

CERTIFICATE OF AUTHORITY OF

SABINE PRODUCTION COMPANY

I, PETE T. CENARRUSA, Secreta	ary of State of the State of Idaho, hereby certify that
duplicate originals of an Application of	SABINE PRODUCTION COMPANY
	ertificate of Authority to transact business in this State.
duly signed and verified pursuant to the p	provisions of the Idaho Business Corporation Act, have
been received in this office and are found	d to conform to law.
ACCORDINGLY and by virtue of th	he authority vested in me by law, I issue this Certificate of
Authority to SABINE PRODUCTION	V COMPANY
	ename SABINE PRODUCTION COMPANY
	and attach hereto a duplicate original of the Application
for such Certificate.	
Dated September 15,	. 19 81
THE COLUMN TO TH	Secretary of State
CAPE TO E	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:

	The name of the corporati	ion is SABINE P	PRODUCTION COMPANY	
2.	*The name which it shall t	use in Idaho isSABI	NE PRODUCTION COMPANY	
3.	It is incorporated under th	ne laws of Louisia	na	
4.	4. The date of its incorporation is October 1, 1976 and the period			
5.		ipal office in the state o	or country under the laws of which it is incorporated is	
6.			o is 300 North 6th Street	
0.	Boise, Idaho 8370	11	, and the name of its proposed	
registered agent in Idaho at that address is C T CORPORATION SY 7. The purpose or purposes which it proposes to pursue in the transaction of bus				
	Own, explore		op oil, gas and other mineral	
8.	The names and respective a	interests. The names and respective addresses of its directors and officers are:		
	Name	Office	Address	
		(SEE ATTACH	ED RIDER)	
). '	The aggregate number of and shares without par valu	shares which it has auth	ority to issue, itemized by classes, par value of shares,	
,				
'	Number of Shares	Class	Par Value Per Share or Statement That Shares Are Without Par Value	

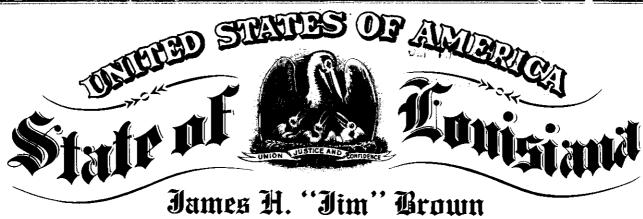
Number of Shares	Class	Par Value Per Share or Statement That Shares Are Without Par Value
25,000	Common	NO PAR VALUE
11. The corporation accepts a State of Idaho.	nd shall comply with th	ne provisions of the Constitution and the laws of the
12. This Application is accomp	panied by a copy of its per officer of the state of	articles of incorporation and amendments thereto, duly or country under the laws of which it is incorporated.
Dated September	. 3	
	S2	ABINE PRODUCTION COMPANY
	By Ja	it L. Hack)
	and	Its Vice President-General Co
		Its Assistant Secretary
STATE OF <u>Texas</u> COUNTY OF <u>Dallas</u>) ss:	
•	- ,	, a notary public, do hereby certify that on
		, 19 81 , personally appeared before
JACK L. BLAC Vice Presiden	HLY t -	, who being by me first duly sworn, declared that he
is theGeneral Cou	nsel of S	SABINE PRODUCTION COMPANI
		
that he signed the foregoing docustatements therein contained are	ument as <u>such of</u> true.	ficer of the corporation and that the
		Notary Public Notary Public Principal Reprinces: 9-4-84 corporation assumes a name other than its true name

SABINE PRODUCTION COMPANY

<u>Name</u>	Office	Address
A. H. Priddy	Chairman of the Board and Chief Executive Officer	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
William R. Goff	President and Chief Operating Officer	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Harold D. Carter	Senior Vice President - Land and Exploration	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Andrew J. Shoup, Jr.	Senior Vice President - Production and Mining	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Jack L. Blachly	Vice President - General Counsel	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Albert L. Diano, Jr.	Vice President - Finance and Treasurer	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Lewis G. Fearing	Vice President - Geology	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
A. L. Harkins, Jr.	Vice President - Administration and Secretary	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Mike H. Murphy	Vice President - Land	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Claude L. Obar	Vice President - Production	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Allan J. Simus	Vice President - Canadian Operations	Sabine Canada, Ltd. Suite 3100 - Shell Center 400 Fourth Ave. S.W. Calgary, Alberta T2P 0J4
Gerald G. Swift	Vice President - Division Manager	6401 N.W. Grand Boulevard Suite 500 Oklahoma City, OK 73116
Paul G. Smittle	Controller and Assistant Treasurer	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Bobbie J. Freeman	Assistant Secretary	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Louis Morrison, III	Assistant Secretary	1200 Mercantile Bk. Bldg. Dallas, Texas 75201

Name	Office	Address
Ashley H. Priddy	Director	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
William R. Goff	Director	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Harold D. Carter	Director	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Andrew J. Shoup, Jr.	Director	1200 Mercantile Bk. Bldg. Dallas, Texas 75201
Jack L. Blachly	Director	1200 Mercantile Bk. Bldg. Dallas, Texas 75201

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SECRETARY OF STATE

As Secretary of State, of the State of Louisiana, I do hereby Certify that

the annexed and following is a True and Correct copy of the Articles of Incorporation, Initial Report, Merger and Notice of f Change (R.S. 1950, 12:104) of

SABINE PRODUCTION COMPANY,

A Louisiana corporation domiciled at New Orleans,

As shown by comparison with documents filed and recorded in this Office.

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on, September 8, 1924.



ARTICLES OF INCORPORATION OF SABINE PRODUCTION COMPANY

This corporation is formed pursuant to Chapter 1 of Title 12 of the Louisiana Revised Statutes which is known as the Business Corporation Law.

ARTICLE ONE.

The name of the corporation is Sabine Production Company.

ARTICLE TWO.

The corporation's purpose is to engage in the exploration for and production of oil, gas and other minerals and to engage in any other lawful activities for which corporations may be formed under the Louisiana Business Corporation Law.

ARTICLE THREE.

The corporation has authority to issue 25,000 shares of common capital stock having no par value.

FRTICLE FOUR.

A director absent from a meeting of the Board of Directors or any committee thereof may be represented by any other director or shareholder, who may cast the absent director's vote according to the written instructions, general or special, of such absent director.

ARTICLE FIVE.

The name and . dress of the incorporator is as follows:

Joseph A. Watters 2875 Bank of New Orleans Building 1010 Common Street New Orleans, Louisiana 70112

Executed at New Orleans, Louisiana, on October 1, 1976.

WITNESSES:

STATE OF LOUISIANA

PARISH OF ORLEANS

On October 1, 1976, before me personally appeared JOSEPH A. WATTERS, known to me to be the person described in and who executed the foregoing instrument and who acknowledged that he executed the same as his free act and deed.

Andrew L. Gates, III Notary Public - Orleans Parish Louisiana

INITIAL REPORT SABINE PRODUCTION COMPANY

- 1. The location and post office address of the registered office of Sabine Production Company is 2875 Bank of New Orleans Building, 1010 Common Street, New Orleans, Louisiana 70112.
 - 2. The registered agent of Sabine Production Company is:

Joseph A. Watters 2875 Bank of New Orleans Building 1010 Common Street New Orleans, Louisiana 70112

- 3. The first directors of Sabine Production Company are:

 - A. H. Priddy
 R. W. Howell, Jr.
 W. R. Goff
 H. D. Carter
 A. J. Shoup, Jr.

The address of all of the above named directors is 1200 Mercantile National Bank Building, Dallas, Texas 75201.

Executed at New Orleans, Louisians, on October 1, 1976.

corporator

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, made this day of October, 1976, by and between DALCO OIL COMPANY, a Texas corporation (hereinafter sometimes called "Dalco"), and SABINE PRODUCTION COMPANY, a Louisiana corporation (hereinafter sometimes called "Sabine Production") (the two corporate parties hereto being sometimes collectively referred to as the "Constituent Corporations");

WITNESSETH:

WHEREAS, Sabine Production is a corporation duly organized and existing under the laws of the State of Louisi ma and pursuant to its Articles of Incorporation is authorized to issue a total of 25,000 shares of Common Stock, without par value, of which 100 shares have been issued and are owned of record and beneficially by Sabine Royalty Corporation, a Texas corporation ("Sabine"); and

WHEREAS, Dalco is a corporation duly organized and existing under the laws of the State of Texas, and pursuant to its Articles of Incorporation is authorized to issue a total of 25,000 shares of Common Stock, without par value, all of which shares are issued and owned of record and beneficially by Sabine; and

WHEREAS, the Boards of Directors of Sabine Production and Dalco have adopted resolutions declaring advisable the proposed merger (referred to herein as the "Nerger") of Dalco into Sabine Production upon the terms and conditions hereinafter set forth and the Boards of Directors of Dalco, and Sabine Production and Sabine, the sole shareholder of Dalco and Sabine Production, have by resolution adopted and approved this Agreement and Plan of Nerger (hereinafter referred to as the "Agreement"), all in accordance with the applicable statutes of the States of Texas and Louisiana;

MOW, THEREFORE, the Constituent Corporations do hereby agree to merge on the terms and conditions herein provided, as follows:

ARTICLE I

GENERAL

- 1.01 The parties to this Agreement agree to effect the Merger herein provided for, subject to the terms and conditions herein set forth.
- 1.02 Upon the Effective Time, as defined in Section 1.08 hereof, Dalco shall be merged into Sabine Production, which latter company shall be the surviving corporation, governed by the laws of the State of Louisiana, the name of which shall be Sabine Production Company (hereinafter sometimes called "Surviving Corporation").
- 1.03 The Articles of Incorporation of Sabine Production shall, until amended, be and remain the Articles of Incorporation of the Surviving Corporation.
- 1.04 The Bylaws of Sabine Production shall be and remain the Bylaws of the Surviving Corporation, until amended or repealed.
- of Dalco shall cease and Dalco shall be merged into the Surviving Corporation. The Surviving Corporation shall, from and after the Effective Time, possess all the rights, immunities, privileges, powers and franchises of whatsoever nature and description, as well of a public as of a private nature, and be subject to all the restrictions, obligations, disabilities and duties of each of the Constituent Corporations; and all and singular, the rights, privileges, powers and franchises of each of the Constituent Corporations, and all property, real, personal and mixed, and all debts due to either of the Constituent Corporations on whatswer account, as well for stock subscriptions as all other things in actions or belonging to each of the Constituent Corporations, and every devise or bequest which either of the Constituent Corporations would have been capable of taking and all and every other interest shall be vested in the Surviving Corporation without further act or deed; and all property, rights, privileges, powers and franchises, and all and every other interest shall be thereafter as effectually the property of the Surviving Corporation as they were of the several and respective Constituent Corporations, and shall not revert or be in any way impaired by reason of such Merger. All rights of creditors and all liens upon the property of the Constituent Corporations shall be preserved unimpaired, and the respective Constituent Corporations may be deemed to continue in existence in order to preserve the

same, and all debts, obligations, liabilities and duties of the Constituent Corporations shall thenceforth attach to the Surviving Corporation, and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by it. Any claim, action or proceeding, whether civil, criminal or administrative, pending by or against either Constituent Corporation may be prosecuted to judgment or decree as if such Merger had not taken place, or the Surviving Corporation may be substituted in such action or proceeding. Upon the Effective Time the assets, liabilities, reserves and accounts of each of the Constituent Corporations shall be taken on the books of the Surviving Corporation at the amounts at which they, respectfully, shall then be carried on the books of the Constituent Corporations, subject to such adjustments, or elimination of intercompany items, as may be appropriate in giving effect to the Merger. All corporate acts, plans, policies, approvals, and authorizations of Dalco, its shareholders, Board of Directors, committees elected or appointed by the Board of Directors, officers and agents, which were valid and effective immediately prior to the Effective Time shall be taken for all purposes as the acts, plans, policies, approvals and authorizations of the Surviving Corporation and shall be as effective and binding thereon as the same were with respect to Dalco.

1.06 Each of the Constituent Corporations hereby agrees that at any time, or from time to time, as and when requested by the Surviving Corporation, or by its successors and assigns, it will execute and deliver, or cause to be executed and delivered in its name by its last acting officers, or by the corresponding officers of the Surviving Corporation, all such conveyances, assignments, transfers, deeds, or other instruments, and will take or cause to be taken such further or other action and give such assurances as the Surviving Corporation, its successors or assigns may deem necessary or desirable in order to evidence the transfer, vesting of any property, right, privilege or franchise or to vest or perfect in or confirm to the Surviving Corporation, its successors and assigns, title to and possession of all the property, rights, privileges, powers, immunities, franchises and interests referred to in this Article I and otherwise to carry out the intent and purposes hereof.

1.07 Each of the Constitutent Corporations shall take, or cause to be taken, all action, or do, or cause to be done, all things necessary, proper or advisable under the laws of the States of Texas and Louisiana to consummate and

make effective the Merger, subject, however, to the adoption or approval of the Merger by appropriate vote or consent of the shareholder of each of the Constituent Corporations in accordance with the requirements of the applicable provisions of the laws of the States of Texas and Louisiana.

1.08 Subject to the terms and conditions herein provided, as soon as practicable after the adoption of this Agreement by Sabine, the sole shareholder of Dalco and Sabine Production, Articles of Merger shall be filed pursuant to Article 5.07 of the Texas Business Corporation Act with the Secretary of State of the State of Texas, and this Agreement certified by the Secretary or Assistant Secretary of Sabine Production under the seal of that corporation shall be filed pursuant to Section 112G of the Louisiana Business Corporation Act with the Secretary of State of Louisiana. This Agreement shall become effective at the close of business on the day (hereinafter called the "Effective Date") on which both of such filings have been completed.

ARTICLE II

CAPITAL STOCK OF THE SURVIVING CORPORATION

- 2.01 The manner of converting the shares of each of the Constituent Corporations in o shares of the Surviving Corporation shall be as hereinafter set forth in this Article II.
- 2.02 Each share of the Common Stock of Sabine Production issued and outstanding immediately prior to the Effective Time shall be and remain outstanding and shall not be effected by the Merger.
- 2.03 The 25,000 shares of Common Stock of Dalco issued and outstanding immediately prior to the Effective Time shall thereupon, automatically and without any further act on the part of the holders thereof, be converted at the Effective Time into and become 24,900 shares of Common Stock of the Surviving Corporation. Each certificate of Dalco evidencing ownership of any such shares shall, from and after the Effective Time, evidence ownership of the number of shares of Common Stock of the Surviving Corporation into which such shares have been converted hereunder. Sabine, the sole holder of certificates representing shares of Common Stock of Dalco, shall surrender such certificates in exchange for certificates for shares of Common Stock of the Surviving Corporation as soon as practicable. When certificate(s) which previously represented shares of Common Stock

of Dalco are surrendered for exchange, the Surviving Corporation will cause to be issued certificate(s) representing the appropriate number of shares of Common Stock of the Surviving Corporation.

ARTICLE III

EMPLOYMENT ARRANGEMENTS

- 3.01 The employees of Dalco shall, at the Effective Time, become the employees of the Surviving Corporation and shall continue to be entitled to benefits substantially equivalent to those which they enjoyed as employees of Dalco.
- 3.02 The directors and officers of Sabine Production in office at the Effective Time shall continue in office as, and shall be and constitute, the directors and officers of the Surviving Corporation each holding the same office and/or directorship in the Surviving Corporation as he held in Sabine Production for the terms elected and/or until their respective successors shall be elected or appointed and qualified. If at the Effective Time, a vacancy shall exist in the Board of Directors or in any officership, such vacancy may be filled in the manner provided in the Bylaws of the Surviving Corporation.

ARTICLE IV

TERMINATION AND AMENDMENT

- 4.01 Anything herein to the contrary notwithstanding, this Agreement may be terminated by written notice of termination at any time before completion of the respective filings with the Secretary of State of the State of Texas and the Secretary of State of the State of Louisiana referred to in Section 1.08 hereof (whether before or after approval hereof by the sole shareholder of the Constituent Corporations) by appropriate resolution of the Board of Directors of Dalco for any reason deemed appropriate by said Board of Directors.
- 4.02 Anything herein to the contrary notwithstanding, to the extent permitted by law, this Agreement may be amended, supplemented or interpreted at any time by action taken by the Boards of Directors of both Constituent Corporations, and in the case of an interpretation the actions of such

Board of Directors shall be binding; provided, however, that the conversion of shares as provided in Article II of this Agreement may not be amended without the consent of Sabine, the sole shareholder of the Constituent Corporations.

ARTICLE V

MISCELLANEOUS

5.01 Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provisions of this Agreement.

5.02 This Agreement may be executed in any number of counterparts or may be, where the same are not required, certified or otherwise delivered without the testimonium clause and signatures; each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

DALCO OIL COMPANY (Texas)

By KW. Strull

President

Attest:

Secretary

Secretary

A Majority of the Board of Directors of DALCO OIL COMPANY

SABINE PRODUCTION CUMPANY (Logistana)

sident

Attest:

Mission Ser rotary

KW Towall

he for

A Majority of the Board of Directors of SABINE PRODUCTION COMPANY

SECRETARY'S CERTIFICATE OF DALCO OIL COMPANY

I, LOUIS MORRISON, III, Assistant Secretary of Dalco Oil Company, a corporation organized and existing under the laws of the State of Texas, hereby certify, as such Assistant Secretary, that the foregoing Agreement and Plan of Merger, after having been first duly executed on behalf of said corporation and Sabine Production Company, was duly submitted to the sole consent of Dalco Oil Company and approved by the unanimous consent of said shareholder as provided in Article 9.10 of 1976, and that as a result thereof the Agreement and Plan of Merger has been duly adopted as the act of the shareholders of said Dalco Oil Company and the duly adopted agreement of said corporation.

WITNESS MY HAND this 12 day of October, 1976.

LOUIS MORRISON, III, Assistant Secretary

SECRETARY'S CERTIFICATE OF SABINE PRODUCTION COMPANY

I, JACK L. BLACHLY, Assistant Secretary of Sabine Production Company, a corporation organized and existing under the laws of the State of Louisiana, hereby certify, as such Assistant Secretary, that the foregoing Agreement and Plan of Merger, after having been first duly executed on behalf of said corporation and Dalco Oil Company by a majority of the Board of Directors of each such company, was duly submitted to the sole shareholder of Sabine Production Company and approved by the unanimous consent of said shareholder as provided in Article 76A of the Louisiana Business Corporation Law on the Agreement and Plan of Merger has been duly approved by the shareholders of Sabine Production Company and is the duly adopted agreement of said corporation.

WITNESS MY HAND this 44 day of October, 1976.

JACK L. BLACHLY, Assistant Secretary

SECOND EXECUTION

The foregoing Agreement and Plan of Merger having been duly approved by the Boards of Directors of Dalco Oil Company and Sabine Production Company, having been duly executed by a majority of the Boards of Directors of said corporations and having been duly adopted by the consent of the sole shareholder of Dalco Oil Company and Sa'ine Production Company, each of said constituent corporations has caused the foregoing Agreement and Plan of Merger, as the respective deed and agreement of each of said corporations, to be executed in its corporate name by its officers thereunto duly authorized and its corporate seal to be affixed thereto as of the day of October, 1976.

DALCO OIL COMPANY (Texas)

Attest: ASST.

> SABINE PRODUCTION COMPANY (Louisiana)

Attest:

State of Penas

REPORT AND the undersympto without, on the of the day of a to day, 1876, again R. W. Howell, gr., view Recorded to to be a construction to me that they are excited the excited Production Company, who accountinged to me that they are excited the excited Production Company, who accountinged to mind corporation, respectly about a place of the excited of social corporation, respectly in the corporaty children and hand and seed there are being of Debating 1976.

Given make my hand and seed there are being of Debating 1976.

watern Expires: my Communicion &

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(In duplicate if office in same parish; in triplicate if office changed to different parish)

LOUISIANA

CERTIFICATE OF LOCATION OF REGISTERED OFFICE

AND

DESIGNATION OF REGISTERED AGENTS

OF

SARINE PRODUCTION COMPANY

SABINE PRODUCTION COMPANY

, a Louisiana corporation,
in order to change its registered agents and the location of its registered office hereby
certifies, in compliance with R.S. 12:104, La. Rev. Stats., 1950:

- (1) The location and post office address of the registered office of this corporation is 1300 Hibernia Building, New Orleans, Louisiana 70112,
- (2) The full name and post office address of its registered agent, upon whom legal process or other notices or demands, required or permitted to be made on the corporation, may be served, is: CT CORPORATION SYSTEM, 1300 Hibernia Building, New Orleans, Louisiana 70112.

IN TESTIMONY WHEREOF,_	SABINE PRODUCTION C	OMPANY
in accordance with a resolution	of its board of directors duly g	passed on 1-10-77
(a certified copy of which is he		
its behalf by its	Vice President	this 10th
day of January	eddent, Vice-President or Secretary) , 19 <u>77</u>	
	A	ODUCTION COMPANY
	(Title)Vice President	lant

	DAPANY by Unanimous Written Consent , held / January 10, 1977
	the following resolution
Was (RESOLVED that this corporation, in order to change its registered agent and the location of its registered office, in conformity with the laws of the State of Louisiana, hereby designates the location of its registered office as 1300 Hibernia Building. New Orleans, Louisiana 70112 and hereby makes, constitutes and appoints C T CORPORATION SYSTEM, its agents in and for the State of Louisiana, upon whom legal process or other notices or demands, required or permitted to be made on this corporation, may be served and hereby authorizes the President, Vice-President or Secretary to execute a certificate setting forth such facts.
	I HEREBY CERTIFY that the above is a correct copy of a Resolution passed by and of Directors of SABINE PRODUCTION COMPANY
on	January 10, 19 77
	WITNESS my hand this 10th day of January 1977

dated