

LAW OFFICES

ROSE, SUNDBSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

FREDERICK L. ASCHAUER, JR.
CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
DAVID F. CHESTER
F. MARSHALL DETERDING
JOHN R. JENKINS, P.A.
STEVEN T. MINDLIN, P.A.
CHASITY H. O'STEEN
DAREN L. SHIPPY
WILLIAM E. SUNDBSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON

(850) 877-6555
FAX (850) 656-4029
www.rsbatorneys.com

CENTRAL FLORIDA OFFICE
SANLANDO CENTER
2180 WEST STATE ROAD 434
SUITE 2118
LONGWOOD, FLORIDA 32779
(407) 830-6331
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD
BRIAN J. STREET

August 31, 2006

VIA HAND DELIVERY

WAYNE L. SCHIEFFELBEIN, OF COUNSEL
ROBERT M. C. ROSE, (1924-2006)

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CLERK

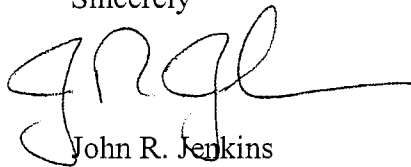
Blanca S. Bayo, Director
Commission Clerk & Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Town and Country Utilities Company
Transfer of Majority Organizational Control
Docket No. 060520
Our File No. 40050.03

Dear Ms. Bayo:

Enclosed please find an original and two (2) copies of a corrected First Amendment to Lease Agreement which now includes the attached Exhibit "A" for filing in the above referenced docket. Should you have any questions regarding this matter, please feel free to call.

Sincerely



John R. Jenkins
For the Firm

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____ JRJ/jvm
- OPC _____ Enclosure
- RCA _____
- SCR _____
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FIRST AMENDMENT TO LEASE AGREEMENT

THIS First Amendment to Lease Agreement ("First Amendment"), made and entered into as of July 31, 2006, by and between Babcock Property Holdings L.L.C., a Delaware Limited Liability Company (hereinafter "Owner"), and Town and Country Utilities Company, a Florida Corporation, (hereinafter "Service Company").

WHEREAS, on May 17, 1999 Babcock Florida Company ("Babcock") and Service Company entered into a Lease Agreement whereby the Service Company leased certain well sites and well site production facilities from Babcock ("Lease"); and,

WHEREAS, on or about July 31, 2006, Babcock merged with MSKP III pursuant to that certain Merger Agreement dated as of July 1, 2005 by and between Babcock Florida Company and MSKP, III, Inc with Babcock as the surviving entity; and,

WHEREAS, immediately following the acquisition by merger Babcock sold approximately 73,400 acres of the Babcock ranch property to the State of Florida and Lee County for preservation purposes, and the remaining approximately 17,000 acres is now owned by Owner, a wholly owned subsidiary of Babcock; and,

WHEREAS, the parties wish to amend the Lease to recognize the sale of a portion of the ranch property to the State of Florida and Lee County which property includes certain well sites and well site production facilities which will no longer be subject to the Lease.

NOW, THEREFORE, in consideration of the sum of ten dollars (\$10.00), and the mutual undertakings and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Property referenced in section 1.D. of the Lease is modified, and the land described in Exhibit "A" to the Lease is replaced by Exhibit "A" attached to this First Amendment.
2. Except as set forth herein all provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this First Amendment to Lease Agreement, with the named Exhibits attached, to be duly executed in several counterparts, each of which shall be considered an original copy for all purposes.

[Signatures on following pages]

Signed, Sealed and Delivered
in the Presence of:

Sandra De Mased
Michael J. [unclear]

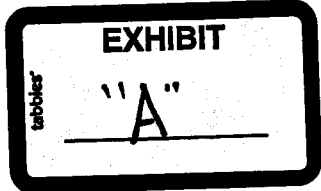
Babcock Property Holdings L.L.C.

By: *[Signature]*
Sydney W. Kitson, Chairman and CEO

Sandra De Mased
Michael J. [unclear]

Town and Country Utilities Company

By: *[Signature]*
Sydney W. Kitson, Chairman and CEO



Area 6 Description

CHARLOTTE COUNTY PARCEL:

A parcel of land lying within Sections 28, 29, 31 through 33, Township 41 South, Range 26 East, AND, Sections 4 through 10, Sections 15 through 17 and Sections 19 through 36, Township 42 South, Range 26 East, Charlotte County, Florida, being more particularly described as follows:

Commence at the Southwest corner of Section 31, Township 42 South, Range 26 East and run S89°41'45"E, along the South line of said Section 31, a distance of 350.01 feet to the Point of Beginning of the parcel of land herein described; Thence along a line 300.00 feet East of, and parallel with, the East right-of-way line for State Road No. 31, the following courses and distances: N00°36'46"E a distance of 5336.09 feet, N00°26'10"E a distance of 5282.78 feet and N00°31'45"E a distance of 4197.65 feet; Thence S77°54'41"E a distance of 707.35 feet; Thence N81°38'00"E a distance of 5168.06 feet; Thence N82°12'01"E a distance of 711.51 feet; Thence N62°45'03"E a distance of 4638.50 feet; Thence N28°10'55"W a distance of 1272.65 feet; Thence N69°50'23"E a distance of 1104.32 feet; Thence S45°00'57"E a distance of 266.61 feet; Thence N71°59'01"E a distance of 448.55 feet; Thence N12°51'59"W a distance of 1862.42 feet; Thence N13°56'09"E a distance of 1953.99 feet; Thence N50°03'22"W a distance of 2565.68 feet; Thence S63°01'21"W a distance of 1215.04 feet; Thence N70°04'12"W a distance of 1843.56 feet; Thence N57°46'34"W a distance of 530.23 feet; Thence N24°01'11"W a distance of 975.16 feet; Thence N86°25'58"W a distance of 385.81 feet; Thence N38°10'48"W a distance of 551.49 feet; Thence S59°20'29"W a distance of 577.78 feet; Thence N73°15'18"W a distance of 661.18 feet; Thence N09°11'59"E a distance of 1325.91 feet; Thence N16°46'15"W a distance of 1740.31 feet; Thence N00°01'22"W a distance of 2084.14 feet; Thence N89°25'59"W a distance of 3804.51 feet to a point lying 300.00 feet East of the East right-of-way line for State Road No. 31; Thence along a line 300.00 feet East of, and parallel with, the East right-of-way line for State Road No. 31, the following courses and distances: N00°34'01"E a distance of 789.90 feet and N00°48'43"W a distance of 2979.88 feet; Thence N89°11'17"E a distance of 5661.25 feet; Thence N00°00'03"W a distance of 2799.47 feet; Thence N89°59'57"E a distance of 3566.96 feet; Thence S41°13'25"E a distance of 2825.30 feet; Thence S00°00'00"W a distance of 1967.31 feet; Thence S89°59'52"E a distance of 688.23 feet; Thence S00°00'29"E a distance of 324.64 feet; Thence S39°50'11"E a distance of 190.87 feet; Thence S00°00'03"E a distance of 1218.43 feet; Thence S89°51'42"E a distance of 67.91 feet; Thence S01°26'06"E a distance of 897.46 feet; Thence S74°19'19"E a distance of 1689.13 feet; Thence N79°06'55"E a distance of 475.22 feet; Thence S26°13'22"E a distance of 802.17 feet; Thence S19°47'08"E a distance of 527.22 feet; Thence S05°04'15"E a distance of 1832.85 feet; Thence S32°40'01"E a distance of 186.12 feet; Thence S13°05'30"W a distance of 201.97 feet; Thence

S07°19'37"E a distance of 171.40 feet; Thence S42°54'55"E a distance of 643.22 feet; Thence S25°12'33"E a distance of 261.14 feet; Thence S00°28'20"W a distance of 674.54 feet; Thence S03°43'40"W a distance of 687.25 feet; Thence S08°01'21"E a distance of 493.34 feet; Thence S19°48'25"E a distance of 366.26 feet; Thence N78°50'16"E a distance of 687.98 feet; Thence S13°36'57"E a distance of 2507.44 feet; Thence S52°37'55"W a distance of 867.79 feet; Thence S21°59'06"E a distance of 1739.24 feet; Thence S55°42'26"W a distance of 195.73 feet; Thence S22°47'49"W a distance of 5491.07 feet; Thence S05°03'05"W a distance of 533.38 feet; Thence S20°54'51"E a distance of 336.88 feet; Thence S80°06'18"E a distance of 334.86 feet; Thence N89°59'33"E a distance of 307.21 feet; Thence N62°56'46"E a distance of 516.44 feet; Thence N52°01'16"E a distance of 818.38 feet; Thence S42°01'35"E a distance of 1162.99 feet; Thence S39°20'59"E a distance of 1779.24 feet; Thence S04°14'12"W a distance of 1329.65 feet; Thence S51°39'36"E a distance of 782.57 feet; Thence N89°45'02"E a distance of 4154.67 feet; Thence N00°18'50"W a distance of 1309.98 feet; Thence S74°38'25"W a distance of 1635.76 feet; Thence N20°29'11"W a distance of 1376.98 feet; Thence N21°08'17"E a distance of 865.48 feet; Thence N69°00'57"E a distance of 1518.26 feet; Thence S49°18'31"E a distance of 2362.36 feet; Thence N72°42'44"E a distance of 1430.88 feet; Thence S70°02'41"E a distance of 1332.47 feet; Thence S30°17'33"E a distance of 1686.70 feet; Thence N83°12'47"E a distance of 1373.39 feet; Thence S66°40'38"E a distance of 200.63 feet; Thence S05°46'23"W a distance of 1058.61 feet; Thence S00°00'40"E a distance of 10185.99 feet to a point on the South line of Section 36, Township 42 South, Range 26 East; Thence N89°35'44"W a distance of 3430.81 feet to the Southwest corner of said Section 36; Thence N89°35'44"W a distance of 5294.84 feet to the Southeast corner of Section 34, Township 42 South, Range 26 East; Thence N89°35'44"W a distance of 5294.83 feet to the Southwest corner of said Section 34; Thence N89°37'16"W a distance of 5289.35 feet to the Southeast corner of Section 32, Township 42 South, Range 26 East; Thence N89°41'45"W a distance of 5306.31 feet to the Southwest corner of said Section 32; Thence N89°41'45"W, along the South line of Section 31, Township 42 South, Range 26 East, a distance of 4889.98 feet to the Point of Beginning. Containing 13,503.84 acres, more or less.

Bearings hereinabove mentioned are based on the South line of Section 31, Township 42 South, Range 26 East to bear S89°41'45"E. Dimensions and acreage is in Ground Values.

LEE COUNTY PARCEL:

A parcel of land lying within Sections 1 through 7 and Section 9, Township 43 South, Range 26 East, Lee County, Florida, being more particularly described as follows:

Commence at the Southwest corner of Section 31, Township 42 South, Range 26 East and run S89°41'45"E, along the South line of said Section 31, a distance of 350.01 feet to the Point of Beginning of the parcel of land herein described; Thence continue S89°41'45"E a distance of 4889.98 feet to the Northeast corner of Section 6, Township 43 South, Range 26 East; Thence S89°41'45"E a distance of 5306.31 feet to the Northeast corner of Section 5, Township 43 South, Range 26 East; Thence S89°37'16"E a distance of 5289.35 feet to the Northeast corner of Section 4, Township 43 South, Range 26 East; Thence S89°35'44"E a distance of 5294.83 feet to the Northeast corner of Section 3, Township 43 South, Range 26 East; Thence S89°35'44"E a distance of 5294.84 feet to the Northeast corner of Section 2, Township 43 South, Range 26 East; Thence S89°35'44"E, along the North line of Section 1, Township 43 South, Range 26 East, a distance of 155.77 feet; Thence S09°58'52"W a distance of 4668.17 feet; Thence S04°10'14"W a distance of 283.53 feet; Thence S03°53'19"E a distance of 515.34 feet to a point on the South line of Section 2, Township 43 South, Range 26 East (said point being 558.43 feet West of the Southeast corner of said Section 2); Thence N88°38'22"W a distance of 2084.17 feet to the South one-quarter corner of said Section 2; Thence N88°38'42"W a distance of 2642.18 feet to the Southwest corner of said Section 2; Thence N89°51'49"W a distance of 5300.33 feet to the Southwest corner of Section 3, Township 43 South, Range 26 East; Thence N89°51'54"W a distance of 2650.21 feet to the South one-quarter corner of Section 4, Township 43 South, Range 26 East; Thence S00°23'25"W a distance of 1330.71 feet to the Southwest corner of the North one-half of the Northeast one-quarter of Section 9, Township 43 South, Range 26 East; Thence S06°02'41"E a distance of 1338.42 feet to a point on the North line of the Southeast one-quarter of said Section 9 (said point being 150.00 feet East of the Northwest corner of the Southeast one-quarter of said Section 9); Thence S00°22'58"W, parallel with and 150.00 feet East of the West line of the Southeast one-quarter of said Section 9, a distance of 2611.68 feet to a point on the North right-of-way line of County Road No. 78; Thence along said right-of-way line the following courses and distances, N89°54'54"W a distance of 150.27 feet and N89°54'44"W a distance of 2649.07 feet to a point on the West line of said Section 9; Thence N00°22'31"E a distance of 2612.14 feet to the West one-quarter corner of said Section 9; Thence N00°21'56"E a distance of 2663.25 feet to the Southeast corner of Section 5, Township 43 South, Range 26 East; Thence N89°52'00"W a distance of 2666.82 feet to the South one-quarter corner of said Section 5; Thence N89°50'47"W a distance of 2667.54 feet to the Southwest corner of said Section 5; Thence S00°23'16"W, along the East line of Section 7, Township 43 South, Range 26 East, a distance of 5294.24 feet to a point on the North right-of-way line of County Road No. 78; Thence Westerly

along the curved right-of-way line, (said curve being curved concave to the North, having a delta angle of $00^{\circ}53'52''$ and a radius of 11339.17 feet, with a chord bearing of $N89^{\circ}19'12''W$ and a chord length of 177.69 feet) a distance of 177.69 feet to the end of the curve; Thence $N88^{\circ}52'16''W$, along said North right-of-way line, a distance of 4406.54 feet to the beginning of a curve to the right; Thence along the arc of the curved right-of-way line, (said curve being curved concave to the Northeast, having a delta angle of $24^{\circ}26'20''$ and a radius of 522.96 feet, with a chord bearing of $N76^{\circ}39'06''W$ and a chord length of 221.39 feet) a distance of 223.07 feet to a point that is 300.00 feet East of the East right-of-way line of State Road No. 31; Thence along a line 300.00 feet East of, and parallel with, the East right-of-way line for State Road No. 31, the following courses and distances, $N00^{\circ}19'49''E$ a distance of 5249.36 feet, $N00^{\circ}18'54''E$ a distance of 5312.90 feet and $N00^{\circ}36'46''E$ a distance of 0.97 feet to the Point of Beginning. Containing 4085.77 acres, more or less.

Bearings hereinabove mentioned are based on the North line of Section 6, Township 43 South, Range 26 East to bear $S89^{\circ}41'45''E$. Dimensions and acreage is in Ground Values.

300' STRIP:

The East 300.00 feet of the West 350.00 feet of Sections 6, 7, 18, 19, 30 and 31, Township 41 South, Range 26 East, Charlotte County, Florida.

AND,

The East 300.00 feet of the West 350.00 feet of Sections 6, 7, 18, 19, 30 and 31, Township 42 South, Range 26 East, Charlotte County, Florida.

AND,

The East 300.00 feet of the West 350.00 feet of Sections 6 and 7, Township 43 South, Range 26 East, Lee County, Florida.