MATAGORDA

This agreement of lease, made this 20th day of Oct.,
A. D., 1947, by and between Magnolia Petroleum Company, a Texas corporation, and Old Ocean Oil Company, a Delaware corporation, having a permit to do business in Texas, hereinafter called "Lessors" and Old Ocean Recreational Club, a Texas corporation, hereinafter called "Lessee":

W I T N E S S E T H:

That the said Lessors have let, leased and demised and do, by these presents, let, lease and demise unto the said Lessee for a period of twenty-five (25) years from the date above set out, unless sooner terminated as hereinafter provided, and for the provisions and upon the terms and conditions hereinafter provided, the surface only of the following described property, to-wit:

All those two certain tracts or parcels of land lying and being situated in the Polly & Chance League in Brazoria County, Texas, and being described as 54.58 acres off of the west or southwest end of the Silas C. Patterson 273 acre tract and approximately 112 acres of land out of the north or northwest corner of the Armstrong Plantation tract of 1941.11 acres, said two tracts being more particularly described as follows, to-wit:

TRACT 1: Beginning at a concrete monument which marks the west corner of the Patterson 273 acre tract and the most northerly north corner of the Armstrong Plantation tract;

THENCE N. 45°-23' E. along the north or northwest line of the Patterson tract a distance of 1328', more or less, to stake for corner;

THENCE S. 44°-44' E. at a distance of 241.7', more or less, pass the west corner of the Defense Plant Corporation 37.63 acre tract as heretofore conveyed to Defense Plant Corporation by Harrison Oil Company and J. S. Abercrombie Company;

THENCE continuing S. 44°-44' E. along the west or southwest line of the Defense Plant Corporation 37.63 acre tract, 9.76 acre tract and 55.1 acre tract, all as heretofore conveyed to Defense Plant Corporation by Harrison Oil Company and J. S. Abercrombie Company, a total distance of 1901.7' to the south corner of the Defense Plant Corporation 55.1 acre tract, said point being also 200' S. 45°-14' W. from a concrete monument which marks the most easterly north corner of the Armstrong Plantation tract of 1941.11 acres and which also marks the west corner of what was formerly known as the C. N. Markle tract;

THENCE S. 45° -14' W. along the south line of the Patterson tract, the north line of the Armstrong tract a distance of 1301.4', more or less, to a concrete monument which marks the south corner of the Patterson tract and is also a re-entrant corner of the Armstrong Plantation tract;

THENCE N. 45° -32' W. along the west or southwest line of the Patterson tract, which is also one of the northeast lines of the Armstrong Plantation tract, a distance of 1905.3' to the place of beginning and containing 57.45 acres, SAVE AND EXCEPT a 1.87 acre tract and a 1.00 acre tract, heretofore conveyed to the Reconstruction Finance Corporation, leaving a net acreage of 54.58 acres.

TRACT 2: Beginning at a concrete monument which marks the west corner of the Patterson 273 acre tract and the most northerly north corner of the Armstrong Plantation tract;

THENCE S. 45° -31' W. along the north or northwest line of the Armstrong Plantation 1941.11 acre tract and the southeast line of the T. J. Grovey tract a distance of 597.7' to the south corner of the Grovey tract;

THENCE S. 45° -53' W. along the north or northwest line of the Armstrong Plantation tract and the south or southeast line of the W. B. Holland et al and the Sample Parks tracts a distance of 1941.5' to an iron pipe which marks the west corner of the tract herein being leased;

THENCE S. 45° -15' E. a distance of 1933.8' to a $1\frac{1}{2}$ " iron pipe which marks the south corner of this tract herein being leased;

THENCE N. 45° -10' E. a distance of 2548.2' to a concrete monument which marks the south corner of the Patterson tract and which is also a re-entrant corner of the Armstrong Plantation tract of 1941.11 acres;

THENCE N. 45° -32' W. along the southwest line of the Patterson tract and one of the northeast lines of the Armstrong Plantation tract a distance of 1905.3' to the place of beginning and containing 112 acres of land, more or less.

It is expressly understood and agreed that this lease of the above described property is subject to all those certain oil, gas and mineral leases and mineral or royalty deeds and rights now covering or pertaining to all or any portion of the above described property and also subject to all future leases or renewals or extensions thereof and also subject to the exercise by Lessors of all rights under such present and future leases and deeds in producing, transporting, treating, repressuring and all other phases of producing, handling and disposing of oil, gas and other minerals; and it is further understood and agreed that Lessee shall not make any such use of the water in what is known as Little Linville Bayou and which bayou passes through the above described land which will have the effect of retarding the flow of water therein, and any pollution of the said water in the said bayou shall be on Lessee's responsibility only.

Lessors reserve the right to cancel this lease as to all or any portion of the above described land in the event such should become necessary in their sole judgment in order to exercise any or all of their said rights to which this lease is expressly made subject.

It is further expressly understood and agreed that should Lessee cease to exist as a corporation or should a majority of the

corporation stock or ownership of any kind of Lessee corporation cease to be owned by employees of J. S. Abercrombie Company, Lessors shall have the right, at their option at any time, to cancel this lease as to all or any portion of the land herein described; and Lessors shall have the same right to cancel this lease as to all or any part of the land herein described the use of which has been abandoned by Lessee.

It is further expressly understood and agreed that Lessee shall use the above described land for the present purposes for which Lessee was incorporated as set out in its charter now in effect. In so using the said land Lessee further agrees to observe and to abide by all applicable State and Federal laws and regulations. Any change of the purpose of said Lessee corporation or cessation by Lessee of the use of the above described land for recreational purposes, or any failure to comply with State and Federal laws and regulations shall give Lessors, at their option at any time, the right to cancel this lease as to all or any part of the land herein described.

It is further expressly understood and agreed that Lessee shall hold Lessor harmless in the event of injuries or damages to any person or to the personal property of any person occurring on the land herein leased, it being the intention of the parties hereto that Lessee shall have sole responsibility for any such injuries or damages in so far as the parties to this agreement of lease are concerned.

In the event of termination or cancellation of this lease as herein provided, Lessors shall have the right, at their option, to purchase from Lessee, any of the buildings, sheds or any other structures then situated on the above described property, together with all furnishings, equipment or other personal property of Lessee but as to any or all such properties as to which Lessors do not exercise that option Lessee shall have the right to remove and sell the same to any person whatsoever.

It is further expressly understood and agreed that Lessee shall have the right to construct on the above described land any structures, fences, equipment or any other facilities coming within and to be used for the announced purposes set out in the present charter of Lessee. In the event that it should become necessary for Lessors to sell all their interests in the above described land, including the surface herein described, Lessors shall have the right to cancel this lease in all respects, but, upon so doing Lessors shall pay Lessee for any and all improvements on the said land be-

longing to Lessee an amount to be determined by Lessors and Lessee in the event the said cancellation of lease referred to in this paragraph takes place.

Lessors agree to give Lessee such easement rights across Lessors' other lands and properties adjacent to the land described herein which may be reasonably necessary for Lessee's use and occupancy of the said land.

Lessees shall not have the right to assign this lease, or any portion hereof, to any person whatsoever, nor shall Lessee have the right to sub-lease any or all of the said land.

The consideration for this lease shall be the payment by Lessee to Lessors of the sum of One Dollar (\$1.00) per year for each year this lease is in effect and the further consideration of the covenants and conditions herein contained.

TO HAVE AND TO HOLD the above described premises with all the privileges thereto belonging unto the said Lessee for the period of time of the considerations and subject to the purposes, covenants, conditions and reservations hereinabove set out.

IN TESTIMONY WHEREOF, witness the signatures of the parties hereto in triplicate originals, on the date first above written.

LESSORS:

MAGNOLIA PETROLEUM COMPANY

By: [Signature]
Vice President

[Signature]

APPROVED
[Signature]
Attorney.

ATTEST:

[Signature]
Secretary

OLD OCEAN OIL COMPANY

By: [Signature]
Vice President

APPROVED AS TO FORM
[Signature]
ATTORNEY

ATTEST:

[Signature]
Secretary

LESSEE:

OLD OCEAN RECREATIONAL CLUB

By: Wm. a. Howell
President

ATTEST:



Elmo A. Bell
Secretary

THE STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, a Notary Public in and for Dallas County, Texas, on this day personally appeared R. M. CHAN, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the Vice - President of MAGNOLIA PETROLEUM COMPANY, a corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

GIVEN under my hand and seal of office this 20th day of October, 1947.

Dupree Foy
Notary Public, Dallas County, Texas.
DUPREE FOY

THE STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, a Notary Public in and for Harris County, Texas, on this day personally appeared J. R. Butler, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the Vice President of OLD OCEAN OIL COMPANY, a corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

GIVEN under my hand and seal of office this 29 day of October, 1947.

Mildred Thielen
Notary Public, Harris County, Texas.
MILDRED THIELEN
Notary Public in and for Harris County, Texas

THE STATE OF Texas
COUNTY OF Brazoria

BEFORE ME, the undersigned authority, a Notary Public in and for Brazoria County, Texas, on this day personally appeared W. M. A. Howell, known to me to be the person whose name is subscribed to the foregoing instrument, and known to me to be the President of OLD OCEAN RECREATIONAL CLUB, a corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed, and as the act of said corporation.

GIVEN under my hand and seal of office this 10th day of November, 1947.

William H. Long
Notary Public, Brazoria County, Texas.
WILLIAM H. LONG
Notary Public in & for Brazoria County, Texas

Filed for Record at 12:00 o'clock A. M., JAN 12, 1952, H. R. Stevens, Jr.,
Clerk County Court, Brazoria County, Texas. By J. Garrison Deputy