



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

ADDENDUM FOR RESERVATION OF OIL, GAS, AND OTHER MINERALS

12-15-08

ADDENDUM TO CONTRACT CONCERNING THE PROPERTY AT

6789 County Road 258

Cameron

(Street Address and City)

5.28 Acres in the David Gallagher survey AB0240

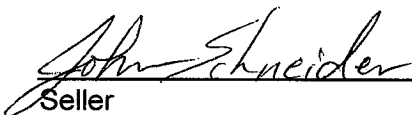
NOTICE: For use only if Seller reserves all or a portion of the Mineral Estate.

- A. "Mineral Estate" means all oil, gas, and other minerals in or under the Property, any royalty under any existing or future lease covering any part of the Property, surface rights (including rights of ingress and egress), production and drilling rights, lease payments, and all related benefits.
- B. The Mineral Estate owned by Seller, if any, will be conveyed unless reserved as follows (check one box only):
- ☒ (1) Seller reserves all of the Mineral Estate owned by Seller.
- ☐ (2) Seller reserves an undivided _____ % interest in the Mineral Estate owned by Seller. *NOTE: If Seller does not own all of the Mineral Estate, Seller reserves only this percentage of Seller's interest.*
- C. Seller ☒ waives ☐ does not waive Seller's surface rights (including rights of ingress and egress). *NOTE: Any waiver of surface rights by Seller does not affect any surface rights that may be held by others.*
- D. If B(2) applies, Seller shall, on or before the Closing Date, provide Buyer contact information known to Seller for any existing lessee.

If either party is concerned about the legal rights or impact of the above provisions, that party is advised to consult an attorney BEFORE signing.

TREC rules prohibit real estate licensees from giving legal advice.

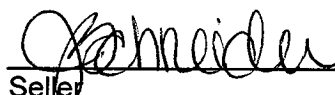
Buyer



Seller

John Schneider

Buyer



Seller

Jaclyn Schneider

The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. Such approval relates to this contract form only. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 1-800-250-8732 or (512) 459-6544 (<http://www.trec.state.tx.us>) TREC No. 44-0.

(TAR 1905) 12-15-08

TREC NO. 44-0

Cunningham Real Estate 1205 S. Market Street Hearne, TX 77859

Phone: 979.279.2757

Fax: 979.279.5338

James Cunningham

Produced with ZipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

Smith

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

Information About Brokerage Services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License

Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

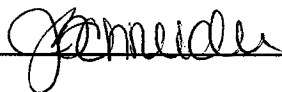
- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.


Buyer, Seller, Landlord or Tenant


Date

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 or 512-465-3960.



01A

TREC No. OP-K

(TAR-2501) 1/1/96

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TEXAS ASSOCIATION OF REALTORS®

INFORMATION ABOUT ON-SITE SEWER FACILITY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
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CONCERNING THE PROPERTY AT

6789 County Road 258
Cameron, TX 76520

A. DESCRIPTION OF ON-SITE SEWER FACILITY ON PROPERTY:

- (1) Type of Treatment System: ☒ Septic Tank ☐ Aerobic Treatment ☐ Unknown
- (2) Type of Distribution System: ☒ Unknown
- (3) Approximate Location of Drain Field or Distribution System: behind house ☐ Unknown
- (4) Installer: Lehnert Sand & Gravel ☐ Unknown
- (5) Approximate Age: 4 years ☐ Unknown

B. MAINTENANCE INFORMATION:

- (1) Is Seller aware of any maintenance contract in effect for the on-site sewer facility? ☐ Yes ☒ No
If yes, name of maintenance contractor: _____
Phone: _____ contract expiration date: _____
Maintenance contracts must be in effect to operate aerobic treatment and certain non-standard on-site sewer facilities.)
- (2) Approximate date any tanks were last pumped? Ø
- (3) Is Seller aware of any defect or malfunction in the on-site sewer facility? ☐ Yes ☒ No
If yes, explain: _____
- (4) Does Seller have manufacturer or warranty information available for review? ☐ Yes ☒ No

C. PLANNING MATERIALS, PERMITS, AND CONTRACTS:

- (1) The following items concerning the on-site sewer facility are attached:
☐ planning materials ☐ permit for original installation ☐ final inspection when OSSF was installed
☐ maintenance contract ☐ manufacturer information ☐ warranty information ☐ _____
- (2) "Planning materials" are the supporting materials that describe the on-site sewer facility that are submitted to the permitting authority in order to obtain a permit to install the on-site sewer facility.
- (3) It may be necessary for a buyer to have the permit to operate an on-site sewer facility transferred to the buyer.

(TAR-1407) 1-7-04

Initialed for Identification by Buyer _____, _____ and Seller [Signature]

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Phone: 979.279.2757

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Smith

Information about On-Site Sewer Facility concerning _____

- D. INFORMATION FROM GOVERNMENTAL AGENCIES:** Pamphlets describing on-site sewer facilities are available from the Texas Agricultural Extension Service. Information in the following table was obtained from Texas Commission on Environmental Quality (TCEQ) on 10/24/2002. The table estimates daily wastewater usage rates. Actual water usage data or other methods for calculating may be used if accurate and acceptable to TCEQ.

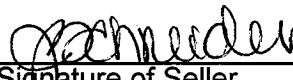
<u>Facility</u>	<u>Usage (gal/day) without water- saving devices</u>	<u>Usage (gal/day) with water- saving devices</u>
Single family dwelling (1-2 bedrooms; less than 1,500 sf)	225	180
Single family dwelling (3 bedrooms; less than 2,500 sf)	300	240
Single family dwelling (4 bedrooms; less than 3,500 sf)	375	300
Single family dwelling (5 bedrooms; less than 4,500 sf)	450	360
Single family dwelling (6 bedrooms; less than 5,500 sf)	525	420
Mobile home, condo, or townhouse (1-2 bedroom)	225	180
Mobile home, condo, or townhouse (each add'l bedroom)	75	60

This document is not a substitute for any inspections or warranties. This document was completed to the best of Seller's knowledge and belief on the date signed. Seller and real estate agents are not experts about on-site sewer facilities. Buyer is encouraged to have the on-site sewer facility inspected by an inspector of Buyer's choice.



Signature of Seller
John Schneider

Date



Signature of Seller
Jaclyn Schneider

Date

Receipt acknowledged by:

Signature of Buyer

Date

Signature of Buyer

Date



TEXAS ASSOCIATION OF REALTORS® SELLER'S DISCLOSURE NOTICE

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Section 5.008, Property Code requires a seller of residential property of not more than one dwelling unit to deliver a Seller's Disclosure Notice to a buyer on or before the effective date of a contract. This form complies with and contains additional disclosures which exceed the minimum disclosures required by the Code.

CONCERNING THE PROPERTY AT 6789 County Road 258
Cameron, TX 76520

THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE BUYER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER, SELLER'S AGENTS, OR ANY OTHER AGENT.

Seller ☒ is ☐ is not occupying the Property. If unoccupied (by Seller), how long since Seller has occupied the Property?
☐ _____ or ☐ never occupied the Property

Section 1. The Property has the items marked below: (Mark Yes (Y), No (N), or Unknown (U).)

This notice does not establish the items to be conveyed. The contract will determine which items will & will not convey.

Item	Y	N	U
Cable TV Wiring	X		
Carbon Monoxide Det.		X	
Ceiling Fans	X		
Cooktop		X	
Dishwasher	X		
Disposal		X	
Emergency Escape Ladder(s)		X	
Exhaust Fans		X	
Fences	X		
Fire Detection Equip.		X	
French Drain		X	
Gas Fixtures		X	

Item	Y	N	U
Gas Lines (Nat/LP)		X	
Hot Tub		X	
Intercom System		X	
Microwave	X		
Outdoor Grill		X	
Patio/Decking	X		
Plumbing System	X		
Pool		X	
Pool Equipment		X	
Pool Maint. Accessories		X	
Pool Heater		X	
Public Sewer System		X	

Item	Y	N	U
Pump: ☐ sump ☐ grinder		X	
Rain Gutters		X	
Range/Stove	X		
Roof/Attic Vents		X	
Sauna		X	
Smoke Detector		X	
Smoke Detector – Hearing Impaired		X	
Spa		X	
Trash Compactor		X	
TV Antenna		X	
Washer/Dryer Hookup	X		
Window Screens	X		

Item	Y	N	U	Additional Information
Central A/C	X			☒ electric ☐ gas number of units: <u>1</u>
Evaporative Coolers		X		number of units: _____
Wall/Window AC Units		X		number of units: _____
Attic Fan(s)		X		if yes, describe: _____
Central Heat	X			☒ electric ☐ gas number of units: <u>1</u>
Other Heat		X		if yes, describe: _____
Oven		X		number of ovens: _____ ☐ electric ☐ gas ☐ other: _____
Fireplace & Chimney		X		☐ wood ☐ gas logs ☐ mock ☐ other: _____
Carport		X		☐ attached ☐ not attached
Garage	X			☒ attached ☐ not attached
Garage Door Openers		X		number of units: _____ number of remotes: _____
Satellite Dish & Controls	X			☐ owned ☒ leased from <u>Dish network</u>
Security System		X		☐ owned ☐ leased from _____
Water Heater	X			☒ electric ☐ gas ☐ other: _____ number of units: <u>2</u>
Water Softener		X		☐ owned ☐ leased from _____
Underground Lawn Sprinkler		X		☐ automatic ☐ manual areas covered: _____
Septic / On-Site Sewer Facility	X			if yes, attach Information About On-Site Sewer Facility (TAR-1407)

(TAR-1406) 1-01-10

Initialed by: Seller: [Signature] and Buyer: _____

Page 1 of 5

Concerning the Property at _____

Water supply provided by: ☐ city ☒ well ☐ MUD ☐ co-op ☐ unknown ☐ other: _____Was the Property built before 1978? ☒ yes ☒ no ☐ unknown

(If yes, complete, sign, and attach TAR-1906 concerning lead-based paint hazards).

Roof Type: metal Age: 5 years (approximate)

Is there an overlay roof covering on the Property (shingles or roof covering placed over existing shingles or roof covering)?

☐ yes ☒ no ☐ unknownAre you (Seller) aware of any of the items listed in this Section 1 that are not in working condition, that have defects, or are need of repair? ☐ yes ☒ no If yes, describe (attach additional sheets if necessary): _____**Section 2. Are you (Seller) aware of any defects or malfunctions in any of the following?: (Mark Yes (Y) if you are aware and No (N) if you are not aware.)**

Item	Y	N
Basement		X
Ceilings		X
Doors		X
Driveways		X
Electrical Systems		X
Exterior Walls		X

Item	Y	N
Floors		X
Foundation / Slab(s)		X
Interior Walls		X
Lighting Fixtures		X
Plumbing Systems		X
Roof		X

Item	Y	N
Sidewalks		X
Walls / Fences		X
Windows		X
Other Structural Components		X

If the answer to any of the items in Section 2 is yes, explain (attach additional sheets if necessary): _____

Section 3. Are you (Seller) aware of any of the following conditions: (Mark Yes (Y) if you are aware and No (N) if you are not aware.)

Condition	Y	N
Aluminum Wiring		X
Asbestos Components		X
Diseased Trees: ☐ oak wilt ☐ _____		X
Endangered Species/Habitat on Property		X
Fault Lines		X
Hazardous or Toxic Waste		X
Improper Drainage		X
Intermittent or Weather Springs		X
Landfill		X
Lead-Based Paint or Lead-Based Pt. Hazards		X
Encroachments onto the Property		X
Improvements encroaching on others' property		X
Located in 100-year Floodplain		X
Located in Floodway		X
Present Flood Ins. Coverage (If yes, attach TAR-1414)		X
Previous Flooding into the Structures		X
Previous Flooding onto the Property		X
Previous Fires		X
Previous Use of Premises for Manufacture of Methamphetamine		X

Condition	Y	N
Previous Foundation Repairs		X
Previous Roof Repairs		X
Other Structural Repairs		X
Radon Gas		X
Settling		X
Soil Movement		X
Subsurface Structure or Pits		X
Underground Storage Tanks		X
Unplatted Easements		X
Unrecorded Easements		X
Urea-formaldehyde Insulation		X
Water Penetration		X
Wetlands on Property		X
Wood Rot		X
Active infestation of termites or other wood- destroying insects (WDI)		X
Previous treatment for termites or WDI		X
Previous termite or WDI damage repaired		X
Termite or WDI damage needing repair		X

Concerning the Property at _____

If the answer to any of the items in Section 3 is yes, explain (attach additional sheets if necessary): _____

Section 4. Are you (Seller) aware of any item, equipment, or system in or on the Property that is in need of repair, which has not been previously disclosed in this notice? ☐ yes ☒ no If yes, explain (attach additional sheets if necessary): _____

Section 5. Are you (Seller) aware of any of the following (Mark Yes (Y) if you are aware. Mark No (N) if you are not aware.)

Y N

- ☐ ☒ Room additions, structural modifications, or other alterations or repairs made without necessary permits or not in compliance with building codes in effect at the time.
- ☐ ☒ Homeowners' associations or maintenance fees or assessments. If yes, complete the following:
 Name of association: _____
 Manager's name: _____ Phone: _____
 Fees or assessments are: \$ _____ per _____ and are: ☐ mandatory ☐ voluntary
 Any unpaid fees or assessment for the Property? ☐ yes (\$ _____) ☐ no
 If the Property is in more than one association, provide information about the other associations below or attach information to this notice.
- ☐ ☒ Any common area (facilities such as pools, tennis courts, walkways, or other) co-owned in undivided interest with others. If yes, complete the following:
 Any optional user fees for common facilities charged? ☐ yes ☐ no If yes, describe: _____
- ☐ ☒ Any notices of violations of deed restrictions or governmental ordinances affecting the condition or use of the Property.
- ☐ ☒ Any lawsuits or other legal proceedings directly or indirectly affecting the Property. (Includes, but is not limited to: divorce, foreclosure, heirship, bankruptcy, and taxes.)
- ☐ ☒ Any death on the Property except for those deaths caused by: natural causes, suicide, or accident unrelated to the condition of the Property.
- ☐ ☒ Any condition on the Property which materially affects the health or safety of an individual.
- ☐ ☒ Any repairs or treatments, other than routine maintenance, made to the Property to remediate environmental hazards such as asbestos, radon, lead-based paint, urea-formaldehyde, or mold.
 If yes, attach any certificates or other documentation identifying the extent of the remediation (for example, certificate of mold remediation or other remediation).

If the answer to any of the items in Section 5 is yes, explain (attach additional sheets if necessary): _____

Concerning the Property at _____

Section 6. Seller ☒ has ☐ has not attached a survey of the Property.

Section 7. Within the last 4 years, have you (Seller) received any written inspection reports from persons who regularly provide inspections and who are either licensed as inspectors or otherwise permitted by law to perform inspections? ☐ yes ☒ no If yes, attach copies and complete the following:

Inspection Date	Type	Name of Inspector	No. of Pages

Note: A buyer should not rely on the above-cited reports as a reflection of the current condition of the Property. A buyer should obtain inspections from inspectors chosen by the buyer.

Section 8. Check any tax exemption(s) which you (Seller) currently claim for the Property:

- ☒ Homestead ☐ Senior Citizen ☐ Disabled
☐ Wildlife Management ☒ Agricultural ☐ Disabled Veteran
☐ Other: _____ ☐ Unknown

Section 9. Have you (Seller) ever received proceeds for a claim for damage to the Property (for example, an insurance claim or a settlement or award in a legal proceeding) and not used the proceeds to make the repairs for which the claim was made? ☐ yes ☒ no If yes, explain: _____

Section 10. Does the property have working smoke detectors installed in accordance with the smoke detector requirements of Chapter 766 of the Health and Safety Code?* ☒ unknown ☒ no ☐ yes. If no or unknown, explain. (Attach additional sheets if necessary): _____

**Chapter 766 of the Health and Safety Code requires one-family or two-family dwellings to have working smoke detectors installed in accordance with the requirements of the building code in effect in the area in which the dwelling is located, including performance, location, and power source requirements. If you do not know the building code requirements in effect in your area, you may check unknown above or contact your local building official for more information.*

A buyer may require a seller to install smoke detectors for the hearing impaired if: (1) the buyer or a member of the buyer's family who will reside in the dwelling is hearing-impaired; (2) the buyer gives the seller written evidence of the hearing impairment from a licensed physician; and (3) within 10 days after the effective date, the buyer makes a written request for the seller to install smoke detectors for the hearing-impaired and specifies the locations for installation. The parties may agree who will bear the cost of installing the smoke detectors and which brand of smoke detectors to install.

Seller acknowledges that the statements in this notice are true to the best of Seller's belief and that no person, including the broker(s), has instructed or influenced Seller to provide inaccurate information or to omit any material information.

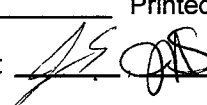

Signature of Seller

Printed Name: John Schneider


Signature of Seller

Printed Name: Jaclyn Schneider

(TAR-1406) 1-01-10

Initialed by: Seller:  and Buyer: _____

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Concerning the Property at _____

ADDITIONAL NOTICES TO BUYER:

- (1) The Texas Department of Public Safety maintains a database that the public may search, at no cost, to determine if registered sex offenders are located in certain zip code areas. To search the database, visit www.txdps.state.tx.us. For information concerning past criminal activity in certain areas or neighborhoods, contact the local police department.
- (2) If the property is located in a coastal area that is seaward of the Gulf Intracoastal Waterway or within 1,000 feet of the mean high tide bordering the Gulf of Mexico, the property may be subject to the Open Beaches Act or the Dune Protection Act (Chapter 61 or 63, Natural Resources Code, respectively) and a beachfront construction certificate or dune protection permit may be required for repairs or improvements. Contact the local government with ordinance authority over construction adjacent to public beaches for more information.
- (3) If you are basing your offers on square footage, measurements, or boundaries, you should have those items independently measured to verify any reported information.
- (4) The following providers currently provide service to the property:

Electric: <u>Heart of Texas Electric Coop</u>	phone #: _____
Sewer: <u>on site</u>	phone #: _____
Water: <u>on site</u>	phone #: _____
Cable: <u>Dish Network</u>	phone #: _____
Trash: _____	phone #: _____
Natural Gas: _____	phone #: _____
Phone Company: <u>ATT</u>	phone #: _____
Propane: _____	phone #: _____
- (5) This Seller's Disclosure Notice was completed by Seller as of the date signed. The brokers have relied on this notice as true and correct and have no reason to believe it to be false or inaccurate. YOU ARE ENCOURAGED TO HAVE AN INSPECTOR OF YOUR CHOICE INSPECT THE PROPERTY.

The undersigned Buyer acknowledges receipt of the foregoing notice.

	_____		_____
Signature of Buyer	Date	Signature of Buyer	Date
Printed Name: _____		Printed Name: _____	