ORIGINAL

P28
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NO. GN501113

MOSH HOLDING, L.P.,	§	**IN THE DISTRICT COURT OF**
	§	
Plaintiff,	§	
	§	
V.	§	
	§	
PIONEER NATURAL RESOURCES COMPANY; PIONEER NATURAL RESOURCES USA, INC.; WOODSIDE ENERGY (USA) INC.; AND JPMORGAN CHASE BANK, NA, AS TRUSTEE OF THE MESA OFFSHORE TRUST,	§	**TRAVIS COUNTY, TEXAS**
	§	
Defendants.	§	**250th JUDICIAL DISTRICT**

FILED
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DISTRICT CLERK
TRAVIS COUNTY, TEXAS

PLAINTIFF'S FIRST AMENDED ORIGINAL PETITION, VERIFIED APPLICATION FOR TEMPORARY RESTRAINING ORDER, TEMPORARY INJUNCTION, SHOW CAUSE ORDER, PERMANENT INJUNCTION, AND REQUEST FOR DISCLOSURE

A. Discovery Control Plan.

1. Subject to its motion for expedited discovery, Plaintiff, MOSH Holding, L.P., intends to conduct discovery under Level 3 of Texas Rule of Civil Procedure 190.

B. The Parties.

2. Plaintiff, MOSH Holding, L.P. ("MOSH Holding"), is a Texas limited partnership with its address at 9 Greenway Plaza, Suite 3040, Houston, Texas 77046.

3. Defendant Pioneer Natural Resources Company ("PNRC") is a Delaware corporation doing business in the State of Texas with its principal executive office located at 5205 N. O'Connor Blvd., Suite 900, Irving, Texas 75039. PNRC has designated the Secretary of State of the State of Texas as PNRC's agent for service of process. PNRC has appeared and answered and may be served

by serving its attorney in accordance with the Texas Rules of Civil Procedure. PNRC is sued individually and as general partner of Mesa Offshore Royalty Partnership, a Texas general partnership.

4. Defendant Pioneer Natural Resources USA, Inc. ("PNR") is a wholly owned subsidiary of PNRC. PNR is a Delaware corporation doing business in the State of Texas with its principal executive office located at 5205 N. O'Connor Blvd., Suite 900, Irving, Texas 75039. PNR has appeared and answered and may be served by serving its attorney in accordance with the Texas Rules of Civil Procedure. PNR is sued individually and as general partner of Mesa Offshore Royalty Partnership, a Texas general partnership.

5. Defendant Woodside Energy (USA) Inc. ("Woodside") is a Delaware corporation doing business in the State of Texas. Woodside has appeared and answered any may be served by serving its attorney in accordance with the Texas Rules of Civil Procedure.

6. Defendant JPMorgan Chase Bank, NA, as Trustee of the Mesa Offshore Trust ("JPMorgan"), is a Delaware corporation doing business in the State of Texas. JPMorgan is the Trustee of the Mesa Offshore Trust (the "Trust"), a grantor trust created under the laws of the State of Texas. The principal place of business of JPMorgan for administration of the Trust is 700 Lavaca, Austin, Texas 78701. JPMorgan has appeared and may be served by serving its attorney in accordance with the Texas Rules of Civil Procedure.

C. VENUE AND JURISDICTION.

7. MOSH Holding is a beneficiary of the Trust. It brings this action pursuant to the Texas Trust Code for determinations of fact affecting the administration, distribution, and duration

of the Trust and for determination of questions arising in the administration and distribution of the Trust. Tex. Prop. Code § 115.001 (Vernon 1995 & Supp. 2004).

8. The Court has jurisdiction over this controversy, because a District Court has original and exclusive jurisdiction over all proceedings concerning trusts organized under the Texas Trust Code. Tex. Prop. Code § 115.001 (Vernon Supp. 2004).

9. Venue is proper in Travis County, Texas, because Travis County is the county in which the situs of administration of the Trust made the basis of this suit is maintained. Tex. Prop. Code § 115.002 (Vernon Supp. 2004). All other Defendants are subject to venue in Travis County, Texas, because this case arises out of the same transaction, occurrence or series of transactions or occurrences. Tex. Civ. Prac. Rem. Code § 15.005.

D. THE FACTS.

PNRC, PNR, THE TRUST, AND THE PARTNERSHIP.

10. On August 7, 1997, PNRC merged with Mesa Petroleum Co. ("Mesa"). As successor in interest to Mesa, PNRC or PNR owns and operates working interests (the "Subject Interests") in producing and nonproducing oil and gas leases located offshore Louisiana and Texas. PNRC and PNR are referred to herein alternatively or in the aggregate as "Pioneer."

11. In 1982 certain overriding royalty interests (the "Overriding Royalty Interest") were carved out of the Subject Interests and conveyed to the Mesa Offshore Royalty Partnership (the "Partnership"), a Texas general partnership.

12. The Partnership has two partners, the Trust, which has a 99.99 per cent (99.99%) interest, and Pioneer, who is the managing general partner and has the remaining 0.01 per cent (0.01%) interest. The Partnership was formed in 1982 for the purpose of receiving and holding the

Overriding Royalty Interest, receiving the proceeds from the Overriding Royalty Interest, paying the liabilities and expenses of the Partnership, and disbursing remaining revenues to Pioneer (then Mesa) and the Trust. The Partnership is governed by First Amended and Restated Articles of General Partnership dated as of December 1, 1982, as amended to date (the "Partnership Agreement"). The sole purpose of the Trust is to hold its interest in the Partnership. The Trust is governed by the Royalty Trust Indenture, dated as of December 1, 1982, as amended to date (the "Trust Indenture"), and the Trust is a public entity required to file periodic reports with the Securities and Exchange Commission ("SEC"), under the Securities Exchange Act of 1934 ("Exchange Act"), including annual reports on Form 10-K ("10-K's") and Quarterly Reports on Form 10-Q ("10-Qs").

13. On December 23, 1982, units of beneficial interest ("units") in the Trust were issued to Mesa shareholders, who received one unit for each share of Mesa common stock held. The units are traded on the OTC Bulletin Board under ticker symbol MOSH. At March 28, 2005, there were 71,980,216 units outstanding held by 12,005 unitholders of record. MOSH Holding currently owns 7,332,887 units which constitute 10.2 per cent (10.2%) of the outstanding units in the Trust.

TERMS OF THE CONVEYANCE OF THE OVERRIDING ROYALTY INTEREST.

a. Calculation of Payments to the Partnership.

14. Pursuant to the instrument conveying the Overriding Royalty Interest to the Partnership (the "Conveyance"), the Partnership is entitled to ninety per cent (90%) of the net proceeds, as defined, from the sale of Pioneer's share of minerals covered by the Overriding Royalty Interest (the "Net Proceeds"). Net Proceeds are defined as (i) the amount received by Pioneer from the sale of its share of minerals covered by the Overriding Royalty Interest (the "Gross Proceeds")

less (ii) the costs incurred by Pioneer in operating the Subject Interests, including capital costs (the "Costs"), and the Monthly Abandonment Accrual, as defined.

15. If the Costs plus the Monthly Abandonment Accrual exceed Gross Proceeds for any month, the excess plus interest will be deducted from future Gross Proceeds prior to making any further payments to the Partnership.

16. The Monthly Abandonment Accrual is a sum withheld by Pioneer each month to provide for the payment of future abandonment costs related to the Subject Interests. It is calculated pursuant to a formula set forth in the Conveyance. It is a function of, among other things, Pioneer's estimate of abandonment costs; prior Monthly Abandonment Accruals; Gross Proceeds for the given month; and estimated future Gross Proceeds based on the latest available reserve engineering report prepared using applicable SEC guidelines. As of the date of this petition, abandonment costs for the Subject Interests are fully accrued.

17. At the time of complete abandonment of all the Subject Interests, the excess, if any, of the total Monthly Abandonment Accruals over the actual abandonment costs incurred is to be included in Gross Proceeds.

b. Pioneer's Duties To Operate the Subject Interests.

18. Pursuant to the Conveyance, Pioneer is required to operate the Subject Interests with reasonable and prudent business judgment and in accordance with good oil and gas field practices. Pioneer has the right to abandon any well or lease if, in its opinion, such well or lease ceases to produce or is not capable of producing oil, gas, or other minerals in commercial quantities. Pioneer is required to market the production on terms it deems to be the best reasonably obtainable in the circumstances.

19. Pioneer may, but is not required to, develop the Subject Interests. If Pioneer does develop the Subject Interests, it must front the Costs of such development, which Costs it is entitled to recoup prior to paying any additional Net Proceeds to the Partnership. Once those Costs have been recouped, however, the Partnership is entitled to receive ninety per cent (90%) of the Net Proceeds from any remaining production.

20. Pioneer may, in its discretion, enter into farmout agreements with Non-Affiliates (as defined) to transfer all or any undivided or segregated part of the Subject Interests for the sole consideration that the transferee will explore or develop the Subject Interests that are, or are to be, transferred pursuant to such agreement.

21. The Conveyance defines an Affiliate as any person controlling, controlled by, or under common control with another person. Control means the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of another, whether through the ownership of voting securities, by contract or otherwise.

22. By entering into such a Farmout Agreement with a Non-Affiliate, Pioneer has the right and the option, but not the obligation, to assign any portion of the Subject Interests which Pioneer has made subject to such Farmout Agreement, free and clear of the Overriding Royalty Interest. All other assignments of the Subject Interests are required to be made subject to the Overriding Royalty Interest.

EVENTS THAT WOULD REQUIRE TERMINATION OF THE TRUST.

23. The Trust Indenture provides that the Trustee will be obligated to sell the assets of the Trust if the total amount of cash per year received by the Trust falls below certain levels for each of three consecutive years. More specifically, the Trust must sell its interest in the Partnership or cause

the Partnership to sell the Overriding Royalty Interest when the total amount of cash received per year by the Trust for each of three consecutive years is less than ten times the total amount payable to the Trustee as compensation on average for each year during such three-year period (the "Termination Threshold").

24. The Trust Indenture further provides the Trustee a two-year period (following the third consecutive failure to meet the Termination Threshold) during which it must sell all of the Trust properties. The Trust properties must be sold for cash and not for any other consideration. The Trustee may sell the properties at public auction to the highest cash bidder, but it may also conduct any other sales process that it deems to be in the best interest of the Unitholders.

WRONGFUL CONDUCT OF PIONEER AND WOODSIDE.

25. Beginning in late 2002 to early 2003, Pioneer has engaged in, and continues to engage in, a systematic plan to conceal the value of certain of the Subject Interests, to terminate the Trust prematurely, and to capture profits that rightfully belong to the Trust for itself and for Woodside, its co-conspirator, aider, and abettor.

26. On January 20, 2003, PNR and Woodside contemporaneously entered into a set of agreements, one of which was entitled "Farmout Agreement" (the "Farmout Agreement"). Pursuant to the Farmout Agreement, PNR allegedly "farmed out" to Woodside the right to drill on two leases burdened by the Overriding Royalty Interest, one lease (the "Samoa Prospect") which covers the South Half of Brazos Area Block, A-7 and a second lease (the "Midway Prospect") which covers the South Half of Brazos Area Block A-39 ("Block A-39"). As is stated in the so-called Farmout Agreement, when the Overriding Royalty Interest was created, it only burdened 50% of the working interests in the Samoa Prospect and the Midway Prospect (collectively, the "Prospects"). That was

because Mesa only owned a 50% working interest in each Prospect at the time it created the Overriding Royalty Interest. On a subsequent date, PNR acquired the other 50% interest in each of the Prospects. Consequently, at the time the alleged Farmout Agreement was entered into, PNR owned 100% of the working interests in each Prospect, but only 50% of such working interest was burdened by the Overriding Royalty Interest.

27. During 2003, the last of the producing wells on Block A-39 was shut in and no further production was anticipated from existing wells. Consequently, the Minerals Management Service ("MMS"), the lessor of the underlying properties in Block A-39, issued a notice to PNR stating that it would terminate the lease for Block A-39 unless further drilling was commenced thereon within a limited period of time. Consequently, PNR was required to drill a well on Block A-39 or lose the lease.

28. Pursuant to the alleged Farmout Agreement, Woodside allegedly acquired a farm-in of the fifty percent of PNR's working interest in the Prospects that were burdened by the Overriding Royalty Interest. The reason PNR purported to farm out the Subject Interests rather than the 50% interest in the Prospects that was free of the Overriding Royalty Interest (the "Unburdened Interest") is clear. Prior to entering into the alleged Farmout Agreement, PNR would have been responsible for financing 100% of the costs of drilling any well on the Prospects. The Subject Interest and the Unburdened Interest were each also burdened by a $1/6^{th}$ or 16.6666% non-cost bearing royalty interest in favor of the MMS. Consequently PNR would have been entitled to keep 100% of the net proceeds from a well on the Unburdened Interest (a 41.6666% net revenue interest) but would be entitled to keep only 10% of the Net Proceeds from a well on the Subject Interest following the payment of 90% of the Net Proceeds to the Trust (a 4.1666% net revenue interest). Pursuant to the

alleged Farmout Agreement, upon the completion of a test well on either Prospect, Woodside would earn a 50% working interest in such Prospect (the "Earned Interest"). The Earned Interest was subject to a 10% non-cost-bearing overriding royalty interest, increasing to a 12.5% non-cost-bearing overriding royalty interest upon Payout (as defined in the alleged Farmout Agreement) in favor of the Partnership. Consequently, by entering into the alleged Farmout Agreement, PNR reduced its costs for drilling from 100% to 50% but only reduced its net revenue interest from 45.8443% (41.6667% of the Unburdened Interest and 10% of 41.6667% of the Subject Interests) to 42.1667% (41.6667% of the Unburdened Interest and 10% of 5% of the Subject Interests). On the other hand, the Trust's net revenue interest in the Prospects was reduced from 37.4994% (90% of 41.6667%) to 5.0000%. PNR's net revenue interest was reduced by approximately 8 percent (8%) by this transaction while the Trust's net revenue interest was reduced by eighty-seven percent (87%).

29. The sole reason for entering into the alleged Farmout Agreement was to enrich PNR and Woodside at the expense of the Trust.

30. On January 20, 2003, contemporaneously with the alleged Farmout Agreement, PNR and Woodside also entered into an Offshore Operating Agreement (the "Operating Agreement") governing the operations on the Midway Prospect. The following language is included on page 4 of Exhibit A of the Operating Agreement:

> Overriding Royalty and Other Burdens: Mesa Override, as described in the Farmout Agreement dated January 20, 2003, between Pioneer Natural Resources USA, Inc. and Woodside Energy (USA) Inc., being 10% of 8/8ths, proportionately reduced to the interest farmed out, which, upon Payout as to each Initial Well, shall increase to 12.5% of 8/8ths, proportionately reduced.
>
> Pooling of Interests: Pioneer owns an undivided fifty percent (50%) working interest in the OCS-G 04559 [the Midway Prospect], which is unburdened except for the lessor's reserved royalty. Woodside is contributing an undivided fifty percent (50%)

working interest in the OCS-G 04559 under the terms of that certain Farmout Agreement Dated January 20, 2002, by and between Pioneer Natural Resources USA, Inc., as Farmor, and Woodside Energy (USA) Inc. as Farmee which is burdened by the overriding royalty interest noted above under Overriding Royalty and Other Burdens. Pioneer and Woodside hereby agree to pool their respective working and net revenue interests so as to jointly share the benefits of Pioneer's unburdened fifty percent (50%) working interest OCS-G 04559 and Woodside's burdened fifty percent (50%) working Interest OCS-G 04559. As a result of this contractual pooling and equalization, the working interest and net revenue interests of the Parties for OCS-G 04559 will be as follows:

	Before Payout	
	Working Interest	**Net Revenue Interest**
Pioneer	50.0000%	39.1667%
Woodside	50.0000%	39.1667%
	100.0000%	**78.3334%**
	After Payout	
	Working Interest	**Net Revenue Interest**
Pioneer	50.0000%	38.5417%
Woodside	50.0000%	38.5417%
	100.0000%	**77.0834%**

31. Contemporaneously with the execution of the alleged Farmout Agreement and the Operating Agreement, PNR and Woodside executed an Exploration Agreement (the "Exploration Agreement" and, together with the Farmout Agreement and the Operating Agreement, the "Woodside Agreements"). The Exploration Agreement specifically contemplates the execution and delivery of the Farmout Agreement and the Operating Agreement and provides that in the event of any conflict between the Farmout Agreement and the Exploration Agreement, or between the Operating Agreement and the Exploration Agreement, the terms of the Exploration Agreement shall control and govern the point in conflict. Section 6(b) of the Exploration Agreement provides in part:

Pioneer owns an undivided fifty percent (50%) working interest in the two (2) Farmout Leases described in this Section 6 [the Midway Prospect and the Samoa Prospect], which are unburdened except for the lessor's reserved royalty, and the undivided fifty percent (50%) working interest to be earned by Woodside under the terms of the Farmout Agreement described herein which is burdened by an overriding royalty interest in favor of Mesa Offshore Royalty Partnership. Pioneer and Woodside hereby agree to pool their respective working and net revenue interest under the Offshore Operating Agreement governing each of the Farmout Leases so as to jointly share the benefits of Pioneer's unburdened fifty percent (50%) working interest in the Farmout Leases described in this Section 6(b) and the burdened fifty percent (50%) working interest to be earned by Woodside under the terms of the Farmout Agreements thereby equalizing the net revenue interests between the Parties. As a result of this contractual pooling and equalization, the working interest and net revenue interest of the Parties for the Farmout Leases will be as follows:

	Before Payout	
	Working Interest	**Net Revenue Interest**
Pioneer	50.0000%	39.1667%
Woodside	50.0000%	39.1667%
	100.0000%	**78.3334%**
	After Payout	
	Working Interest	**Net Revenue Interest**
Pioneer	50.0000%	38.5417%
Woodside	50.0000%	38.5417%
	100.0000%	**77.0834%**

32. Under the alleged Farmout Agreement considered alone, PNR had a net revenue interest in the Unburdened Interest in the Midway Prospect of 41.6667% (before Payout) (83.3334% of 50%) and Woodside had a net revenue interest in the Subject Interests in the Midway Prospect of 36.6667% (before Payout) (50% of {83.3334% less 5.0000%}). However, as part of a unitary transaction, the Woodside Agreements combine to reduce PNR's net revenue interest in the Midway Prospect from 41.6667% to 39.16667% and to increase Woodside's net revenue interest in the Midway prospect from 36.6667% to 39.16667%. Consequently, the effect of the combined

provisions of the Woodside Agreements is that PNR had farmed out 50% of these Subject Interests to itself and 50% to Woodside.

33. When the Woodside Agreements are read together, as required by law, the conveyance to Woodside utterly fails to meet the definition of "Farmout" contained in the Conveyance. Because PNR assigned half of the Subject Interest to itself, the alleged Farmout Agreement should be held to be ineffective at transferring any interest to either of PNR or Woodside free and clear of the Overriding Royalty Interest. Therefore, the Partnership, and consequently the Trust, should continue to own 90% of the Net Proceeds attributable to PNR's 83.3334% net revenue interest in the Subject Interests (a 37.4994% net revenue interest in the Midway Prospect). The alleged "Farmout" was not a farmout as defined by the Conveyance.

34. If for any reason the Conveyance is vague or ambiguous with respect to the definition of "farmout", then MOSH Holding would show that industry practice would show that the transaction between Woodside and Pioneer was not a farmout. The Manual of Oil & Gas Terms, by Williams and Meyers, contains the oil & gas industry's definition of a farmout agreement. It defines a farmout agreement as follows:

> A very common form of agreement between operators, whereby a lease owner not desirous of drilling at the time agrees to assign the lease, or some portion of it (in common or in severalty) to another operator who is desirous of drilling the tract. The assignor in such a deal may or may not retain an overriding royalty or production payment. The primary characteristic of the farm out is the obligation of the assignee to drill one or more wells on the assigned acreage as a prerequisite to completion of the transfer to him.

35. Therefore, not only did the Woodside Agreements not conform to the definition of Farmout used in the Conveyance, those agreements did not conform to the common industry understanding of farmout. The industry understanding of a farmout is that the lease owner, for

whatever reason, doesn't want to drill on the lease and therefore "farms out" that right to a third party. Manifestly, PNR very much wanted to drill wells on the Prospects and needed to drill on the Midway Prospect or lose its lease. PNR just didn't want to pay the Overriding Royalty Interest. Pioneer's goal in bringing in Woodside was to attempt to fraudulently evade the prohibition in the Conveyance against a Farmout to itself by the device of a sham "Farmout Agreement" with Woodside.

36. The Operating Agreement designated PNR as the operator of the Prospects and therefore PNR was in charge of the drilling operations on the Prospects. In order for the alleged Farmout to comply with the terms of the Conveyance, the only consideration for the Farmout must be "the agreement by the farmee to explore or develop the Subject Interests which are, or are to be, transferred to the farmee". Woodside, the "farmee" under the alleged Farmout Agreement, did not explore or develop the Subject Interests, PNR did. Woodside merely paid PNR for an interest in the Prospects. The only reason it was styled as a "farmout" was to perpetrate a fraud and a sham at the expense of the Trust.

(B) PIONEER HAS WRONGFULLY DELAYED PRODUCING MIDWAY PROSPECT.

37. Pursuant to Section 6.01 of the Conveyance, PNR is required to operate the Subject Interests with reasonable and prudent business judgment and in accordance with good oil and gas field practices. PNR's operation of the Midway Prospect following the drilling of the well thereon violated PNR's obligation under Section 6.01 of the Conveyance. PNR's conduct was designed to benefit itself at the expense of the Trust.

38. The exploratory well on the Samoa Prospect was drilled first. It was determined to be a dry hole and was, accordingly, plugged and abandoned.

39. Drilling of the Midway Prospect was commenced in September 2003. In a February 2, 2004, news release, Pioneer stated that the Midway Prospect was drilled to a total measured depth of 20,496 feet; that the well encountered 30 feet of net gas pay; and that the well also encountered three other intervals with an additional 60 feet of gas bearing sands. Although the equipment necessary to do a flow test on the well was on site, PNR either did not do or did not report such a test.

40. Nor did PNR act as a prudent operator to get the well producing within a reasonable amount of time. Rather, in its February 2, 2004, news release, Pioneer announced that the well would be temporarily abandoned following installation of a production liner. Pioneer further stated that the well was expected to be tied back to the existing production platform on Block A-39 with first production anticipated during the second half of 2004. Notwithstanding this discovery, the Trust's Form 10-K for the year ended December 31, 2003 filed with the SEC approximately two months following the February 2, 2004, press release (the "2003 10-K") specifically stated that "even if the discovery is deemed to be commercially viable and is developed, it is currently expected that any Royalty income generated from this prospect will not be received in time to eliminate the deficit balance and to increase Royalty income above the Threshold Amount before the Indenture requires termination of the Trust." The 2004 10-K states that first production from this well is now expected to commence in the fourth quarter of 2005, almost two years after Pioneer's announcement of the successful drilling of such well.

41. On or about October 25, 2004, PNR filed a permit application for a pipeline to transport bulk gas from the Midway Prospect. The application was for a small diameter pipeline 16,300 feet long. The pipeline could and should have been constructed to tie back to PNR's existing platform on Block A-39, which is connected to an existing major pipeline and is only 7,000 feet from

the Midway Prospect. In PNR's application, however, the proposed route of the pipeline is through Brazos Area Block A-51 to Brazos Area Block A-52. In filing this application, PNR clearly was signaling that the Block A-39 would have very modest production.

42. The 2004 10-K of PNR reports that a production test on the Midway Prospect was finally conducted during the first quarter of 2005, a full year after completion of such well.

43. Upon an initial review of the logs from the Midway Prospect, a prudent operator of the Block A-39 would have immediately tested the Midway Prospect in February 2004, placed it on production by May 2004 at the latest, and promptly commenced the drilling of additional wells on such block. PNR did not drill such additional wells because the Trust would have been entitled to the Net Proceeds from such wells. PNR apparently intended to sit on the results of the Midway Prospect until the Trust was terminated.

WRONGFUL CONDUCT OF JP MORGAN

44. At all times JP Morgan, as Trustee, was a General Partner of Partnership. The actions of Pioneer also a general partner in the Partnership are effectively therefore the actions of the Trustee. Because Pioneer transferred trust assets to itself as alleged above, JP Morgan is a participant in and responsible for this action. Paragraph 5.01 of the Partnership Agreement provides that "When requested by the Trustee, the Managing General Partner shall take appropriate action to enforce the terms of the Conveyance". JP Morgan, as Trustee, could oppose the actions of Pioneer but has not. Transfer of trust assets to a partner, associate or affiliate of the Trustee JP Morgan is self-dealing and a breach of the duty of loyalty and care. Such action is specifically prohibited by Section 113.053 of the Texas Trust Code and this liability cannot be removed or limited by any trust instrument.

45. Since at least December 16, 2003, JP Morgan has been the lead bank for Pioneer on a credit facility in excess of $1 billion. This credit facility was renewed on September 30, 2005 under an Amended and Restated 5-Year Revolving Credit Agreement (the "New Credit Facility"). Under these credit facilities, JP Morgan is the "Administrative Agent". It receives millions of dollars in fees from Pioneer. At the time JP Morgan had been sued by MOSH Holding within this action and had been requested to take action against Pioneer prior to such renewal. However, JP Morgan entered into releases and indemnities with Pioneer in derogation of its duties as Trustee. This very lawsuit was listed as a possible Material Adverse Event under the credit facility. JP Morgan thus did due diligence in connection with this lawsuit and had a vested interest in insuring this lawsuit did not go forward so as to increase the likelihood of having its loans repaid. Furthermore, in connection with the Trust, which is an entity required to filed periodic reports under the Exchange Act, JP Morgan has relied upon Pioneer to provide it information to make its securities filings with the SEC. However, JP Morgan never disclosed that it is the lead lender to Pioneer and receives millions of dollars in payments from Pioneer. Such failure to disclose is an omission to state a material fact which would be necessary in order to make the securities filings accurate. In numerous other ways JP Morgan has not administered the Trust with loyalty and with due care. For example, it has not required independent reserve engineers to evaluate the reserves associated with the Overriding Royalty Interest. It did not obtain the Farmout Agreement which is the subject of this lawsuit until the suit itself was initiated. By reason of all of these activities JP Morgan has engaged in self-dealing and breach of fiduciary duty. Furthermore, such conduct is associated with fraud, acts or omissions in bad faith and gross negligence.

46. Since the filing of this Lawsuit, JPMorgan has known of the pendency of this action and its loan relationship with Pioneer. Its interests as a Lender conflict with its interests as a Trustee in numerous ways. The New Credit Facility has releases and indemnities and other limitations which may be asserted to limit its ability to pursue claims on behalf of the Trust. As a possible Material Adverse Event, successful prosecution of the Lawsuit by the Trustee will impact JPMorgan's ability to be paid on its loan. On information and belief, Pioneer has actively manipulated accounting and the production of Block A-39 to suppress income and allegedly cause early termination of the Trust. As its lender, JPMorgan has agreed and conspired with Pioneer to cause early termination. Additionally, JPMorgan now admits Mosh's claims under the Trust regarding the Woodside farmout have merit, but JPMorgan seeks to resign since its conflict (always known to JPMorgan) has been raised by Plaintiff. Having done nothing to pursue the Trust claims in the termination period, JPMorgan has additionally harmed the Trust during the pendency of this Lawsuit by its refusal to act. Accordingly, JPMorgan must be immediately replaced by a Temporary Trustee to protect the interest of the Trust, advance the Trust's legal claims and to make decisions for the Trust without a conflict of interest. Because the Trust allegedly must be closed out by 2006, there is a danger of immediate and irreparable harm for which there is not an adequate remedy at law. The provisions under the Trust Indenture to appoint a successor Trustee would take months to effectuate, if at all. Given the highly fractional ownership of units of the Trust, it is highly unlikely that a quorum can ever be obtained of unit holders to vote on a successor Trustee. It is equally highly unlikely that any trust company will voluntarily agree to be successor trustee given this litigation. JPMorgan's acknowledgment that it must immediately resign demonstrates the inherent prejudice to the Trust if JPMorgan continues to act for the Trust. Pursuant to a Rule 11 Agreement, JPMorgan has agreed to

a voluntary injunction in this cause. Now, however, it is manifest that JPMorgan cannot act for the Trust with the independence, loyalty, and due care to which the Trust is entitled in this critical period.

DAMAGES TO THE TRUST CAUSED BY DEFENDANTS' WRONGFUL CONDUCT.

47. The above-described misconduct by the Defendants has damaged and continues to damage the Trust in several ways. First, it immediately deprives the Trust of cash to which it is entitled. Second, the reduced cash flow to the Trust has artificially created conditions requiring early termination of the Trust. Third, the proceeds to the Trust upon the sale of the Overriding Royalty Interest will be reduced by actions designed to create the appearance that the Overriding Royalty Interest is less valuable than Pioneer knows it to be. The Trust has been reduced in value, and profits have been lost which would have been earned had the properties been properly developed. Finally, the Trust has incurred the fees of JP Morgan and JP Morgan has made profits which properly belong to the Trust.

48. The Trust's 10-K for 2004 reports that the cash received by the Trust in 2002, 2003, and 2004 fell below the Termination Threshold. Based upon these three consecutive failures to meet the Termination Threshold, JPMorgan, in its capacity as Trustee of the Trust, has announced that it will commence, in the second half of 2005, the process to sell the Trust's interest in the Partnership, or cause the Partnership to sell the assets of the Partnership, and thereby liquidate the Trust.

E. THE CLAIMS.

Construction of the Trust.

49. This proceeding is filed under §115.001 of the Texas Trust Act and §37.005 of the Texas Uniform Declaratory Judgments Act. Among other remedies sought, without limitation, the court is requested to make the following constructions and declarations:

(a) Construe the Trust Indenture to determine that the Trust is not terminated because there has or should have been production which would have generated revenues to extend the life of the Trust as set forth above;

(b) Determine the responsibilities and duties of the Trustee to pursue the claims of the Trust set forth in paragraphs 50 to 63 below or to allow Plaintiff to pursue such claims on behalf of the Trust;

(c) Ascertain beneficiaries and establish the notice requirements for beneficiaries in this Lawsuit or, alternatively, establish such classes of beneficiaries as necessary to pursue this claim;

(d) Make all determinations of fact affecting the administration, distribution or duration of the Trust including, without limitation, determination that Defendants have acted to conceal production and otherwise failed to act as prudent operators which would have extended the term of the Trust and produced revenue to the Trust;

(e) Require an accounting of all plugging and abandonment expenses which were improperly applied to reduce the income of the Trust, and set aside any alleged termination of the Trust after the proper application of plugging and abandonment expenses, and further require independent reserve reports;

(f) Set aside any farmouts by Pioneer in which there have been conveyances to an affiliate of Pioneer in violation of the Conveyance and as a self-dealing transaction;

(g) Order full accounting of JP Morgan and Pioneer's administration of any Trust properties; and

(h) Construe all agreements between the Trust, Pioneer and Woodside or any other person which relate directly or indirectly to the duration of the Trust or to any income to which the Trust is entitled.

50. In addition to the foregoing declarations and construction, MOSH Holding seeks all equitable, supplemental, and ancillary remedies necessary to provide relief resulting from these declarations and constructions including damages, injunctive relief, and such other relief to which it may be entitled. Plaintiff also seeks its attorney's fees, costs, prejudgment and postjudgment interest to the extent allowed by law.

CLAIMS AGAINST JP MORGAN

BREACH OF FIDUCIARY DUTY

51. JP Morgan as Trustee has breached its fiduciary duties to Plaintiff and to all beneficiaries of the Trust. Plaintiff sues for this misconduct and inter alia requests the following relief:

(1) Removal of JP Morgan as Trustee because the Trustee materially violated the terms of the Trust which resulted in material loss to the Trust and also for cause as provided in Section 113.082 of the Texas Trust Code.

(2) Damages for depreciation in the value of the Trust and damages for any loss of profit to the Trust.

(3) All compensations and profits of the Trustee including, without limitations, all compensation paid as Administrative Agent or as a lender under the credit facilities between JP Morgan and Pioneer.

As the breaches of fiduciary duties have been committed fraudulently, in bad faith, or with gross negligence, MOSH Holding and the Beneficiaries of the Trust are entitled to actual damages along with punitive and exemplary damages.

CLAIMS AGAINST PIONEER AND WOODSIDE

Breach of Fiduciary Duty

52. As the managing general partner of the Partnership, Pioneer owes its partner, the Trust, the highest fiduciary duty recognized in the law. By all the actions set out above, Pioneer has breached its fiduciary duty to the Trust to make full disclosure of all matters affecting the Partnership, to account for all Partnership profits and property, and to avoid self-dealing. As a result of Pioneer's wrongful conduct, the Trust has suffered, and continues to suffer, damages, including

the imminent threat of premature termination. As a beneficiary of the Trust, MOSH Holding has suffered, and continues to suffer, damages as a result of Pioneer's wrongful acts, including the imminent threat of premature termination of the Trust.

Aiding and Abetting Breach of Fiduciary Duty.

53. Defendants Woodside and Pioneer have caused JP Morgan to breach its fiduciary duty and are jointly and severally liable for all breaches of JP Morgan.

54. Defendant Woodside knowingly has participated in Pioneer's breach of its fiduciary duties to the Partnership and to its partner, the Trust. Woodside is, therefore, jointly liable with Pioneer for damages to the Trust and to the Trust's beneficiaries resulting from Pioneer's breach of fiduciary duty.

Misapplication of Fiduciary Property.

55. Pioneer has misapplied fiduciary property. TEX. PEN. CODE ANN. § 32.45 (Vernon Supp. 2004). Specifically, Pioneer has intentionally, knowingly, or recklessly dealt with the Overriding Royalty Interest and with the Net Proceeds due to the Trust contrary to the terms of the Conveyance and in a manner that involves substantial risk of loss to the Trust.

Conspiracy To Misapply Fiduciary Property.

56. Defendant Woodside conspired with Pioneer to misapply fiduciary property. TEX. PEN. CODE ANN. § 15.02 (Vernon 2003). Specifically, Woodside agreed with Pioneer that Pioneer would farmout Brazos A-39 to itself in violation of the Conveyance; that Pioneer would file a pipeline permit application to mislead the Trust regarding the potential recovery from the Brazos A-39 Block; and that Pioneer would wrongfully delay production from the Midway Well. Pioneer has

engaged in this, and other, wrongful conduct to deny the Trust proceeds to which it is entitled and to cause the premature termination of the Trust.

Common Law Fraud.

57. Pioneer made material misrepresentations to the Trust regarding Net Proceeds due the Trust pursuant to the Conveyance. Pioneer further failed to disclose material information about the Subject Interests, particularly the Midway Well, which they had a duty to disclose to the Trust.

58. Pioneer knowingly made these misrepresentations and omissions with the intent that the Trust rely on them.

59. The Trust did so rely, and, as a result, the Trust and its beneficiaries have suffered actual damages in excess of $1,200,000,000.

60. Pioneer willfully and intentionally defrauded the Trust and its beneficiaries and is, therefore, liable for exemplary damages.

Gross Negligence.

61. Alternatively, as set forth above, Pioneer has been grossly negligent in its operation of the Subject Interests by, *inter alia*, failing promptly to conduct a flow test on the Midway Well, failing to file a permit application for a pipeline of appropriate size and location, and failing to get production on line promptly for the Brazos A-39 Block. The Trust and its beneficiaries have suffered damages as a result of this gross negligence and are entitled to recover actual and punitive damages.

Breach of the Conveyance Agreement.

62. Alternatively, as set forth above, Pioneer has breached the Conveyance by farming out Brazos A-39 Block to itself in violation of the express terms of the Conveyance, by failing properly to account for Net Proceeds due the Trust, and by failing to operate the Subject Interests with

reasonable and prudent business judgment and in accordance with good oil and gas field practices. The Trust, and the beneficiaries of the Trust, have suffered damages as a result of Pioneer's breach of the Conveyance. The Trust and its beneficiaries are entitled to recover actual damages, attorney's fees, and costs.

F. DAMAGES FROM PIONEER AND WOODSIDE.

63. Based upon the flow test report by Woodside and other information reviewed by MOSH Holding, it appears that, pursuant to the terms of the Conveyance, the Trust would be entitled to millions of dollars in damages in Net Proceeds from production from the Midway Well in an amount to be proved at trial. By delaying production from this well and by engaging in other conduct that reduced the Net Proceeds due the Trust, the Defendants have orchestrated a series of events that threaten the premature termination of the Trust. If the Trust is allowed so to terminate, it will suffer damages in an amount to be proved at trial.

64. Pioneer, moreover, has been grossly negligent in its operation of the Subject Interests. Pioneer has intentionally and willfully defrauded the Trust. The Trust, therefore, is entitled to punitive damages.

G. DEMAND FOR JURY.

65. MOSH Holding demands a jury trial and has tendered the appropriate fee.

APPLICATION FOR TEMPORARY RESTRAINING ORDER, TEMPORARY INJUNCTION, SHOW CAUSE ORDER, AND PERMANENT INJUNCTION

66. MOSH Holding restates and incorporates the allegations set forth in paragraphs one through 64. Based upon these allegations, and the activities giving rise thereto, there is an immediate risk of irreparable harm to the Trust and to its beneficiaries, including MOSH Holding, that the Trust

will be wrongfully terminated and closed out prematurely. As set forth above, knowing of its conflict of interest, JPMorgan acknowledged it should resign yet will continue to act as trustee this critical period to the harm of the Trust. Such harm is irreparable and for which there is no adequate remedy at law.

67. Accordingly, MOSH Holding requests that an injunction be issued: (1) enjoining JPMorgan, as Trustee, and the other Defendants from taking any action that would terminate the Trust (this is not an election of remedies at this time) and (2) appointing a Temporary Trustee pending a trial on the merits. MOSH Holding proposes that Mr. Timothy M. Roberson, as Manager of the general partner of Plaintiff MOSH Holding or such other person as the court may designate be appointed as Temporary Trustee. MOSH Holding is the largest beneficiary of the Trust and has taken the lead to protect the Trust and pursue the Trust's claims.

68. After trial on the merits, MOSH Holding request such permanent injunctive relief as is necessary to provide relief to the parties.

69. MOSH Holding further requests that a show cause order be issued for a hearing on the temporary restraining order and thereafter a hearing on a temporary injunction.

70. MOSH Holding further requests that after the hearing on the temporary injunction, the temporary injunction be entered and that after a trial of the case, a permanent injunction be entered as to these matters.

REQUEST FOR DISCLOSURE.

71. Under Texas Rule of Civil Procedure 194, MOSH Holding requests that Defendants Pioneer Natural Resources Company, Pioneer Natural Resources USA, Inc., Woodside Energy (USA) Inc., and JPMorgan Chase Bank, NA, as Trustee of the Mesa Offshore Trust, disclose within

30 days of the service of this request, the information or material described in rules 194.2(a) through (i) if not previously supplied

PRAYER.

72. WHEREFORE, PREMISES CONSIDERED, MOSH Holding, L.P. prays that a temporary restraining order be granted *ex parte*; that a show cause order be issued for a hearing on the temporary restraining order and thereafter on a temporary injunction; that Defendants Pioneer Natural Resources Company, Pioneer Natural Resources USA, Inc., Woodside Energy (USA) Inc., and JPMorgan Chase Bank, NA, as Trustee of the Mesa Offshore Trust, be cited to appear; that the injunctive relief prayed for be granted; and that after a trial on the merits, judgment be entered against the Defendants for permanent injunction, actual damages and exemplary damages, attorneys' fees and costs, pre- and post-judgment interest in lawful amounts, and all other relief to which MOSH Holding is entitled.

Respectfully submitted,

BOYER & KETCHAND
A Professional Corporation

Robert L. Ketchand
Texas State Bar No. 11362500
Constance O'Doherty Barnes
Texas State Bar No. 01763200
Nine Greenway Plaza, Suite 3100
Houston, Texas 77046
Telephone: (713) 871-2025
Telecopier: (713) 871-2024

SHAUNESSY & BURNETT, P.C.

Michael Burnett/RK by permission
Michael Burnett
Texas State Bar No. 00790399
98 San Jacinto Boulevard
Suite 1400
Austin, Texas 78701
Telephone: (512) 542.9600
Telecopier: (512) 542.9610

ATTORNEYS FOR PLAINTIFF

Of Counsel:
Charles A. Sharman
Texas State Bar No. 18114400
Nine Greenway Plaza, Suite 3040
Houston, Texas 77046
Telephone: 713-655-1195
Telecopier: 713-655-1197

CERTIFICATE OF SERVICE

I hereby certify that on this the 18th day of November, 2005, a complete copy of this Plaintiff's First Amended Original Petition, Verified Application for Temporary Restraining Order, Temporary Injunction, Show Cause Order, Permanent Injunction, and Request for Disclosure has been served by certified mail, return receipt requested, hand delivery or facsimile, in compliance with the Texas Rules of Civil Procedure on the following parties or counsel:

Craig Stahl
Andrews Kurth LLP
10001 Woodloch Forest Dr., Suite 200
The Woodlands, Texas 77380

Attorney for JPMorgan Chase Bank, NA as Trustee for the MESA Offshore Trust

David Buck
Andrews Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002

Attorney for JPMorgan Chase Bank, NA as Trustee for the MESA Offshore Trust

Rob Walters
Vinson & Elkins L.L.P.
3700 Trammell Crow Center
2001 Ross Avenue
Dallas, Texas 75201-2975

Attorney for Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc.

Ms. Jennifer B. Poppe
Vinson & Elkins L.L.P
The Terrace 7
2801 Via Fortuna, Suite 100
Austin, Texas 78746

Attorney for Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc.

Daniel L. Mark
William P. Maines
Fulbright & Jaworski
1301 McKinney, Suite 5100
Houston, Texas 77002

Attorney for Woodside Energy (USA) Inc.

Mary Dietz
Fulbright & Jaworski
600 Congress Avenue, Suite 2400
Austin, Texas 78701-2978

Attorney for Woodside Energy (USA) Inc.

Andrew McCollam
Vinson & Elkins L.L.P.
1001 Fannin, Suite 2300
Houston, Texas 77002

Attorney for Pioneer Natural Resources Company and Pioneer Natural Resources USA, Inc.

Robert L. Ketchand