



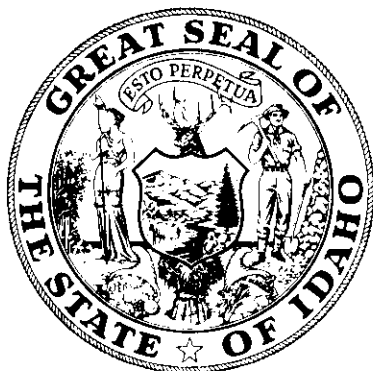
CERTIFICATE OF AUTHORITY  
OF

TERRITORY OIL CORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of an Application of TERRITORY OIL CORPORATION for a Certificate of Authority to transact business in this State, duly signed and verified pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Authority to TERRITORY OIL CORPORATION to transact business in this State under the name TERRITORY OIL CORPORATION and attach hereto a duplicate original of the Application for such Certificate.

Dated **April 30, 1984**



*Pete T. Cenarrusa*

SECRETARY OF STATE

*Denise Thier*

Corporation Clerk

## APPLICATION FOR CERTIFICATE OF AUTHORITY

To the Secretary of State of Idaho

Pursuant to Section 30-1-110, **Idaho Code**, the undersigned Corporation hereby applies for a Certificate of Authority to transact business in your State, and for that purpose submits the following statement:

1. The name of the corporation is Territory Oil Corporation

2. The name which it shall use in Idaho is Territory Oil Corporation

(To be used only when required to avoid a conflict with a name already on file. Must be accompanied by a Board of Directors resolution adopting assumed name in Idaho.)

3. It is incorporated under the laws of the State of Texas

4. The date of its incorporation is December 12, 1983 and the period of its duration is perpetual.

5. The address of its principal office in the state or country under the laws of which it is incorporated is 444 One Marienfeld Place, Midland, Texas 79701

6. The address to which correspondence should be addressed, if different from that in item 5.

Same as above.

7. The street address of its proposed registered office in Idaho is 300 North Sixth Street,  
Boise, Idaho 83701, and the name of its proposed registered agent in Idaho at that address is C T CORPORATION SYSTEM

8. The purpose or purposes which it proposes to pursue in the transaction of business in Idaho are:

Oil and gas development, sale of crude oil and natural gas.

9. The names and respective addresses of its directors and officers are:

Name	Office	Address
James H. Butler, Sr.	President	444 One Marienfeld Place, Midland, Texas 79701
James H. Butler, Jr.	Vice-President	" " " " " " " "
J. Dawn Rhea	Secretary	" " " " " " " "
James H. Butler, Jr.	Treasurer	" " " " " " " "

(continued on reverse)

10. The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, and shares without par value, is:

Number of Shares	Class	Par Value Per Share or Statement That Shares Are without Par Value
10,000		1.00

11. The aggregate number of its issued shares, itemized by classes, par value of shares, and shares without par value is:

Number of Shares	Class	Par Value Per Share or Statement That Shares Are without Par Value
1200		1.00

12. The corporation accepts and shall comply with the provisions of the Constitution and the laws of the State of Idaho.

13. This Application is accompanied by a copy of its articles of incorporation and amendments thereto, duly authenticated by the proper officer of the state or country under the laws of which it is incorporated.

Dated: Jan 3 1984

TERRITORY OIL CORPORATION  
By James H. Butler  
Its President/Vice President (please specify)  
and J. Dawn Rhea  
Its Secretary/Assistant Secretary (please specify)

STATE OF Texas )  
COUNTY OF Midland )ss

I, Leah E. Craig, a notary public, do hereby certify that on  
this 3rd day of January, 19 84, personally appeared before me  
James H. Butler, who being by me first duly sworn, declared that he is the  
President of Territory Oil Corporation

that he signed the foregoing document as President of the corporation and  
that the statements therein contained are true.

My commission expires: 11-02-85

Leah E. Craig  
Notary Public



# The State of Texas

## SECRETARY OF STATE

The undersigned, as Secretary of State of the State of Texas, HEREBY CERTIFIES that the attached is a true and correct copy of the following described instruments on file in this office:

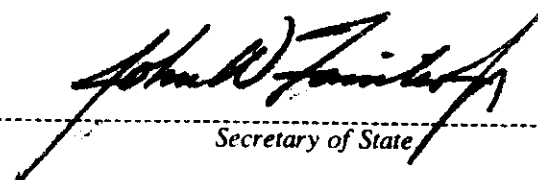
TERRITORY OIL CORPORATION

Articles of Incorporation

December 12, 1983

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, this

21st day of December, A. D. 19 83.

  
Secretary of State

vm

DEC 12 1983

Clerk F  
Corporations Section

ARTICLES OF INCORPORATION  
OF

TERRITORY OIL CORPORATION

We, the undersigned natural persons of the age of twenty-one years or more, at least two of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Business Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

I.

The name of the corporation is TERRITORY OIL CORPORATION.

II.

The period of its duration is perpetual.

III.

The purpose or purposes for which the corporation is organized are:

(a) To engage in the drilling and operation of oil and gas wells as a general contractor or otherwise and to acquire such equipment and facilities as may be required or deemed necessary to conduct such business.

(b) To acquire by purchase, own, hold, improve, mortgage, operate, manage, lease, sublease, sell, exchange, and transfer real property and improvements located thereon, subject to the provisions of Part Four, Texas Miscellaneous Corporation Laws Act.

(c) To inject into oil and gas wells various gases, fluids, and chemicals for the purpose of increasing the production and quality of such wells. To treat, work over, convert and repair, oil and gas wells, storage tanks and lines for the purpose of removing paraffin, water, and other foreign matter therefrom and rendering such equipment more efficient and productive.

(d) To act as agent or representative of corporations, firms, and individuals, and as such to develop and extend the business interests of corporations, firms and individuals.

(e) To acquire by purchase, exchange, or otherwise, all or any part of, or any interest in, the properties, assets, business, and good will of any one or more persons, firms, associations, or corporations heretofore or hereafter engaged in any business for which a corporation may now or hereafter be organized under the laws of this state; to pay for the same in cash, property, or its own or other securities; to hold, operate, reorganize, liquidate, sell, or in any manner dispose of the whole or any part thereof; and to conduct the whole or any part of any business thus acquired.

(f) To enter into any partnership, limited or general as limited or general partner, or both, and to enter into any other arrangement for sharing profits, union of interest, unitization or farmout agreement, reciprocal concession, or cooperation, with any corporation, association, partnership, syndicate, entity, person, or governmental, municipal, or public authority, domestic or foreign, in the carrying on of any business which this corporation is authorized to carry on, or any business or transaction deemed necessary, convenient, or incidental to carrying out any of the purposes of this corporation.

(g) To acquire by purchase or exchange, or in any other manner, in the United States or in foreign countries, mining claims, grounds or lodes, mining and mineral rights, concessions or grants, or any interest therein, and to sell, exchange, lease or in any other manner to dispose of the whole or any part thereof or any interest therein when desirable.

(h) To acquire by purchase, lease, or otherwise, to own, hold, and maintain, and to pledge, mortgage, lease, sell, or otherwise dispose of oil lands, leases, royalties, and permits of all kinds and the oil, gas and mineral rights and interests in lands; to produce therefrom oil and gas and other volatile or mineral substances, and to develop, operate, dispose of or in any way use the said leases, royalties, permits, lands, and the oil, gas, and mineral rights and interests therein to develop such lands, leases, rights and interests, and to enter into, acquire, carry out and execute contracts for the drilling of wells and installation of plants, machinery and appliances, and to dispose of the products and fluids therefrom either as raw products or otherwise, and to refine and reduce said products and to prepare said products for market, and to manufacture from said products any and all marketable commodities, to construct, erect, build and lay, to purchase, lease or otherwise acquire, to own, manage, maintain, operate and use, to sell, lease, mortgage, or in any manner dispose of or encumber, plants, works, refineries, stations, systems, tank cars, boats, vessels, appliances, apparatus, devices, machinery, structures, equipment and facilities of all kinds for manufacturing, treating, processing, preparing, concentrating, distilling, disposing, and in any manner dealing in and with gases, petroleum, oils, and other fluids, mineral and volatile substances, asphalt, bitumen and bituminous substances, and other similar products of every kind and character for any and all purposes whatsoever; provided, however, that this corporation shall not engage directly in the oil pipeline business in the State of Texas.

(i) To carry on any business whatsoever that this corporation may deem proper or convenient in connection with any of the foregoing purposes or otherwise, or that may be calculated, directly or indirectly, to improve the interests of this corporation, and to have and exercise all powers conferred by the laws of the State of Texas on corporations formed under the laws pursuant to which and under which this corporation is formed, as such laws are now in effect or may at any time hereafter be amended, and to do any and all things hereinabove set forth to the same extent and as fully as natural persons might or could do, either alone or in connection with other persons, firms, associations or corporations, and in any part of the world.

The foregoing statement of purposes shall be construed as a statement of both purposes and powers, shall be liberally construed in aid of the powers of this corporation, and the powers and purposes stated in each clause shall, except where otherwise stated, be in nowise limited or restricted by any term or provision of any other clause, and shall be regarded not only as independent purposes, but the purposes and powers stated shall be construed distributively as each object expressed, and the enumeration as to specific powers shall not be construed as to limit in any manner the aforesaid general powers, but are in furtherance of, and in addition to and not in limitation of said general powers. The corporation may in its by-laws confer powers, not in conflict with law, upon its directors in addition to the foregoing and in addition to the powers and authorities expressly conferred upon them by statute.

#### IV.

The aggregate number of shares which the corporation shall have authority to issue is ten thousand (10,000) shares at the par value of One Dollar (\$1.00) per share.

V.

The corporation will not commence business until it has received for the issuance of its shares consideration of the value of One Thousand Dollars (\$1,000), consisting of money, labor done, or property actually received, which sum is not less than One Thousand Dollars (\$1,000).

VI.

The office address of its initial registered office is 444 One Marienfeld Place, Midland, Midland County, Texas, and the name of its initial registered agent at such address is James H. Butler.

VII.

The number of directors constituting the initial board of directors is three (3), and the names and addresses of the persons who are to serve as directors until the first annual meeting of the shareholders or until their successors are elected and qualified are:

James H. Butler  
P. O. Box 1516  
Midland, Texas 79702

James H. Butler, Jr.  
P. O. Box 245  
Midland, Texas 79702

Emma Lou Wilson Butler  
12 Winchester Court  
Midland, Texas 79701

VIII.

The names and addresses of the incorporators are:

James H. Butler  
P. O. Box 1516  
Midland, Texas 79702

James H. Butler, Jr.  
P. O. Box 245  
Midland, Texas 79702

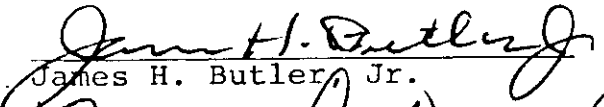
Emma Lou Wilson Butler  
12 Winchester Court  
Midland, Texas 79701

IX.

The board of directors of this corporation is expressly authorized to alter, amend, or repeal the by-laws or to adopt new by-laws of this corporation without any action on the part of the stockholders; but the by-laws made by the directors and the powers so conferred may be altered or repealed by the stockholders.

IN WITNESS WHEREOF, we have hereunto set our hands this the 8th day of December, 1983.

  
James H. Butler

  
James H. Butler, Jr.

  
Emma Lou Wilson Butler

THE STATE OF TEXAS

COUNTY OF MIDLAND

X  
X  
X

I, J. Dawn Rhea, a notary public, do hereby  
certify that on this 8th day of December, 1983,  
personally appeared before me, JAMES H. BUTLER, JAMES H. BUTLER,  
JR., and EMMA LOU WILSON BUTLER, who, each being by me first  
duly sworn, severally declared that they are the persons who  
signed the foregoing instrument as incorporators and that the  
statements therein contained are true.

My commission expires: 5-11-85

J. Dawn Rhea  
J. Dawn Rhea  
Notary Public in and for  
the State of Texas