

## Archer County 520 Acre Farm

**Location:** The farm is located in Archer County, Texas, on Farm/Ranch Road 210, three miles North of Megargel. It is about 120 miles Northwest of Ft. Worth and 45 miles Southwest of Wichita Falls. Nearest cities and communities include Megargel; Olney (14 miles East); Seymour (20 miles West) and Archer City (20 miles Northeast).

**Total acreage** in the farm is 521 acres + /-. It contains about 334 acres in cultivated land, 184 acres in pasture and 2.5 acres for house, buildings and corrals. Pasture is a combination of improved and native. Brush has begun to invade some of the previously cleared, improved pastures. Also some of the cropland is being used for seasonal grazing. The only cash crop currently grown is wheat. The farm has a wheat base of 197 acres and a grain sorghum base of 51 acres.

Most of the acreage is available by paved highway; the remainder fronts on rock or gravel roads.

It has been owned and operated by the same family since 1913.

**The farm provides a variety of income/recreational opportunities including crop production, cattle and hunting (deer, turkey, dove, quail, hogs).**

It is comprised of four contiguous blocks of land that were put together by B. H. Fichte from about 1941-1960. It includes all of the acreage originally purchased by his father, Gus Fichte in 1913 plus two additional tracts.

Fence lines have been modified from the original blocks, so acreages on the map will not precisely match the acreage in the original tracts. The legal descriptions of the original blocks of land are:

**The Home Place – Block 23** – 161 acres, more or less, from the G.P. Meade LM Pasture Subdivision and being part of the W.E. Probert Survey, designated by Abstract 337, Volume 37, Page 310 of Deed Records of Archer County, Texas. The current home place (as it is currently fenced and utilized) consists of approximately 200 acres as 40 acres were taken from the Middle Place (Block 27) to comprise a 200 acre homestead. The house and headquarters are located on the Home Place. This was formerly the Graham Place, purchased by B. H. Fichte from the Graham family in 1945.

**The Brown Place –Block 24** of G.P. Meade Pasture Subdivision, same as above. 91.5 acres, give or take. The place was split by a highway, leaving a small portion of the acreage on the West side of the highway that has been fenced and utilized as part of the Home Place.

**The Middle Place – Block 27** – 105 acres, give or take. Same legal description as above. The place is divided by a highway, with most of the acreage on the West side. It includes a small hay barn with an extended, covered roof to provide protection for cattle in adverse weather and a small metal corral with a heavy pipe loading chute.

**The North Place – Block 34** – 164.75 acres, give or take. Same legal description as above. There is some slight variation on acreage as detailed by several surveys, but most are in the 164-165 acres range. The original abstract shows 164.5 acres. The place includes a loafing shed covered on the roof and three sides.

**Acreage Summary (Original Abstracts)**

**Home Place – 160 acres**

**Brown Place – 91 acres**

**Middle Place – 105 acres**

**North Place – 165 acres**

**Total Acreage: 521 acres**

**House, Outbuildings and Corrals On Home Place**

**House** – About 2,250 square feet; central h/ac; two full baths; two bedrooms; large den-living area; smaller den off kitchen. All utilities – rural water, electric co-op, telephone, satellite TV hookup, almost new septic tank. House is located on paved highway.

**Buildings** – Outbuildings include a large metal shop with power, concrete floor, and two large sliding doors; two large implement and/or hay barns; barn attached to corral with grain/storage bins, large implement /hay storage area, and covered feed/hay trough attached to barn; and corrals, working pen, loading ramp and chute area; and a circular grain storage bin.

**School District** – Olney, Texas ISD. The Megargel School closed a few years ago. Acreage is about 15 miles from Olney.

**Taxes** - Young County, School Taxes - \$988.76; Archer County, Property Taxes - \$579.80

## Mineral History

The Estate is comprised of four separate blocks of land that were put together from 1945 to about 1965. The four blocks - 23, 24, 27 and 34 were part of the G.P Meade Pasture Survey and part of the W. E. Probert Survey in Archer County, Texas. The total acreage is 521 +/-.

The seller owns full mineral rights on all Blocks except for Block 24 (about 91 acres). No mineral rights are available for that Block. **(The Brown place.)**

There is a history of oil production in the general area - and on this farm - dating back to the early 1900's. The first mineral lease executed by the family of the current owners was in 1919. Several shallow wells - perhaps as many as 10 - have been in production on Estate land. The wells range from about 1,700' to 2,200' depth. Some were in production as recent as the 1990's. Most were abandoned because of saltwater seepage.

About 1966, oil producer Archie Lofton drilled a 5,600' +/- well about 500 yards north of the farm headquarters. This well produced for several years.

### Recent Activity

In 2006, we executed a two-year seismic options lease with Rogers Drilling Company, Olney, TX. for 160 acres of land which included the acreage where the deep well had been. The company had performed seismic tests on about 4,600 acres south of our farm before starting with us. After the completion of the test, we had the impression that they were very optimistic about the prospects for oil on our farm. They told us they were going to drill four wells in the area, and we would be fourth, depending on the results of the initial drilling. The first location was about a mile south of us; the second, about half a mile or less west of the first well; and the third, a mile north of the second well and less than half a mile from our west boundary. We were told that all three made "good wells." At that point, they stopped drilling in the area. They never gave us a complete explanation as to what happened. Their lease expired with no further action. **(Correction: This was for a one-year seismic option lease which gave them 12 months to shoot seismic data. They had an additional 12 months option to lease the acreage for drilling. They did not exercise that option and it expired July 1, 2008.)**

In March 2008, we executed a two-year lease with John Palmer L.L.C for a 105 acre block of land for shallow drilling. The leased area has some shallow wells that were abandoned because of salt water. From our discussions, we thought their main interest was in re-working some of the old wells. However, they drilled one time about 400 yards west of those sites without success. There has been no further activity. The lease expires in March 2010.

In 2008, we were contacted by PanAmerican Operating, Inc. from Dallas regarding leasing the acreage for deep exploration. We had three discussions with them and they sent us a copy of the lease. We were then told to hold up on sending back the lease until we had further word from them. We've heard nothing further.

**Current Grazing Lease**

Currently the entire place is leased to a guy who grows wheat and runs some cattle - a grazing and crop surface lease. The lease does not allow hunting or the use of the house and headquarters buildings. The annual lease is \$8500 and this lease expires June 30. The place has a 197 acre wheat base and 51 acre grain sorghum base. We think the lessor has about 190 acres currently in wheat. He would be willing to lease from the new owner if they wanted him to.