JOHNSTON JEFFRIES

ATTORNEY AT LAW

MAY 15, 1957 .

HON. EMORY ARNOLD
N. M. OIL AND GAS CONSERVATION COMMISSION
AZTEC. N. M.

DEAR SIR:

This certifies that I have examined oil and gas leases relating to NE4 of S. 22-T. 29 n. r. ii. N. M. P. M. which I hereby refer to as the "Giacomelli Pictured Cliff unit."

LEASES IN MY POSSESSION ARE AS FOLLOWS:

LEASES FROM ROBERT L. FINCH AND WIFE TO MELBORNE PETROLEUM CORPORATION ON E-WANE4 AFORESAID TOWNSHIP AND RANGE. (MINERAL INTEREST.)

Leases from John Giacomelli and wife on $S_2^{\frac{1}{2}}NE_4^{\frac{1}{2}}$ relating to this land owner's undivided mineral interest.

LEASE FORM FIORE GIACOMELLI AND WIFE ON THE SAME LAND RELATING TO HIS UNDIVIDED MINERAL OWNERSHIP.

Guardian's lease from Gladys Andrews for the Glacomelli minors relating to the same land as the the minors undivided interest therein. These leases on said $S_2^{\perp}NE_4^{\perp}$ township range aforesaid constitute complete lease on this tract as to all of the undivided interest outstanding. The Guardian's deed is pursuamt to court order.

Lease from Hapriet M. McClure, single, to Melborne for the North 3/4ths of Lots 41, 42, 43 and 44 in tract 3 of Bloomfield Mesa Orchard Tract, as of Plat of said Tracts on file with County Clerk, being in and part of the NW4NE4 Sec. 22 Township, and Range aforesaid. Said described land also being the north 3/4th os the West half of the NW4NE4 = 22 - 29 - 11.

LEASE FROM MarkieFaverino and wife, Louis Faverino and wife and William J. Faverino, single on the south 1/4th of Lots 41, 42, 43 and 44 in Tract 3 Bloomfield Mesa Orchards Tract, as of the description in the Harriet MCCLure Leade above.

LEASE FROM WINNIE FINCH, A WIDOW, ON THE NETNET -22-29-11.

CERTAIN LEASES FROM PERSONS REFERRED TO AS JACKSON HEIRS. THE TITLE TO UNDIVIDED \$\frac{1}{2}\$ OF \$\frac{\frac{1}{2}}{2}NN\(\frac{1}{4}NE\(\frac{1}{4}\) IS AS ADOVE SET FORTH IN ROBERT T. FINCH AND WIFE.

ONE FOURTH INTEREST IN THIS 20 ACRES IS VESTED IN ROY JACKSON AND WIFE, AND THE OTHER UNDIVIDED \$\frac{1}{4}\$ INTEREST IS VESTED IN THE HEIRS AT LAW OF EBEN JACKSON AND HIS WIDOW MATILDA JACKSON. IN OTHER WORDS AN UNDIVIDED \$\frac{1}{4}\$ OF THE 20 ACRES TRACT, OR 5 MINERAL ACRES IS VESTED IN SO MANY PERSONS IT WOULD BE IMPRACTICABLE TO REQUIRE OR AT THIS TIME OBTAIN LEASES FROM ALL OF THEM.

LEASES HAVE HONEVER BEEN OBTAINED AND ARE IN MY POSSESSION AT TO THE INTEREST OWNED BY FINCH AND ROY JACKSON. MELBORNE REALIZES THE

RESPONSIBILITY AS WELL AS THEIR OPERATOR AND DRILLER WITH REGARD TO THIS 5 ACRES BEING OUTSTANDING AND NOT UNDER LEASE, EXCEPT AS TO SOME OF THE JACKSON HEIRS.

ALL THE LEASES ARE ON MID CONTINENT 88 REVISED FORMS AND CONTAIN UNITIZING PROVISIONS CONSISTENT WITH WHAT I UNDERSTAND TO BE THE RULES AND REGULATIONS OF YOUR COMMISSION.

VERY TRILY,