

NO. 122,229

STATE OF TEXAS, ET AL	)	IN THE DISTRICT COURT OF
Plaintiffs	(	
	)	
VS.	(	GALVESTON COUNTY, TEXAS
	)	
MONSANTO COMPANY,	(	
Defendant	)	10TH JUDICIAL DISTRICT

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into this 11<sup>th</sup> day of December, 1981, by and between (1) The State of Texas (the "State"), the School Land Board of Texas (the "School Land Board"), and Bob Armstrong (in his capacity as Commissioner of the General Land Office of the State and as Chairman of the School Land Board) ("Armstrong"), all of whom are acting herein by and through Mark White, Attorney General of the State of Texas; and (2) Monsanto Company, a Delaware corporation ("Monsanto"), for the purpose of settling and compromising all matters in controversy which have been raised or which could have been raised by any of the parties to the above captioned proceeding (the "Lawsuit").

In consideration of the settlement and compromise of the Lawsuit and in further consideration of the mutual covenants and agreements herein contained, the State, the School Land Board, Armstrong and Monsanto hereby agree with each other as follows:

1. Acting in accordance with the authority and requirements set forth in Article 5421c-13 of Vernon's Annotated Texas Civil Statutes (the "Exchange Statute"), the State, the School Land Board, and Armstrong, acting on behalf of the Public Free School Fund (also known as the Permanent School Fund) established by and further defined in Article VII of the Texas Constitution (the "Public Free School Fund"), will convey to Monsanto the land and premises described in Plaintiffs' Original Petition and on Exhibit A hereto (the "Monsanto Property"), together with all of the right, title and interest of the State, the School Land Board, and the Public Free School Fund in and to such Monsanto Property, the conveyance to be substantially in the form of Exhibit C attached hereto, subject to and together with the following:

- (a) The conveyance to Monsanto must be executed jointly by Armstrong, as Commissioner of the General Land Office and by W. P. Clements, Jr., as Governor of the State of Texas;
- (b) In addition to the conveyance of the lands described in Exhibit A, the conveyance to Monsanto will also relinquish all

right, title and interest of the State, the School Land Board, and the Public Free School Fund in and to all land and premises above mean high tide contiguous or adjacent to the westernmost boundary line of the parcel described in Exhibit A;

(c) The conveyance to Monsanto will be subject to validly existing easements previously granted to municipal or other governmental agencies for roads, seawalls, levies, or drainage ditches;

(d) Subject to the provisions of Chapter 33, Subchapter D of the Texas Natural Resources Code and to the favorable action of the School Land Board of Texas, which favorable action and approval Armstrong agrees to recommend, Monsanto shall have and receive a nonexclusive permanent access easement across state-owned water areas to the adjoining Monsanto property for access to such property, to the docks, piers, dolphins and other mooring structures, and a permanent easement or easements for piers, for dredging purposes to maintain the salt water intake channel and to maintain adequate water depths, and for the construction and maintenance of dolphins, mooring structures and other navigational aids necessary for the safe operation of Monsanto's piers and docks, all as shown by the drawings in the files of the General Land Office under Coastal Public Land Easements Nos. E1066 and E1039 (also called Easement No. CE-81-071), or corresponding renewal numbers for each of such easements;

(e) The conveyance to Monsanto will convey all minerals in, on or under the Monsanto Property being conveyed to Monsanto, reserving to the Public Free School Fund a one-fourth (1/4 of 8/8ths) nonparticipating royalty interest, provided that such reservation of such nonparticipating royalty interest will be without covenant or obligation, expressed or implied, imposing any duty whatever on Monsanto to explore, develop or remove such minerals.

2. Monsanto will acquire, at its sole cost and expense, the land and premises described on Exhibit B attached hereto (or other mutually acceptable land and premises, as herein provided) and, substantially contemporaneously with and in exchange for the conveyance to Monsanto described in Paragraph 1 above, Monsanto will convey such land and premises to the Public Free School Fund, such conveyance to be substantially in the form of the Deed attached as Exhibit D hereto,

provided that such conveyance will convey to the Public Free School Fund only such title as Monsanto has obtained from its grantor.

3. Notwithstanding the foregoing, it is expressly agreed by all parties that in the event Monsanto, for any reason, does not or is not able to acquire the property described on Exhibit B upon terms satisfactory to it, the School Land Board and Armstrong may designate an alternate site or sites mutually agreeable to all parties and to the Governor of the State of Texas, and Monsanto will at the request and with the cooperation of the State, the School Land Board and Armstrong (or his successors) thereafter undertake to acquire such alternate site or sites (provided that the aggregate cost thereof, including expenses, shall not exceed the amount Monsanto has previously and otherwise agreed to pay for the land described in Exhibit B), and after acquisition thereof, Monsanto will convey such land and premises in substitution for the parcel described on Exhibit B, such conveyance to be contemporaneous with the conveyance to Monsanto covered by Paragraph 1 above.

4. The School Land Board and Armstrong represent that the School Land Board, on November 17, 1981, adopted a resolution in compliance with and making the findings and determinations required by the Exchange Statute, a copy of such resolution, and of the certification as to the validity of the proceeding adopting such resolution, being attached as Exhibit E hereto.

5. Promptly after the execution of this Settlement Agreement, all parties agree to request that the Court in which the Lawsuit is pending (1) approve, confirm, ratify and make this Settlement Agreement the judgment of the Court, (2) find and determine that the exchange transactions contemplated by this Settlement Agreement are governed by and are in full compliance with the Exchange Statute, (3) find and determine that if the exchange is consummated, the land conveyed to Monsanto will not be subject to regulation by the State or any of its agencies as "coastal" or "submerged" land, as those terms are defined by law, and (4) find and determine that the conveyance to Monsanto of the Monsanto Property as described in Exhibit A attached hereto will vest full fee simple title in Monsanto, subject only to validly existing easements and the reservation of a non-participating royalty interest, as set forth above.

MARK WHITE  
Attorney General of Texas

By

J. Milton Richardson  
J. Milton Richardson,  
Assistant Attorney General

ATTORNEYS FOR PLAINTIFFS AND  
CROSS-DEFENDANTS

MILLS, SHIPLEY, McMICKEN & ECKEL

By

Roland L. Bassett  
Roland L. Bassett

ATTORNEYS FOR DEFENDANT AND  
CROSS-PLAINTIFF

Bob Armstrong  
BOB ARMSTRONG, COMMISSIONER  
OF THE GENERAL LAND OFFICE OF TEXAS

EXHIBIT "A"

Field Notes of a survey made 26-27 November, 1979.

Being a tract of land lying east of and adjoining the 1850 shoreline of Galveston Bay, in Galveston County, Texas, as monumented by U.S.E. in 1965, bounded on the east by the existing U.S.E. Harbor Line, on the north and south by the deeded boundary of Monsanto Chemical Company, and more particularly described by metes and bounds as follows:

BEGINNING at the center of U.S.E. brass plate in concrete monument marked "NBL 22-23" found 2 feet below ground level, in north boundary line of that certain 66.968 acres described in conveyance from Texas City Terminal Railway Co. to Monsanto Chemical Co., from which the "X" found on concrete seawall N. side of drainage culvert marking said boundary bears S.89° 35' 36"W. 147.58 varas, a point in E. line of James B. Wells Survey at mainland shoreline, as surveyed in 1915 by Galveston County Surveyor, bears S.89°35'36"W. 55.59 varas, the U.S.E. brass plate in old Texas City seawall marked "R4-3" bears S.77°12'10"W. 151.06 varas, the U.S.E. brass plate in said seawall marked "R4-2" bears N.24°19'32"W. 363.74 varas, and the center of another U.S.E. brass plate in concrete monument marked "SL22" found marking 1850 shoreline bears N.18°21'29"E. 250.27 varas, (the bearings shown are true bearings from North meridian observed at hereinafter described brass monument marked "B", Grid Coordinates 3307549.86, 585794.30, Texas South Central Zone, lying West 172.19 varas and South 713.68 varas from this Point of Beginning):

THENCE with said N. boundary of 66.968 acres N.89°35'36"E., at 34.30 varas passing the apparent patented E. line of said James B. Wells Survey (located by R. M. Sias, County Surveyor, 1915), at 526.37 varas passing a 1/2 inch iron rebar found at top of hurricane levee berm, and continuing over levee a total of 551.61 varas to a point in U.S. Corps of Engineers Harbor Line, in granite boulder rip-rap;

Exhibit A  
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THENCE with said harbor line as follows:

S.17°12'34"W., generally with granite rip-rap on bayward side of hurricane levee, 914.20 varas to its anglepoint (Grid Coordinates 3308823.25, 585403.32);

And S.0°23'43"E. 331.95 varas to the SE Corner (in slip) of that certain 16.35 acres described in conveyance from Defense Plant Corporation to Monsanto Chemical Company on February 27, 1947;

THENCE with boundary of said 16.35 acres as follows:

S.89°36'51"W. (in slip) 309.24 varas;  
And N.0°23'43"W. (in slip) 17.64 varas to the eastmost

SE Corner of that certain 22.71 acres described in conveyance from Texas City Terminal Railway Co. to Monsanto Chemical Company on August 25, 1969;

THENCE with boundary of said 22.71 acres S.89°36'51"W. (in slip) at 41.39 varas passing the apparent patented E. line of the Sylvester Bowen Survey, a total of 107.63 varas to a point in aforesaid 1850 shoreline, from which the original E. line of Bay Street in First Division of Texas City lies S.89°36'51"W. 24.54 varas, a point in aforesaid 1915 shoreline (by Galveston County Surveyor) bears S.89°36'51"W. 49.02 varas, and the U.S.E. brass plate in concrete monument marked "27-28C" did bear S.0°16'10"W. 222.73 varas (destroyed by Arco Pipe Line Co. in September, 1979);

THENCE with aforesaid 1850 shoreline found marked by U.S. Corps of Engineers, as follows:

N.0°16'10"E., at 36.36 varas passing S. side of reinforced concrete hurricane wall on fill, at 45.12 varas passing a 3/4-inch steel rod flush in pavement marked "+" in N. boundary of aforesaid 22.71 acres, at 50.21 varas passing a point 6 inches right of U.S.E. brass plate found in S.E. Corner of concrete porch marked "27-28A", (the U.S.E. brass plate in concrete pavement marked "C" bears N.74°23'28"W. 39.82 varas), a total of 250.52 varas to U.S.E. brass plate in concrete monument found under asphalt pavement by railroad tracks marked "SL27";

N.10°01'08"E., on fill at 63.68 varas passing a point lying East 57.59 varas from the common E. Corner of Sylvester Bowen Survey and Norman Hurd Survey in said 1915 shoreline (and West 53.98 varas from their apparent common patented E. Corner), and continuing a total of 220.20 varas to U.S.E. brass plate in concrete monument found flush in asphalt pavement marked "SL26", from which the aforesaid U.S.E. brass plate at North meridian marked "B" found 4 inches under grass lawn (also in aforesaid 1915 shoreline) bears N.86°01'08"W. 78.28 varas;

N.5°58'44"E., on fill 268.43 varas to a 1/2 inch rebar marked "+" set 2 inches under shell fill surface about 4 feet over U.S.E. monument marked "SL25";

N.3°56'44"E., on fill at 78.63 varas passing a point lying East 82.88 varas from the said 1915 shoreline at common E. Corner of Norman Hurd Survey and James B. Wells Survey (and West 95.02 varas from their apparent common patented E. Corner), a total of 135.66 varas to a 1-1/2 inch galvanized iron pipe up 3 feet in mud (U.S.E. monument destroyed);

N.8°34'22"E., on fill 269.91 varas to a point 4 inches West of a 1/2-inch rebar (unmarked), from which the U.S.E. brass plate in old Texas City concrete seawall along Bay Street (marked "R4-3") bears N.82°49'35"W. 131.77 varas;

and N.18°21'29"E., on fill, at 32.51 varas passing 8 foot chain link fence at a point lying N.88°50'00"E. 134.79 varas from its NW corner post, a total of 52.59 varas to the Point of Beginning, constituting 98.248 acres within the described boundary.

FIELD NOTES OF THE BOUNDARIES OF TWO TRACTS OF LAND OUT OF THE  
TOM HARPER RANCH SITUATED IN DUVAL COUNTY, TEXAS AND MORE  
PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

TRACT 1

BEGINNING at a fence corner for the Northeast corner of B. S. & F. Survey No. 102, Abst. No. 1597, for the Northeast corner of this tract;

THENCE S  $01^{\circ}28'03''$ E along a fence on the East line of said Survey No. 102, in all, 6662.50 feet to a fence corner for the Southeast corner of Survey No. 102;

THENCE N  $89^{\circ}45'23''$ W along a fence on the South line of Survey No. 102, the South line of the A. Reuss Survey No. 4, A-1587, and the South line of B. S. & F. Survey No. 101, A-1452, a distance of 10,734.39 feet to a fence corner for the Southwest corner of said Survey No. 101;

THENCE N  $00^{\circ}31'40''$ W along a fence on the West line of Survey No. 101 a distance of 687.93 feet to a fence corner for the Southeast corner of B. S. & F. Survey No. 112, A-1887;

THENCE S  $89^{\circ}13'40''$ W along a fence on the South line of Survey No. 112, passing its Southwest corner and the Southeast corner of B. S. & F. Survey No. 114, A-1886, and continuing S  $89^{\circ}13'40''$ W along a fence on the South line of said Survey No. 114, in all, 6712.12 feet to a fence corner for the Northeast corner of the J. Garza Survey No. 41, A-1505;

THENCE S  $00^{\circ}30'29''$ E along a fence on the East line of said Survey No. 41 a distance of 1936.57 feet to its Southeast corner;

THENCE S  $89^{\circ}53'28''$ W along a fence on the South line of said Survey No. 41 a distance of 4223.40 feet to a fence corner for its Southwest corner;

THENCE N  $00^{\circ}54'15''$ E along a fence on the West line of said Survey No. 41, passing its Northwest corner and the Southwest corner of B. S. & F. Survey No. 114, A-1886, and continuing N  $00^{\circ}54'15''$ E along a fence on the West line of said Survey No. 114, in all, 8020.64 feet to a fence corner for the Northwest corner of Survey No. 114, and in the South line of B. S. & F. Survey No. 113, A-120, for the Northwest corner of this tract;

THENCE S  $89^{\circ}13'47''$ E along a fence on the North line of B. S. & F. Surveys No. 114 and 112 and the South line of B. S. & F. Surveys No. 113 and 111 a distance of 8189.54 feet to a fence corner for the Southeast corner of Survey No. 111 and the Southwest corner of B. S. & F. Survey No. 103;

THENCE S  $89^{\circ}34'03''$ E along a fence on the North line of Surveys No. 112 and 101 and the South line of Survey No. 103 a distance of 5420.35 feet to an iron rod in a North-South fence for the Southeast corner of Survey No. 103;

THENCE N  $00^{\circ}18'17''$ E along a fence 139.02 feet to a fence corner for the Southwest corner of B. S. & F. Survey No. 104 and in the North line of Survey No. 101;

THENCE S  $89^{\circ}39'38''$ E along a fence on the North line of said Survey No. 101, passing its Northeast corner and the Northwest corner of B. S. & F. Survey No. 102, A-1597, and continuing S  $89^{\circ}39'38''$ E along a fence on the North line of Survey No. 102, in all, 7751.57 feet to the place of beginning and containing 3296.54 acres, more or less.

TRACT 2

36.79 Acres out of the northeast corner of the B. S. & F. Survey No. 116 in Duval County, Texas; and the said 36.79 acres being more particularly located and described as follows:

BEGINNING at the northeast corner of said Survey No. 116 for the northeast corner of this tract;

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THENCE with the east line of said Survey No. 116 South  $0^{\circ}40'06''$  West  
1265.93 feet;

THENCE North  $89^{\circ}07'38''$  West 1265.93 feet;

THENCE North  $0^{\circ}40'06''$  East 1265.93 feet to an intersection with the  
north line of said Survey No. 116;

THENCE with said north line of Survey No. 116 South  $89^{\circ}07'38''$  East  
1265.93 feet to the place of beginning.

Containing 36.79 acres. more or less.

Exhibit B  
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STATE OF TEXAS §

KNOW ALL BY MEN BY THESE PRESENTS:

COUNTY OF DUVAL §

THAT Monsanto Company, a Delaware Corporation, whose address is 201 Bay Street South, Texas City, Galveston County, Texas, 77590, acting by and through its officers hereunto duly authorized, for and in consideration of the conveyance to it by the State of Texas of other lands hereinafter described, the sufficiency of which is hereby acknowledged, has GRANTED and CONVEYED, and by these presents does GRANT and CONVEY unto the Permanent School Fund of the State of Texas, all of its right title and interest in the following described real property in Duval County, Texas, to-wit:

FIELD NOTES OF THE BOUNDARIES OF TWO TRACTS OF LAND OUT OF THE TOM HARPER RANCH SITUATED IN DUVAL COUNTY, TEXAS AND MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

TRACT 1

BEGINNING at a fence corner for the Northeast corner of B. S. & F. Survey No. 102, Abst. No. 1597, for the Northeast corner of this tract;

THENCE S 01°28'03"E along a fence on the East line of said Survey No. 102, in all, 6662.50 feet to a fence corner for the Southeast corner of Survey No. 102;

THENCE N 89°45'23"W along a fence on the South line of Survey No. 102, the South line of the A. Reuss Survey No. 4, A-1587, and the South line of B. S. & F. Survey No. 101, A-1452, a distance of 10,734.39 feet to a fence corner for the Southwest corner of said Survey No. 101;

THENCE N 00°31'40"W along a fence on the West line of Survey No. 101 a distance of 687.93 feet to a fence corner for the Southeast corner of B. S. & F. Survey No. 112, A-1887;

THENCE S 89°13'40"W along a fence on the South line of Survey No. 112, passing its Southwest corner and the Southeast corner of B. S. & F. Survey No. 114, A-1886, and continuing S 89°13'40"W along a fence on the South line of said Survey No. 114, in all, 6712.12 feet to a fence corner for the Northeast corner of the J. Garza Survey No. 41, A-1505;

THENCE S 00°30'29"E along a fence on the East line of said Survey No. 41 a distance of 1936.57 feet to its Southeast corner;

THENCE S 89°53'28"W along a fence on the South line of said Survey No. 41 a distance of 4223.40 feet to a fence corner for its Southwest corner;

THENCE N 00°54'15"E along a fence on the West line of said Survey No. 41, passing its Northwest corner and the Southwest corner of B. S. & F. Survey No. 114, A-1886, and continuing N 00°54'15"E along a fence on the West line of said Survey No. 114, in all, 8020.64 feet to a fence corner for the Northwest corner of Survey No. 114, and in the South line of B. S. & F. Survey No. 113, A-120, for the Northwest corner of this tract;

Exhibit             
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THENCE S 89°13'47"E along a fence on the North line of B. S. & F. Surveys No. 114 and 112 and the South line of B. S. & F. Surveys No. 113 and 111 a distance of 8189.54 feet to a fence corner for the Southeast corner of Survey No. 111 and the Southwest corner of B. S. & F. Survey No. 103;

THENCE S 89°34'03"E along a fence on the North line of Surveys No. 112 and 101 and the South line of Survey No. 103 a distance of 5420.35 feet to an iron rod in a North-South fence for the Southeast corner of Survey No. 103;

THENCE N 00°18'17"E along a fence 139.02 feet to a fence corner for the Southwest corner of B. S. & F. Survey No. 104 and in the North line of Survey No. 101;

THENCE S 89°39'38"E along a fence on the North line of said Survey No. 101, passing its Northeast corner and the Northwest corner of B. S. & F. Survey No. 102, A-1597, and continuing S 89°39'38"E along a fence on the North line of Survey No. 102, in all, 7751.57 feet to the place of beginning and containing 3296.54 acres, more or less.

TRACT 2

36.79 Acres out of the northeast corner of the B. S. & F. Survey No. 116 in Duval County, Texas; and the said 36.79 acres being more particularly located and described as follows:

BEGINNING at the northeast corner of said Survey No. 116 for the northeast corner of this tract;

THENCE with the east line of said Survey No. 116 South 0°40'06" West 1265.93 feet;

THENCE North 89°07'38" West 1265.93 feet;

THENCE North 0°40'06" East 1265.93 feet to an intersection with the north line of said Survey No. 116;

THENCE with said north line of Survey No. 116 South 89°07'38" East 1265.93 feet to the place of beginning.

Containing 36.79 acres, more or less.

This conveyance is expressly made subject to all easements and restrictions of record running with the land.

TO HAVE AND TO HOLD the above described premises, together with all and singular, the rights and appurtenances thereto in anywise belonging forever, and Grantor herein does hereby bind itself and its successors or assigns, to warrant and forever defend, all and singular, the said premises unto Grantee, against every person whomsoever, lawfully claiming or to claim the same or any part thereof by, through, or under it, and not otherwise.

The consideration for this conveyance is the conveyance to Grantor by the Governor of the State of Texas and the Commissioner of the General Land Office of Texas, acting on behalf of the State of Texas under authority and by virtue of the authority vested by Acts 1973, Regular Session, 63rd Legislature, p. 1631, Chapter 590, (Article 5421c-13, V.A.T.S.) as amended, of the following described land in Galveston County, Texas, to-wit:

Field Notes of a survey made 26-27 November, 1979.

Being a tract of land lying east of and adjoining the 1850 shoreline of Galveston Bay, in Galveston County, Texas, as monumented by U.S.E. in 1965, bounded on the east by the existing U.S.E. Harbor Line, on the north and south by the deeded boundary of Monsanto Chemical Company, and more particularly described by metes and bounds as follows:

BEGINNING at the center of U.S.E. brass plate in concrete monument marked "NBL 22-23" found 2 feet below ground level, in north boundary line of that certain 66.968 acres described in conveyance from Texas City Terminal Railway Company to Monsanto Chemical Company, from which the "X" found on concrete seawall North side of drainage culvert marking said boundary bears S.89°35'36"W 147.58 varas, a point in E line of James B. Wells Survey at mainland shoreline, as surveyed in 1915 by Galveston County Surveyor, bears S.89°35'36"W 55.59 varas, the U.S.E. brass plate in old Texas City seawall marked "R4-3" bears S.77°12'10"W. 151.06 varas, the U.S.E. brass plate in said seawall marked "R4-2" bears N.24°19'32"W. 363.74 varas, and the center of another U.S.E. brass plate in concrete monument marked "SL22" found marking 1850 shoreline bears N 18°21'29"E 250.27 varas, (the bearings shown are true bearings from North meridian observed at hereinafter described brass monument marked "B", Grid Coordinates 3307549.86, 585794.30, Texas South Central Zone, lying West 172.19 varas and South 713.68 varas from this Point of Beginning):

THENCE with said North boundary of 66.968 acres N.89°35'36"E., at 34.30 varas passing the apparent patented E. line of said James B. Wells Survey (located by R.M. Sias, County Surveyor, 1915), at 526.37 varas passing a ½ inch iron rebar found at top of hurricane levee berm, and continuing over levee a total of 551.61 varas to a point in U.S. Corps of Engineers Harbor Line, in granite boulder rip-rap;

THENCE with said harbor line as follows:

S.17°12'34"W. generally with granite rip-rap on bayward side of hurricane levee, 914.20 varas to its anglepoint (Grid Coordinates 3308825.25, 585403.32);

And S.0°23'43"E. 331.95 varas to the SE Corner (in slip) of that certain 16.35 acres described in conveyance from Defense Plant Corporation to Monsanto Chemical Company on February 27, 1947;

THENCE with boundary of said 16.35 acres as follows:

S.89°36'51"W. (in slip) 309.24 varas;

And N.0°23'43"W. (in slip) 17.64 varas to the eastmost SE Corner of that certain 22.71 acres described in conveyance from Texas City Terminal Railway Company to Monsanto Chemical Company on August 25, 1969;

THENCE with boundary of said 22.71 acres S.89°36'51"W. (in slip), at 41.39 varas passing the apparent patented E. line of the Sylvester Bowen Survey, a total of 107.63 varas to a point in aforesaid 1850 shoreline, from which the original E. line of Bay Street in First Division of Texas City lies S.89°36'51"W. 24.54 varas, a point in aforesaid 1915 shoreline (by Galveston County Surveyor) bears S.89°36'51"W. 49.02 varas, and the U.S.E. brass plate in concrete monument marked "27-28C" did bear S.0°16'10"W. 222.73 varas (destroyed by Arco Pipe Line Company in September, 1979);

THENCE with aforesaid 1850 shoreline found marked by U.S. Corps of Engineers, as follows:

N.0°16'10"E., at 36.36 varas passing S. side of reinforced concrete hurricane wall on fill, at 45.12 varas passing a 3/4-inch steel rod flush in pavement marked "+" in N. boundary of aforesaid 22.71 acres, at 50.21 varas passing a point 6 inches right of U.S.E. brass plate found in S.E. Corner of concrete porch marked "27-28A", (the U.S.E. brass plate in concrete pavement marked "C" bears N.74°23'28"W. 39.82 varas), a total of 250.52 varas to U.S.E. brass plate in concrete monument found under asphalt pavement by railroad tracks marked "SL27";

N.10°01'08"E., on fill at 63.68 varas passing a point lying East 57.69 varas from the common E. Corner of Sylvester Bowen Survey and Norman Hurd Survey in said 1915 shoreline (and West 53.98 varas from their apparent common patented E. Corner), and continuing a total of 220.20 varas to U.S.E. brass plate in concrete monument found flush in asphalt pavement marked "SL26", from which the aforesaid U.S.E. brass plate at North meridian marked "B" found 4 inches under grass lawn (also in aforesaid 1915 shoreline) bears N.86°01'08"W. 78.28 varas;

N.5°58'44"E., on fill 268.43 varas to a ½ inch rebar marked "+" set 2 inches under shell fill surface about 4 feet over U.S.E. monument marked "SL25";

N.3°56'44"E., on fill at 78.63 varas passing a point lying East 82.88 varas from the said 1915 shoreline at common E. Corner of Norman Hurd Survey and James B. Wells Survey (and West 95.02 varas from their apparent common patented E. Corner), a total of 135.66 varas to a 1-½ inch galvanized iron pipe up 3 feet in mud (U.S.E. monument destroyed);

N.8°34'22"E., on fill 269.91 varas to a point 4 inches West of a ½-inch rebar (unmarked, from which the U.S.E. brass plate in old Texas City concrete seawall along Bay Street (marked "R4 -3") bears N.82°49'35"W. 131.77 varas;

And N.18°21'29"E., on fill, at 32.51 varas passing 8 foot chain link fence at a point lying N.88°50'00"E. 134.79 varas from its NW corner post, a total of 52.59 varas to the Point of Beginning, constituting 98.248 acres within the described boundary.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 1981.

\_\_\_\_\_  
\_\_\_\_\_

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STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF GALVESTON §

THAT WE, W. P. Clements, Jr., Governor of the State of Texas, and Bob Armstrong, Commissioner of the General Land Office of Texas, by virtue of the authority vested in us by Acts 1973, 63rd Legislature, p. 1631, ch. 590 (Article 5421c-13, V.A.T.S.). as amended, and for the consideration hereinafter recited, the sufficiency of which is hereby acknowledged, have GRANTED and CONVEYED, and by these presents do GRANT and CONVEY unto Monsanto Company, a corporation created under the laws of the State of Delaware, whose address is 201 Bay Street South, Texas City, Galveston County, Texas, 77590, the following described Public Free School Land in Galveston County, Texas, to-wit:

Field Notes of a survey made 26-27 November, 1979.

Being a tract of land lying east of and adjoining the 1850 shoreline of Galveston Bay, in Galveston County, Texas, as monumented by U.S.E. in 1965, bounded on the east by the existing U.S.E. Harbor Line, on the north and south by the deeded boundary of Monsanto Chemical Company, and more particularly described by metes and bounds as follows:

BEGINNING at the center of U.S.E. brass plate in concrete monument marked "NBL 22-23" found 2 feet below ground level, in north boundary line of that certain 66.968 acres described in conveyance from Texas City Terminal Railway Company to Monsanto Chemical Company, from which the "X" found on concrete seawall North side of drainage culvert marking said boundary bears S.89°35'36"W 147.58 varas, a point in E line of James B. Wells Survey at mainland shoreline, as surveyed in 1915 by Galveston County Surveyor, bears S.89°35'36"W 55.59 varas, the U.S.E. brass plate in old Texas City seawall marked "R4-3" bears S.77°12'10"W. 151.06 varas, the U.S.E. brass plate in said seawall marked "R4-2" bears N.24°19'32"W. 363.74 varas, and the center of another U.S.E. brass plate in concrete monument marked "SL22" found marking 1850 shoreline bears N 18°21'29"E 250.27 varas, (the bearings shown are true bearings from North meridian observed at hereinafter described brass monument marked "B", Grid Coordinates 3307549.86, 585794.30, Texas South Central Zone, lying West 172.19 varas and South 713.68 varas from this Point of Beginning):

THENCE with said North boundary of 66.968 acres N.89°35'36"E., at 34.30 varas passing the apparent patented E. line of said James B. Wells Survey (located by R.M. Sias, County Surveyor, 1915), at 526.37 varas passing a ½ inch iron rebar found at top of hurricane levee berm, and continuing over levee a total of 551.61 varas to a point in U.S. Corps of Engineers Harbor Line, in granite boulder rip-rap;

THENCE with said harbor line as follows:

S.17°12'34"W. generally with granite rip-rap on bayward side of hurricane levee, 914.20 varas to its anglepoint (Grid Coordinates 3308825.25, 585403.32);

And S.0°23'43"E. 331.95 varas to the SE Corner (in slip) of that certain 16.35 acres described in conveyance from Defense Plant Corporation to Monsanto Chemical Company on February 27, 1947;

THENCE with boundary of said 16.35 acres as follows:

S.89°36'51"W. (in slip) 309.24 varas;

And N.0°23'43"W. (in slip) 17.64 varas to the eastmost SE Corner of that certain 22.71 acres described in conveyance from Texas City Terminal Railway Company to Monsanto Chemical Company on August 25, 1969;

Exhibit D  
Page 1

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THENCE with boundary of said 22.71 acres S.89°36'51"W. (in slip), at 41.39 varas passing the apparent patented E. line of the Sylvester Bowen Survey, a total of 107.63 varas to a point in aforesaid 1850 shoreline, from which the original E. line of Bay Street in First Division of Texas City lies S.89°36'51"W. 24.54 varas, a point in aforesaid 1915 shoreline (by Galveston County Surveyor) bears S.89°36'51"W. 49.02 varas, and the U.S.E. brass plate in concrete monument marked "27-28C" did bear S.0°16'10"W. 222.73 varas (destroyed by Arco Pipe Line Company in September, 1979);

THENCE with aforesaid 1850 shoreline found marked by U.S. Corps of Engineers, as follows:

N.0°16'10"E., at 36.36 varas passing S. side of reinforced concrete hurricane wall on fill, at 45.12 varas passing a 3/4-inch steel rod flush in pavement marked "+" in N. boundary of aforesaid 22.71 acres, at 50.21 varas passing a point 6 inches right of U.S.E. brass plate found in S.E. Corner of concrete porch marked "27-28A", (the U.S.E. brass plate in concrete pavement marked "C" bears N.74°23'28"W. 39.82 varas), a total of 250.52 varas to U.S.E. brass plate in concrete monument found under asphalt pavement by railroad tracks marked "SL27";

N.10°01'08"E., on fill at 63.68 varas passing a point lying East 57.69 varas from the common E. Corner of Sylvester Bowen Survey and Norman Hurd Survey in said 1915 shoreline (and West 53.98 varas from their apparent common patented E. Corner), and continuing a total of 220.20 varas to U.S.E. brass plate in concrete monument found flush in asphalt pavement marked "SL26", from which the aforesaid U.S.E. brass plate at North meridian marked "B" found 4 inches under grass lawn (also in aforesaid 1915 shoreline) bears N.86°01'08"W. 78.28 varas;

N.5°58'44"E., on fill 268.43 varas to a 1/2 inch rebar marked "+" set 2 inches under shell fill surface about 4 feet over U.S.E. monument marked "SL25";

N.3°56'44"E., on fill at 78.63 varas passing a point lying East 82.88 varas from the said 1915 shoreline at common E. Corner of Norman Hurd Survey and James B. Wells Survey (and West 95.02 varas from their apparent common patented E. Corner), a total of 135.66 varas to a 1-1/2 inch galvanized iron pipe up 3 feet in mud (U.S.E. monument destroyed);

N.8°34'22"E., on fill 269.91 varas to a point 4 inches West of a 1/2-inch rebar (unmarked, from which the U.S.E. brass plate in old Texas City concrete seawall along Bay Street (marked "R4 -3") bears N.82°49'35"W. 131.77 varas;

And N.18°21'29"E., on fill, at 32.51 varas passing 8 foot chain link fence at a point lying N.88°50'00"E. 134.79 varas from its NW corner post, a total of 52.59 varas to the Point of Beginning, consituting 98.248 acres within the described boundary.

containing 98.248 acres, more or less; provided, however, that there is expressly reserved unto the Permanent School Fund of Texas a perpetual free one-fourth (one-fourth of eight-eights) non-participating royalty in all oil, gas, and other minerals in, on, and under or that may be hereafter produced from the above described land, provided that such non-participating royalty interest shall be without obligation on the part of Grantee to explore or develop such minerals. Grantors hereby quitclaim and relinquish all right, title, and interest, if any, in and to all lands and premises above mean high tide contiguous or adjacent to the western boundary of the above described land.

TO HAVE AND TO HOLD the above described premises, together with, all and singular, the rights and appurtenances thereto in anywise belonging, unto the said Monsanto Company, its successors and assigns, forever.

The consideration for this conveyance is the conveyance by Monsanto Company to the State of Texas of the following described land in Duval County, Texas, to-wit:

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Page 2

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FIELD NOTES OF THE BOUNDARIES OF TWO TRACTS OF LAND OUT OF THE  
TOM HARPER RANCH SITUATED IN DUVAL COUNTY, TEXAS AND MORE  
PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

TRACT 1

BEGINNING at a fence corner for the Northeast corner of B. S. & F. Survey No. 102, Abst. No. 1597, for the Northeast corner of this tract;

THENCE S  $01^{\circ}28'03''$ E along a fence on the East line of said Survey No. 102, in all, 6662.50 feet to a fence corner for the Southeast corner of Survey No. 102;

THENCE N  $89^{\circ}45'23''$ W along a fence on the South line of Survey No. 102, the South line of the A. Reuss Survey No. 4, A-1587, and the South line of B. S. & F. Survey No. 101, A-1452, a distance of 10,734.39 feet to a fence corner for the Southwest corner of said Survey No. 101;

THENCE N  $00^{\circ}31'40''$ W along a fence on the West line of Survey No. 101 a distance of 687.93 feet to a fence corner for the Southeast corner of B. S. & F. Survey No. 112, A-1887;

THENCE S  $89^{\circ}13'40''$ W along a fence on the South line of Survey No. 112, passing its Southwest corner and the Southeast corner of B. S. & F. Survey No. 114, A-1886, and continuing S  $89^{\circ}13'40''$ W along a fence on the South line of said Survey No. 114, in all, 6712.12 feet to a fence corner for the Northeast corner of the J. Garza Survey No. 41, A-1505;

THENCE S  $00^{\circ}30'29''$ E along a fence on the East line of said Survey No. 41 a distance of 1936.57 feet to its Southeast corner;

THENCE S  $89^{\circ}53'28''$ W along a fence on the South line of said Survey No. 41 a distance of 4223.40 feet to a fence corner for its Southwest corner;

THENCE N  $00^{\circ}54'15''$ E along a fence on the West line of said Survey No. 41, passing its Northwest corner and the Southwest corner of B. S. & F. Survey No. 114, A-1886, and continuing N  $00^{\circ}54'15''$ E along a fence on the West line of said Survey No. 114, in all, 8020.64 feet to a fence corner for the Northwest corner of Survey No. 114, and in the South line of B. S. & F. Survey No. 113, A-120, for the Northwest corner of this tract;

THENCE S  $89^{\circ}13'47''$ E along a fence on the North line of B. S. & F. Surveys No. 114 and 112 and the South line of B. S. & F. Surveys No. 113 and 111 a distance of 8189.54 feet to a fence corner for the Southeast corner of Survey No. 111 and the Southwest corner of B. S. & F. Survey No. 103;

THENCE S  $89^{\circ}34'03''$ E along a fence on the North line of Surveys No. 112 and 101 and the South line of Survey No. 103 a distance of 5420.35 feet to an iron rod in a North-South fence for the Southeast corner of Survey No. 103;

THENCE N  $00^{\circ}18'17''$ E along a fence 139.02 feet to a fence corner for the Southwest corner of B. S. & F. Survey No. 104 and in the North line of Survey No. 101;

THENCE S  $89^{\circ}39'38''$ E along a fence on the North line of said Survey No. 101, passing its Northeast corner and the Northwest corner of B. S. & F. Survey No. 102, A-1597, and continuing S  $89^{\circ}39'38''$ E along a fence on the North line of Survey No. 102, in all, 7751.57 feet to the place of beginning and containing 3296.54 acres, more or less.

TRACT 2

36.79 Acres out of the northeast corner of the B. S. & F. Survey No. 116 in Duval County, Texas; and the said 36.79 acres being more particularly located and described as follows:

BEGINNING at the northeast corner of said Survey No. 116 for the northeast corner of this tract;

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Page 3

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THENCE with the east line of said Survey No. 116 South 0°40'06" West  
1265.93 feet;

THENCE North 89°07'38" West 1265.93 feet;

THENCE North 0°40'06" East 1265.93 feet to an intersection with the  
north line of said Survey No. 116;

THENCE with said north line of Survey No. 116 South 89°07'38" East  
1265.93 feet to the place of beginning.

Containing 36.79 acres, more or less.

WITNESS OUR HANDS at Austin, Texas, this \_\_\_\_ day of \_\_\_\_\_, 1981.

\_\_\_\_\_  
Bob Armstrong, Commissioner  
of the General Land Office of Texas

\_\_\_\_\_  
W. P. Clements, Jr., Governor  
of the State of Texas

Exhibit P  
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THE STATE OF TEXAS

)

COUNTY OF TRAVIS

(

)

This instrument was acknowledged before me on December 10<sup>th</sup>, 1981,  
by Linda K. Sisker, Secretary of the School Land Board of the  
State of Texas, on behalf of said School Land Board, who stated upon his  
oath that the statements contained therein are true and correct.

Lisa Renee Mata  
NOTARY PUBLIC in and for  
the State of Texas.

My Commission Expires: September 15, 1984

RESOLUTION

This is to certify that at a regular meeting of the School Land Board held in Austin, Texas, on November 17, 1981, the following resolution was adopted:

"Whereas, Article 5421c-13, Texas Civil Statutes and Amendments thereto authorize the School Land Board in conjunction with General Land Office to trade, under certain conditions, fee and lesser interests in Public Free School Fund Lands for fee and lesser interests in lands not owned by the State, and

"Whereas, the School Land Board and the Commissioner of the General Land Office have reached the decision that it would be in the best public interest of the People of Texas that the following described trade be made for the purpose of aggregating sufficient acreage of contiguous lands to create a manageable unit and acquiring lands of unique biological, geological, cultural and recreational value, and

"Whereas, appraisers of the General Land Office have appraised the hereinafter described lands and have determined that the two parcels are of equal value, with which determination the School Land Board concurs, now therefore, be it

"Resolved that the following tract of land in Galveston County:

Field Notes of a survey made 26-27 November, 1979.

Being a tract of land lying east of and adjoining the 1850 shoreline of Galveston Bay, in Galveston County, Texas, as monumented by U.S.E. in 1965, bounded on the east by the existing U.S.E. Harbor Line, on the north and south by the deeded boundary of Monsanto Chemical Company, and more particularly described by metes and bounds as follows:

BEGINNING at the center of U.S.E. brass plate in concrete monument marked "NBL 22-23" found 2 feet below ground level, in north boundary line of that certain 66.968 acres described in conveyance from Texas City Terminal Railway Company to Monsanto Chemical Company, from which the "X" found on concrete seawall North side of drainage culvert marking said boundary bears S.89°35'36"W 147.58 varas, a point in E line of James B. Wells Survey at mainland shoreline, as surveyed in 1915 by Galveston County Surveyor, bears S.89°35'36"W 55.59 varas, the U.S.E. brass plate in old Texas City seawall marked "R4-3" bears S.77°12'10"W. 151.06 varas, the U.S.E. brass plate in said seawall marked "R4-2" bears N.24°19'32"W. 363.74 varas, and the center of another U.S.E. brass plate in concrete monument marked "SL22" found marking 1850 shoreline bears N 18°21'29"E 250.27 varas, (the bearings shown are true bearings from North meridian observed at hereinafter described brass monument marked "B", Grid Coordinates 3307549.86, 585794.30, Texas South Central Zone, lying West 172.19 varas and South 713.68 varas from this Point of Beginning):

Exhibit E  
Page 3

Counter 23500

THENCE with said North boundary of 66.968 acres N.89°35'36"E., at 34.30 varas passing the apparent patented E. line of said James B. Wells Survey (located by R.M. Sias, County Surveyor, 1915), at 526.37 varas passing a ½ inch iron rebar found at top of hurricane levee berm, and continuing over levee a total of 551.61 varas to a point in U.S. Corps of Engineers Harbor Line, in granite boulder rip-rap;

THENCE with said harbor line as follows:

S.17°12'34"W. generally with granite rip-rap on bayward side of hurricane levee, 914.20 varas to its anglepoint (Grip Coordinates 3308825.25, 585403.32);

And S.0°23'43"E. 331.95 varas to the SE Corner (in slip) of that certain 16.35 acres described in conveyance from Defense Plant Corporation to Monsanto Chemical Company on February 27, 1947;

THENCE with boundary of said 16.35 acres as follows:

S.89°36'51"W. (in slip) 309.24 varas;

And N.0°23'43"W. (in slip) 17.64 varas to the eastmost SE Corner of that certain 22.71 acres described in conveyance from Texas City Terminal Railway Company to Monsanto Chemical Company on August 25, 1969;

THENCE with boundary of said 22.71 acres S.89°36'51"W. (in slip), at 41.39 varas passing the apparent patented E. line of the Sylvester Bowen Survey, a total of 107.63 varas to a point in aforesaid 1850 shoreline, from which the original E. line of Bay Street in First Division of Texas City lies S.89°36'51"W. 24.54 varas, a point in aforesaid 1915 shoreline (by Galveston County Surveyor) bears S.89°36'51"W. 49.02 varas, and the U.S.E. brass plate in concrete monument marked "27-28C" did bear S.0°16'10"W. 222.73 varas (destroyed by Arco Pipe Line Company in September, 1979);

THENCE with aforesaid 1850 shoreline found marked by U.S. Corps of Engineers, as follows:

N.0°16'10"E., at 36.36 varas passing S. side of reinforced concrete hurricane wall on fill, at 45.12 varas passing a ¾-inch steel rod flush in pavement marked "+" in N. boundary of aforesaid 22.71 acres, at 50.21 varas passing a point 6 inches right of U.S.E. brass plate found in S.E. Corner of concrete porch marked "27-28A", (the U.S.E. brass plate in concrete pavement marked "C" bears N.74°23'28"W. 39.82 varas), a total of 250.52 varas to U.S.E. brass plate in concrete monument found under asphalt pavement by railroad tracks marked "SL27";

N.10°01'08"E., on fill at 63.68 varas passing a point lying East 57.69 varas from the common E. Corner of Sylvester Bowen Survey and Norman Hurd Survey in said 1915 shoreline (and West 53.98 varas from their apparent common patented E. Corner), and continuing a total of 220.20 varas to U.S.E. brass plate in concrete monument found flush in asphalt pavement marked "SL26", from which the aforesaid U.S.E. brass plate at North meridian marked "B" found 4 inches under grass lawn (also in aforesaid 1915 shoreline) bears N.86°01'08"W. 78.28 varas;

N.5°58'44"E., on fill 268.43 varas to a ½ inch rebar marked "+" set 2 inches under shell fill surface about 4 feet over U.S.E. monument marked "SL25";

N.3°56'44"E., on fill at 78.63 varas passing a point lying East 82.88 varas from the said 1915 shoreline at common E. Corner of Norman Hurd Survey and James B. Wells Survey (and West 95.02 varas from their apparent common patented E. Corner), a total of 135.66 varas to a 1-½ inch galvanized iron pipe up 3 feet in mud (U.S.E. monument destroyed);

N.8°34'22"E., on fill 269.91 varas to a point 4 inches West of a ½-inch rebar (unmarked, from which the U.S.E. brass plate in old Texas City concrete seawall along Bay Street (marked "R4 -3") bears N.82°49'35"W. 131.77 varas;

And N.18°21'29"E., on fill, at 32.51 varas passing 8 foot chain link fence at a point lying N.88°50'00"E. 134.79 varas from its NW corner post, a total of 52.59 varas to the Point of Beginning, constituting 98.248 acres within the described boundary.

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Counter 23501

be traded with reservation of such subsurface minerals to the State as are necessary to consummate a trade of equal value, for the following described land in Duval, Texas to wit:

FIELD NOTES OF THE BOUNDARIES OF TWO TRACTS OF LAND OUT OF THE TOM HARPER RANCH SITUATED IN DUVAL COUNTY, TEXAS AND MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

TRACT 1

BEGINNING at a fence corner for the Northeast corner of B. S. & F. Survey No. 102, Abst. No. 1597, for the Northeast corner of this tract;

THENCE S  $01^{\circ}28'03''$ E along a fence on the East line of said Survey No. 102, in all, 6662.50 feet to a fence corner for the Southeast corner of Survey No. 102;

THENCE N  $89^{\circ}45'23''$ W along a fence on the South line of Survey No. 102, the South line of the A. Reuss Survey No. 4, A-1587, and the South line of B. S. & F. Survey No. 101, A-1452, a distance of 10,734.39 feet to a fence corner for the Southwest corner of said Survey No. 101;

THENCE N  $00^{\circ}31'40''$ W along a fence on the West line of Survey No. 101 a distance of 687.93 feet to a fence corner for the Southeast corner of B. S. & F. Survey No. 112, A-1887;

THENCE S  $89^{\circ}13'40''$ W along a fence on the South line of Survey No. 112, passing its Southwest corner and the Southeast corner of B. S. & F. Survey No. 114, A-1886, and continuing S  $89^{\circ}13'40''$ W along a fence on the South line of said Survey No. 114, in all, 6712.12 feet to a fence corner for the Northeast corner of the J. Garza Survey No. 41, A-1505;

THENCE S  $00^{\circ}30'29''$ E along a fence on the East line of said Survey No. 41 a distance of 1936.57 feet to its Southeast corner;

THENCE S  $89^{\circ}53'28''$ W along a fence on the South line of said Survey No. 41 a distance of 4223.40 feet to a fence corner for its Southwest corner;

THENCE N  $00^{\circ}54'15''$ E along a fence on the West line of said Survey No. 41, passing its Northwest corner and the Southwest corner of B. S. & F. Survey No. 114, A-1886, and continuing N  $00^{\circ}54'15''$ E along a fence on the West line of said Survey No. 114, in all, 8020.64 feet to a fence corner for the Northwest corner of Survey No. 114, and in the South line of B. S. & F. Survey No. 113, A-120, for the Northwest corner of this tract;

THENCE S  $89^{\circ}13'47''$ E along a fence on the North line of B. S. & F. Surveys No. 114 and 112 and the South line of B. S. & F. Surveys No. 113 and 111 a distance of 8189.54 feet to a fence corner for the Southeast corner of Survey No. 111 and the Southwest corner of B. S. & F. Survey No. 103;

THENCE S  $89^{\circ}34'03''$ E along a fence on the North line of Surveys No. 112 and 101 and the South line of Survey No. 103 a distance of 5420.35 feet to an iron rod in a North-South fence for the Southeast corner of Survey No. 103;

THENCE N  $00^{\circ}18'17''$ E along a fence 139.02 feet to a fence corner for the Southwest corner of B. S. & F. Survey No. 104 and in the North line of Survey No. 101;

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Page 5

Counter 23502

THENCE S 89°39'38"E along a fence on the North line of said Survey No. 101, passing its Northeast corner and the Northwest corner of B. S. & F. Survey No. 102, A-1597, and continuing S 89°39'38"E along a fence on the North line of Survey No. 102, in all, 7751.57 feet to the place of beginning and containing 3296.54 acres, more or less.

TRACT 2

36.79 Acres out of the northeast corner of the B. S. & F. Survey No. 116 in Duval County, Texas; and the said 36.79 acres being more particularly located and described as follows:

BEGINNING at the northeast corner of said Survey No. 116 for the northeast corner of this tract;

THENCE with the east line of said Survey No. 116 South 0°40'06" West 1265.93 feet;

THENCE North 89°07'38" West 1265.93 feet;

THENCE North 0°40'06" East 1265.93 feet to an intersection with the north line of said Survey No. 116;

THENCE with said north line of Survey No. 116 South 89°07'38" East 1265.93 feet to the place of beginning.

Containing 36.79 acres, more or less.

by deeds to be executed by the Governor and Commissioner of the General Land Office on one hand, and by deeds executed by the owners of the land not owned by the State on the other.

Linda K. Fisher  
Linda K. Fisher, Secretary  
School Land Board

Exhibit E  
Page 6

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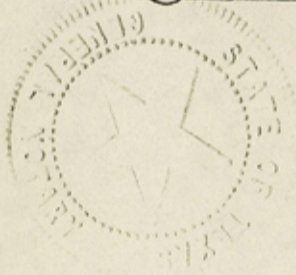
STATE OF TEXAS §

COUNTY OF TRAVIS §

Before me, the undersigned authority, on this day personally appeared Linda K. Fisher, Secretary of the School Land Board, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes therein stated and in the capacity therein named.

Given under my hand and seal of office, this the 10<sup>th</sup> day of

December, 1981.



Lisa Rene Mata  
Notary Public in and for  
Travis County, Texas

My Commission Expires:

September 15, 1984

Exhibit F  
Page 7



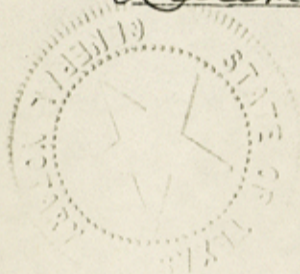
STATE OF TEXAS §

COUNTY OF TRAVIS §

Before me, the undersigned authority, on this day personally appeared Linda K. Fisher, Secretary of the School Land Board, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes therein stated and in the capacity therein named.

Given under my hand and seal of office, this the 10<sup>th</sup> day of

December, 1981.



Lisa Renee Mata  
Notary Public in and for  
Travis County, Texas

My Commission Expires:

September 15, 1984

Exhibit F  
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NO. 122,229

THE STATE OF TEXAS, ET AL,	)	IN THE DISTRICT COURT OF
Plaintiffs	(	
	)	
VS.	(	GALVESTON COUNTY, TEXAS
	)	
MONSANTO COMPANY,	(	
Defendant	)	<u>10<sup>th</sup></u> JUDICIAL DISTRICT

ORIGINAL ANSWER OF MONSANTO COMPANY

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COMES Monsanto Company, a Delaware corporation, Defendant in the above numbered and entitled cause, and files this its Original Answer to Plaintiffs' Original Petition, and would respectfully show the Court as follows:

I.

Defendant is not guilty of any of the injuries, wrongs, and trespasses claimed in Plaintiffs' Original Petition herein.

II.

Defendant denies, all and singular, the allegations contained in Plaintiffs' Original Petition and demands strict proof thereof.

III.

Without waiving the foregoing, Defendant, as Cross-Plaintiff, now enters a special plea against Plaintiffs, as Cross-Defendants, and would respectfully show that on the date alleged in Plaintiffs' Original Petition and at all other times material hereto, Cross-Plaintiff was vested with fee simple title to all of the real property described in Plaintiffs' Original Petition and that Cross-Plaintiff was entitled to possession of such premises on such date. Cross-Plaintiff alleges, in accordance with Rule 783 T.R.C.P., that on or about such date Cross-Defendants, and each of them, unlawfully advised Cross-Plaintiff of their claim to such premises and thereby entered upon and dispossessed Cross-Plaintiff of such premises and withhold the possession thereof from Cross-Plaintiff, according to the meaning thereof set forth in such Rule. Cross-Plaintiff further alleges that despite numerous demands for possession, Cross-Defendants withhold the possession thereof from Cross-Plaintiff, to Cross-Plaintiff's damage and injury.

IV.

DEFENDANT'S CROSS-ACTION AGAINST PLAINTIFFS

Defendant, now becoming an actor herein and as Cross-Plaintiff, complains of Plaintiffs, as Cross-Defendants, and by way of Cross-Action, Cross-Plaintiff would respectfully show the Court the following:

(a) That Cross-Plaintiff owns and holds fee simple title to all of the land described in Plaintiffs' Original Petition, having acquired such title from various predecessors in title, including the United States Government as to a portion of such lands, and such predecessors in turn acquired their title directly from the State of Texas, under and by virtue of the following original land grants:

(1) Grant from the State of Texas to Norman Hurd by Patent dated October 12, 1847, filed for record on February 7, 1849, and recorded in Book F at Page 653 in the Official Records in the Office of the County Clerk of Galveston County, Texas, and covering the property therein described.

(2) Grant from the State of Texas to the heirs of Sylvester Bowen by Patent dated May 23, 1848, filed for record on June 14, 1890, and recorded in Volume 78 at Page 572 of the Official Records in the Office of the County Clerk of Galveston County, Texas, and covering the property therein described.

(3) Grant from the State of Texas to James B. Wells by Patent dated February 25, 1848, recorded in the Official Records in the Office of the County Clerk of Galveston County, Texas, and covering the property therein described.

That the State of Texas has divested itself of title by such Patents, and Cross-Plaintiff, being a successor in interest in an unbroken chain of title acquired directly from the sovereign of the soil, is the owner in fee simple of that portion of such grants included in the property described in Plaintiffs' Original Petition.

(b) That Cross-Plaintiff also acquired title to a portion of the premises described in Plaintiffs' First Original Petition from the United States Government under a Deed from the Reconstruction

Finance Corporation (by War Assets Administrator, acting on behalf of the United States of America) to Monsanto Chemical Company, which conveyed the property by describing it as extending out to the United States Harbor Line in Galveston Bay, such Deed having been recorded on December 12, 1946, in Volume 741 at page 32 in the Official Records in the Office of the County Clerk of Galveston County, Texas.

(c) That Cross-Plaintiff and its predecessors in title were placed in possession of the property described in Plaintiffs' Original Petition by the State of Texas, as the sovereign of the soil, and by the United States Government. Neither the State of Texas, since 1847 and until recently, nor the United States Government, since 1946, has asserted any claim, title or right to all or any portion of the real property described in Plaintiff's Original Petition.

(d) In the alternative, and without waiving the foregoing, Cross-Plaintiff would further show that in the event Cross-Defendants are entitled to recover title to any portion of the land described in Plaintiffs' Original Petition, which is not admitted but which is expressly denied, Cross-Plaintiff is the owner of the adjoining parcel or parcels of land of the Sylvester Bowen, Norman Hurd, and James B. Wells Patents, above described, and as such owner the Cross-Plaintiff has vested in it riparian rights from such adjoining parcels and has acquired permanent access and dredging easements appurtenant to the land acquired by it. By reason of such riparian rights, Cross-Plaintiff is entitled to maintain all docks and piers and cannot be denied full access to all or any portion of the property described in Plaintiffs' Original Petition which is now or ever has been submerged land, as that term is defined by law.

(e) In the alternative, and without waiving the foregoing, Cross-Plaintiff would further show that Cross-Plaintiff is presently the owner of all oil, gas, and other minerals in all of the real property described in Plaintiffs' Original Petition, subject only to such validly existing mineral leases or other

interests as may have been previously and lawfully granted by Cross-Plaintiff.

V.

DEFENDANT'S CROSS-ACTION FOR DECLARATORY JUDGMENT

In the alternative, Defendant, as an actor and as Cross-Plaintiff herein, complains of Plaintiffs, as Cross-Defendants, and for cause of action would respectfully show the Court the following:

(a) Without waiving any of the foregoing answers, pleas or Cross-Action, Cross-Plaintiff (without admitting the validity of any of Plaintiffs' claims or demands, and expressly denying all of them), would further show the Court that Cross-Defendants have, prior to the filing of this suit, discussed with Cross-Plaintiff the possibility of entering into a compromise settlement of all matters raised herein by which Cross-Plaintiff would acquire, by purchase and at Cross-Plaintiff's expense, certain real property, other than the property described in Plaintiffs' First Original Petition, and, after acquisition of such property, convey such property to the Public Free School Fund (also known as the Permanent School Fund) in exchange for a conveyance by the Cross-Defendants to Cross-Plaintiff of all its claims, rights, and asserted title in and to the real property described in Plaintiffs' Original Petition. Cross-Defendants have asserted their right to enter into such an exchange by reason of the statutory authority contained in Art. 5421c-13, Vernon's Annotated Texas Statutes, authorizing such an exchange upon the terms and conditions described therein.

(b) Cross-Plaintiff would show that a controversy concerning statutory construction has arisen between Cross-Plaintiff and Cross-Defendants, and their respective attorneys, concerning whether Art. 5421c-13, Vernon's Annotated Texas Civil Statutes, conflicts with the provisions of §33.001(g) of the Natural Resources Code of the State of Texas in such a manner that the exchange is not expressly authorized. Cross-Plaintiff would show that unless and until such controversy can be resolved, the proposed exchange or compromise settlement of the claims and demands of Cross-Defendants and Cross-Plaintiff cannot be settled.

(c) Cross-Plaintiff requests that all such controversies concerning the proper construction to be given such statutes be resolved by a judgment of this Court that Art. 5421c-13 of Vernon's Annotated Texas Civil Statutes governs the proposed exchange, that the proposed exchange does not conflict with §33.001(g) of the Natural Resources Code of the State of Texas, and that the conveyance by Cross-Defendants to Cross-Plaintiff of the lands described in Plaintiffs' Original Petition will vest full, absolute fee simple title to such lands in Cross-Plaintiff to the extent such fee simple title is not now so vested.

(d) Further, Cross-Plaintiff would show that a controversy concerning statutory construction exists between Cross-Plaintiff and Cross-Defendants, and their respective attorneys, as to whether (assuming that an exchange is effected under Art. 5421c-13) the land conveyed by the State of Texas to Cross-Plaintiff, a portion of which may at one time have been "submerged" or "coastal" land, as those terms are defined by law (which is not admitted but which is expressly denied by Cross-Plaintiff), will not thereafter be subject to subsequent and continuing regulation by the State of Texas or by any of its agencies as coastal or submerged land. Cross-Plaintiff requests that this Court enter judgment resolving such conflict by declaring that no portion of the land described in Plaintiffs' Original Petition, if conveyed by the State of Texas to Cross-Plaintiff in compromise settlement of all claims and demands of all parties will not, thereafter, be subject to regulation by the State of Texas or by any of its agencies as "coastal" or "submerged" land under the Statutes of the State of Texas.

WHEREFORE, PREMISES CONSIDERED, Defendant and Cross-Plaintiff, Monsanto Company, prays that Plaintiffs and Cross-Defendants take nothing by their suit; that Defendant have judgment for fee simple title and possession of the lands described in Plaintiffs' Original Petition; that Plaintiffs' assertion or claim of right to all or any portion of such property be removed as a cloud upon Defendant's title to such premises; that Defendant be granted full and complete possession and fee simple title to all of such land; that this Court enter judgment that, in the event an exchange of land is agreed upon and effected, Art.

5421c-13, V.A.T.S., governs the transaction and nothing in the Natural Resources Code prohibits an exchange of real property by the parties; that this Court enter judgment that, in the event an exchange is effected pursuant to Art. 5421c-13, V.A.T.S., after such exchange full absolute fee simple title to the land and premises conveyed to Monsanto Company and described in Plaintiffs' Original Petition will vest in Monsanto Company to the extent such title is not now so vested; that the land and premises conveyed to Monsanto Company pursuant to such statute will not thereafter be subject to subsequent and continuing regulation by the State of Texas or by any of its agencies as coastal or submerged land; and that Defendant have and be granted such other and further relief, general and special, legal and equitable, as Defendant may show itself to be justly entitled.

MILLS, SHIRLEY, McMICKEN & ECKEL

By Roland L. Bassett  
Roland L. Bassett  
700 First Hutchings-Sealy National  
Bank Building  
Galveston, Texas 77550  
Telephone No. (713) 763-2341  
State Bar Card No. 018930000

ATTORNEYS FOR DEFENDANT AND  
CROSS-PLAINTIFF, Monsanto Company

Pursuant to Rule 72, Texas Rules of Civil Procedure, the undersigned hereby certifies that a copy of the foregoing instrument has been mailed to all attorneys of record.

Roland L. Bassett  
Roland L. Bassett

File No. 50A

Galveston County

Monsanto Answer

Filed 7-6- 1982

BOB ARMSTRONG, Com'r

By J.E. McCarty

absolute fee title to the land and premises conveyed to Monsanto  
Company and described in Plaintiff's Original Petition will vest in  
Monsanto Company to the extent such title is not now so vested, that the  
land and premises conveyed to Monsanto Company pursuant to each of the  
wills will not thereafter be subject to subsequent and continuing taxation  
by the State of Texas on any of its agencies as coastal or otherwise  
land and that Defendant have and be granted each other and further  
relief, terms and special, legal and equitable, as Defendant may show  
itself to be justly entitled.

HILLS, SWILEY, WOODRUM & REBE  
By John J. Woodrum  
John J. Woodrum  
700 First National Bank Building  
Galveston, Texas 77550  
Telephone No. (409) 763-2341  
Secret Bar Card No. 01892000

ATTORNEYS FOR DEFENDANT AND  
CROSS-PETITIONER, Monsanto Company

Plaintiff to file 12 Texas Rules of Civil Procedure, the  
undersigned hereby certifies that a copy of the foregoing instrument has  
been mailed to all attorneys of record.

John J. Woodrum  
John J. Woodrum



NO. 122,229

THE STATE OF TEXAS, ET AL.,	§	IN THE DISTRICT COURT OF
	§	
Plaintiffs,	§	
	§	
VS.	§	GALVESTON COUNTY, TEXAS,
	§	
MONSANTO COMPANY,	§	
	§	
Defendant.	§	<u>10<sup>th</sup></u> JUDICIAL DISTRICT

PLAINTIFFS' ORIGINAL PETITION

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COMES the State of Texas, the School Land Board of Texas, Bob Armstrong, in his capacity as Commissioner of the General Land Office of the State of Texas and as Chairman of the School Land Board of Texas, on behalf of the Public Free School Fund of Texas, all represented herein by Mark White, Attorney General of the State of Texas, hereinafter called Plaintiffs, and file this, their Original Petition, complaining of Monsanto Company, a Delaware corporation, hereinafter called Defendant, and for cause of action would show the Court as follows:

I.

On the first day of January, 1981, The State of Texas on behalf of the Public Free School Fund of Texas, was and still is, the owner in fee simple of the following described premises situated in the County of Galveston, State of Texas, to-wit:

All of the land situated in the City of Texas City, Galveston County, Texas, and more particularly described metes and bounds in Exhibit A, attached hereto.

II.

The State of Texas, on behalf of the Public Free School Fund of Texas, is vested with fee simple title to said property, the same never having been conveyed or disposed of by the State of Texas, nor any of its predecessor sovereigns.

III.

The State of Texas on behalf of the Public Free School Fund of Texas, was entitled to the possession of said premises on January 1, 1981, and on or about such date Defendant unlawfully entered upon and dispossessed the State of Texas of such premises

and withhold the State of Texas from possession thereof. Despite numerous demands for possession, Defendant has failed and refused and still refuses to return possession of this property to the State of Texas and withholds the same to the damage of the State.

WHEREFORE, Plaintiffs pray that Defendant be cited to appear and answer herein as required by law and that pending the determination of said suit, the Court, upon final hearing, render judgment that The State of Texas , on behalf of the Public Free School Fund of Texas, have and recover of and from Defendant the fee simple title to and possession of the above-described property and premises, for costs of court and for such other and further relief, general and special, to which Plaintiffs are entitled by law or equity.

Respectfully submitted,

MARK WHITE  
Attorney General of Texas

JOHN W. FAINTER, JR.  
First Assistant Attorney General

RICHARD E. GRAY III  
Executive Assistant Attorney General

JAMES R. MEYERS  
Assistant Attorney General  
Chief, Energy Division

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J. MILTON RICHARDSON  
Assistant Attorney General  
State Bar No. 16866000  
P.O. Box 12548  
Austin, Texas 78711

ATTORNEYS FOR PLAINTIFFS,  
THE STATE OF TEXAS, BOB ARMSTRONG  
AND THE SCHOOL LAND BOARD OF TEXAS

Sketch

File No. 50

Galveston County

Plaintiffs Petition

Filed 7-6- 1982

BOB ARMSTRONG, Com'r

By J. E. McCarty

WHEREFORE, Plaintiffs pray that Defendant be cited to appear and answer herein as required by law and that pending the determination of said suit, the Court, upon final hearing, render judgment that the State of Texas, on behalf of the Public Free School Fund of Texas, have and recover of and from Defendant the fee simple title to and possession of the above-described property and premises, for costs of court and for such other and further relief, general and special, to which Plaintiffs are entitled by law or equity.

Respectfully submitted,

MARK WHITE

Attorney General of Texas

JOHN W. FAINTER, JR.

First Assistant Attorney General

RICHARD E. GRAY III

Executive Assistant Attorney General

JAMES R. MEYERS

Assistant Attorney General

Chief, Energy Division

J. MILTON RICHARDSON

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ATTORNEYS FOR PLAINTIFFS  
 THE STATE OF TEXAS, BOB ARMSTRONG  
 AND THE SCHOOL LAND BOARD OF TEXAS