

Special Warranty Deed

Date: June 1, 2007

Grantors: Jimmy Taylor and wife, Maryann Taylor

Grantors' Mailing Address: 2800 South Birdwell Lane, Big Spring, Howard County, TX 79720

Grantee: Energen Resources Corporation

Grantee's Mailing Address: 3300 North "A" Street, Bldg. 4, Ste. 100, Midland, Midland County, TX 79701

Consideration: TEN DOLLARS and other good and valuable consideration.

Property (including any improvements):

Five (5) tracts of land, each located in Block 30, T-1-S, T&P Ry. Co. Survey, Howard County, Texas, and further described as follows:

First Tract:

All of Section 1 of said Block, Township and Survey described above.

Second Tract:

W/2 SW/4 of Section 2 of said Block, Township and Survey described above.

Third Tract:

All of the N/2 NE/4 of Section 2 of said Block, Township and Survey described above, EXCEPT a 10-acre tract conveyed to M.O. Wise by deed dated July 12, 1952 and recorded in Volume 179, Page 70, Deed Records of Howard County, Texas.

Fourth Tract:

S/2 NE/4 Section 2 of said Block, Township and Survey described above.

Fifth Tract:

N/2 Section 12 of said Block, Township and Survey described above.

Reservation of Easement: There is reserved unto Grantors, their heirs, personal representatives and assigns forever, as an easement appurtenant to the SE/4 of Section 12, Block 30, T-1-S, T&P Ry. Co. Survey, partly in Howard and partly in Mitchell Counties, Texas (the "dominant estate") an easement of access over, above and across a strip of land reasonably sufficient for such purpose, along a route to be selected by the owners of the dominant estate at the time the easement is first located, across all of Section 1 and N/2 of Section 12, being first tract and fifth tract, described above, for free and uninterrupted pedestrian and vehicular ingress and egress to and from the dominant estate, which shall be a non-exclusive easement which may be used by both the owners of the serviant estate and the owners of the dominant estate, or any part thereof, in perpetuity. Grantors are, contemporaneously with this deed, conveying the dominant estate to different Grantees, and that deed will include a conveyance of the easement reserved herein so that such easement shall, after the deed by Grantors to the purchasers of the dominant estate, be owned by the purchasers of the dominant estate and their heirs, personal representatives and assigns as an easement appurtenant to such dominant estate.

Exceptions to Conveyance and Warranty:

All of the oil, gas and other minerals in, under and that may be produced from the above described land have been excepted by a previous owner or owners in the chain of title to the land described above and are there excepted from this conveyance.

This conveyance is made subject to the easements and rights-of-way shown on Exhibit "A", attached to and by this reference made a part of this deed.

It is recognized that there are producing oil and gas wells on the land and that there are therefore existing oil and gas leases covering all or portions of the land. This conveyance is made subject to all

valid and subsisting oil, gas and/or mineral leases covering all or any part of the above described land which are reflected of record.

This conveyance is made subject to the lien for taxes for the current year which are not yet due and payable.

NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES

If for the current ad valorem tax year the taxable value of the land that is the subject of this contract is determined by a special appraisal method that allows for appraisal of the land at less than its market value, the person to whom the land is transferred may not be allowed to qualify the land for that special appraisal in a subsequent tax year and the land may then be appraised at its full market value. In addition, the transfer of the land or a subsequent change in the use of the land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the land. The taxable value of the land and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the land is located.

NOTICE REGARDING POSSIBLE ANNEXATION

If the property that is subject to this Conveyance is located outside the limits of a municipality, the property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the property is located within a municipality extraterritorial jurisdiction or is likely to be located within a municipality extraterritorial jurisdiction, contact all municipalities located in the general proximity of the property for further information.

THE IMPROVEMENTS ON THE LAND ARE SOLD AS IS, WHERE IS AND WITH ALL FAULTS. THERE IS NO WARRANTY OF HABITABILITY OR OF USEFULNESS FOR ANY PURPOSE. THERE IS NO REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE CONDITION OF SUCH IMPROVEMENTS. Grantee acknowledges that Grantee is fully familiar with the condition of the improvements on the property and that Grantee is purchasing the property based upon Grantee's own familiarity with it and is not relying on any representation, express or implied, of Grantors with respect to the condition of the improvements on the property.

Grantee is aware that there is a question regarding title to a 67/768 interest in Fourth Tract, described above, which was once owned by a person named Margaret Wood. Grantors represent that Grantors acquired the property under a deed purporting to convey the full interest in such property without exception of such interest, and that Grantors have had possession for over five (5) years, and have used the property exclusively for grazing of cattle within the fences of Grantors and have paid the taxes on the full interest every year during such time before such taxes became delinquent. This is a special warranty deed, and Grantors therefore do not warrant the title as against this interest or any part thereof which was not acquired by Grantors when they purchased the property, only making the warranty made by a special warranty to such interest. Grantors agree with Grantee, its successors and assigns that Grantors will assist Grantee or Grantee's successors or assigns in any reasonable way, so long as Grantors shall not be required to incur any expense in doing so, in clearing the title to such land as against any such outstanding claim if such a claim in fact exists.

Grantee is also aware that there is a microwave tower at a location on the NE/4 of Section 1, part of First Tract, described above. Grantors have advised Grantee that Grantors believe that the lease authorizing maintenance of such tower will expire August 18, 2007. Grantors make only a special warranty with respect to such lease, but Grantors agree to assist Grantee and Grantee's successors and assigns in any reasonable manner requested, so long as Grantors are not required to incur any expenses in so doing, in getting a determination that such lease has expired and/or a judicial cancellation of such lease.

Grantors, for the consideration and subject to the reservations from conveyance and the exceptions to conveyance and warranty, grant, sell, and convey to Grantee the property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantors bind Grantors and Grantors' heirs and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantors but not otherwise, except as to the reservations from conveyance and the exceptions to conveyance and warranty.

When the context requires, singular nouns and pronouns include the plural.


JIMMY TAYLOR



MARYANN TAYLOR

THE STATE OF TEXAS §

COUNTY OF HOWARD §

The foregoing instrument was acknowledged before me on the 5th day of June, 2007 by JIMMY TAYLOR

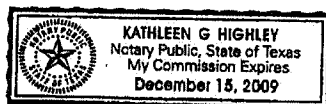



Notary Public, State of Texas

THE STATE OF TEXAS §

COUNTY OF HOWARD §

The foregoing instrument was acknowledged before me on the 5th day of June, 2007 by MARYANN TAYLOR.



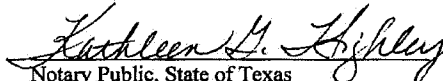

Notary Public, State of Texas

EXHIBIT "A"

Easements and Rights-of-Way of Record

Easements in Section 1:

- (a) Right-of-Way from Grenville D. Montgomery and Counsel Bluffs Savings Bank of Counsel Bluffs, Iowa to American Telephone and Telegraph Company dated December 24, 1928 and recorded in Volume 75, Page 73, Deed Records of Howard County, Texas.
- (b) Right-of-Way Deed from Percy Jones to Magnolia Pipe Line Company dated April 23, 1949 and recorded in Volume 145, Page 639, Deed Records of Howard County, Texas, conveying a pipe line right-of-way.
- (c) Right-of-Way Easement from Hal C. Farly to Cosden Pipe Line Company dated March 25, 1954 and recorded in Volume 212, Page 46, Deed Records of Howard County, Texas, granting pipe line right-of-way.
- (d) Right-of-Way Easement from Hal C. Farly to Texas Electric Service Company dated June 18, 1955 and recorded in Volume 216, Page 433, Deed Records of Howard County, Texas, granting an electric and distribution line easement.
- (e) Right-of-Way Easement from R.L. Warren to Standard Oil Company of Texas dated May 7, 1959 and recorded in Volume 266, Page 180, Deed Records of Howard County, Texas granting right to install a saltwater disposal system, including pipe lines, pump stations and other facilities for disposal of water from the Iatan East Howard Field and the Iatan Field

Covering lands in Section 2, described above (may or may not cross portion of two covered by this opinion):

- (a) Telephone line easement from Rena Lane, et al to American Telephone and Telegraph Company date December 3, 1928 and recorded in Volume 73, Page 716, Deed Records of Howard County, Texas, covering land in S/2 of said Section 2.
- (b) Pipeline Right-of-Way easement from Nell Hall, et al to Colorado Oil and Gas Corporation dated September 3, 1965 and recorded in Volume 358, Page 288, Deed Records of Howard County, Texas, covering a strip in W/2 SW/4 of said Section 2, which is countersigned by Rowena Banker, et al by instrument recorded in Volume 358, Page 334, Deed Records of Howard County, Texas.
- (c) County Road deed from Nell Hall, et al to County of Howard dated July 20, 1960 and recorded in Volume 288, Page 273, Deed Records of Howard County, Texas, covering a road out of the NW/4 and S/2 NW/4 of said Section 2.
- (d) Pipeline Right-of-Way Easement from Morris Patterson and Malcolm Patterson to Cosden Pipeline Company, covering a line through N/2 NE/4 of said Section 2, dated March 30, 1981 and recorded in Volume 507, Page 396, Deed Records of Howard County, Texas.
- (e) Pipeline Right-of-Way Easement from Malcolm Patterson to Texaco Exploration and Production, Inc., crossing N/2 NE/4 of said Section 2, dated July 19, 1999 and recorded in Volume 804, Page 133, Official Public Records of Howard County, Texas.

Easements covering land in Section 12, described above, may or may not cross a portion of Section 12 covered by this opinion:

- (a) Pipeline Right-of-Way from A.M. Bell to Gulf Pipe Line Company and Gulf Production Company dated May 16, 1927 and recorded in Volume 64, Page 504, Deed Records of Howard County, Texas.
 - (b) Electric Transmission and Distribution Line Right-of-Way from A.M. Bell and wife, Georgia L. Bell to Texas Electric Service Company dated March 3, 1932 and recorded in Volume 86, Page 61, Deed Records of Howard County, Texas.
 - (c) Electric Transmission and Distribution Line Right-of-Way from A.M. Bell and wife, Georgia L. Bell to Texas Electric Service Company in N/2 Section 12 dated July 14, 1934 and recorded in Volume 90, Page 95, Deed Records of Howard County, Texas.
 - (d) Pipeline Right-of-Way from T.L. McKinney to Magnolia Pipe Line Company for a pipe line through N/2 Section 12 dated April 19, 1949 and recorded in Volume 145, Page 63, Deed Records of Howard County, Texas.
 - (e) Electric Transmission and Distribution Line Easement from T.L. McKinney to Texas Electric Service Company for pipe line through N/2 Section 12 dated June 16, 1955 and recorded in Volume 266, Page 436, Deed Records of Howard County, Texas.
 - (f) Right-of-Way Grant from T.L. McKinney and wife, Susie A. McKinney to Cosden Petroleum Corporation for a pipe line through N/2 Section 12 dated November 8, 1955 and recorded in Volume 223, Page 208, Deed Records of Howard County, Texas.
 - (g) Easement from T.L. McKinney and wife, Susie A. McKinney to Standard Oil Company for a salt water disposal system, with pipe lines and other facilities in N/2 Section 12 dated May 7, 1959 and recorded in Volume 266, Page 182, Deed Records of Howard County, Texas.
 - (h) Electric Transmission and Distribution Line Easement from T.L. McKinney to Texas Electric Service Company, which appears to be partially in N/2 of Section 12, dated October 16, 1961 and recorded in Volume 302, Page 122, Deed Records of Howard County, Texas.
 - (i) Right-of-Way recorded in Volume 529, Page 382, Deed Records of Howard County, Texas.
 - (i) Right-of-Way recorded in Volume 355, Page 301, Deed Records of Howard County, Texas.
 - (j) Right-of-Way recorded in Volume 372, Page 132, Deed Records of Howard County, Texas.
 - (k) Right-of-Way recorded in Volume 375, Page 440, Deed Records of Howard County, Texas.
 - (l) Right-of-Way recorded in Volume 375, Page 451, Deed Records of Howard County, Texas.
 - (m) Right-of-Way recorded in Volume 401, Page 459, Deed Records of Howard County, Texas.
 - (n) Easement recorded in Volume 397, Page 222, Deed Records of Howard County, Texas.
 - (o) Easement recorded in Instrument #1768, Deed Records of Howard County, Texas.
 - (p) Right-of-Way recorded in Volume 69, Page 388, Deed Records of Mitchell County, Texas.
 - (q) Right-of-Way recorded in Volume 178, Page 517, Deed Records of Mitchell County, Texas.
 - (r) Right-of-Way recorded in Volume 185, Page 329, Deed Records of Mitchell County, Texas.
 - (s) Right-of-Way recorded in Volume 73, Page 127, Deed Records of Mitchell County, Texas.
 - (t) Easement recorded in Volume 86, Page 476, Deed Records of Mitchell County, Texas.
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- (u) Right-of-Way recorded in Volume 185, Page 329, Deed Records of Mitchell County, Texas.
- (v) Right-of-Way recorded in Volume 203, Page 199, Deed Records of Mitchell County, Texas.
- (w) Right-of-Way recorded in Volume 206, Page 220, Deed Records of Mitchell County, Texas.

As to all lands:

- (a) All easements and rights-of-way actually in use and visible on the ground but not reflected of record.

Filed for Record in Howard County

On: Jun 08, 2007 at 09:46A

As a Recordings

Document Number 00003481

Amount 36.00

Receipt Number 53497

By Nancy Porter

STATE OF TEXAS COUNTY OF HOWARD
I hereby certify that this instrument
was filed on the date and time
stamped hereon by me and was duly
recorded in the volume and page
of the named records of Howard County.

Any provision herein which restricts
the sale, rental, or use of the
described Real Property because of
color or race is invalid and
unenforceable under federal law.

Jun 08, 2007

By Nancy Porter Deputy

Honorable Donna Wright, County Clerk
Howard County

