

Attn: Trading and Market Making / Legal and Compliance / Operations / Systems
UNIFORM PRACTICE CODE ADVISORY (UPC # 09-2010) February 11, 2010.
TXCO Resources, Inc. (TXCOQ)

Notice has been received that the above Company's Joint Plan of Reorganization (Plan) filed under Chapter XI of the Federal Bankruptcy Code, became effective on February 11, 2010. Pursuant to the Plan, On the Effective Date, all existing Common Stock shall, without any further action, be cancelled, annulled and extinguished and any certificated or electronic shares representing such Common Stock shall become null, void and of no force or effect, and all such shares shall immediately be delisted from all exchanges and other trading facilities. Each holder of Class 12 Common Stock on the Distribution Record Date, will receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Class 12 Common Stock, their *pro rata* share of Cash remaining after payment in full of all Allowed Claims, the Class 11B Interest Holders, taxes, operating expenses and costs associated with liquidation of the Trust Assets up to, but not exceeding, \$10 million from the Liquidating Trust. No Payments will be made to any holders of Class 12 Common Stock until after the amounts due to Class 11B Preferred Stock have been paid in full.

Members are reminded of their obligations under NASD Conduct Rule 2310 if they continue to engage in transactions in the above security after the effective date.

Members are further advised that deliveries in settlement of contracts in the OLD securities, which were executed prior to the announcement that the securities had been deemed worthless, shall be evidenced by either a) the OLD security; or b) a Letter of Indemnity which shall grant the purchaser any rights and privileges which might accrue to the holders of the physical securities. Such deliveries shall operate to close-out the contract and shall be settled at the existing contract price pursuant to Uniform Practice Code Rule 11530.

Questions regarding this notice should be directed to: FINRA Operations, 866.776.0800.