

Department of State.

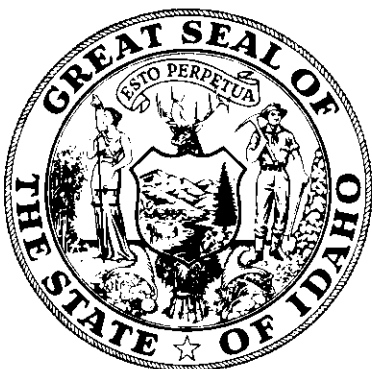
**CERTIFICATE OF AUTHORITY
OF**

MICHEL T. HALBOUTY ENERGY CO.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of an Application of **MICHEL T. HALBOUTY ENERGY CO.** 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 **MICHEL T. HALBOUTY ENERGY CO.** to transact business in this State under the name **MICHEL T. HALBOUTY ENERGY CO.** and attach hereto a duplicate original of the Application for such Certificate.

Dated **September 21**, 19 **81**.



Pete T. Cenarrusa

SECRETARY OF STATE

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 MICHEL T. HALBOUTY ENERGY CO.
2. *The name which it shall use in Idaho is MICHEL T. HALBOUTY ENERGY CO.
3. It is incorporated under the laws of Delaware
4. The date of its incorporation is February 23, 1981 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 100 West Tenth Street, Wilmington, Delaware 19801
6. The address of its proposed registered office in Idaho is 300 North 6th Street
Boise, Idaho 83701, and the name of its proposed registered agent in Idaho at that address is C T CORPORATION SYSTEM
7. The purpose or purposes which it proposes to pursue in the transaction of business in Idaho are:
to pursue all lawful purposes which corporations may be
permitted to undertake under the Idaho Code.
8. The names and respective addresses of its directors and officers are:

Name	Office	Address
<u>See Attached Rider</u>		

9. 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
<u>4,872,000</u>	<u>A Common</u>	<u>\$0.01</u>
<u>128,000</u>	<u>B Common</u>	<u>\$0.01</u>

(continued on reverse)

10. 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
<u>1,048,470</u>	<u>A Common</u>	<u>\$0.01</u>
<u>128,000</u>	<u>B Common</u>	<u>\$0.01</u>

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

12. 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 SEPT 4, 19 81

MICHEL T. HALBOUTY ENERGY CO.

By Thomas D. Barber
Thomas D. Barber

Its Louis J. Darilek President
and Louis J. Darilek
Louis J. Darilek

Its _____ Secretary

STATE OF TEXAS)
COUNTY OF HARRIS) ss:

I, Mary Ann Halton, a notary public, do hereby certify that on this 4th day of Sept., 1981, personally appeared before me Thomas D. Barber, who being by me first duly sworn, declared that he is the President of MICHEL T. HALBOUTY ENERGY CO.

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

Mary Ann Halton
Notary Public

*Pursuant to section 30-1-108(b)(1), Idaho Code, if the corporation assumes a name other than its true name, this application must be accompanied by a resolution of the Board of Directors to that effect.

OFFICERS

Michel T. Halbouty
Chairman of the Board

5100 Westheimer, Suite 500
Houston, Texas 77056

Thomas D. Barber
President

5100 Westheimer, Suite 500
Houston, Texas 77056

Louis J. Darilek
Secretary and Treasurer

5100 Westheimer, Suite 500
Houston, Texas 77056

DIRECTORS

Michel T. Halbouty

5100 Westheimer, Suite 500
Houston, Texas 77056

Thomas D. Barber

5100 Westheimer, Suite 500
Houston, Texas 77056

Edwin G. Jackson

780 One Allen Center
Houston, Texas 77002

Grant C. Manheim

New Court, St. Swithin's Lane
London EC4P 4DU

Wayne C. Gundersen

300 Lakeside Drive
Oakland, California 94643

Patrick L. Macdougall

Connaught Road Central
Hong Kong

Clayton A. Sweeney

Two Oliver Plaza
Pittsburgh, Pennsylvania 15222



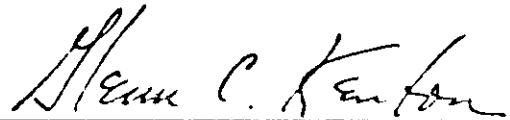
State of DELAWARE



Office of SECRETARY OF STATE

I, Glenn C. Kenton, Secretary of State of the State of Delaware,
do hereby certify that the attached is a true and correct copy of
Certificate of Incorporation
filed in this office on February 23, 1981.




Glenn C. Kenton, Secretary of State

BY: 

DATE: September 15, 1981

CERTIFICATE OF INCORPORATION

OF

MICHEL T. HALBOUTY ENERGY CO.

First: The name of the Corporation is Michel T. Halbouty Energy Co.

Second: The registered office of the Corporation in the State of Delaware is located at 100 West Tenth Street in the City of Wilmington, County of New Castle. The name and address of its registered agent is The Corporation Trust Company, 100 West Tenth Street, Wilmington, Delaware.

Third: The nature of the business, objects and purposes to be transacted, promoted or carried on by the Corporation are:

To engage in and carry on the petroleum business and the various branches thereof, including the extraction, production, storage, transportation, purchase and sale of oil, gas, natural gas liquids, shale and other hydrocarbon substances and their products and by-products, and refining, treating, applying, compounding, processing and otherwise preparing them for market;

To manufacture, purchase or otherwise acquire, invest in, own, mortgage, pledge, sell, assign and transfer or otherwise dispose of, trade and deal in and with goods, wares and merchandise and personal property of every class and description;

To acquire, and pay for in cash, stock or bonds of this Corporation or otherwise, the goodwill, rights, assets and property, and to

undertake or assume the whole or any part of the obligations or liabilities of any person, partnership, trust, joint stock company, syndicate, firm, association or corporation;

To acquire, hold, use, sell, assign, lease, grant licenses in respect of, mortgage or otherwise dispose of letters patent of the United States or any foreign country, patent rights, licenses and privileges, inventions, improvements and processes, copyrights, trademarks and trade names, relating to or useful in connection with any business of the Corporation;

To acquire by purchase, subscription or otherwise, and to receive, hold, own, sell, assign, exchange, transfer, mortgage, pledge or otherwise dispose of or deal in and with any of the shares of the capital stock, or any voting trust certificates in respect of the shares of capital stock, scrip, warrants, rights, bonds, debentures, notes, trust receipts and other securities, obligations, choses in action and evidences of indebtedness or interest issued or created by any corporations, joint stock companies, syndicates, associations, firms, trusts or persons, public or private, or by the government of the United States of America, or by any foreign government, or by any state, territory, province, municipality or other political subdivision or by any governmental agency, and as owner thereof to possess and exercise all the rights, powers and privileges of ownership, including the right to execute consents and vote thereon, and to do any and all acts and things necessary or advisable for the preservation, protection, improvement and enhancement in value thereof;

To borrow or raise moneys for any of the purposes of the Corporation and, from time to time without limit as to amount, to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the

whole or any part of the property of the Corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the Corporation for its corporate purposes;

To purchase, receive, take by grant, gift, devise, bequest or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with, real or personal property, or any interest therein, wherever situated, and to sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage or pledge, all or any of the Corporation's property and assets, or any interest therein, wherever situated; and

To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

The business and purposes specified in the foregoing clauses shall, except where otherwise expressed, be in nowise limited or restricted by reference to, or inference from, the terms of any other clause in this Certificate of Incorporation, but the business and purposes specified in each of the foregoing clauses of this article shall be regarded as independent business and purposes.

Fourth: The total number of shares of stock which the Corporation shall have the authority to issue is 5,000,000, of which stock, 4,872,000 shares of the par value of \$.01 each, amounting in the aggregate to \$48,720, shall be designated Class A Common Stock, and of which 128,000 shares of the par value of \$.01 each, amounting in the aggregate to \$1,280, shall be designated Class B Common Stock.

The designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof are as follows:

(1) Voting. Except as otherwise provided by law, the Class A Common Stock shall have the exclusive right to vote for the election of Directors and for all other purposes, each holder of the Class A Common Stock being entitled to one vote for each share held. Except as otherwise provided by law, the Class B Common Stock shall have no voting rights.

(2) Dividends. The holders of the Class A Common Stock and the Class B Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of funds legally available therefor, dividends payable in cash, stock or otherwise, without distinction between the two classes.

(3) Preemptive Rights. No stockholder shall have any preemptive right to subscribe to an additional issue of capital stock of the corporation or to any security convertible into such stock. Any preferential rights to purchase stock or securities of the corporation which are granted to the stockholders shall be granted to the holders of the Class A Common Stock and Class B Common Stock without distinction between the two classes.

(4) Conversion Rights. (A) Subject to and upon compliance with the provisions of this paragraph, each record holder of Class B Common Stock shall be entitled at any time and from time to time to convert any or all of the shares of Class B Common Stock held by it into the same number of shares of Class A Common Stock, provided that no holder of Class B Common Stock shall be entitled to so convert any shares of Class B Common Stock to the extent that, as a result of such conversion, such holder and its affiliates, directly or indirectly, would own, control or have power to vote a greater quantity of securities of any kind issued by the corporation than such holder and its affiliates shall

be permitted to own, control or have power to vote under any law or under any regulation, rule or other requirement of any governmental authority at any time applicable to such holder and its affiliates, but further provided that (i) any sale by the initial record holder of Class B Common Stock to any party which or who could legally own, control and have the power to vote the Class A Common Stock into which such Class B Common Stock is convertible and/or (ii) any public registration of the Class B Common Stock, shall either one or both automatically cause such Class B Common Stock in question to be converted into the appropriate number of shares of Class A Common Stock and the certificates representing such shares of Class B Common Stock shall be deemed to represent the appropriate number of shares of Class A Common Stock until surrendered as hereinafter set forth.

(B) Each conversion of shares of Class B Common Stock into Class A Common Stock shall be effected by the surrender of the certificate or certificates representing the shares of Class B Common Stock to be converted at the principal office of the corporation (or such other office or agency of the corporation as the corporation may designate by notice in writing to the holder or holders of the Class B Common Stock) at any time during its usual business hours, together with written notice by the holder of such Class B Common Stock stating that, upon such conversion, such holder and its affiliates shall not, directly or indirectly, own, control or have power to vote a greater quantity or securities of any kind issued by the corporation than such holder and its affiliates shall be permitted to own, control or have power to vote under any applicable law, regulation, rule or other governmental requirement (and such statement shall obligate the corporation to issue such Class A Common Stock) and that such holder desires to convert the issued shares, or a stated number of the shares, of Class B Common Stock represented by such certificate or certificates into Class A Common Stock, which notice shall also state the name or names (with addresses) and denominations in which the certificate or certificates for Class A Common Stock shall be issued and shall

include instructions for delivery thereof. Promptly after such surrender and the receipt of such written notice, the corporation shall issue and deliver in accordance with such instructions the certificate or certificates for the Class A Common Stock issuable upon such conversion. Such conversion to the extent permitted by law shall be deemed to have been affected as of the close of business on the date on which such certificate or certificates shall have been surrendered and such notice shall have been received, and at such time the rights of the holder of such Class B Common Stock (or specified portion thereof) as such holder shall cease and the person or persons in whose name or names the certificate or certificates for shares of Class A Common Stock are to be issued upon such conversion shall be deemed to have become the holder or holders of record of the shares of Class A Common Stock represented thereby.

(C) If for any reason at any time and from time to time following the conversion of Class B Common Stock to Class A Common Stock, such holder and its affiliates, directly or indirectly, own or control or have the power to vote a greater quantity of securities of any kind issued by the corporation than such holder or its affiliates are permitted to own, control or have power to vote under any law or under any regulation, rule or other requirement of any governmental authority at any time applicable to such holder or its affiliates; then such appropriate number of shares of Class A Common Stock shall automatically be converted into Class B Common Stock as may be necessary to cause the holder or its affiliates not to own, control or have the power to vote a greater quantity of securities of any kind issued by the corporation than is permissible under any law or under any regulation, rule or other requirement of any governmental authority at any time applicable to such holder or its affiliates.

(5) Liquidation. Upon any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, the remaining net assets of the corporation shall be distributed pro rata to the holders of the Class A Common Stock and the Class B Common Stock in accordance with their respective rights and interests.

Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken for or in connection with any corporate action, the meeting and vote of stockholders may be dispensed with and such action may be taken with the written consent of stockholders having not less than the minimum percentage of the vote required by statute for the proposed corporate action, provided that prompt notice shall be given to all stockholders of the taking of corporate action without a meeting and by less than unanimous consent.

Fifth: The name and mailing address of the incorporator is

<u>Name</u>	<u>Mailing Address</u>
Karen M. Nakfoor	Fulbright & Jaworski 800 Bank of the Southwest Bldg. Houston, Texas 77002

Sixth: The Corporation is to have perpetual existence.

Seventh: The number of directors constituting the initial Board of Directors is four (4), 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 qualify are:

<u>Name</u>	<u>Mailing Address</u>
Michel T. Halbouty	5100 Westheimer, Suite 500 Houston, Texas 77056
Thomas D. Barber	5100 Westheimer, Suite 500 Houston, Texas 77056
Edwin G. Jackson, Jr.	Continental Illinois Energy Development Corporation 5323 Havenwoods Houston, Texas 77060
Grant C. Manheim	The New Court Natural Resources New Court, St. Swithin's Lane London EC4P 4DU England

Eighth: In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized:

(1) To make, alter or repeal the by-laws of the Corporation.

(2) To authorize and cause to be executed mortgages and liens upon the real and personal property of the Corporation.

(3) To set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and to abolish any such reserve in the manner in which it was created.

(4) By a majority of the whole Board of Directors, to designate one or more committees, each committee to consist of two or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee,

to the extent provided in the resolution or in the by-laws of the Corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it; provided, however, the by-laws may provide that in the absence or disqualification of any member of such committee or committees the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(5) When and as authorized by the affirmative vote of the holders of a majority of the stock issued and outstanding having voting power given at a stockholders' meeting duly called upon such notice as is required by statute, or when authorized by the written consent of the holders of a majority of the voting stock issued and outstanding, to sell, lease or exchange all or substantially all the property and assets of the Corporation, including its goodwill and its corporate franchises, upon such terms and conditions and for such consideration, which may consist in whole or in part of money or property including securities of any other corporation or corporations, as the Board of Directors shall deem expedient and for the best interests of the Corporation.

Ninth: Meetings of stockholders may be held within or without the State of Delaware, as the by-laws may provide. The books of the Corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the by-laws of the Corporation. Elections of directors need not

be by written ballot unless the by-laws of the Corporation shall so provide.

Tenth: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

THE UNDERSIGNED, being the incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware, does make this Certificate, hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly have hereunto set my hand this 15th day of February, 1981.

Karen M. Nakfoor
Karen M. Nakfoor

THE STATE OF TEXAS §

COUNTY OF HARRIS §

BE IT REMEMBERED that on this 15th day of February, 1981, personally came before me, a Notary Public for the State of Texas, Karen M. Nakfoor, the party to the foregoing certificate of incorporation, known to me personally to be such, and acknowledged the said certificate to be her act and deed and that the facts stated therein are true.

GIVEN under my hand and seal of office the day and year aforesaid.

Mary Beth Zabka
Notary Public in and for
Harris County, Texas