OWNER'S POLICY OF TITLE INSURANCE

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Stewart Title Guaranty Company SCHEDULE B

File No.: 201202075 Policy No.: O-5991-000057097

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of the terms and conditions of leases and easements, if any, shown in Schedule A, and the following matters:

- 1. The following restrictive covenants of record itemized below (the Company-must-either insert specific recording data or delete this exception):
- 2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
- 3. Homestead or community property or survivorship rights, if any, of any spouse of any Insured.
- 4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the right of access to that area or easement along and across that area.
- 5. Standby fees, taxes and assessments by any taxing authority for the year 2012, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.
- 6. The following matters and all terms of the documents creating or offering evidence of the matters (The Company must insert matters or delete this exception.):
 - a. Vendor's Lien retained in Deed dated February 21, 2013 executed by Norman Floyd, Spencer Geraldine, Ernest Floyd, Carole Houston, Roland Floyd, III, Mary Elizabeth Batties, Ernestine Thornton, Jerry Daniels, Jr., Martha Daniels, Leotia Howard and Roy F. Floyd to Travis Luchak as recorded on February 28, 2013 under Clerk's File No. 2013572 of the Official Records of Matagorda County, Texas, securing the payment of one certain promissory note in the original principal sum of \$144,500.00, described therein, payable to the order of Capital Farm Credit, FLCA, and being additionally secured by Deed of Trust of even date to Ben R. Novosad, Trustee, filed of record February 28, 2013 under Clerk's File No. 2013573 of the Official Records of Matagorda County, Texas, together with all indebtedness of whatsoever nature, secured or to be secured by said instruments, subject to the terms, conditions and stipulations as therein contained in said instruments.
 - Rights of parties in possession. (Applies to Owner's Policy only).
 - c. There is expressly excluded from coverage hereunder, and this Company does not insure, title to oil, gas and other minerals of every kind and character, in, on and under the property herein described.

Continuation of Schedule B

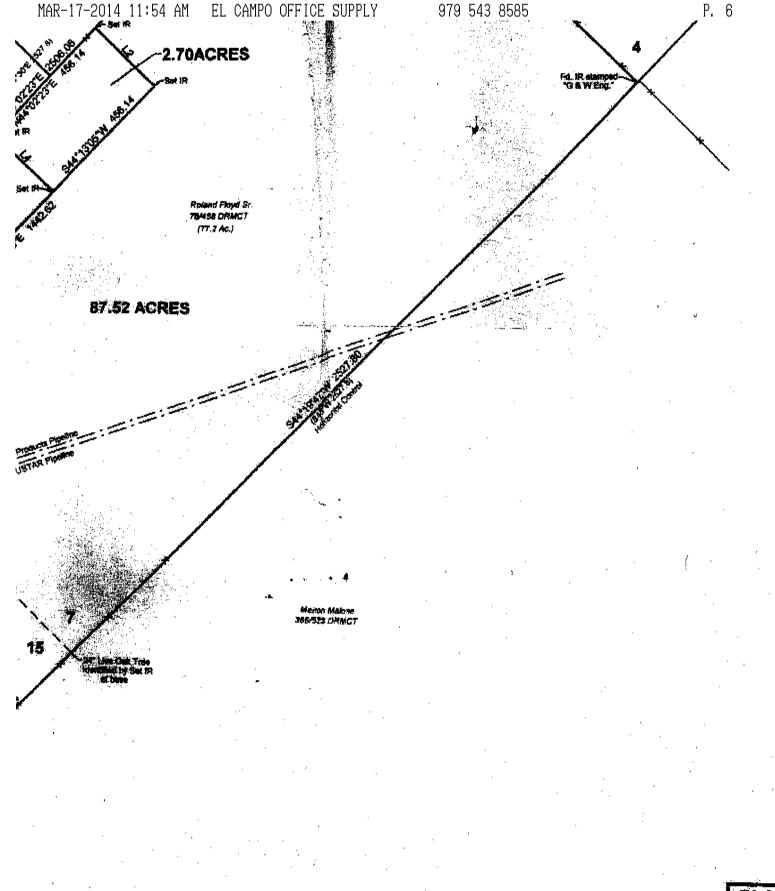
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- d. Subject to pipeline and overhead electrical lines as shown on survey dated February 23, 2012 as prepared by Walters Land Surveying Company, Patrick L. Walters, RPLS #4614
- e. Subject to the terms, conditions and stipulations of Right of Way dated September 21, 1942 executed by Roland Floyd and wife, Geneva Floyd to Sinclair Refining Company, recorded in Volume 149, Page 77, Deed Records, Matagorda County, Texas. AMENDED by instrument dated December 22, 1966 as recorded in Volume 454 at Page 106, Deed Records, Matagorda County, Texas.
- f. Subject to the terms, conditions and stipulations of Right of Way Easement dated November 28,1960 executed by Roland Floyd to The State of Texas, recorded in Volume 360, Page 609, Deed Records, Matagorda County, Texas.

Countersigned

Bay City Abstract & Title C

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SCALE

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