

EXCERPT

FROM THE

**LAST WILL AND TESTAMENT
OF
ROBERT G. CARR**

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VIII.

I give, devise and bequeath to the BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM, and their successors, as Trustees for the use and benefit of ANGELO STATE UNIVERSITY, being located at San Angelo, Texas, all of my interest in oil, gas and other minerals, whether similar or dissimilar and regardless of how produced, and any interest in them or any of them, and all rights, privileges and immunities relating thereto, whether such right or interest is limited in duration or perpetual, and includes fee interests, leaseholds, working interests, royalties, delay rentals, bonuses, shut-in payments, oil payments, gas payments, production payments and all oil, gas and other minerals of any description and wheresoever situated; said properties to be held in trust for the purposes and uses as hereinafter set forth.

A. The purpose of the trust created herein is to provide funds for the establishment of academic scholarships for the needy and worthy students who are enrolled at Angelo State University. The public, charitable and educational trust provided herein shall be known and designated as the ANGELO STATE UNIVERSITY ROBERT G. CARR AND NONA K. CARR SCHOLARSHIP FOUNDATION; and the title to all properties and assets shall be held by said Trustees, and their successors, and managed, controlled, operated and administered as a trust estate in accordance with the terms and provisions hereinafter set forth.

B. The duly appointed and acting members of the Board of Regents, Texas State University System, shall be the Trustees of the trust estate created herein; and any duly appointed and acting successor members of the Board of Regents, Texas State University System, shall thereupon be the successor Trustees of said trust estate. If Angelo State University, or its successor institution, shall be under the management and control of a successor board or some other named board or governing body, which is different from the Board of Regents, Texas University System, then in such event the members of such successor board or governing body shall constitute the successor trustees of the trust created herein for Angelo State University or its successor institution. To the extent that such requirements can be legally waived, the Trustees shall never be required to give any bond as Trustees of the trust estate. Any Trustee may delegate any of his rights, powers, privileges, duties and discretion to any other Trustee for such period as such delegating Trustee may deem advisable. Each of the Trustees may delegate his duties and responsibilities to another person or persons as may be specifically provided hereunder. Each Trustee shall be liable only for his own bad faith or fraud, but shall not be liable for errors in judgment. No Trustee or successor Trustee shall ever receive any compensation of any kind for any services rendered to the trust and the services of the Trustees shall be entirely gratuitous. If at any time the Trustees shall determine that the trust estate or any part thereof could be better or more conveniently administered in corporate form, the Trustees may cause one or more corporations to be created

under the laws of the State of Texas, under such name as they may elect and with such corporate powers as shall, in the Trustees' judgment, be necessary and desirable to carry out this trust, and shall then convey to such corporation such part, or all, of the trust estate, as the Trustees shall deem advisable.

C. The Trustees shall manage, operate, control, administer, invest and reinvest the properties of the trust estate. I direct that the Trustees shall collect and receive on behalf of said trust estate all payments of royalties, rentals, bonuses, oil payments, gas payments, production payments, shut-in royalty payments and any and all other monetary payments which are payable to the Trustees as owners of the trust estate created herein; and the Trustees shall promptly invest such moneys in securities as authorized for investment by trustees under the Texas Trust Act then in force and effect, for the purpose of earning and obtaining income therefrom; and the Trustees shall pay over and deposit all net income, after the payment of any costs, taxes and other expenses of the trust estate, from the above described investments of this trust estate, monthly or quarterly, into a designated scholarship fund of Angelo State University, from which fund disbursements of moneys shall be made awarding academic scholarships to needy and worthy students of Angelo State University. The President of Angelo State University, or by whomever the President may appoint for such purpose, shall be authorized and directed to make such disbursements from such scholarship fund. I expressly authorize and empower the Trustees, if they deem it advisable, to delegate to and empower the President of Angelo State University, or by whomever he may appoint for such purpose, the duty and responsibility of investing the aforementioned moneys and funds of this trust estate, subject to the supervision and approval of the Trustees.

D. To carry out the purposes of the trust, the Trustees and their successor Trustees shall have the power and authority to do and perform every act and thing in connection with the management of the trust estate, which the Trustees are authorized to do and perform under the Texas Trust Act then in force and effect, including but not limited to the following powers and authorities:

1. The Trustees, except where otherwise provided herein, shall determine whether any moneys or property coming into the Trustees' hands shall be treated as a part of the principal of the trust estate or as a part of the income therefrom, and to apportion between such principal and income any gain, loss or expenditure in connection with the trust estate as to the Trustees may seem just and equitable, and the Trustees' decision shall be conclusive.

2. The Trustees shall have the authority to negotiate, make and enter into oil, gas and other mineral (or any one or more of them) leases covering any lands or mineral or royalty interests at any time forming a part of the trust estate.

3. The Trustees shall have the authority to pool and/or unitize any part or all of the lands, mineral leaseholds or mineral, royalty or other interests of the trust estate with lands, mineral leaseholds, mineral, royalty or other interests or other persons, corporations or trusts for the purpose of developing and producing oil, gas and other minerals (or any one or more of them) therefrom, and to make leases or assignments granting to the lessee or assignee the right to pool and/or unitize.

4. The Trustees shall have the authority to execute and enter into any and all contracts, conveyance and other agreements or transfers deemed necessary or desirable to carry out the powers granted hereby, including, without limitation, the power to enter into and execute division orders, oil, gas and/or other hydrocarbon sales contracts, processing agreements, and other contracts relating to the exploration, development, handling, treating, transporting and marketing of oil, gas and/or mineral production from or accruing to the trust estate, and to receive and receipt for the proceeds thereof on behalf of the trust estate.

5. The Trustees are expressly authorized and empowered, if they deem it advisable, to delegate and to empower the President of Angelo State University, or by whomever he may appoint for such purpose, the duty and responsibility of performing the duties as set forth hereinabove in Paragraph VIII-D-2, 3 and 4 of this will.

E. I direct that the President of Angelo State University, or his designated officials, shall have full authority and discretion in the determination of students enrolled at Angelo State University who are in financial need and who are worthy of receiving scholarships in the furtherance of their education. I have great respect and admiration for the integrity, ability and dedication of the administrative and faculty members of Angelo State University, and I have full confidence in their judgment in selecting needy and worthy students to be awarded scholarships. Without limiting such discretion, I wish to express herein my intention and desire that any student who is enrolled at Angelo State University shall be eligible for consideration to receive a scholarship; that the financial needs of a student shall be a primary consideration in selecting a worthy and deserving student and granting a scholarship to such student; that a student enrolled in any of the various departments or training programs of Angelo State University shall be eligible for consideration; that there may be full scholarships providing for tuition, fees, books, room and board, and also there may be partial scholarships providing for lesser benefits as may be appropriate under the circumstances.

I direct that no student enrolled at Angelo State University shall ever be denied the awarding of a scholarship because of race, color, religion, age, sex or national origin.

F. The Trustees shall keep full and complete records showing separately the corpus and the income of the trust estate and such records shall be prepared at least annually showing the true status and condition of the trust estate; and such records shall be kept and maintained in the files of the Board of Regents, Texas State University System, and also shall be available to the President of Angelo State University and to such other persons as may be entitled to the same under the law.

G. Anything to the contrary herein notwithstanding, the trust provided under Paragraph VIII of this will shall not be operated for profit and no part of the trust estate or the income therefrom shall inure to the benefit of any private individual, corporation, association or other organization or be used the influence or attempt to influence legislation, or to carry on propaganda, nor shall any part of the trust estate, or the income therefrom, ever be used outside of the State of Texas.

Neither the trust provided herein under Paragraph VIII of this will, nor any fund or property arising therefrom, in whatever form it may take, shall ever be any part of the general university fund, nor shall the legislature have power or be in anywise authorized to change the purposes hereof, or to divert such trust, fund or other property from the purposes herein set out.

EXCERPT

FROM THE

**LAST WILL AND TESTAMENT
OF
NONA KATHRYN CARR**

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OF
NONA KATHRYN CARR**

VI.

I give, devise and bequeath to the BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM, and their successors, as Trustees for the use and benefit of ANGELO STATE UNIVERSITY, being located at San Angelo, Texas, all of my interest in oil, gas and other minerals, whether similar or dissimilar and regardless of how produced, and any interest in them or any of them, and all rights, privileges and immunities relating thereto, whether such right or interest is limited in duration or perpetual, and includes fee interests, leaseholds, working interests, royalties, delay rentals, bonuses, shut-in payments, oil payments, gas payments, production payments, Texaco commissions, and all oil, gas and other minerals of any description and wheresoever situated; SAVE AND EXCEPT that certain undivided 5/120 interest in and to the 1/8 royalty interest in, to and under the following described lands situated in Gaines County, Texas, to-wit: All of Sections 159, 191, 193, 195, 217, 219, 221, 223, 251 and 265, and also the NW/4 of Section 189 (save and except 10 acres heretofore conveyed), all of the above lands being located in Block "G", W. T. Ry. Co. Survey, Gaines County, Texas; and the above described royalty interest being all of that certain royalty interest owned by Nona K. Carr out of that certain royalty interest conveyed by Bessie K. Black, individually and as surviving Executor and Trustee under the Will of James K. Black, Deceased, to Nona K. Carr in deed dated December 16, 1936, recorded in Volume 45, pages 242-243, of the Deed Records of Gaines County, Texas.

Said properties are to be held in trust for the purposes and uses as hereinafter set forth.

A. The purpose of the trust created herein is to provide funds for the establishment of academic scholarships for the needy and worthy students who are enrolled at Angelo State University so as to assist Angelo State University in providing higher education to such needy and worthy students. The public, charitable and educational trust provided herein shall be known and designated as the ANGELO STATE UNIVERSITY ROBERT G. CARR AND NONA K. CARR SCHOLARSHIP FOUNDATION; and the title to all properties and assets shall be held by said Board of Regents, and their successors, as trustees, and managed, controlled, operated and administered as a trust estate in accordance with the terms and provisions hereinafter set forth.

B. The duly appointed and acting members of the Board of Regents, Texas State University System, shall be the Trustees of the trust estate created herein; and any duly appointed and acting successor members of the Board of Regents, Texas State University System, shall thereupon be the successor Trustees of said trust estate. If Angelo State University, or its successor institution, shall be under the management and control of a successor board or some other named board or governing body, which is different from the Board of Regents, Texas University System, then in such event the members of such successor board or governing body shall constitute the successor Trustees of the trust created herein for Angelo State University or its successor institution. To the extent that such requirements can be legally waived, the Trustees shall never be required to give any bond as Trustees of the trust estate. Any Trustee may delegate any of his rights, powers, privileges, duties and discretion to any other Trustee for such period as such delegating Trustee may deem advisable. Each of the Trustees may delegate his duties and responsibilities to another person or persons as may be specifically provided hereunder. Each Trustee shall be liable only for his own bad faith or fraud, but shall not be liable for errors in judgment. No Trustee or successor Trustee shall ever receive any compensation of any kind for any services rendered to the trust and the services of the Trustees shall be entirely gratuitous. If at any time the Trustees shall determine that the trust estate or any part thereof could be better or more conveniently administered in corporate form, the Trustees may cause one or more corporations to be created under the laws of the State of Texas, under such name as they may elect and with such corporate powers as shall, in the Trustees' judgment, be necessary and desirable to carry out this trust, and shall then convey to such corporation such part, or all, of the trust estate, as the Trustees shall deem advisable.

C. The Trustees shall manage, operate, control, administer, invest and reinvest the properties of the trust estate. I direct that the Trustees shall collect and receive on behalf of said trust estate all payments of royalties, rentals, bonuses, oil payments, gas payments, production payments, shut-in royalty payments, Texaco commissions, and any and all other monetary payments which are payable to the Trustees as owners of the trust estate created herein; and the Trustees shall promptly invest such moneys in securities as authorized for investment by trustees under the Texas Trust Act then in force and effect, for the purpose of earning and obtaining income therefrom; and the Trustees shall pay over and deposit all net income, after the payment of any costs, taxes and other expenses of the trust estate, from the above described investments of this trust estate, monthly or quarterly, into a designated scholarship fund of Angelo State University, from which fund disbursements of moneys shall be made awarding academic scholarships to needy and worthy students of Angelo State University. The President of Angelo State University, or whoever the President may appoint for such purpose, shall be

authorized and directed to make such disbursements from such scholarship fund. I expressly authorize and empower the Trustees, if they deem it advisable, to delegate to and empower the President of Angelo State University, or whoever he may appoint for such purpose, the duty and responsibility of investing the aforementioned moneys and funds of this trust estate, subject to the supervision and approval of the Trustees.

D. To carry out the purposes of the trust, the Trustees and their successor Trustees shall have the power and authority to do and perform every act and thing in connection with the management of the trust estate, which the Trustees are authorized to do and perform under the Texas Trust Act then in force and effect, including but not limited to the following powers and authorities:

1. The Trustees, except where otherwise provided herein, shall determine whether any moneys or property coming into the Trustees' hands shall be treated as a part of the principal of the trust estate or as a part of the income therefrom, and to apportion between such principal and income any gain, loss or expenditure in connection with the trust estate as to the Trustees may seem just and equitable, and the Trustees' decision shall be conclusive.

2. The Trustees shall have the authority to negotiate, make and enter into oil, gas and other mineral (or any one or more of them) leases covering any lands or mineral or royalty interests at any time forming a part of the trust estate.

3. The Trustees shall have the authority to pool and/or unitize any part or all of the lands, mineral leaseholds or mineral, royalty or other interests of the trust estate with lands, mineral leaseholds, mineral, royalty or other interests or other persons, corporations or trusts for the purpose of developing and producing oil, gas and other minerals (or any one or more of them) therefrom, and to make leases or assignments granting to the lessee or assignee the right to pool and/or unitize.

4. The Trustees shall have the authority to execute and enter into any and all contracts, conveyances and other agreements or transfers deemed necessary or desirable to carry out the powers granted hereby, including, without limitation, the power to enter into and execute division orders, oil, gas and/or other hydrocarbon sales contracts, processing agreements, and other contracts relating to the exploration, development, handling, treating, transporting and marketing of oil, gas and/or mineral production from or accruing to the trust estate, and to receive and receipt for the proceeds thereof on behalf of the trust estate.

5. The Trustees are expressly authorized and empowered, if they deem it advisable, to delegate and to empower the President of Angelo State University, or whoever he may appoint for such purpose, the duty and responsibility of performing the duties as set forth hereinabove in Paragraph VI-D-2, 3 and 4 of this will.

E. I direct that the President of Angelo State University, or his designated officials, shall have full authority and discretion in the determination of students enrolled at Angelo State University who are in financial need and who are worthy of receiving scholarships in the furtherance of their education. I have great respect and admiration for the integrity, ability and

dedication of the administrative and faculty members of Angelo State University, and I have full confidence in their judgment in selecting needy and worthy students to be awarded scholarships. Without limiting such discretion, I wish to express herein my intention and desire that any student who is enrolled at Angelo State University shall be eligible for consideration to receive a scholarship; that the financial needs of a student shall be a primary consideration in selecting a worthy and deserving student and granting a scholarship to such student; that a student enrolled in any of the various departments or training programs of Angelo State University shall be eligible for consideration; that there may be full scholarships providing for tuition, fees, books, room and board, and also there may be partial scholarships providing for lesser benefits as may be appropriate under the circumstances.

I direct that no student enrolled at Angelo State University shall ever be denied the awarding of a scholarship because of race, color, religion, age, sex or national origin.

F. The Trustees shall keep full and complete records showing separately the corpus and the income of the trust estate and such records shall be prepared at least annually showing the true status and condition of the trust estate; and such records shall be kept and maintained in the files of the Board of Regents, Texas State University System, and also shall be available to the President of Angelo State University and to such other persons as may be entitled to the same under the law.

G. Anything to the contrary herein notwithstanding, the trust provided under Paragraph VI of this will shall not be operated for profit and no part of the trust estate or the income therefrom shall inure to the benefit of any private individual, corporation, association or other organization or be used to influence or attempt to influence legislation, or to carry on propaganda, nor shall any part of the trust estate, or the income therefrom, ever be used outside of the State of Texas. Neither the trust provided herein under Paragraph VI of this will, nor any fund or property arising therefrom, in whatever form it may take, shall ever be any part of the general university fund, nor shall the legislature have power or be in anywise authorized to change the purposes hereof, or to divert such trust, fund, or other property from the purposes herein set out.

H. In the event Angelo State University shall cease to exist and there exists no successor institution of higher education as provided for in paragraph B of Article VI, or in the event this trust shall cease to exist for any reason, the assets of the trust shall be delivered to an institution or organization located in the State of Texas which is exempt from tax under Internal Revenue Code §501(c)(3). In this connection, it is my desire that the organization which receives the trust assets be such that the assets of the trust are able to be applied in the furtherance of higher education if the same be possible.