

262896

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DEEDS

STATE OF TEXAS X
COUNTY OF MONTGOMERY X

KNOW ALL MEN BY THESE PRESENTS: THAT

FRIENDSWOOD DEVELOPMENT COMPANY, an Arizona corporation with a permit to do business in Texas, and KING RANCH, INC., a corporation of Kleberg County, Texas, hereinafter called "Grantors", for a valuable consideration hereinafter stated paid and to be paid by RAYBURN DEVELOPMENT COMPANY, of Harris County, Texas, hereinafter called "Grantee", have granted, sold and conveyed and do hereby grant, sell and convey, subject to the restrictions, conditions and provisions herein set forth, unto Grantee, its successors and assigns, the surface estate in and to those certain tracts or parcels of land containing three hundred twenty-eight and 419/1000 (328.419) acres, more or less, being more particularly described in two (2) tracts as follows:

FIRST TRACT:

299.931 acres of land, more or less, in the Dennis Neil Survey, Abstract No. 400 in Montgomery County, Texas, being the same land described as Tract 33 in that certain deed dated December 28, 1967 from Foster Lumber Company to King Ranch, Inc., recorded in Volume 653 on Page 425 in the Deed Records of Montgomery County, Texas, said 299.931 acres being more particularly described by metes and bounds as follows:

BEGINNING at S.W. corner of the (Big) B. Pruitt Survey, A-419, which is an inside corner of herein described tract, an iron pipe for corner from whence an 18" Black Gum mkd x brs North 53 degrees West, 38.0 feet and a 24" Red Oak mkd x brs North 70 degrees 30 minutes East, 24.6 feet;

THENCE South 88 degrees 38 minutes East along fenced south line of Pruitt Survey at 1892.4 feet cross center-line of F.M. Highway 1485 and continue on same course in all a distance of 2149.82 feet to a concrete monument for lower Northeast corner of D. Neal Survey, also the Northwest corner of (Little) B. Pruitt Survey, A-420;

THENCE South 00 degrees 27 minutes 03 seconds West at 250.2 feet cross center-line said Highway 1485 and continue on in all a distance of 319.69 feet to an iron pipe for corner of Larson tract on South R.O.W. line of said Highway;

THENCE North 51 degrees 32 minutes 57 seconds West, 73.90 feet with South line of Highway 1485 to an iron pipe for corner;

THENCE South 11 degrees 27 minutes 03 seconds West, 195.90 feet to an iron pipe for corner;

THENCE South 22 degrees 32 minutes 57 seconds East, 244.69 feet to an iron pipe for corner in lower east line of D. Neal Survey;

THENCE South 00 degrees 27 minutes 03 seconds West, 289.07 feet continuing with east line of Neal Survey to an iron pipe for its Southeast corner, same being Northeast corner of M. Robertson Survey;

THENCE North 89 degrees 43 minutes 22 seconds West, 4093.69 feet with South line of said Neal Survey and North line of Robertson Survey as found fenced and marked on the ground to a concrete monument for Northwest corner of said Robertson Survey from whence a 30" Black Gum mkd x old brs North 89 degrees 20 minutes East, 2.3 feet, a 4" Sw. Gum mkd x brs South 43 degrees 30 minutes West, 30.8 feet, a 10" Sw. Gum mkd x brs South 58 degrees 10 minutes West, 47.8 feet, and a 18" Pin Oak mkd x (down) brs North 28 degrees West, 10.0 feet;

THENCE South 89 degrees 46 minutes 47 seconds West, 1828.40 feet continuing with South line of Neal Survey and lower north line of P. A. Hines Survey as found located on the ground to a concrete monument for Southwest corner of said Neal Survey which is an inside corner of the Hines survey from whence a 12" Black Gum mkd x brs South 89 degrees East, 25.1 feet, and a 6" Sw. Gum mkd x brs South 1.0 feet;

THENCE North 00 degrees 32 minutes 07 seconds East, 3041.67 feet (call dist.) with East line of Hines Survey as found painted and marked to an iron pipe set for call Northwest corner of Dennis Neal Survey;

THENCE North 89 degrees 45 minutes 30 seconds East, 1963.36 feet with North line of Neal Survey to an iron pipe for corner in West fenced line of Russell Vick tract;

THENCE South 00 degrees 39 minutes 51 seconds West, 273.50 feet with said West fenced line of Russell Vick tract to a concrete monument for his Southwest corner;

THENCE South 89 degrees 28 minutes 44 seconds East, 1809.15 feet with south fenced line of Vick tract to an iron pipe for his Southeast corner in East line of D. Neal Survey and West line of (Big) B. Pruitt Survey;

THENCE South 00 degrees 33 minutes 44 seconds West, 1740.76 feet with East line of said Neal Survey and West line of (Big) Pruitt Survey to the point of BEGINNING and containing 300.788 acres of land which includes an existing used Roadway (approx. 20 feet wide) along lower East line of herein described tract, also save and except from the above total the F.M. Highway R.O.W. (100 feet wide) containing 0.857 acres and described in deed recorded in Volume 210, Page 468 of County Deed Records, leaving a net area of 299.931 acres of land.

SECOND TRACT:

28.488 acres of land, more or less, in the Duncan McIntyre

Survey, Abstract No. 386 in Montgomery County, Texas, being the same land described as Tract 30 in that certain deed dated December 28, 1967 from Foster Lumber Company to King Ranch, Inc., recorded in Volume 653 on Page 425 in the Deed Records of Montgomery County, Texas, said 28.488 acres being more particularly described by metes and bounds as follows:

BEGINNING at an iron pipe for Southwest corner of D. McIntyre Survey, which point is set call distance from the Southwest corner of the Dennis Neal Survey, in east line of P. A. Hines Survey, same being Southwest corner of herein described tract;

THENCE North 00 degrees 32 minutes 07 seconds East, 644.4 feet with West line of McIntyre Survey and east line of Hines Survey to an iron pipe for corner, same being Southwest corner of Wheaton 21.3 acre tract;

THENCE South 89 degrees 30 minutes 36 seconds East, 1964.58 feet with south line of Wheaton 21.3 acre tract to old P. K. for corner from whence 14" Pine mkd x brs South 1 degree 30 minutes East, 17.0 feet, same being Northwest corner of Russell Vick tract;

THENCE South 00 degrees 30 minutes 51 seconds West, 619.35 feet with West line of said Vick tract to an iron pipe for corner in South line of McIntyre Survey;

THENCE South 89 degrees 45 minutes 30 seconds West, 1963.36 feet with South line of said McIntyre Survey to the point of BEGINNING and containing 28.488 acres of land.

This conveyance is made and accepted subject to:

(a) The exception and reservation by Grantors for themselves and their successors and assigns and their predecessors in title in accordance with their respective interests of record, all oil, gas and other minerals in and under and that may be produced from said land and to all royalties and other payments which may be made under those two certain oil, gas and mineral leases dated May 4, 1967 from Foster Lumber Company to Humble Oil and Refining Company, said leases recorded in Volume 641 on Page 416 and in Volume 641 on Page 403 in the Deed Records of Montgomery County, Texas, covering the land conveyed hereby. Upon the expiration of said oil, gas and mineral leases, Grantors agree, upon the request of Grantee, to release and relinquish its right to use the surface of the land conveyed hereby for exploring and drilling for and producing or mining oil, gas or other minerals, save and except for two (2)

two-acre drill sites, together with the right of ingress and egress to each such drill site, said two-acre drill sites each to be in the form of a rectangle with a minimum side of two hundred fifty (250) feet in length, the location of such drill sites and routes of ingress and egress to be mutually agreed upon by Grantors and Grantee after the expiration of said oil, gas and mineral leases and when Grantee requests the release aforesaid.

(b) Utility and/or power line easements, pipeline easements and/or roadway now in place and affecting the land evidenced by easement grants of record;

(c) The restrictions that for a period of twenty-five (25) years from the date hereof, no garbage dump or disposal area shall be located or permitted on the land and no gravel mining or excavation area shall be opened or permitted thereon.

Ad valorem taxes assessed against the land conveyed hereby for the year 1971 have been prorated as of the date hereof, and Grantee assumes and agrees to pay same.

The consideration for this conveyance is the sum of Ten Dollars (\$10.00) and other valuable considerations in cash paid by Grantee, the receipt of which is hereby acknowledged by Grantors, and the sum of Two Hundred Nine Thousand, Three Hundred Sixty-Seven and no/100 Dollars (\$209,367.00) to be paid in accordance with one (1) certain promissory note of even date herewith executed and delivered by Grantee and R. P. Ganchan individually to Grantors, payable to the order of Grantors in Houston, Texas, in installments and with interest as provided therein, and the vendor's lien and superior title are hereby reserved and retained by Grantors against the land conveyed hereby to secure payment of said note, when and whereupon this deed shall become absolute. The payment of said note is secured also by a deed of trust of even date herewith

covering the land conveyed hereby from Grantee to D. H. GREGG, Trustee.

Grantors agree to release acreage from the aforesaid lien securing the payment of the aforesaid promissory note on the basis of one (1) acre of land released for each Nine Hundred Thirty-Seven and 50/100 Dollars (\$937.50) of the cash down payment made in excess of Eighteen Thousand, One Hundred Ninety-Seven and 25/100 Dollars (\$18,197.25); and thereafter, to release additional acreage from such liens on a similar basis: that is, One (1) acre for each \$937.50 thereafter paid on the principal of said note, whether such payment of principal be a regular payment or a prepayment of the installment next due, provided that the minimum amount of land released in any one release shall be twenty (20) acres, and Grantors shall have no obligation to release land by reason of the first \$18,197.25 of the cash down payment nor shall Grantors be obligated to release any land if Grantee is in default in payment of any installment of principal or interest or in performance of any covenant to be performed by Grantee. By way of illustrating the foregoing release provisions hereof, if the cash down payment made is \$46,322.25, Grantors would, at the request of Grantee, release 30 acres of land ($\$46,322.25 - 18,197.25 = 28,125.00 \div 937.50 = 30$ acres), and thereafter (subject to the limitations expressed herein), as payments are made on the principal of the note, Grantors shall, upon the request of Grantee, release land at the rate of one (1) acre for each \$937.50 payment of the note. The land released under the terms hereof shall be contiguous and release of land shall be made in numerical sequence as shown on the attached plat marked Exhibit "A", attached hereto, made a part hereof and incorporated herein for all purposes, and no release of land shall be made that would result in denial of access to the remainder of the land covered by the lien. Grantors shall have free use of any

roads and streets constructed on released land until the vendor's lien note has been paid in full by Grantee or R. P. Ganchan Individually and the lien released by Grantors. Grantee shall not plat and record for subdivision purposes any land not released from the lien and the placing of record of a subdivision plat affecting unreleased land shall be an act of default in connection with said note and Grantors shall have the right to declare the note due and payable and to foreclose the lien securing its payment.

As additional security for Grantors, timber shall not be cut or removed from the land conveyed herein until retirement of the aforesaid promissory note, as to both principal and interest, and the lien securing same released against the land, however, if Grantee wishes to cut timber by reason of constructing a road for the purpose of developing the land, Grantee may request written consent therefor from Grantors, which shall not be unreasonably withheld. If Grantors give such consent to Grantee, the value of such timber cut shall be paid to Grantors by Grantee for application first to the interest and then to the extent of any excess to the next maturing installment of the above described promissory note. This covenant shall run with the land for the benefit of the Grantors and is binding upon Grantee and the legal representatives, successors and assigns of Grantee during the term thereof.

As additional security for Grantors, Grantee shall make no encumbrance or commitment of any nature affecting the land (except to construct a road as provided for herein) north of and adjacent to Section I as shown on Exhibit "A" until such time that the aforesaid promissory note has been paid in full by Grantee or R. P. Ganchan Individually and the lien released by Grantors, and breach of this covenant shall be an act of default under the terms of said promissory note for which Grantors may accelerate

said note and foreclose the lien securing same if said note is not paid.

EXECUTED this the 23rd day of APRIL, 1971.

FRIENDSWOOD DEVELOPMENT COMPANY,
Acting for Itself and for
KING RANCH, INC.,

By J. C. Byrd
Vice President

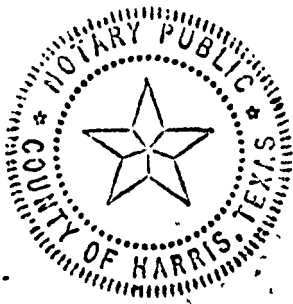
ATTEST:

[Signature]
Secretary

STATE OF TEXAS X
COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, on this day personally appeared J. C. BYRD, known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of FRIENDSWOOD DEVELOPMENT COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said FRIENDSWOOD DEVELOPMENT COMPANY, which company acted in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 23rd day of APRIL, 1971.



Jeane A. Crumpler
Notary Public in and for
Harris County, Texas

JEANE A. CRUMPLER

FILED FOR RECORD
AT 2 O'CLOCK P.M.
MAY 13 1971

[Signature]
ROY HARRIS, Clerk
County Court, Montgomery Co., Tex.
Deputy