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DEED OF TRUST, MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT  
OF PRODUCTION, AND FINANCING STATEMENT OF OIL AND GAS PROPERTIES  
(Including After-Acquired Title)

State: Texas  
County: Shackelford  
Grantor: Quest Energy Management Group, Inc., 64 S. Jacobs St., Albany, TX  
76430  
Trustee: J. Randall Palmore  
Beneficiary: First National Bank Albany/Breckenridge, P. O. Box 157, Albany, TX  
76430  
Effective Date: March 12, 2008

Grantor, named above, to secure \$600,000.00 due First National Bank Albany/Breckenridge and performance of the Obligation, defined in Article One below, and in consideration of the other valuable consideration paid to Grantor, the receipt and adequacy of which are acknowledged, and in consideration of the debt and trusts set out below, grants, bargains, sells, assigns, transfers, and conveys to Trustee, named above, and to the Trustee's successor or successors or substitutes, with power of sale, the real and personal properties, rights, title, interests and estates described or to which reference is made in paragraphs I through VI below, inclusive, whether now owned or later acquired by Grantor (collectively the "Mortgaged Property"):

I. Oil and Gas Leases and Other Properties. All of the oil and/or gas and mineral leases, lands, interests and other properties (all leases being the "Leases," and all the leases, lands, interests and other properties being called the "Interests") which are described and/or to which reference may be made on Exhibit "A."

II. Pooled Interests. All rights, title, interests and estates now owned or later acquired by Grantor in and to (i) any and all properties now or later pooled or unitized with any of the Interests, and (ii) all presently existing or future unitization, communitization and pooling agreements, and the resulting units created, which include all or any part of the Interests, including, without limitation, all units formed under or pursuant to any Laws. The rights, titles, interests and estates described in this paragraph II shall also be included within the term "Interests."

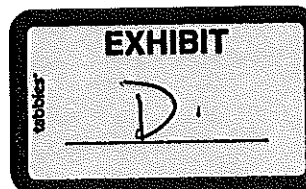
III. Hydrocarbons. All oil, gas, casinghead gas, drip gasoline, natural gasoline and condensate, distillate, all other liquid and gaseous hydrocarbons, and all other minerals, and all their products and byproducts (collectively the "Hydrocarbons"), now or later accruing to or produced from the Interests and/or to which Grantor now or later may be entitled as a result of or by virtue of its record and/or beneficial ownership of any one or more of the Interests.

IV. Contracts. All present and future rights of Grantor (including, without limitation, all rights to receive payments) under or by virtue of all present and future operating agreements, contracts for the purchase, exchange, processing, transportation or sale of Hydrocarbons, and other contracts and agreements relating in any way to all or any part of the Mortgaged Property, as the contracts may be amended or supplemented from time to time (the "Contracts").

V. Other Property. All tenements, hereditaments, appurtenances and properties in anywise appertaining, belonging, affixed or incidental to the Leases, in which Grantor now owns or later acquires an interest, including, without limitation, any and all property, real or personal, in which Grantor now owns or acquires an interest which is situated upon and/or used or useful in connection with all or any part of the Leases. All pipelines, gathering lines, trunk lines, lateral lines, pipeline easements and rights-of-way, compressor, dehydration and pumping equipment, sites and leases, pumps, compressors, dehydration units, separators, heater treaters, valves, flow lines, gauge meters, alarms, supplies, machinery, derricks, buildings, tanks, casings, christmas trees, tubing, rods, liquid extractors, engines, boilers, tools, appliances, cables, wires, surface leases, rights-of-way, easements, servitudes, and franchises, and all accessions,

Mineral Deed of Trust  
FNB -- Quest Energy Management Group, Inc.  
//3/12/2008//

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additions, substitutes and replacements to or for, and all accessories and attachments to any of the foregoing. All surface leases, easements, licenses, rights-of-way and franchises are collectively referred to as the "Easements," and all tangible property described in this paragraph V are collectively the "Personal Property").

VI. Other Rights to Hydrocarbons. Any and all other rights, titles, estates, royalties and interests (whether or not presently included within the Interests) now owned or subsequently acquired by Grantor: (a) in and to all Hydrocarbons in and under and that may be produced and saved from the lands described or to which reference is made in Exhibit "A" (the "Lands"); and, (b) in and to all reversions, remainders, tolls, rents, revenues, issues, proceeds, earnings, income and profits from the Lands.

TO HAVE AND TO HOLD the Mortgaged Property, together with all and singular the rights, privileges, contracts and appurtenances now, later, or at any time before the foreclosure or release of this Deed of Trust in anywise pertaining or belonging, to the Trustee and to his successors or substitutes and to their successors and assigns, forever. Grantor expressly binds and obligates Grantor and Grantor's successors to warrant and forever defend, all and singular, the Mortgaged Property to the Trustee and to his successors or substitutes and to their successors and assigns, against the lawful claims of any and all persons whomsoever claiming or to claim all, or any part of the Mortgaged Property, SUBJECT, HOWEVER, ONLY to Permitted Liens, as defined in Section 5.13.

This conveyance is made in trust, however, upon the terms and provisions set out below to secure the full and final payment and performance of the Obligation, described in Article One below.

To further secure the Obligation, Grantor grants to Beneficiary, named above, a security interest in the Mortgaged Property, to the extent the Mortgaged Property consists of equipment, general intangibles, accounts, inventory, fixtures and any and all other personal property of any kind or character defined in and subject to the provisions of the applicable Uniform Commercial Code of each state where any of the Mortgaged Property is situated (the "Code"), including the proceeds and products from any and all of the Mortgaged Property (all of the Mortgaged Property and its proceeds and products referred to as the "Collateral"). Upon the happening of any Default, Beneficiary is and shall be entitled to all of the Rights afforded a secured party by the applicable Code with reference to the Collateral, or Trustee or Beneficiary may proceed as to both the real and personal property in accordance with the Rights granted under this Deed of Trust in respect to the real property covered. These Rights shall be cumulative and in addition to those granted to Trustee or Beneficiary under any other provision of this Deed of Trust or under any other instrument executed in connection with or as security for all or any part of the Obligation.

**REFERENCE IS MADE TO SECTION 5.13 FOR THE DEFINITIONS OF SEVERAL OF THE TERMS USED IN THIS DEED OF TRUST.**

#### ARTICLE ONE Secured Obligation

This Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Financing Statement (the "Deed of Trust") is made to secure and enforce the following note or notes, obligations, indebtedness, covenants, conditions, agreements, loans, advances, debts and liabilities (the "Obligation"):

1.1 Note. "Note" is used herein refers to, and this conveyance is made in trust to secure payment of (a) one certain note executed by Grantor payable to Beneficiary in the original principal sum of \$600,000.00, dated this date, and (b) all other present and future indebtedness of Quest Energy Management Group, Inc, to First National Bank Albany/Breckenridge, regardless of how any such debt is incurred or evidenced. Payment on all said present and future debts to Lender will be made at P. O. Box 157, or 100 South Main, Albany, Texas 76430, in Shackelford County, Texas and the debts will bear interest as provided in notes or other evidences of debt that Quest Energy Management Group, Inc. will give to First National Bank Albany/Breckenridge. This conveyance also secures all renewals and extensions of any such present and/or future debt.

1.2 Other Indebtedness. Any and all other or additional indebtedness or liabilities for which Grantor is now or may subsequently become liable to Beneficiary at any time and from time to time, in any manner, either primarily or secondarily, absolutely or contingently, directly or indirectly, jointly, severally, or jointly and severally, and whether matured or unmatured, including all indebtedness and liabilities now or subsequently arising directly out of transactions between Grantor and Beneficiary or acquired by Beneficiary outright, conditionally or as collateral security from another Person, whether or not created after payment in full of the Note if this Deed of Trust has not been released of record by Beneficiary.

1.3 Indebtedness Arising Under Security Instruments. All indebtedness, obligations, covenants, conditions, agreements, and liabilities arising under the provisions of this Deed of Trust and/or any other security agreement, mortgage, deed of trust, collateral pledge agreement, contract, assignment, or loan agreement of any kind now or hereafter existing as security for, executed in connection with, or related to the Obligation and/or any part of the Obligation (each being referred to as "other security instrument").

1.4 Future Advances. All loans and advances which Beneficiary may later make to Grantor. It is contemplated Beneficiary may lend additional sums to Grantor from time to time, and Grantor agrees all additional loans shall be secured by this Deed of Trust. Nothing contained in this Deed of Trust shall be construed to obligate Beneficiary to make any further advances.

1.5 Costs and Expenses. All sums advanced and costs and expenses incurred by Beneficiary, including without limitation, all legal, accounting, engineering, management, consulting or like fees, made and incurred in connection with all or any part of Sections 1.1, 1.2, 1.3 and 1.4, or in connection with the acquisition, perfection, realization, maintenance or preservation of the security therefor, or in connection with all or part of the following Section 1.6, whether the advances, costs or expenses were made and incurred at the request of Grantor or Beneficiary.

1.6 Renewals, Extensions, and Rearrangements. Any and all renewals, extensions, and/or rearrangements of all or any part of the Note, indebtedness, obligations, debts, loans, advances, covenants, agreements and liabilities described or to which reference is made in Sections 1.1, 1.2, 1.3, 1.4, and 1.5.

## ARTICLE TWO

### Representations, Warranties, and Covenants Of Grantor

2.1 Representations and Warranties. Grantor represents and warrants to Beneficiary that:

(a) Authority. Grantor has authority to execute this Deed of Trust, to grant, bargain, sell, mortgage, assign, transfer, and convey the Mortgaged Property to the Trustee and to make the covenants, representations, warranties, and assignments contained in this Deed of Trust.

(b) Title. Grantor: (i) has good and indefeasible title to; (ii) is the lawful owner and holder of; and, (iii) is possessed of the Mortgaged Property free and clear of any and all Liens except Permitted Liens.

(c) Percentage Interests. The percentage interests of Grantor's participation in the total production of Hydrocarbons produced and saved from the Mortgaged Property described in Exhibit "A" are at least and in no event will ever be less than as represented in Exhibit "A," and the representations and warranties of Grantor set forth in Exhibit "A" are incorporated into this Deed of Trust by reference as if copied verbatim in the body of this Deed of Trust at this point.

(d) Advance Payment Contract. Grantor is not a party to any advance payment contract affecting or relating to any of the Interests which has not been disclosed to Beneficiary in writing.

2.2 Covenants of Grantor. Grantor, for Grantor and Grantor's Successors, covenants and agrees to:

(a) Additional Documents. At any time, and from time to time, upon request by Beneficiary, execute and deliver to Beneficiary any and all additional instruments and further assurances, and do all other acts and things, necessary or proper, in Beneficiary's opinion, to effect the intent of this Deed of Trust and to evidence and perfect the Rights and Liens created or intended to be created by this Deed of Trust and protect the Rights of Beneficiary.

(b) Cure of Defects. If the validity or priority of this Deed of Trust or any Rights or Liens it creates or evidences with respect to all or any material part of the Mortgaged Property shall be endangered, questioned, attacked, directly or indirectly, or if any legal proceedings are instituted against Grantor with respect to the Deed of Trust Rights or Liens, Grantor will promptly give written notice to Beneficiary. At Grantor's own cost and expense, it will diligently endeavor to cure any defect that may be developed or claimed, and take all necessary and proper steps for the defense of any legal proceedings, including, but not limited to, the employment of counsel acceptable to Beneficiary, the prosecution or defense of litigation and the release or discharge of all adverse claims. Trustee and Beneficiary, or either of them (whether or not named as parties to legal proceedings) are authorized and empowered to take such additional steps as in their judgment and discretion may be necessary or proper for the defense of any legal proceedings, including, but not limited to, the prosecution or defense of litigation, and the compromise or discharge of any adverse claims made with respect to the Mortgaged Property. All expense, of every kind and character, incurred by Beneficiary or Trustee, shall be a demand obligation owing by Grantor to Beneficiary.

(c) Payment of Taxes. Pay, or cause to be paid, before delinquent, all lawful Taxes attributable to all or any part of the Mortgaged Property, and from time to time, upon request of Beneficiary, furnish evidence satisfactory to Beneficiary of the timely payment of such Taxes.

(d) Compliance with Leases, Interests, Contracts, and Easements. Timely perform all obligations under, and not violate any of the Leases, Interests, Contracts, or Easements.

(e) Maintenance of Mortgaged Property. At all times maintain, preserve, and keep the Mortgaged Property in good repair and condition, and from time to time to make all necessary and proper repairs, replacements, and renewals; and, not commit or permit any waste on or of the Mortgaged Property, or do anything to the Mortgaged Property that may impair its value.

(f) Payment for Labor and Materials. Promptly pay all bills for labor and materials incurred in connection with the Mortgaged Property and never permit to be fixed, against all or any part of the Mortgaged Property, any Lien even though inferior to the Lien created by this Deed of Trust, for any bill which may be legally due and payable, except a Permitted Lien.

(g) Performance of Obligation. Pay and perform all of the Obligation.

(h) Mortgage Taxes. At any time any Law is enacted imposing or authorizing the imposition of any Tax on this Deed of Trust, or on any Lien created, immediately pay all such Taxes. In the alternative, Grantor may, in the event of the enactment of such a Law, and must, if it is unlawful for Grantor to pay Taxes, prepay that portion of the Obligation which Beneficiary in good faith determines is secured by property covered by such Law within 60 days after demand by Beneficiary.

(i) Performance of Covenants. Punctually and properly perform all of Grantor's covenants, duties, and liabilities under this Deed of Trust and any other security instrument.

(j) Inspection of Mortgaged Property. Allow Beneficiary or its designated agents to inspect the Mortgaged Property and all related records, and to make and retain copies of the records.

(k) Operation of Mortgaged Property. Operate the Mortgaged Property, or cause it to be operated, in a careful and efficient manner in compliance with the practices of the industry and all Leases, Contracts, Easements, and Laws.

(l) Development Work. Do, or cause to be done, development and other work as may be reasonably necessary to protect from diminution the production capacity of the Mortgaged Property and each producing well on the Mortgaged Property.

(m) Maintenance of Leases, Contracts, and Easements. Maintain all Leases, Contracts, and Easements in full force and effect and not permit to occur the surrender, abandonment, release, or termination of any Leases, Contracts, or Easements, as long as the Interests are capable of producing Hydrocarbons in paying quantities.

(n) Insurance. Carry insurance on the Mortgaged Property with such insurers, in such amounts, and covering such risks as are customary in the industry, including, but not limited to, workmen's compensation insurance and insurance against loss or damage by fire, lightning, hail, windstorm, explosion, hazards, casualties and other contingencies. Grantor shall cause all insurance to be payable to Beneficiary as its interest may appear, deliver the policies of insurance to Beneficiary, pay or cause to be paid all premiums for the insurance at least 15 days before the premiums become due, furnish Beneficiary satisfactory proof of the timely making of the payments, and deliver all renewal policies to Beneficiary at least 15 days before the expiration date of each expiring policy.

(o) Compliance with Laws. Comply with all Laws applicable to the Mortgaged Property and its ownership, use and operation.

(p) Sales of Mortgaged Property. Grantor shall not, without the prior written consent of Beneficiary, sell, trade, transfer, convey, assign, exchange, pledge, encumber, create any Lien (except a Permitted Lien) with respect to or otherwise dispose of all or part of the Mortgaged Property, or any interest in the Mortgaged Property, except items of Personal Property which have become obsolete or worn beyond practical use and which have been replaced by adequate substitutes having a value equal to or greater than the replaced items when new.

(q) Title Opinions. Furnish Beneficiary copies of any title opinions and abstracts of title requested from time to time by Beneficiary which Grantor has or may obtain on any part of the Mortgaged Property.

(r) Principal Office. Maintain the principal office and place of business of Grantor with all of Grantor's records and files relating to the Mortgaged Property at Grantor's address set out on page 1, except for those customarily maintained at the Mortgaged Property.

(s) Advance Payment Contract. Grantor shall not enter into or agree to any Advance Payment Contract with any Person affecting any of the Mortgaged Property prior to obtaining the written consent and approval to do so from Beneficiary. It is expressly stipulated as a condition of granting approval of any Advance Payment Contract that Beneficiary may, in its discretion, require all or part of any Advance Payment be paid to Beneficiary for application toward payment of the Obligation or require any portion of an Advance Payment not applied on the Obligation be placed in escrow with Beneficiary to insure its use as Beneficiary may direct or determine. Beneficiary, in its sole discretion, may impose other conditions upon its consent or may refuse to consent to the making of an Advance Payment Contract. Whether or not Beneficiary's consent to an Advance Payment Contract previously and later made by Grantor has been obtained, and regardless of whether the existence or making of an Advance Payment Contract constitutes a breach of Grantor's representations or covenants, it is expressly stipulated that unless otherwise agreed to in writing by Beneficiary, all Advance Payments due to Grantor under any Advance Payment Contract shall be deemed proceeds of the sale of Hydrocarbons from the Mortgaged Property which are assigned to and are to be paid over to Beneficiary. Beneficiary's receipt or acceptance of any Advance Payment or its application toward payment of the Obligation shall not constitute a waiver of any Default resulting from the existence of making of the Advance Payment Contract by which an Advance Payment is made, or a ratification, approval, or consent by Beneficiary of an Advance Payment Contract.

(t) Properties Not Operated by Grantor. Notwithstanding anything in this Section 2.2 to the contrary, Grantor, as to Interests which are not operated by Grantor, shall not be obligated to perform

undertakings performable only by other operators which are beyond the control of Grantor. However, in each case, Grantor will promptly take all actions available to it, under applicable operating arrangements or otherwise, to bring about the performance of any undertakings required to be performed by operators.

**ARTICLE THREE**  
**Defaults and Remedies**

3.1 Defaults. The term "Default" shall mean: (i) the failure of Grantor to observe or perform any covenant or agreement contained in this Deed of Trust or in any Loan Agreement between Beneficiary and Grantor; (ii) the failure of Grantor to pay when due all or any part of any installment of principal of or interest on the Obligation, as and when the same is due and payable (whether at stated maturity, by acceleration, or otherwise); or (iii) the death or incapacity of any guarantor of any part of the Obligation.

3.2 Remedies. If a Default shall occur and continue, Beneficiary may, at its option, do any one or more of the following, to the extent permitted by applicable Law:

(a) Payment or Performance by Beneficiary. If Grantor has failed to keep or perform any covenant contained in this Deed of Trust or any other security instrument, Beneficiary may, but shall not be obligated to any Person to do so, perform or attempt to perform the covenant, and any payments made or expenses incurred in the performance or attempted performance of the covenant shall be a part of the Obligation, and Grantor promises, upon demand, to pay to Beneficiary, at the place where the Note is payable, or at such other place as Beneficiary may direct by written notice, all sums advanced or paid by Beneficiary, with interest at the Highest Lawful Rate, from the date when paid or incurred by Beneficiary until paid by Grantor. No payments by Beneficiary shall constitute a waiver of any Default. In addition to the Liens granted by this Deed of Trust, Beneficiary shall be subrogated to all Rights and Liens securing the payment of any debt, claim, tax, or assessment for the payments of which Beneficiary may make an advance.

(b) Acceleration. Beneficiary may, at its option, declare the aggregate unpaid principal amount of and interest on the Note and all other parts of the Obligation to be, and the same shall then become, immediately due and payable without presentment, demand, protest, notice of acceleration, notice of intent to accelerate, notice of protest or notice of dishonor, or any other notice of any kind, all of which are expressly waived by Grantor.

(c) Foreclosure. Beneficiary may request Trustee to proceed with foreclosure. In that event Trustee is expressly authorized and empowered, and it shall be the Trustee's duty, on request by Beneficiary, and to the extent permitted by applicable Law, to sell all or any part of the Mortgaged Property at one or more sales, as an entirety or in parcels, at the place or places and otherwise in the manner and on such notice as may be required by applicable Law, or in the absence of any requirement, as Trustee and/or Beneficiary may deem appropriate, and to make conveyance(s) to the purchaser or purchasers at the sale(s). Any sale of any part of the Mortgaged Property shall be made to the highest bidder or bidders for cash, at the courthouse door of, or at such other place as may be required or permitted by applicable Law, in the county (or judicial district) in the state where the Lands included within the Mortgaged Property to be sold is located. However, if the Lands are located in more than one county (or judicial district) of any state, the sale of all or part of the Mortgaged Property may be made in any county (or judicial district) in the state where any part of the Lands included within the Mortgaged Property to be sold is located. Any sale(s) shall be made at public auction, on the day of any month, during the hours of the day and after written notices of the state have been publicly posted in the places and for the time periods and after all Persons entitled to notice have been sent such notice, all as required by applicable Law in effect at the time of a sale.

Nothing in this Article shall be deemed to require Beneficiary or Trustee to do, and Beneficiary and Trustee shall not be required to do, any act other than as required by applicable Law in effect at the time of a sale. Any sale may be as a whole or in parcels as Trustee may select. After a sale, Trustee shall make and deliver to the purchaser or purchasers at the sale, good and sufficient deeds and assignments, in the name of Grantor, conveying the sold Mortgaged Property to the purchaser or purchasers with limited warranty of title (subject to Permitted Liens) by Grantor. Sale of a part of the Mortgaged Property shall not

exhaust the power of sale, but sales may be made from time to time until the Obligation is paid and performed in full.

It shall not be necessary to have present or to exhibit at any sale any of the Collateral. In addition to the Rights and powers of sale granted under the provisions of this Subsection 3.2(c), if default is made in the payment of any installment of the Obligation, Beneficiary, at its option, at once or at any later time while any matured installment remains unpaid, without declaring the entire Obligation to be due and payable, orally or in writing direct the Trustee to enforce this trust and to sell the Mortgaged Property subject to the unmatured Obligation and the Liens securing its payment, in the same manner, on the same terms, at the same place and time, and after having given notice in the same manner, all as provided in the preceding provisions of this Subsection 3.2(c).

After a sale, Trustee shall make conveyance to the purchaser or purchasers. Sales made without maturing the Obligation may be made whenever there is a default in the payment of any installment of the Obligation without exhausting the granted power of sale and without affecting in any way the power of sale granted under this Subsection 3.2(c) on the unmatured balance of the Obligation (except as to any proceeds of any sale which Beneficiary may apply as a prepayment on the Obligation) or the Liens securing payment of the Obligation.

It is intended by each of the foregoing provisions of this Subsection 3.2(c) that Trustee may, after any request or direction by Beneficiary, sell, not only the Interests included within, but also all other items constituting a part of, the Mortgaged Property, or any part, along with all or any part of the Lands included within the Mortgaged Property all as a unit and as a part of a single sale, or may sell any part of the Mortgaged Property separately from the remainder of the Mortgaged Property. It is agreed that in any assignments, bills of sale, or deeds given by Trustee, any and all statements of fact or other recitals made as to the identity of Beneficiary, the occurrence or existence of any Default, the acceleration of the maturity of the Obligation, the request to sell, notice of sale, time, place, terms and manner of sale, and the receipt, distribution and application of the money realized from a sale, or as to the due and proper appointment of a substitute trustee, and, without being limited by the foregoing, as to any other act or thing having been done by Beneficiary or Trustee, shall be taken by all courts of law and equity as prima facie evidence that the statements or recitals state facts to be accepted without further question, and Grantor expressly ratifies and confirms any and all acts Trustee may lawfully do by virtue of the authority and powers granted in this Deed of Trust. In the event of the resignation (which is authorized for any reason) or death of Trustee, his removal from his county of residence, his failure, refusal or inability, for any reason, to make any sale or to perform any of the trusts declared in this Deed of Trust, or, at the option of Beneficiary, without cause, the Beneficiary may appoint, in writing, a substitute trustee, who shall then succeed to all the estates, titles, rights, powers and trusts granted to and vested in Trustee. An appointment may be made on behalf of Beneficiary by any person who is then the president, any vice president, cashier or secretary, branch manager, a senior representative, or any other authorized officer or agent of Beneficiary. In the event of the resignation (which is authorized for any reason) or death of any substitute Trustee, his failure, refusal or inability to make a sale or perform the trusts, or, at the option of Beneficiary, without cause, successive substitute Trustees may, from time to time, be appointed by Beneficiary in the same manner. Wherever the word "Trustee" is used, it shall mean the Person who is the duly appointed Trustee or substitute Trustee in this Deed of Trust at the time in question.

(d) Suit. Beneficiary or Trustee may, upon written request of Beneficiary, proceed by suit or suits, at law or in equity, to enforce the payment and performance of the Obligation in accordance with the terms of this Deed of Trust, of the Note, the other security instruments, or other documents and/or writings securing and/or evidencing it, to foreclose the Liens and this Deed of Trust against all or any part of the Mortgaged Property and to have all or any part of the Mortgaged Property sold under the judgment or decree of a court of competent jurisdiction.

(e) Appointment of Receiver. Beneficiary, as a matter of right and without regard to the sufficiency of the security, or any showing of insolvency, fraud, or mismanagement on the part of Beneficiary, and without the necessity of filing any judicial or other proceeding other than the proceeding for appointment of a receiver, shall be entitled to the appointment of a receiver or receivers of all or any

part of the Mortgaged Property, and of the income, rents, issues, and profits from or attributable to the Mortgaged Property.

(f) Possession of Mortgaged Property. Beneficiary may enter on the Lands included within the Mortgaged Property, take possession of the Mortgaged Property, and remove the Personal Property included within the Mortgaged Property, or any part of the Personal Property, with or without judicial process, without any responsibility or liability on the part of Beneficiary. Beneficiary may take possession of any property located on or in the Mortgaged Property which is not a part of the Mortgaged Property and hold or store that property at Grantor's expense.

(g) Assemble Collateral. Beneficiary may require Grantor to assemble the Collateral included within all or part of the Mortgaged Property, and make it available to Beneficiary at a place to be designated by Beneficiary which is reasonably convenient to Grantor and Beneficiary.

(h) Disposition of Collateral. After notification, if any, as provided in this Subsection 3.2(h), Beneficiary may sell, lease, or otherwise dispose of, at the office of Beneficiary, on the Lands, or elsewhere, as chosen by Beneficiary, all or any part of the Collateral included within the Mortgaged Property, in its then condition, or following any commercially reasonable preparation or processing. Each Sale (as used in this Subsection 3.2(h), the term "Sale" means any sale, lease, or other disposition made pursuant to this Subsection 3.2(h)) may be as a unit or in parcels, by public or in private proceedings, and by one or more contracts. At any Sale it shall not be necessary to exhibit all or any part of the Collateral being sold, leased or otherwise disposed of. The Sale of any part of the Collateral shall not exhaust Beneficiary's power of Sale, but Sales may be made from time to time until the Obligation is paid and performed in full. Reasonable notification of the time and place of any public Sale pursuant to this Subsection 3.2(h), or reasonable notification of the time after which any private Sale is to be made pursuant to this Subsection 3.2(h), shall be sent to Grantor and to any other person entitled to notice under the applicable Code. Grantor agrees that notice sent or given not less than 21 calendar days prior to the taking of the action to which the notice relates, is reasonable notification and notice for purposes of this Subsection 3.2(h).

3.3 Purchase of Mortgaged Property by Beneficiary. If Beneficiary is the purchaser of all or any part of the Mortgaged Property (it being specifically agreed Beneficiary may be the purchaser of all or any part of the Mortgaged Property, if permitted by applicable Law), at any sale, whether the sale is made under the power of sale vested in Trustee, upon any other foreclosure of the Liens, or otherwise, Beneficiary shall, upon any purchase, acquire good title to the Mortgaged Property purchased, free of the Liens provided in this Deed of Trust.

3.4 Operation of Properties by Beneficiary. Should any part of the Mortgaged Property come into its possession, Beneficiary may use or operate the Mortgaged Property for the purpose of preserving it or its value, pursuant to the order of a court of appropriate jurisdiction, or in compliance with any other Rights held by Beneficiary relating to the Mortgaged Property. Grantor covenants to promptly reimburse and pay Beneficiary, at the place where the Note is payable or at such other place as may be designated by Beneficiary in writing, the amount of all reasonable expenses (including the cost of any insurance, Taxes, attorney's fees of the Beneficiary, and other charges) incurred by Beneficiary in connection with its custody, preservation, use or operation of the Mortgaged Property, together with interest on those sums from the date incurred by Beneficiary at the Highest Lawful Rate. All these expenses, costs, Taxes, interest, and other charges shall be a part of the Obligation. However, the risk of loss or damage to the Mortgaged Property is on Grantor. Beneficiary shall have no liability whatever for any decline or diminution in value of the Mortgaged Property, for failure to obtain or maintain insurance, or for failure to determine whether any insurance ever in force is adequate as to amount or the risks insured.

3.5 Possession of Property After Foreclosure. If the Liens are foreclosed by Trustee's sale, or other judicial or non-judicial action, the purchaser at any sale shall receive, as an incident to ownership, immediate possession of the Mortgaged Property, or any part conveyed, and, subsequent to foreclosure, Grantor and Grantor's Successors shall be considered tenants at sufferance of the purchaser at foreclosure sale. Anyone occupying the property, after demand is made for possession, shall be guilty of forcible



detainer and shall be subject to eviction and removal, forcible or otherwise, with or without process of law, and all damages by reason of any eviction or removal are expressly waived.

3.6 Application of Proceeds. The proceeds from any sale, lease or other disposition made under this Article Three, any proceeds of Hydrocarbons collected by Beneficiary pursuant to Article Four, and sums received pursuant to Section 5.5 shall be applied by Trustee, or by Beneficiary, as the case may be, to the payment or prepayment of the Obligation, whether or not matured, as may be determined by the Beneficiary in its sole discretion, until the Obligation is paid in full.

3.7 Abandonment of Sale. If a foreclosure is commenced by Trustee as provided in Subsection 3.2(c), Beneficiary may, at any time before the sale, direct Trustee to abandon the sale, and institute suit for the collection of the Obligation, and/or for the foreclosure of the Liens. If Beneficiary should institute a suit for the collection of the Obligation, and/or for a foreclosure of the Liens, it may, at any time before the entry of a final judgment in the suit, dismiss it and sell and/or require Trustee to sell (and the Trustee is expressly authorized to sell) all or any part of the Mortgaged Property, in the manner provided by the terms of this Deed of Trust.

3.8 Waiver of Appraisal and Redemption. To the full extent Grantor may lawfully do so, Grantor agrees it will not at any time insist upon, plead, claim or take the benefit or advantage of any appraisal, valuation, stay, extension or redemption Laws, now or later in force, in order to prevent or hinder the enforcement of this Deed of Trust or the absolute sale of all or any part of the Mortgaged Property, or the possession of the Mortgaged Property by any purchaser at any sale. Insofar as Grantor may now or later lawfully do so, Grantor expressly waives the benefit of all such Laws. The appraisal of any of the Mortgaged Property may be waived at the option of Trustee and/or Beneficiary. This waiver option is to be exercised prior to or at the time a judgment is rendered in any foreclosure of this Deed of Trust. Grantor also expressly waives, to the extent it may lawfully do so, all rights to have the Mortgaged Property marshaled upon any foreclosure of this Deed of Trust.

#### ARTICLE FOUR Assignment of Production

4.1 Additional Security. To additionally secure the Obligation, Grantor, effective local time, on the Effective Date, at the site of each of the Interests, ASSIGNS, TRANSFERS, AND CONVEYS to Beneficiary all of the following:

(a) All Hydrocarbons, and their proceeds and products obtained or processed from the Hydrocarbons (the proceeds and products being called "Proceeds"), produced and to be produced from the Mortgaged Property. Grantor authorizes and empowers Beneficiary to demand, collect and receive the Hydrocarbons and Proceeds, to endorse and cash any checks and drafts payable to Grantor or Beneficiary for the account of Grantor received from or in connection with the Hydrocarbons and Proceeds, and to execute any release, receipt, division order, transfer order, and relinquishment or other instrument that may be required or necessary to collect and receive the Hydrocarbons and Proceeds. Grantor expressly authorizes and directs all pipeline companies, gathering companies, and others purchasing the Hydrocarbons or having in their possession any of the Hydrocarbons or Proceeds, to pay and deliver all Hydrocarbons and Proceeds to Beneficiary. Grantor agrees that all division orders, transfer orders, receipts and other instruments which Beneficiary may execute from time to time and deliver for the purpose of collecting or receipting for Hydrocarbons or Proceeds, may be relied upon in all respects and they shall be binding on Grantor and Grantor's Successors. Grantor agrees to execute and deliver all necessary, convenient and appropriate instruments, including transfer and division orders, which may be required by Beneficiary, in connection with the receipt by Beneficiary of Hydrocarbons or Proceeds, and Grantor agrees to indemnify, keep and hold Beneficiary free and harmless from all parties having or claiming an adverse interest in the Hydrocarbons and Proceeds. In this respect Grantor agrees to pay all expenses, costs, charges and attorney's fees that may be incurred by Beneficiary as to any of these matters.

(b) All Proceeds payable to or to become payable to Grantor or to which Grantor is entitled under all gas sales or exchange contracts, all oil, distillate, or condensate sales or exchange

contracts, all gas transportation contracts, and all gas processing contracts now or later to become a part of the Mortgaged Property.

(c) All amounts, sums, revenues, and income which become payable to Grantor from any of the Mortgaged Property (including any after-acquired properties) or under any contract, present or future, relating to any gas pipeline system and processing plant or unit now or later constituting a part of the Mortgaged Property.

4.2 Transfer Orders. Grantor agrees to execute any transfer orders, payment orders, division orders and other instruments as may be needed or requested by Beneficiary incident to Grantor having all assigned payments made direct to it at its address. Grantor expressly authorizes and directs all pipeline companies, purchasers, transporters and other parties owing monies to Grantor under contracts assigned to Beneficiary, to pay such amounts direct to Beneficiary as follows:

First National Bank Albany/Breckenridge  
P. O. Box 157  
Albany, TX 76430

This authorization shall continue until this Deed of Trust is released. Beneficiary is authorized to collect and receive all amounts, and no party making payment shall have any responsibility to see to the application of any funds paid to the Beneficiary, but shall be fully protected in making payment to Beneficiary under the assignments contained in this Article Four. Should Beneficiary bring suit against any third party for collection of any amounts or sums included within this assignment (and Beneficiary shall have the Right to bring any suit), it may sue either in its own name or in the name of Grantor.

4.3. Payment of Proceeds. If, for its convenience, Beneficiary elects, with respect to particular properties or contracts, not to immediately exercise its Right to receive Hydrocarbons or Proceeds, the purchasers or other persons obligated to make payments shall continue to make payment to Grantor until such time as written demand has been made upon them by Beneficiary or Trustee that payment be made direct to Beneficiary. At that time, Beneficiary or Trustee shall also notify Grantor that Beneficiary or Trustee has made written demand. A failure to notify Grantor shall in no way waive the Right of Beneficiary to receive any payments previously paid to Grantor before the giving of written notice. In the event payments are made directly to Beneficiary, and then, at the request of Beneficiary payments are, for a period or periods of time, paid to Grantor, Beneficiary shall nevertheless have the Right, effective on written notice, to require future payments be again made to Beneficiary.

4.4 Limitation of Liability of Beneficiary and Trustee. Beneficiary is expressly absolved from all liability for failure to enforce collection of the Proceeds and amounts assigned under Section 4.1 above and from all other responsibility in connection with the failure to enforce collection, except the responsibility to account to the Person legally entitled to the Proceeds (by application on the Obligation or otherwise) for funds actually received. Grantor agrees to indemnify and hold Trustee and Beneficiary harmless against any and all liabilities, actions, claims, judgments, costs, charges, and attorney's fees by reason of the assertion that they or either of them have received, either before or after payment and performance in full of the Obligation, funds from the production of Hydrocarbons claimed by third persons. Trustee and Beneficiary shall each have the Right to compromise and adjust any such claims, actions, and judgments. In addition to the Rights to be indemnified, all amounts paid by Trustee or by Beneficiary in compromise, satisfaction, or discharge of any claim, action or judgment, and all court costs, attorney's fees, and other expenses of every character incurred by Trustee or Beneficiary pursuant to the provisions of this Section shall be demand obligations owing by Grantor and shall bear interest at the Highest Lawful Rate from date of expenditure until paid and shall be secured by the Liens created and granted by this Deed of Trust.

#### ARTICLE FIVE Miscellaneous

5.1 Release. If the Obligation is paid and performed in full according to the terms of this Deed

of Trust, the Note, other security instruments and documents and writings evidencing or securing all or any part of the Obligation, and if Grantor performs all of Grantor's covenants, this conveyance shall be released at Grantor's request and expense; otherwise, it shall remain in full force and effect. However, no release shall impair Grantor's warranties and indemnities as contained in this Deed of Trust.

5.2 Rights Cumulative. All Rights and Liens expressly conferred by this Deed of Trust are cumulative of all other Rights and Liens provided by law or in equity or in any other security instrument, and shall not be deemed to deprive Beneficiary or Trustee of any other legal or equitable Rights and Liens by judicial proceedings, or otherwise, appropriate to enforce the conditions, covenants and terms of this Deed of Trust and other security instruments. The employment or enforcement of any Rights granted in this Deed of Trust, or otherwise, shall not prevent the concurrent or subsequent employment or enforcement of any other Rights.

5.3 Waivers. Any and all covenants in this Deed of Trust may from time to time, by instrument in writing signed by Beneficiary and delivered to Grantor, be waived to the extent and in the manner as Beneficiary may desire. However, no such waiver shall ever affect or impair Beneficiary's Rights or Liens under this Deed of Trust, except to the extent specifically stated in the written instruments.

5.4 Sale of Mortgaged Property. If Grantor or any of Grantor's Successors conveys any interest in all or part of the Mortgaged Property to any other party, Beneficiary may, without notice to Grantor or Grantor's Successors, deal with any owner of any part of the Mortgaged Property, with reference to this Deed of Trust and the Obligation, either by way of forbearance on the part of Beneficiary, extension of time of payment of the Obligation, release of all or any part of the Mortgaged Property, or any other property securing payment and performance of the Obligation, without in any way modifying or affecting Beneficiary's Rights and Liens or the liability of Grantor or any other party liable for payment and performance of the Obligation, in whole or in part. However, no action taken or omitted to be taken by Beneficiary under this Section 5.4 shall be deemed a waiver of any Default occurring by reason of any such conveyance.

5.5 Condemnation Sale. Beneficiary shall be entitled to receive any and all sums which may be awarded or become payable to Grantor for the condemnation of all or part of the Mortgaged Property, for public or quasi-public use, or by virtue of private sale and any sums which may be awarded or become payable to Grantor for damages caused by public works or construction on or near the Mortgaged Property. All these sums are assigned to Beneficiary, and Grantor shall, upon request of Beneficiary, make, execute, acknowledge and deliver any and all additional assignments and documents as may be necessary from time to time to enable Beneficiary to collect and receipt any of these sums. Beneficiary shall not be, under any circumstances, liable or responsible for failure to collect or exercise diligence in the collection of any of these sums.

5.6 Renewals of Indebtedness. The proceeds of the Note or of any further loans or advances, to the extent utilized to renew or extend any indebtedness or take up any outstanding Liens against all or part of the Mortgaged Property, have been advanced by Beneficiary at Grantor's request and upon Grantor's representation that the amounts are due and payable. Beneficiary is subrogated to any and all Rights and Liens owned or claimed by any owner or holder of any outstanding Rights and Liens, however remote, regardless of whether the Rights and Liens are acquired by assignment or are released by the holder of the Rights and Liens upon payment.

5.7 Waiver of Marshalling. Grantor waives all rights of marshalling in event of any foreclosure of the Liens created by this Deed of Trust.

5.8 Number and Gender of Words, Etc. Whenever the singular number is used, the same shall include the plural where appropriate, and vice versa. Words of any gender shall include each other gender where appropriate.

5.9 Headings and Exhibits. The captions, headings, and arrangements used in this Deed of Trust are for convenience only and do not in any way affect, limit, amplify, or modify the terms and

provisions of this Deed of Trust. All Exhibits to this Deed of Trust are incorporated into this Deed of Trust for all purposes as if the terms were set out in this instrument.

5.10 Notices. Whenever this Deed of Trust requires or permits any consent, approval, notice, request, or demand from one party to another, the consent, approval, notice, request, or demand must be in writing to be effective and shall be deemed to have been given on the day personally delivered or, if mailed, on the day it is enclosed in an envelope, properly stamped, sealed and deposited in a post office or official depository maintained by the United States Postal Service, certified mail, return receipt requested, addressed to the party to be notified at the address below (or at such other address as may have been designated by written notice):

If to Grantor: Quest Energy Management Group, Inc., a Delaware Corp.  
64 South Jacobs Street  
Albany, TX 76430

If to Beneficiary: First National Bank Albany/Breckenridge  
P. O. Box 157  
Albany, TX 76430

5.11 Governing Law. This Deed of Trust is intended to be performed in the State named on the first page of this Deed of Trust. The substantive Laws of that State and the United States of America shall govern the validity, construction, enforcement, and interpretation of this Deed of Trust. However, despite anything in this Deed of Trust to the contrary, the substantive laws of the State of Texas relating to the validity, construction and interpretation of the Obligation and to usury and permissible interest and similar charges and amounts shall govern all aspects of this Deed of Trust.

5.12 Invalid Provisions. If any provision of this Deed of Trust is invalid or unenforceable in any jurisdiction applicable to this Deed of Trust, then, to the extent permitted by Law: (a) all other provisions shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of Beneficiary in order to carry out the intentions of the parties as nearly as possible; and (b) the invalidity or unenforceability of a provision in any jurisdiction shall not affect its validity or enforceability in any other jurisdiction. If the Rights and Liens created by this Deed of Trust shall be invalid or unenforceable as to any part of the Obligation, the unsecured portion of the Obligation shall be completely paid prior to the payment of the remaining and secured portion of the Obligation, and all payments made on the Obligation shall be considered to have been paid on and applied first to the complete payment of the unsecured portion of the Obligation.

5.13 Definitions. The following terms shall have the meanings indicated:

"Advance Payment Contract" means any contract with another Person or party (the "Other Party") where Grantor either (i) receives or becomes entitled to receive (either directly or to a third party for Grantor's account or benefit) any payment (an "Advance Payment") which the Other Party may require to be applied toward payment of the purchase price of Hydrocarbons produced or to be produced from any of the Mortgaged Property and which Advance Payment is paid or to be paid in advance of actual delivery of the production to or for the account of the Other Party regardless of the production, or (ii) grants an option or right of refusal to the Other Party to purchase and take delivery of production, and, in either of the foregoing instances, regardless of whether the Advance Payment may be applied as payment for only a portion of the purchase Price or of a percentage or share of the production. Inclusion of a "take or pay" provision in any gas sales or purchase contract shall not, in and of itself, constitute a contract as an "Advance Payment Contract" for the purposes of this Deed of Trust.

"Code" means the applicable Uniform Commercial Code, if any, of each state where any of the Mortgaged Property is situated.

"Contracts" has the meaning given to that term in paragraph IV.

"Deed of Trust" has the meaning given this term in Article One.

"Default" has the meaning given this term in Section 3.1.

"Easements" has the meaning given to that term in paragraph V.

"Grantor" means Quest Energy Management Group, Inc..

"Grantor's Successors" means each and all of the immediate and remote successors, assigns, heirs, executors, administrators, and legal representatives of Grantor.

"Highest Lawful Rate" means the maximum rate of interest which Beneficiary is allowed from time to time to contract for, charge, take, reserve, or receive under applicable Laws after taking into account, to the extent required by applicable Laws, any and all relevant payments or charges under the Note and, for purposes of that determination, the "Highest Lawful Rate" shall mean the greater of: (a) the maximum rate of interest from time to time permitted under the Laws of the United States of America; and, (b) the maximum rate of interest permitted to be charged under the Laws of the State of Texas.

"Holder" means any present or future holder of all or any part of the Obligation.

"Hydrocarbons" has the meaning given that term in paragraph III.

"Interests" has the meaning given to that term in paragraphs I and II.

"Lands" has the meaning given that term in paragraph VI.

"Laws" means all applicable constitutions, treaties, statutes, laws, ordinances, regulations, orders, writs, injunctions or decrees of the United States or of any state, commonwealth, county, parish, municipality or Tribunal.

"Leases" has the meaning given to that term in paragraph I.

"Lien" means any lien, mechanic's lien, materialman's lien, pledge, conditional sale agreement, title retention agreement, financing lien, production payment, security interest, mortgage, deed of trust or other encumbrance, whether arising by agreement or under Law.

"Mortgaged Property" has the meaning given to that term on page 1.

"Note" has the meaning given to that term in Section 1.1.

"Obligation" has the meaning given to that term in Article One.

"Other Security Instrument" has the meaning given to that term in Section 1.3.

"Permitted Liens" shall mean: (i) Liens for taxes, assessments or other governmental charges or levies not yet due or which are being contested in good faith by appropriate action by or on behalf of the Borrower.

"Person" means any individual, firm, corporation, association, partnership, joint venture, company, trust, tribunal or other entity.

"Personal Property" has the mean given to that term in paragraph V.

"Proceeds" has the meaning given to that term in Section 4.1(a).

"Rights" means rights, remedies, powers, and privileges.

"Sale" has the meaning given to that term in Subsection 3.2(h).

"Section" means a Section of this Deed of Trust, unless specifically indicated otherwise.

"Taxes" means all taxes, assessments, fees, levies, imposts, duties, deductions, withholdings or other similar charges from time to time or at any time imposed by any Law or any Tribunal.

"Tribunal" means any court or any governmental department, commission, board, bureau, agency or instrumentality of the United States or of any state, commonwealth, nation, territory, possession, county, parish or municipality, whether now or later constituted and/or existing.

"Trustee" means the Person who is at the time the duly appointed trustee or successor or substitute trustee under this Deed of Trust at the time in question.

5.14 Form of Deed of Trust. This instrument may be construed and enforced from time to time as a mortgage, deed of trust, chattel mortgage, conveyance, assignment, security agreement, pledge, financing statement, hypothecation, or contract, or any one or more of them appropriate under applicable Laws, in order to fully effectuate the Lien of this Deed of Trust and its purposes and agreements. Insofar as this instrument is a security agreement and financing statement, Grantor is the debtor and Beneficiary is the secured party. The addresses shown in Section 5.10 are the addresses of the debtor and secured party and information concerning the security interest granted may be obtained from the secured party at that address. Without in any manner limiting the generality of any of the foregoing provisions: (a) some portions of the goods described or to which reference is made are or are to become fixtures on the Lands described or to which reference is made; (b) the minerals and the like (including oil and gas) included in the Mortgaged Property and the accounts resulting from their sale will be financed at the wellhead(s) or minehead(s) of the well(s) or mine(s) located on the Lands described or to which reference is made; and, (c) this instrument is to be filed of record in the real estate records in the counties in which any portion of the Mortgaged Property is situated as a financing statement but the failure to do so will not otherwise affect the validity or enforceability of this instrument.

5.15 Multiple Counterparts. This Deed of Trust may be executed simultaneously in a number of identical counterparts, each of which shall be deemed an original, and all of which are identical; provided, however, that in order to facilitate recordation, portions of Exhibit "A" which describe Mortgaged Property situated in counties other than the particular county in which a counterpart is being recorded may be omitted from such counterpart.

5.16 Assignment of Beneficiary's Interest. Beneficiary shall have the right to assign all or a portion of its interest in this Deed of Trust to any subsequent holder of any portion of the Obligation.

5.17 Binding Effect. This Deed of Trust is binding upon Grantor and Grantor's Successors and shall inure to the benefit of Beneficiary and its successors and assigns. The provisions of this Deed of Trust shall be covenants running with the Lands. The duties, covenants, conditions, obligations, and warranties of Grantor in this Deed of Trust shall be joint and several obligations of Grantor and Grantor's Successors. Each and every party who signs this Deed of Trust, other than Beneficiary, and each and every subsequent owner of all or part of the Mortgaged Property, jointly and severally, covenants and agrees that he or it will perform, or cause to be performed, each and every condition, term, provision, and covenant of this Deed of Trust.

This instrument is signed by Grantor as of the date of acknowledgment of Grantor's signature below, but is effective for all purposes as of the Effective Date stated above.

Grantor

Quest Energy Management Group, Inc.  
A Delaware Corp.

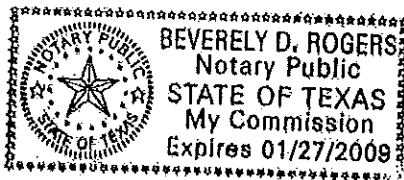
By: [Signature]  
Jeff Downey, Vice President

STATE OF TEXAS

§  
§  
§

COUNTY OF SHACKELFORD

This instrument was acknowledged before me on the 10<sup>th</sup> day of March 2008 by Jeff Downey, Vice President of Quest Energy Management Group, Inc., a Delaware corporation, on behalf of said corporation.



[Signature]  
Notary Public, State of Texas  
Printed Name: Beverly D. Rogers  
Commission Expires: 01-27-09

EXHIBIT A

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That oil and gas leasehold estate described in Exhibit A hereto, insofar as said leases cover the Caddo Formation as described in Unit Agreement dated Jan. 1, 1985 recorded in Vol. 314 Page 1, Deed Records, Shackelford County, Texas.