2512. Application of SHELLY for

Case No.

2512

plication, Transcript,

all Exhibits, Etc.

SKELLY OIL COMPANY

P. O. BOX 1650

TULSA, OKLAHOMA 74102

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
BARTON W. RATLIFF, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

2512

April 15, 1968

Re: Gallegos-Gallup Sand Unit
San Juan County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

'68 APR 17 AM 8 30

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

The Oil Conservation Commission by Order R-2207, in Case 2512, approved the Gallegos-Gallup Sand Unit, San Juan County, New Mexico. This order is dated April 4, 1962. Paragraph 6 of the order requires that the unit operator notify the Commission in writing of the termination of the unit agreement and consequently the ipso facto termination of Order R-2207.

We, therefore, wish to advise you that the unit agreement was terminated November 1, 1967, and since that date the former owners have assumed responsibility of operation of their respective tracts. We are still in the process of winding up the final affairs under the accounting procedures.

If you have any questions or need additional information, please advise.

Yours very truly,

George W Selinger

RJJ:br

'67 AUG 23 AM 8

2512

AUG 21 1967

Skelly Oil Company
Post Office Box 1650
Tulsa, Oklahoma 74102

Gentlemen:

On August 18, 1967, effective as of January 1, 1967, Arthur A. Baker, Acting Director of the Geological Survey, approved the termination of the Gallegos Gallup Sand unit agreement, San Juan County, New Mexico, No. 14-08-0001-2493, pursuant to the last paragraph of section 20 thereof.

Enclosed is one copy of the approved application for your records. We request that you furnish notice of this approval to each interested working interest owner, lessee, and lessor at their last known address.

Sincerely yours,

A. DEWEY ACUFF

For the Director

Enclosure

cc:
Roswell (2) (w/copy of approved application)

RECEIVED
AUG 24 1967
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

State of New Mexico

Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

December 20, 1966

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico
Termination

ATTENTION: Mr. Leland Franz

Gentlemen:

The Commissioner of Public Lands has of this date approved your Application for Termination of the Gallegos Gallup Sand Unit Agreement.

This application has been signed by Unit Operator and by 96.97 per centum, on an acreage basis, of the working interests signatory to the Gallegos Gallup Sand Unit.

You will note the effective date has not been filled in on the Certificates, please advise us as soon as this date has been determined by the United States Geological Survey.

We are enclosing four (4) copies of our Certificate of Termination. Also two copies of your application surplus to our need.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director

GBH/MMR/s
encls.

Skelly Oil Company
Mr. Leland Franz
December 20, 1966

cc: United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico, 88201
ATTENTION: Mr. John A. Anderson

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

SKELLY OIL COMPANY

P.O. Box 730, Hobbs, New Mexico
November 11, 1966

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P.O. Drawer 1857
Roswell, New Mexico

Commissioner of Public Lnads (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

All Working Interest Owners

Gentlemen:

In accordance with Section 10 of the Unit Agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, New Mexico, Skelly Oil Company respectfully submits for your approval a plan of development and operation for the Unit for 1967.

PAST OPERATIONS

In accordance with the 1966 plan of development and operation water injection into Well Nos. 31, 38, and 49 was continued during 1966. Cumulative water injection into these three wells was 1,035,947 barrels on November 1, 1966. The daily average injection for all three wells during October, 1966 was 859 barrels of water.

DEVELOPMENT PLANS FOR 1967

Information obtained from the pilot waterflood indicates that secondary recovery operations will not be economical. Water injection will probably be discontinued during or prior to 1967.

Yours very truly,
SKELLY OIL COMPANY

H. E. Aab, Chairman
Working Interest Owners Committee

FR/hs/bh

SKELLY OIL COMPANY

P.O. Box 730, Hobbs, New Mexico
November 11, 1966

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P.O. Drawer 1857
Roswell, New Mexico

Commissioner of Public Lnads (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

All Working Interest Owners

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SKELLY OIL COMPANY

H. E. Aab, Chairman
Working Interest Owners Committee

FR/hs/bh

SKELLY OIL COMPANY

P.O. Box 730, Hobbs, New Mexico
November 11, 1966

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San Juan County, New Mexico

Director (6)
United States Geological Survey
P.O. Drawer 1857
Roswell, New Mexico

Commissioner of Public Lnads (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

All Working Interest Owners

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Yours very truly,
SKELLY OIL COMPANY

H. E. Aab, Chairman
Working Interest Owners Committee

FR/hs/bh

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO

January 26, 1966

COPY

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico

Attention: Mr. H. E. Aab

Re: 1966 Plan of Development and Operation, Gallegos Gallup Sand Unit, San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1966 Plan of Development and Operation for the Gallegos Gallup Sand Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/og
cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey - Roswell

SKELLY OIL COMPANY

P.O. Box 730, Hobbs, New Mexico
December 16, 1965

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P.O. Drawer 1857
Roswell, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

All Working Interest Owners

Gentlemen:

In accordance with Section 10 of the Unit Agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, New Mexico, Skelly Oil Company respectfully submits for your approval a plan of development and operation for the Unit for 1966.

PAST OPERATIONS

In accordance with the 1965 plan of development and operation water injection into Well Nos. 31, 38, and 49 was continued during 1965. Cumulative water injection into these three wells was 774,133 barrels on November 1, 1965. The daily average injection for all three wells during October, 1965 was 1160 barrels of water.

DEVELOPMENT PLANS FOR 1966

The operations of the pilot waterflood will be reviewed and evaluated periodically during 1966 to determine if there should be further modifications or an expansion if the pilot is successful. The operation of the total Unit Operations will be reviewed and evaluated periodically to insure the economical operation of the Unit.

Yours very truly,
SKELLY OIL COMPANY

H. E. Aab, Chairman
Working Interest Owners Committee

Approved 1/26 19 66

Secretary-Director
NEW MEXICO OIL CONSERVATION COMMISSION

WS/bh

MAIN OFFICE OCC

JAN 19 PM 1 22

Drawer 1857
Roswell, New Mexico 88201

January 17, 1966

Shelly Oil Company
P. O. Box 730
Hobbs, New Mexico

Attention: Mr. H. E. Ash

Gentlemen:

Your 1966 plan of development and operation dated December 16, 1965, for the Gallegos Gallup Sand unit area, San Juan County, New Mexico, has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Sincerely yours,

(Orig. Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil & Gas Supervisor

cc:
Washington (w/cy of plan)
Farmington (w/cy of plan)
N.M.OC.C. - Santa Fe (ltr. only)
Com. of Pub. Lands - Santa Fe (ltr. only)

'65 Jul 20 PM 2

July 12, 1965

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico

Attention: Mr. H. E. Aab

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico
1965 Plan of Development

Gentlemen:

The Commissioner of Public Lands approves as of July 12, 1965, your 1965 Plan of Development for the Gallegos Gallup Sand Unit, San Juan County, New Mexico. This instrument was approved by the United States Geological Survey on June 10, 1965.

We are returning one approved copy of the Plan of Development.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
(Mr.) Ted Bilberry, Director
Oil and Gas Department

GBH/TBB/d
Enclosures
cc: United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico
Attention: Mr. John A. Anderson

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Drawer 1857
Roswell, New Mexico 88201

June 10, 1965

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico

Attention: Mr. H. E. Aab

Gentlemen:

Your 1965 plan of development and operation dated November 13, 1964, for the Gallegos Gallup Sand unit, San Juan County, New Mexico, has been approved on this date subject to like approval by the appropriate State officials.

One approved copy of the plan is enclosed.

Sincerely yours,

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

cc:
Washington (w/cy plan)
Farmington (w/cy plan)
NMOCC-Santa Fe (ltr only)
Com. of Pub. Lands-Santa Fe (ltr only)

Drawer 1857
Roswell, New Mexico 88201

February 11, 1964

Shelly Oil Company
P. O. Box 730
Hobbs, New Mexico

Attention: Mr. H. E. Aab

Gentlemen:

Your 1964 plan of development, dated December 27, 1963, for the Gallegos Gallup Sand unit area, San Juan County, New Mexico, proposing no change in the approved line drive water injection program, has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil & Gas Supervisor

cc:
Washington (w/cy of plan)
Farmington (w/cy of plan)
NMOCC - Santa Fe (ltr. only)
Com. of Pub. Lands - Santa Fe (ltr. only)

SKELLY OIL COMPANY

P.O. Box 730, Hobbs, New Mexico
December 27, 1963

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P.O. Drawer 1857
Roswell, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission of (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

All Working Interest Owners
(Mailing List Attached)

Gentlemen:

In accordance with Section 10 of the Unit Agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, Skelly Oil Company respectfully submits for your approval a report of past operations and a plan of development and operation for the pilot waterflood for 1964.

Past Development

The Gallegos Gallup Sand Unit became effective February 1, 1963, and water injection began in the pilot area on February 4 and 5, in Wells No. 31, 32, 33 48, 49 and 50.

In March 1963, water production increased in offset producing wells. Tracer surveys indicated that the formation fracture orientation was northeast to southwest. As a result of the early water break through the injection pattern was changed from the five-spot pattern to a line drive method of waterflooding the pilot area. At the present time injection is into Wells No. 25, 31, 33, 38 and 49.

Development Plans for 1964

Operations under the line drive method of waterflooding appear to have satisfactorily eliminated the problem of water break through.

Water injection into these wells is as follows:

Unit Well No.	Water Injected in Nov., Bbls.	Average Well head Inj. Press. psig.	Cumulative Water Inj. to December 1, 1963
25	3,947	574	22,067
31	4,701	602	75,777
33	4,864	577	66,626
38	4,977	602	24,401
49	5,501	466	74,220

Our plans are to continue injection operations, utilizing the line drive method, and further evaluate the feasibility of expanding to a unit wide injection program.

Yours very truly,
SKELLY OIL COMPANY

H. E. Aab, Chairman
Working Interest Owners Committee

HEA/CJL/pjn

GALLEGOS GALLUP SAND UNIT
MAILING LIST

El Paso Natural Gas Products
P.O. Box 1161
El Paso, Texas
Attention: Mr. Lee Ayers

Gulf Oil Corporation
P.O. Box 1939
Roswell, New Mexico
Attention: District Prod. Manager

J. Felix Hickman
4245 Park Hill
El Paso, Texas

Atlas Corporation
2000 National Bank of Tulsa
Tulsa 3, Oklahoma
Attention: Mr. Norman B. Grove

Skelly Oil Company
P.O. Drawer 510
Farmington, New Mexico
Attention: Mr. J. W. George

Mr. W. W. Lynch
Fidelity Union Life Bldg.
Dallas, Texas

Benson-Montin-Greer Drlg. Co.
158 Petroleum Center Bldg.
Farmington, New Mexico
Attention: Mr. A. R. Greer

El Paso Natural Gas Products
P.O. Box 1565
Farmington, New Mexico
Attention: Mr. Ewell N. Walsh

Mr. Earnest A. Hanson
P.O. Box 1515
Roswell, New Mexico

Mr. William H. Hudson
1126 Mercantile Securties Bldg.
Dallas, Texas

Shiprock Industries, Inc.
2000 National Bank of Tulsa Bldg.
Tulsa 3, Oklahoma

Sunray DX Oil Company
P.O. Box 2692
Denver 1, Colorado

Delhi-Taylor Oil Corporation
Fidelity Union Lower
Dallas 1, Texas

Mr. Olen F. Featherstone
Roswell Petroleum Bdlg.
Roswell, New Mexico
Attention: Mr. Charles Hicks

Mr. O. J. Lilly
P.O. Box 248
Burnet, Texas

Skelly Oil Company
P.O. Box 1650
Tulsa, Oklahoma
Attention: Mr. W. P. Whitmore

International Oil and Gas Corp.
825 Petroleum Club Bldg.
Denver 2, Colorado
Attention: Mr. W. B. Macey

SKELLY OIL COMPANY

P.O. Box 730, Hobbs, New Mexico
December 27, 1963

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P.O. Drawer 1857
Roswell, New Mexico

Oil Conservation Commission of (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

All Working Interest Owners
(Mailing List Attached)

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Our plans are to continue injection operations, utilizing the line drive method, and further evaluate the feasibility of expanding to a unit wide injection program.

Yours very truly,
SKELLY OIL COMPANY

H. E. Aab, Chairman
Working Interest Owners Committee

HEA/CJL/pjn

GALLEGOS GALLUP SAND UNIT
MAILING LIST

El Paso Natural Gas Products
P.O. Box 1161
El Paso, Texas
Attention: Mr. Lee Ayers

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P.O. Box 1515
Roswell, New Mexico

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1126 Mercantile Securties Bldg.
Dallas, Texas

Shiprock Industries, Inc.
2000 National Bank of Tulsa Bldg.
Tulsa 3, Oklahoma

Sunray DX Oil Company
P.O. Box 2692
Denver 1, Colorado

Delhi-Taylor Oil Corporation
Fidelity Union Lower
Dallas 1, Texas

Mr. Olen F. Featherstone
Roswell Petroleum Bdlg.
Roswell, New Mexico
Attention: Mr. Charles Hicks

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P.O. Box 248
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Skelly Oil Company
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Tulsa, Oklahoma
Attention: Mr. W. P. Whitmore

International Oil and Gas Corp.
825 Petroleum Club Bldg.
Denver 2, Colorado
Attention: Mr. W. B. Macey

SKELLY OIL COMPANY

P.O. Box 730, Hobbs, New Mexico
December 27, 1963

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

Director (6)
United States Geological Survey
P.O. Drawer 1857
Roswell, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission of (3)
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H. E. Aab, Chairman
Working Interest Owners Committee

HEA/CJL/pjn

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MAILING LIST

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Attention: Mr. Lee Ayers

Gulf Oil Corporation
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4245 Park Hill
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2000 National Bank of Tulsa
Tulsa 3, Oklahoma
Attention: Mr. Norman B. Grove

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P.O. Drawer 510
Farmington, New Mexico
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Mr. W. W. Lynch
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Dallas, Texas

Benson-Montin-Greer Drlg. Co.
358 Petroleum Center Bldg.
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Attention: Mr. A. R. Greer

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P.O. Box 1565
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P.O. Box 248
Burnet, Texas

Skelly Oil Company
P.O. Box 1650
Tulsa, Oklahoma
Attention: Mr. W. P. Whitmore

International Oil and Gas Corp.
825 Petroleum Club Bldg.
Denver 2, Colorado
Attention: Mr. W. B. Macey

Drawer 1857
Roswell, New Mexico 88201

September 14, 1964

Shelly Oil Company
P. O. Box 730
Hobbs, New Mexico

Attention: Mr. H. E. Aab

Gentlemen:

Your July 28 amendment of the 1964 plan of development for the Gallegos Gallup Sand unit area, San Juan County, New Mexico, has been approved on this date subject to like approval by the appropriate State officials.

One approved copy of the plan is enclosed.

Sincerely yours,

(ORIG. SGD.) BILLY J. SHOGER

BILLY J. SHOGER
Acting Oil & Gas Supervisor

cc:
Washington (w/cy plan)
Farmington (w/cy plan)
NMOCC - Santa Fe (ltr. only)
Com. of Pub. Lands - Santa Fe (ltr. only)

2510

SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

February 7, 1964

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter

Gentlemen:

Attached please find copies of the third revision of Exhibit "C" to the Unit Agreement for the Gallegos Gallup Sand Unit.

This revision has been necessitated by numerous errors in acreage description. Many of the tract descriptions included acreage which was within the Unit Area, but outside the Participating Area. All tracts have been corrected to show only the acreage within the present Participating Area.

In accordance with Section 11 of the Unit Agreement, unless disapproved within thirty (30) days of receipt, this Exhibit will become effective as of the effective date of the Unit.

Very truly yours,

Robert G. Hiltz

HRW:sw
Attach.

52

STATE OF NEW MEXICO, County of San Juan S.S.
I hereby certify this instrument was filed for record on the 20 day of January 1964 at 9:00 o'clock A.M., and duly recorded in Book 516 page 52 of the Records of said County.
Probate Clerk and ex-officio Recorder
Deputy
Fee $5.00

CERTIFICATE
RELATING TO THIRD REVISION OF EXHIBIT "C" ATTACHED TO UNIT AGREEMENT - GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

THE STATE OF NEW MEXICO)
) SS
COUNTY OF SAN JUAN)

KNOW ALL MEN BY THESE PRESENTS:

THAT, SKELLY OIL COMPANY, in its capacity as Unit Operator of the above described unit and pursuant to the terms and provisions of said Unit Agreement of record in Book 515, Page 124, of the Records of the County Clerk of San Juan County, New Mexico, reference to such agreement and the record thereof being hereby made for all purposes, does hereby certify as follows, to-wit:

1. That it has, in compliance with said agreement, revised Exhibit "C" attached thereto, said revision being occasioned by and in accordance with the provisions thereof;

2. That true and correct copies of said Exhibit "C" as so revised are attached hereto and by reference made a part hereof; and

3. That in accordance with the provisions of said Unit Agreement the said revised Exhibit "C" is to become effective as of 7:00 a.m., February 1, 1963, in lieu of the preceding Exhibit "C" and said revised Exhibit "C" shall thereafter remain in full force and effect until again revised pursuant to the terms and provisions of said Unit Agreement.

IN WITNESS WHEREOF, SKELLY OIL COMPANY, acting in its capacity as Unit Operator, has on this 10th day of January, 1964, executed this instrument by and through its Vice President thereunto duly authorized.

SKELLY OIL COMPANY

Form 9-1a Revised

ATTEST:

R. Kendall Sheriff
Assistant Secretary

By C L Blackshear
Vice President

STATE OF OKLAHOMA)
) SS
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 10th day of January, 1964, by C L Blackshear, Vice President of SKELLY OIL COMPANY, a Delaware corporation, on behalf of said corporation.

Doris L Allen
Notary Public

My commission expires:

My Commission Expires May 31, 1967

REVISED EXHIBIT "C" 12-17-63
SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	FEDERAL LANDS		
1	T27N-R13W: Sec. 35: NE/4	SF-078105 12-1-47 H.B.P.	0.671851
2	T27N-R13W: Sec. 25: N/2 SW/4 Sec. 36: S/2 SW/4	SF-078391-C 6-14-54 H.B.P.	0.057624
3	T27N-R13W: Sec. 25: S/2 SW/4 Sec. 36: N/2 SW/4	SF-078391-C 6-14-54 H.B.P.	1.443535
4	T27N-R13W: Sec. 36: NW/4	SF-078391-B 6-1-49 H.B.P.	1.256399
5	T27N-R13W: Sec. 25: SE/4 Sec. 36: SE/4	SF-078391-A 6-1-49 H.B.P.	0.845196
6	T27N-R12W: Sec. 30: SW/4	SF-078100 12-1-47 H.B.P.	0.106356
7	T27N-R12W: Sec. 31: NE/4	SF-080238 4-1-51 H.B.P.	1.135552
14	T27N-R12W: Sec. 32: S/2	SF-078858 4-1-48 H.B.P.	2.112104
15	T27N-R12W: Sec. 33: SW/4	NM-03413 5-1-48 H.B.P.	0.476323
20	T26N-R11W: Sec. 6: E/2 SW/4	NM-03523 7-1-47 H.B.P.	0.980533

23	T26N-R12W: Sec. 1: S/2 Sec. 2: S/2 Sec. 11: W/2	SF-078953 2-1-48 H.B.P.	12.355918
25	T26N-R12W: Sec. 3: S/2; NW/4 Sec. 10: S/2	SF-080384-B 5-1-51 H.B.P.	8.391114
26	T26N-R12W: Sec. 4: NE/4	SF-078286 9-1-47 H.B.P.	1.791245
27	T26N-R12W: Sec. 4: NW/4	SF-078286-B 9-1-47 H.B.P.	2.308752
30	T26N-R12W: Sec. 5: NW/4	SF-078286-A 9-1-47 H.B.P.	1.569683
31	T26N-R12W: Sec. 5: SW/4	SF-081102-A 9-1-47 H.B.P.	0.625959
32	T26N-R12W: Sec. 8: N/2	SF-081100 9-1-47 H.B.P.	0.830293
34	T26N-R12W: Sec. 8: SE/4	SF-080008 9-1-47 H.B.P.	0.399059
35	T26N-R12W: Sec. 9: N/2	SF-078944-A 2-1-48 H.B.P.	2.424070
36	T26N-R12W: Sec. 9: S/2	SF-078944 2-1-48 H.B.P.	1.473749
37	T26N-R12W: Sec. 10: N/2	SF-080384 5-1-51 H.B.P.	3.666228
43	T26N-R12W: Sec. 12: NE/4	SF-078918 2-1-48 H.B.P.	1.913564

74	**T26N-R11W:**			
	Sec. 8:	W/2 SW/4	SF-078899	4.298366
		W/2 SE/4	7-1-47	
	Sec. 18:	W/2 SE/4	H.B.P.	
	Sec. 20:	W/2 NW/4		
		W/2 NE/4		
	Sec. 21:	W/2 NW/4		
75	**T26N-R11W:**			
	Sec. 8:	NW/4	SF-078899-A	5.296178
		E/2 SW/4	7-1-47	
		E/2 SE/4	H.B.P.	
	Sec. 18:	E/2 SE/4		
	Sec. 20:	E/2 NW/4		
		E/2 NE/4		
	Sec. 21:	E/2 NW/4		
76	**T26N-R11W:**			
	Sec. 17:	All	SF-079679	6.847413
			12-1-47	
			H.B.P.	
77	**T26N-R11W:**			
	Sec. 7:	E/2 NW/4	SF-078897	6.580967
		E/2 NE/4	7-1-47	
		W/2 SW/4	H.B.P.	
		W/2 SE/4		
	Sec. 18:	E/2 NE/4		
78	**T26N-R11W:**			
	Sec. 7:	W/2 NE/4	SF-078897-A	4.520205
		Lots 1 and 2	7-1-47	
		E/2 SW/4	H.B.P.	
		E/2 SE/4		
	Sec. 18:	W/2 NE/4		
79	**T26N-R11W:**			
	Sec. 6:	W/2 SW/4	NM-03523	0.419215
			7-1-47	
			H.B.P.	
90	**T27N-R13W:**			
	Sec. 36:	NE/4	SF-078391	1.615016
			6-1-49	
			H.B.P.	

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	INDIAN ALLOTTED LANDS		
38	T26N-R12W: Sec. 11: NE/4	14-20-603-294 5-11-54 H.B.P.	2.157640
39	T26N-R12W: Sec. 11: SE/4	14-20-603-295 5-11-54 H.B.P.	2.517019
40	T26N-R12W: Sec. 12: NW/4	14-20-603-296 5-11-54 H.B.P.	2.646002
41	T26N-R12W: Sec. 12: SW/4	14-20-603-297 5-11-54 H.B.P.	2.303519
42	T26N-R12W: Sec. 12: SE/4	14-20-603-298 5-11-54 H.B.P.	2.319216
44	T26N-R12W: Sec. 13: NE/4	14-20-603-299 5-11-54 H.B.P.	1.561061
45	T26N-R12W: Sec. 13: SE/4	14-20-603-300 5-11-54	1.067618
46	T26N-R12W: Sec. 13: NW/4	14-20-603-302 2-9-54 H.B.P.	1.543176
47	T26N-R12W: Sec. 13: SW/4	14-20-603-301 5-11-54	0.937516
48	T26N-R12W: Sec. 14: NE/4	14-20-603-303 5-11-54	0.892655
49	T26N-R12W: Sec. 14: SE/4	14-20-603-304 5-11-54 H.B.P.	0.963094
57	T26N-R12W: Sec. 24: NW/4	14-20-603-306 2-9-54 H.B.P.	0.970675
59	T26N-R12W: Sec. 24: NE/4	14-20-603-309 5-11-54	0.714041

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	STATE OF NEW MEXICO LANDS		
86	T26N-R11W: Sec. 16: N/2 NW/4 SW/4 NW/4	E-9895 3-20-56 H.B.P.	1.231380
87	T26N-R11W: Sec. 16: SE/4 NW/4	B-11240 5-16-44	0.374629
88	T26N-R11W: Sec. 16: SW/4	E-9989 4-17-56	1.388192

52

STATE OF NEW MEXICO, County of San Juan S.S.
I hereby certify this instrument was filed for record on the 20 day of January 1964 at 9:00 o'clock A.M., and duly recorded in Book 510 page 52 of the Records of said County.
Probate Clerk and ex-officio Recorder
Deputy

CERTIFICATE
RELATING TO THIRD REVISION OF EXHIBIT "C" ATTACHED TO UNIT AGREEMENT - GALLEGOS GALLUP SAND UNIT SAN JUAN COUNTY, NEW MEXICO

THE STATE OF NEW MEXICO)
) SS
COUNTY OF SAN JUAN)

KNOW ALL MEN BY THESE PRESENTS:

THAT, SKELLY OIL COMPANY, in its capacity as Unit Operator of the above described unit and pursuant to the terms and provisions of said Unit Agreement of record in Book 515, Page 124, of the Records of the County Clerk of San Juan County, New Mexico, reference to such agreement and the record thereof being hereby made for all purposes, does hereby certify as follows, to-wit:

1. That it has, in compliance with said agreement, revised Exhibit "C" attached thereto, said revision being occasioned by and in accordance with the provisions thereof;

2. That true and correct copies of said Exhibit "C" as so revised are attached hereto and by reference made a part hereof; and

3. That in accordance with the provisions of said Unit Agreement the said revised Exhibit "C" is to become effective as of 7:00 a.m., February 1, 1963, in lieu of the preceding Exhibit "C" and said revised Exhibit "C" shall thereafter remain in full force and effect until again revised pursuant to the terms and provisions of said Unit Agreement.

IN WITNESS WHEREOF, SKELLY OIL COMPANY, acting in its capacity as Unit Operator, has on this 10th day of January, 1964, executed this instrument by and through its Vice President thereunto duly authorized.

SKELLY OIL COMPANY

ATTEST:

R. Kendall Manning
Assistant Secretary

By C. L. Blackshear
Vice President

Form 9-329a

STATE OF OKLAHOMA)
) SS
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 10th day of January, 1964, by C. L. Blackshear, Vice President of SKELLY OIL COMPANY, a Delaware corporation, on behalf of said corporation.

Doris L. Allen
Notary Public

My commission expires:

My Commission Expires May 31, 1967

REVISED EXHIBIT "C" 12-17-63
SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	FEDERAL LANDS		
1	T27N-R13W: Sec. 35: NW/4	SF-078105 12-1-47 H.B.P.	0.671851
2	T27N-R13W: Sec. 25: N/2 SW/4 Sec. 36: S/2 SW/4	SF-078391-C 6-14-54 H.B.P.	0.057624
3	T27N-R13W: Sec. 25: S/2 SW/4 Sec. 36: N/2 SW/4	SF-078391-C 6-14-54 H.B.P.	1.443535
4	T27N-R13W: Sec. 36: NW/4	SF-078391-B 6-1-49 H.B.P.	1.256399
5	T27N-R13W: Sec. 25: SW/4 Sec. 36: SE/4	SF-078391-A 6-1-49 H.B.P.	0.845196
6	T27N-R12W: Sec. 30: SW/4	SF-078100 12-1-47 H.B.P.	0.106356
7	T27N-R12W: Sec. 31: NE/4	SF-080238 4-1-51 H.B.P.	1.135652
14	T27N-R12W: Sec. 32: S/2	SF-078858 4-1-48 H.B.P.	2.112104
15	T27N-R12W: Sec. 33: SW/4	NM-03413 5-1-48 H.B.P.	0.476323
20	T26N-R11W: Sec. 6: E/2 SW/4	NM-03523 7-1-47 H.B.P.	0.980533

23	T26N-R12W: Sec. 1: S/2 Sec. 2: S/2 Sec. 11: W/2	SF-078953 2-1-48 H.B.P.	12.355918
25	T26N-R12W: Sec. 3: S/2; NW/4 Sec. 10: S/2	SF-080384-B 5-1-51 H.B.P.	8.391114
26	T26N-R12W: Sec. 4: NE/4	SF-078286 9-1-47 H.B.P.	1.791245
27	T26N-R12W: Sec. 4: NW/4	SF-078286-B 9-1-47 H.B.P.	2.308752
30	T26N-R12W: Sec. 5: NW/4	SF-078286-A 9-1-47 H.B.P.	1.569683
31	T26N-R12W: Sec. 5: SW/4	SF-081102-A 9-1-47 H.B.P.	0.625959
32	T26N-R12W: Sec. 8: N/2	SF-081100 9-1-47 H.B.P.	0.830293
34	T26N-R12W: Sec. 8: SE/4	SF-080008 9-1-47 H.B.P.	0.399059
35	T26N-R12W: Sec. 9: N/2	SF-078944-A 2-1-48 H.B.P.	2.424070
36	T26N-R12W: Sec. 9: S/2	SF-078944 2-1-48 H.B.P.	1.473769
37	T26N-R12W: Sec. 10: N/2	SF-080384 5-1-51 H.B.P.	3.666228
43	T26N-R12W: Sec. 12: NE/4	SF-078918 2-1-48 H.B.P.	1.913564

74	T26N-R11W:			
	Sec. 8:	W/2 SW/4	SF-078899	4.298366
		W/2 SE/4	7-1-47	
	Sec. 18:	W/2 SE/4	H.B.P.	
	Sec. 20:	W/2 NW/4		
		W/2 NE/4		
	Sec. 21:	W/2 NW/4		
75	T26N-R11W:			
	Sec. 8:	NW/4	SF-078899-A	5.296178
		E/2 SW/4	7-1-47	
		E/2 SE/4	H.B.P.	
	Sec. 18:	E/2 SE/4		
	Sec. 20:	E/2 NW/4		
		E/2 NE/4		
	Sec. 21:	E/2 NW/4		
76	T26N-R11W:			
	Sec. 17:	All	SF-079679	6.847413
			12-1-47	
			H.B.P.	
77	T26N-R11W:			
	Sec. 7:	E/2 NW/4	SF-078897	6.580967
		E/2 NE/4	7-1-47	
		W/2 SW/4	H.B.P.	
		W/2 SE/4		
	Sec. 18:	E/2 NE/4		
78	T26N-R11W:			
	Sec. 7:	W/2 NE/4	SF-078897-A	4.520205
		Lots 1 and 2	7-1-47	
		E/2 SW/4	H.B.P.	
		E/2 SE/4		
	Sec. 18:	W/2 NE/4		
79	T26N-R11W:			
	Sec. 6:	W/2 SW/4	NM-03523	0.419215
			7-1-47	
			H.B.P.	
90	T27N-R13W:			
	Sec. 36:	NE/4	SF-078391	1.615016
			6-1-49	
			H.B.P.	

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	INDIAN ALLOTTED LANDS		
38	T26N-R12W: Sec. 11: NE/4	14-20-603-294 5-11-54 H.B.P.	2.157640
39	T26N-R12W: Sec. 11: SE/4	14-20-603-295 5-11-54 H.B.P.	2.517019
40	T26N-R12W: Sec. 12: NW/4	14-20-603-296 5-11-54 H.B.P.	2.646002
41	T26N-R12W: Sec. 12: SW/4	14-20-603-297 5-11-54 H.B.P.	2.303519
42	T26N-R12W: Sec. 12: SE/4	14-20-603-298 5-11-54 H.B.P.	2.319216
44	T26N-R12W: Sec. 13: NE/4	14-20-603-299 5-11-54 H.B.P.	1.561061
45	T26N-R12W: Sec. 13: SE/4	14-20-603-300 5-11-54	1.067618
46	T26N-R12W: Sec. 13: NW/4	14-20-603-302 2-9-54 H.B.P.	1.543176
47	T26N-R12W: Sec. 13: SW/4	14-20-603-301 5-11-54	0.937516
48	T26N-R12W: Sec. 14: NE/4	14-20-603-303 5-11-54	0.892655
49	T26N-R12W: Sec. 14: SE/4	14-20-603-304 5-11-54 H.B.P.	0.963094
57	T26N-R12W: Sec. 24: NW/4	14-20-603-306 2-9-54 H.B.P.	0.970675
59	T26N-R12W: Sec. 24: NE/4	14-20-603-309 5-11-54	0.714041

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	STATE OF NEW MEXICO LANDS		
86	T26N-R11W: Sec. 16: N/2 NW/4 SW/4 NW/4	E-9895 3-20-56 H.B.P.	1.231380
87	T26N-R11W: Sec. 16: SE/4 NW/4	B-11240 5-16-44	0.374629
88	T26N-R11W: Sec. 16: SW/4	E-9989 6-17-56	1.388192

52

STATE OF NEW MEXICO, County of San Juan S.S.
I hereby certify this instrument was filed for record on the 20 day of January 1964 at 9:00 o'clock AM., and duly recorded in Book 510 page 52 of the Records of said County.
Probate Clerk and ex-officio Recorder
Deputy
Fee #4274

CERTIFICATE
RELATING TO THIRD REVISION OF EXHIBIT "C" ATTACHED TO UNIT AGREEMENT - GALLEGOS GALLUP SAND UNIT SAN JUAN COUNTY, NEW MEXICO

THE STATE OF NEW MEXICO)
) SS
COUNTY OF SAN JUAN)

KNOW ALL MEN BY THESE PRESENTS:

THAT, SKELLY OIL COMPANY, in its capacity as Unit Operator of the above described unit and pursuant to the terms and provisions of said Unit Agreement of record in Book 515, Page 124, of the Records of the County Clerk of San Juan County, New Mexico, reference to such agreement and the record thereof being hereby made for all purposes, does hereby certify as follows, to-wit:

1. That it has, in compliance with said agreement, revised Exhibit "C" attached thereto, said revision being occasioned by and in accordance with the provisions thereof;

2. That true and correct copies of said Exhibit "C" as so revised are attached hereto and by reference made a part hereof; and

3. That in accordance with the provisions of said Unit Agreement the said revised Exhibit "C" is to become effective as of 7:00 a.m., February 1, 1963, in lieu of the preceding Exhibit "C" and said revised Exhibit "C" shall thereafter remain in full force and effect until again revised pursuant to the terms and provisions of said Unit Agreement.

IN WITNESS WHEREOF, SKELLY OIL COMPANY, acting in its capacity as Unit Operator, has on this 10th day of January, 1964, executed this instrument by and through its Vice President thereunto duly authorized.

SKELLY OIL COMPANY

Form of Execution

ATTEST:

R. Kendall Manning
Assistant Secretary

By L L Blackshear
Vice President

STATE OF OKLAHOMA)
) SS
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 10th day of January, 1964, by L L Blackshear, Vice President of SKELLY OIL COMPANY, a Delaware corporation, on behalf of said corporation.

Doris L Allen
Notary Public

My commission expires:

My Commission Expires May 31, 1967

REVISED EXHIBIT "C" 12-17-63
SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

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5	T27N-R13W: Sec. 25: SE/4 Sec. 36: SE/4	SF-078391-A 6-1-49 H.B.P.	0.845196
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14	T27N-R12W: Sec. 32: S/2	SF-078858 4-1-48 H.B.P.	2.112104
15	T27N-R12W: Sec. 33: SW/4	NM-03413 5-1-48 H.B.P.	0.476323
20	T26N-R11W: Sec. 6: E/2 SW/4	NM-03523 7-1-47 H.B.P.	0.980533

23	T26N-R12W: Sec. 1: S/2 Sec. 2: S/2 Sec. 11: W/2	SF-078953 2-1-48 H.B.P.	12.355918
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36	T26N-R12W: Sec. 9: S/2	SF-078944 2-1-48 H.B.P.	1.473749
37	T26N-R12W: Sec. 10: N/2	SF-080384 5-1-51 H.B.P.	3.666228
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76	T26N-R11W: Sec. 17: All	SF-079679 12-1-47 H.B.P.	6.847413
77	T26N-R11W: Sec. 7: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 18: E/2 NE/4	SF-078897 7-1-47 H.B.P.	6.580967
78	T26N-R11W: Sec. 7: W/2 NE/4 Lots 1 and 2 E/2 SW/4 E/2 SE/4 Sec. 18: W/2 NE/4	SF-078897-A 7-1-47 H.B.P.	4.520205
79	T26N-R11W: Sec. 6: W/2 SW/4	NM-03523 7-1-47 H.B.P.	0.419215
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47	T26N-R12W: Sec. 13: SW/4	14-20-603-301 5-11-54	0.937516
48	T26N-R12W: Sec. 14: NE/4	14-20-603-303 5-11-54	0.892655
49	T26N-R12W: Sec. 14: SE/4	14-20-603-304 5-11-54 H.B.P.	0.963094
57	T26N-R12W: Sec. 24: NW/4	14-20-603-306 2-9-54 H.B.P.	0.970675
59	T26N-R12W: Sec. 24: NE/4	14-20-603-309 5-11-54	0.714041

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	STATE OF NEW MEXICO LANDS		
86	T26N-R11W: Sec. 16: N/2 NW/4 SW/4 NW/4	E-9895 3-20-56 H.B.P.	1.231380
87	T26N-R11W: Sec. 16: SE/4 NW/4	B-11240 5-16-44	0.374629
88	T26N-R11W: Sec. 16: SW/4	E-9989 4-17-56	1.388192

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

3-12

COPY

July 11, 1963

Skelly Oil Company
Tulsa 2, Oklahoma

Attention: Mr. Barton W. Ratliff

Re: Plan of Development and Operation of Pilot Waterflood Gallegos Gallup Sand Unit, San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the report operation to May 15, 1963, and the revised plan of development and operation dated June 4, 1963, for the Gallegos Gallup Sand Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

The approved copy of the plan is being retained for the Commission files, if copies are required for your files, please submit additional copies for signature.

Very truly yours,

A. L. PORTER, JR.
Secretary-Director

ALP/JEK/og
cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

COPY

July 11, 1963

Skelly Oil Company
Tulsa 2, Oklahoma

Attention: Mr. Barton W. Ratliff

Re: Plan of Development and Operation of Pilot Waterflood Gallegos Gallup Sand Unit, San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the report operation to May 15, 1963, and the revised plan of development and operation dated June 4, 1963, for the Gallegos Gallup Sand Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

The approved copy of the plan is being retained for the Commission files, if copies are required for your files, please submit additional copies for signature.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/eg
cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

June 4, 1963

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In accordance with Section 10 of the Unit Agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, New Mexico, Skelly Oil Company respectfully submits for your approval a report of operation to May 15, 1963, and a revised plan of development and operation for the pilot waterflood.

PROGRESS REPORT OF THE PILOT WATERFLOOD:

The Gallegos Gallup Sand Unit became effective February 1, 1963, and water injection began in the pilot area on February 4 and 5, in Wells No. 31, 32, 33, 48, 49 and 50.

Water injection for the month of April, 1963, is as follows:

Unit Well No.	Water Injected in April, Bbls.	Average Wellhead Injection Pressure - p.s.i.g.	Cumulative Water Injected-May 1-Bbls.
31	7,717	365	22,152
32	3,386	388	17,883
33	4,572	396	16,402
48	8,269	288	22,313
49	8,418	296	22,326
50	8,786	266	22,230
Total	41,148		123,306

In March, 1963, water production increased in the pilot area at Wells No. 38, 25, 37, 55 and 26 in that order. To verify water breakthrough and to possibly determine the orientation of the formation fracture system a tracer material was injected into four injection wells. The tracer,

ammonia thiocyanate was injected into injection Well No. 32 on April 2, and detected in producing Well No. 26 in two days; injected into injection Well No. 49 on April 19, and detected in producing Well No. 38 in three days; injected into Well No. 48 and 50 on May 7, and detected in producing Well No. 37 in two days, and in producing Well No. 55 in four days. In each case the tracer material was detected on the same pattern, indicating that the formation fractures are on a northeast to southwest trend. This is shown on the attached plat, entitled, "Producing Rates and Water Movement."

A plugging agent, Perma-Plug was injected into injection Well No. 32 to determine if fractures could be effectively plugged in an economical manner. The results of this test indicated that small amounts of the material would not effectively plug the fractures, and larger applications would not be economical.

The results of a May, 1963, bottom hole pressure survey are as follows:

Unit Well No.	Shut-In Time, Days	Type Survey	BHP, psig
24	10	Bomb	580
25	13	Sonolog	1032
26	13	Sonolog	1408
27	10	Bomb	659
30	13	Sonolog	315
36	10	Bomb	667
37	9	Sonolog	471
38	13	Sonolog	1816
39	13	Sonolog	615
55	13	Sonolog	434
56	13	Sonolog	467
57	13	Sonolog	306
66	10	Bomb	346

RECOMMENDED CHANGES IN INJECTION PATTERN FOR PILOT AREA:

Since the tracer survey has determined that the formation fracture orientation is northeast to southwest rather than northwest to southeast as was first assumed, it will be necessary to alter the present injection pattern for a more effective waterflood.

It is proposed to change from the present five-spot injection pattern to a line drive method of waterflooding the pilot area. The necessary changes in the well status will be as follows:

1. Convert producing Well No. 25 to an injection well.

2. Convert injection Well No. 32 to a producing well.

3. Temporarily shut down injection Wells No. 48 and 50.

4. Temporarily shut down producing Well No. 38.

5. If necessary at a later date, convert Well No. 38 to an injection well, and equip to pump Well No. 48 and 50.

It is believed that the revised injection pattern will more effectively waterflood the pilot area, and thereby better evaluate the feasibility of waterflooding the unit area.

Plats of the proposed injection pattern and the present injection pattern are attached.

Yours very truly,

SKELLY OIL COMPANY
Unit Operator, Gallegos Gallup Sand Unit

Barton W. Ratliff
Barton W. Ratliff
Assistant to Manager of Production

MR:db

Approved.....19.....

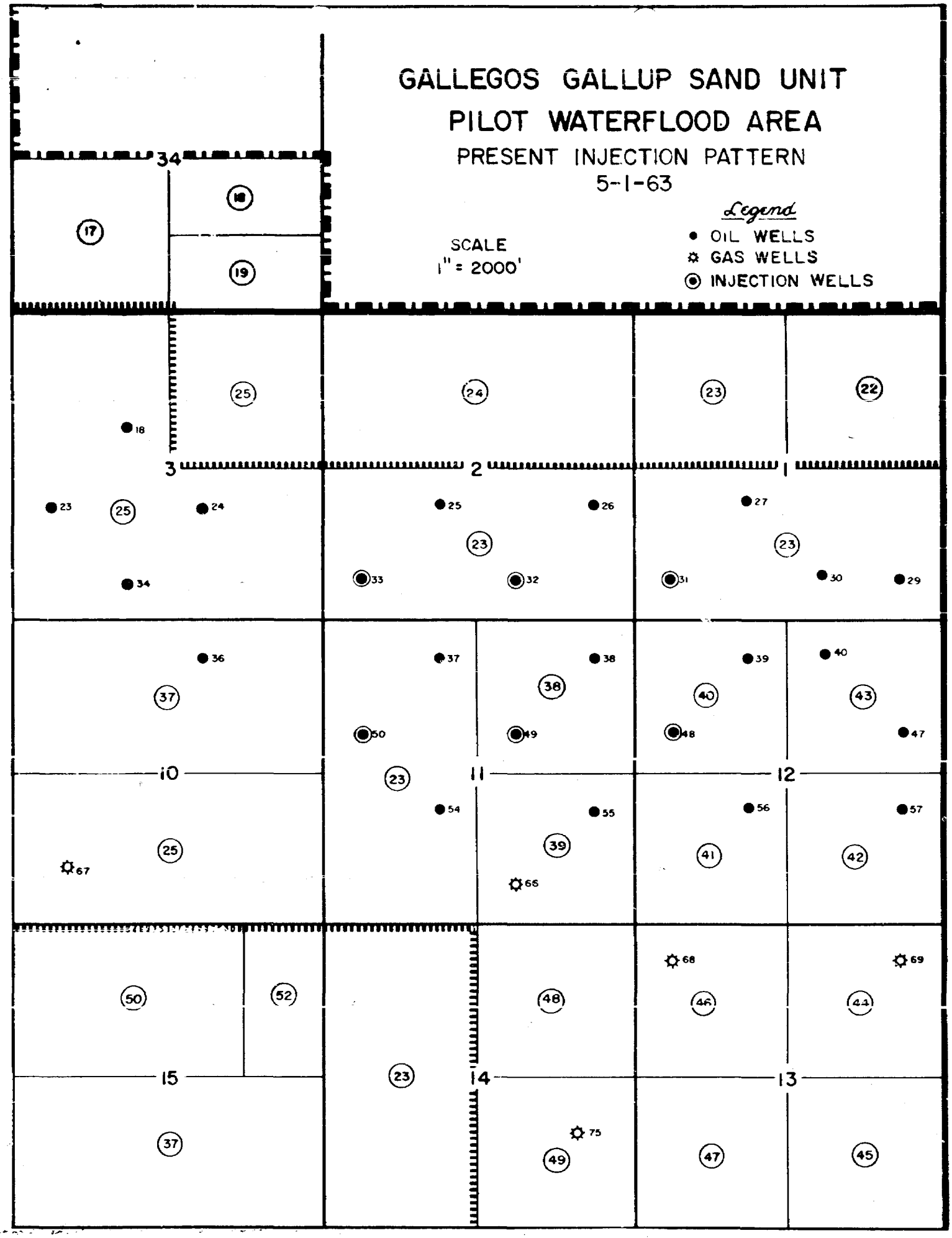
.....
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

GALLEGOS GALLUP SAND UNIT
PILOT WATERFLOOD AREA
PRESENT INJECTION PATTERN
5-1-63

SCALE
1" = 2000'

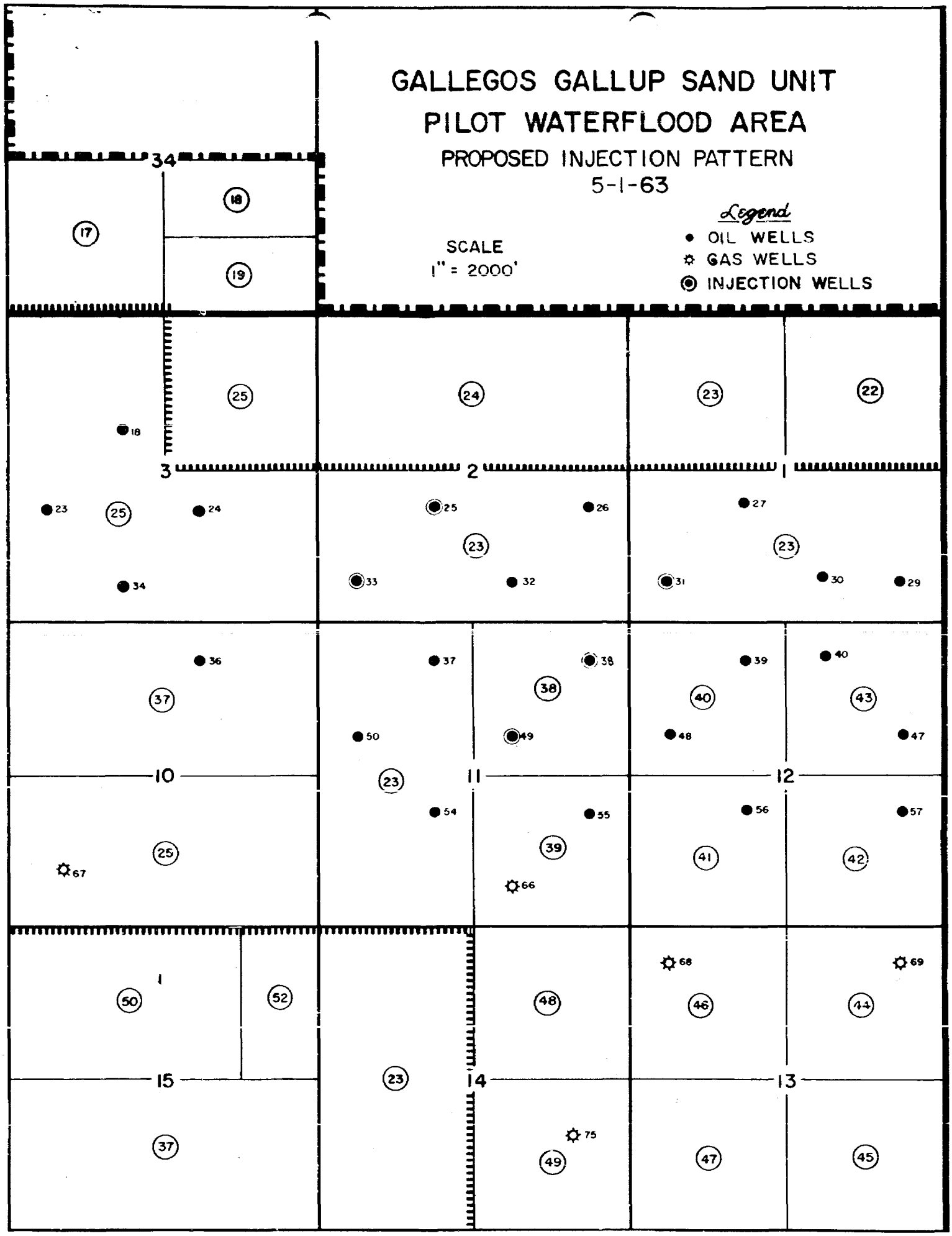
Legend
- OIL WELLS
- GAS WELLS
- INJECTION WELLS



GALLEGOS GALLUP SAND UNIT
PILOT WATERFLOOD AREA
PROPOSED INJECTION PATTERN
5-1-63

SCALE
1" = 2000'

Legend
- OIL WELLS
- GAS WELLS
- INJECTION WELLS



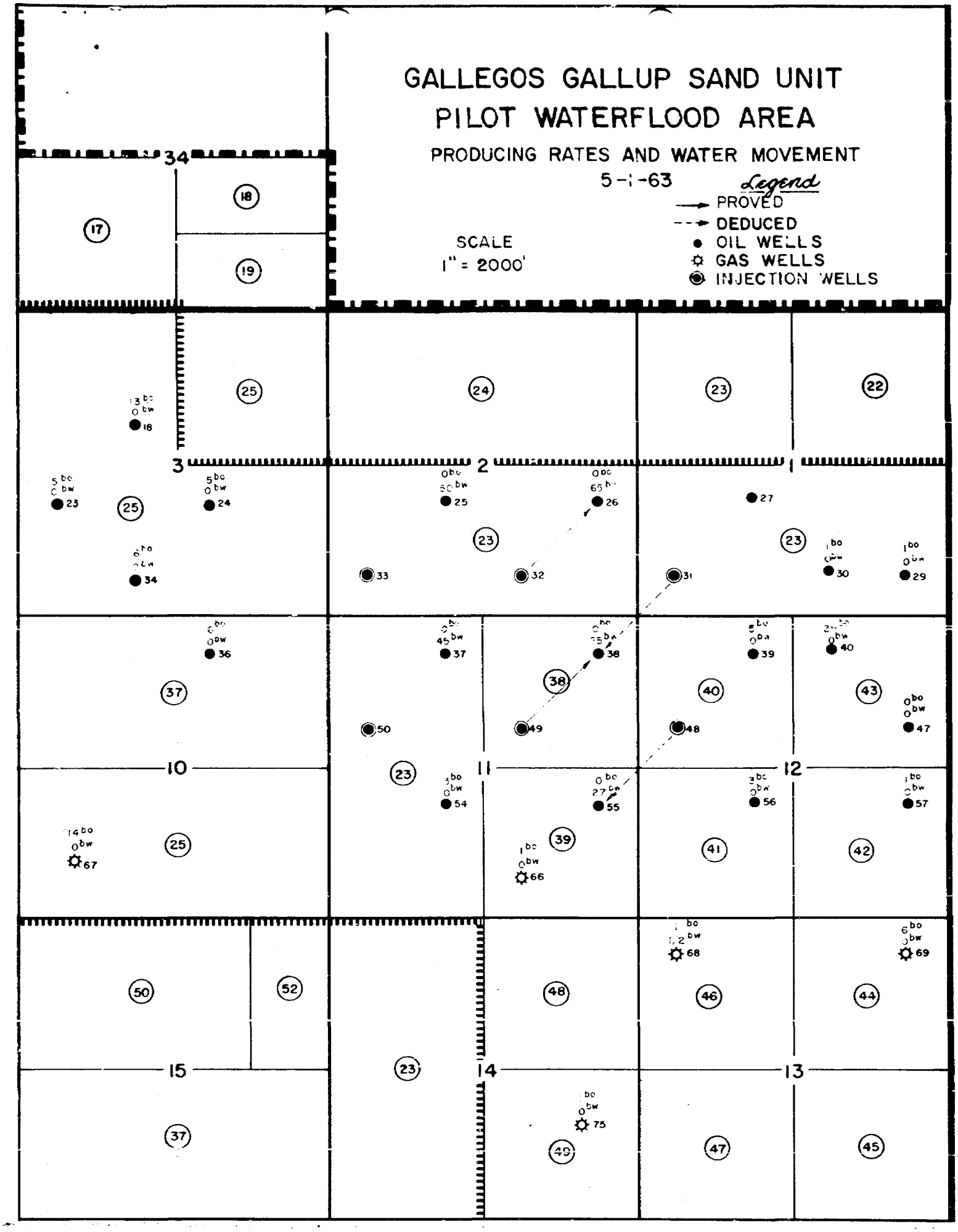
GALLEGOS GALLUP SAND UNIT
PILOT WATERFLOOD AREA

PRODUCING RATES AND WATER MOVEMENT

5-1-63

SCALE
1" = 2000'

Legend
- PROVED
- DEDUCED
- OIL WELLS
- GAS WELLS
- INJECTION WELLS



3512

July 1, 1963

Skelly Oil Company
P. O. Box 1650
Tulsa 2, Oklahoma

Re: Plan of Development
Gallegos Gallup Sand
Unit, San Juan County,
New Mexico

Attention: Mr. Barton W. Ratliff

Gentlemen:

The Commissioner of Public Lands has approved as of June 24, 1963 your report of operations to May 15, 1963, and Revised Plan of Development and Operation for the Gallegos Gallup Sand Waterflood Unit, San Juan County, New Mexico.

We have had two copies made of this Plan and we request that in the future your furnish us three copies. We will retain two and return one copy.

We are returning one approved copy of this Plan and also enclose statement in the amount of three ($3.00) Dollars.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
(Mrs.) Marian M. Rhea, Supervisor
Unit Division

ESJW/mmr/m
encl.
cc: United States Geological Survey
Roswell, New Mexico
Attention: Mr. John A. Anderson

Oil Conservation Commission
Santa Fe, New Mexico

7512

SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

July 9, 1963

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

On June 4, 1963, we wrote you regarding the above captioned unit, submitting for your approval a report of operation to May 15, 1963, and a revised plan of development and operation for the pilot water flood.

Our files do not reflect that we have had any reply from your office as to whether or not your approval has been granted. We would appreciate your consideration in approving this as soon as possible.

Yours very truly,

Barton W. Ratliff
Asst. to Mgr. Production

BWR:ot

Approved July 11, 1963

Drawer 1857
Roswell, New Mexico

June 25, 1963

Shelly Oil Company
Tulsa 2, Oklahoma

Attention: Mr. Barton W. Ratliff

Gentlemen:

Your June 4 amendment of the 1963 plan of development for the Gallegos Gallup Sand unit area, San Juan County, New Mexico, has been approved on this date subject to like approval by the appropriate State officials.

One approved copy of the plan is enclosed.

Sincerely yours,

(Orig. Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil & Gas Supervisor

Copy to: Washington (w/cy of plan)
Farmington (w/cy of plan)
NMOCC - Santa Fe (ltr. only)
Com. of Pub. Lands - Santa Fe (ltr. only)

SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

16

2512

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. O. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

May 21, 1963

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter

Gentlemen:

Attached please find copies of the second revision of Exhibit "C" to the Unit Agreement for the Gallegos Gallup Sand Unit.

This revision has been necessitated by two errors which have been found to exist in the first revision of this Exhibit. Tract No. 90 was inadvertently excluded from the first revision of Exhibit "C", and participation was incorrectly calculated for Tracts 57 and 59.

In accordance with Section 11 of the Unit Agreement, unless disapproved within thirty (30) days of receipt, this Exhibit will become effective as of the effective date of the Unit.

Very truly yours,

Robert G. Hiltz

JBC:sw
Attach.

CERTIFICATE
RELATING TO SECOND REVISION OF
EXHIBIT "C" ATTACHED TO
UNIT AGREEMENT - GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

THE STATE OF NEW MEXICO)
) SS
COUNTY OF SAN JUAN) KNOW ALL MEN BY THESE PRESENTS:

THAT, SKELLY OIL COMPANY, in its capacity as Unit Operator of the above described unit and pursuant to the terms and provisions of said Unit Agreement of record in Book 515, Page 124, of the Records of the County Clerk of San Juan County, New Mexico, reference to such agreement and the record thereof being hereby made for all purposes, does hereby certify as follows, to-wit:

1. That it has, in compliance with said agreement, revised Exhibit "C" attached thereto, said revision being occasioned by and in accordance with the provisions thereof;

2. That true and correct copies of said Exhibit "C" as so revised are attached hereto and by reference made a part hereof; and

3. That in accordance with the provisions of said Unit Agreement the said revised Exhibit "C" is to become effective as of 7:00 A.M., February 1, 1963, in lieu of the preceding Exhibit "C" and said revised Exhibit "C" shall thereafter remain in full force and effect until again revised pursuant to the terms and provisions of said Unit Agreement.

IN WITNESS WHEREOF, SKELLY OIL COMPANY, acting in its capacity as Unit Operator, has on this 17th day of May, 1963, executed this instrument by and through its Vice President thereunto duly authorized.

SKELLY OIL COMPANY

Approved as to Form

ATTEST:

R. Kendall Merrill
Assistant Secretary

By C. L. Blackshear
Vice President

STATE OF OKLAHOMA)
) SS
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 17th day of May, 1963, by C. L. Blackshear, Vice President of SKELLY OIL COMPANY, a Delaware corporation, on behalf of said corporation.

Mari L. Cross
Notary Public

My commission expires:

My Commission Expires May 31, 1963

REVISED EXHIBIT "C" 4-27-63
SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	FEDERAL LANDS		
1	T27N-R13W: Sec. 26: S/2 Sec. 35: N/2	SF-078105 12-1-47 H.B.P.	0.671851
2	T27N-R13W: Sec. 25: N/2 SW/4 Sec. 36: N/2 SW/4	SF-078391-C 6-14-54 H.B.P.	0.057624
3	T27N-R13W: Sec. 25: S/2 SW/4 Sec. 36: N/2 SW/4	SF-078391-C 6-14-54 H.B.P.	1.443535
4	T27N-R13W: Sec. 36: NW/4	SF-078391-B 6-1-49 H.B.P.	1.256399
5	T27N-R13W: Sec. 25: SE/4 Sec. 36: SE/4	SF-078391-A 6-1-49 H.B.P.	0.845196
6	T27N-R12W: Sec. 30: S/2	SF-078100 12-1-47 H.B.P.	0.106356
7	T27N-R12W: Sec. 31: NE/4	SF-080238 4-1-51 H.B.P.	1.135652
14	T27N-R12W: Sec. 32: S/2	SF-078858 4-1-48 H.B.P.	2.112104
15	T27N-R12W: Sec. 33: W/2	NM-03413 5-1-48 H.B.P.	0.476323
20	T26N-R11W: Sec. 6: E/2 SW/4	NM-03523 7-1-47 H.B.P.	0.980533

23	T26N-R12W: Sec. 1: NW/4; S/2 Sec. 2: S/2 Sec. 11: W/2 Sec. 14: W/2 Sec. 23: W/2; SE/4	SF-078953 2-1-48 H.B.P.	12.355918
25	T26N-R12W: Sec. 3: All Sec. 10: S/2	SF-080384-B 5-1-51 H.B.P.	8.391114
26	T26N-R12W: Sec. 4: NE/4	SF-078286 9-1-47 H.B.P.	1.791245
27	T26N-R12W: Sec. 4: NW/4	SF-078286-B 9-1-47 H.B.P.	2.308752
30	T26N-R12W: Sec. 5: NW/4	SF-078286-A 9-1-47 H.B.P.	1.569683
31	T26N-R12W: Sec. 5: SW/4	SF-081102-A 9-1-47 H.B.P.	0.625959
32	T26N-R12W: Sec. 8: N/2	SF-081100 9-1-47 H.B.P.	0.830293
34	T26N-R12W: Sec. 8: SE/4	SF-080008 9-1-47 H.B.P.	0.399059
35	T26N-R12W: Sec. 9: N/2	SF-078944-A 2-1-48 H.B.P.	2.424070
36	T26N-R12W: Sec. 9: S/2	SF-078944 2-1-48 H.B.P.	1.473749
37	T26N-R12W: Sec. 10: W/2 Sec. 15: S/2	SF-080384 5-1-51 H.B.P.	3.666228
43	T26N-R12W: Sec. 12: NE/4	SF-078918 2-1-48 H.B.P.	1.913564

74	T26N-R11W: Sec. 8: W/2 SW/4 W/2 SE/4 Sec. 18: W/2 SE/4 Sec. 20: W/2 NW/4 E/2 SW/4 W/2 NE/4 E/2 SE/4 Sec. 21: W/2 NW/4 E/2 SW/4 S/2 SE/4		SF-078899 7-1-47 H.B.P.	4.298366
75	T26N-R11W: Sec. 8: N/2 E/2 SW/4 E/2 SE/4 Sec. 18: E/2 SE/4 Sec. 20: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 21: E/2 NW/4 W/2 SW/4		SF-078899-A 7-1-47 H.B.P.	5.296178
76	T26N-R11W: Sec. 17: All		SF-079679 12-1-47 H.B.P.	6.847413
77	T26N-R11W: Sec. 7: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 18: E/2 NE/4		SF-078897 7-1-47 H.B.P.	6.580967
78	T26N-R11W: Sec. 7: W/2 NE/4 Lots 1 and 2 E/2 SW/4 E/2 SE/4 Sec. 18: W/2 NE/4		SF-078897-A 7-1-47 H.B.P.	4.520205
79	T26N-R11W: Sec. 6: W/2 SW/4		NM-03523 7-1-47 H.B.P.	0.419215
90	T27N-R13W: Sec. 36: NE/4		SF-078391 6-1-49 H.B.P.	1.615016

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	INDIAN ALLOTTED LANDS		
38	T26N-R12W: Sec. 11: NE/4	14-20-603-294 5-11-54 H.B.P.	2.157640
39	T26N-R12W: Sec. 11: SE/4	14-20-603-295 5-11-54 H.B.P.	2.517019
40	T26N-R12W: Sec. 12: NW/4	14-20-603-296 5-11-54 H.B.P.	2.646002
41	T26N-R12W: Sec. 12: SW/4	14-20-603-297 5-11-54 H.B.P.	2.303519
42	T26N-R12W: Sec. 12: SE/4	14-20-603-298 5-11-54 H.B.P.	2.319216
44	T26N-R12W: Sec. 13: NE/4	14-20-603-299 5-11-54 H.B.P.	1.561061
45	T26N-R12W: Sec. 13: SE/4	14-20-603-300 5-11-54	1.067618
46	T26N-R12W: Sec. 13: NW/4	14-20-603-302 2-9-54 H.B.P.	1.543176
47	T26N-R12W: Sec. 13: SW/4	14-20-603-301 5-11-54	0.937516
48	T26N-R12W: Sec. 14: NE/4	14-20-603-303 5-11-54	0.892655
49	T26N-R12W: Sec. 14: SE/4	14-20-603-304 5-11-54 H.B.P.	0.963094
57	T26N-R12W: Sec. 24: NW/4	14-20-603-306 2-9-54 H.B.P.	0.970675
59	T26N-R12W: Sec. 24: NE/4	14-20-603-309 5-11-54	0.714041

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	STATE OF NEW MEXICO LANDS		
86	T26N-R11W: Sec. 16: N/2 NW/4 SW/4 NW/4	E-9895 3-20-56 H.B.P.	1.231380
87	T26N-R11W: Sec. 16: SE/4 NW/4	B-11240 5-16-44	0.374629
88	T26N-R11W: Sec. 16: SW/4	E-9989 4-17-56	1.388192

RECEIVED
1963 FEB 20 PM 1 23
OCC

SKELLY OIL COMPANY

P. O. Box 1650
TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

February 18, 1963

2212

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

This is to advise that our Gallegos Gallup Sand Unit, which was approved by Order No. R-2207 dated April 4, 1962, went into effect February 1, 1963.

We are attaching a list of the unit well numbers which will hereafter designate each of the wells in this Unit, showing the former operator, former lease and well number, and the location.

Yours very truly,

George W Selinger

NPM:br
Attach.

O. ATOR - SKELLY OIL COMPANY

January 25, 1963

GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Unit Well No.	Former Operator	Former Lease and Well No.	Location
1	El Paso	Hanson "B" No. 1	SW/4 SW/4 Sec. 25-27N-13W
2	Featherstone	Roberson No. 4	SW/4 SE/4 Sec. 25-27N-13W
3	Ben-Mon-Greer	Warren "C" No. 1	SW/4 SW/4 Sec. 30-27N-12W
4	Featherstone	Roberson No. 2	NE/4 NE/4 Sec. 36-27N-13W
5	El Paso	Hanson No. 2	NE/4 NW/4 Sec. 36-27N-13W
6	Sunray	Federal "J" No. 1	NE/4 NE/4 Sec. 35-27N-13W
7	El Paso	Hanson No. 1	SW/4 NW/4 Sec. 36-27N-13W
8	Featherstone	Roberson No. 1	SW/4 NE/4 Sec. 36-27N-13W
9	Featherstone	Roberson No. 3	SE/4 NE/4 Sec. 36-27N-13W
10	Gulf	Gallegos-Fed No. 1	SW/4 NE/4 Sec. 31-27N-12W
11	Gulf	Gallegos-Fed No. 2	SE/4 NE/4 Sec. 31-27N-12W
12	El Paso	Sullivan "F" No. 2	NW/4 SW/4 Sec. 32-27N-12W
13	El Paso	Hanson "B" No. 2	NE/4 SW/4 Sec. 36-27N-13W
14	El Paso	Sullivan "F" No. 1	SE/4 SW/4 Sec. 32-27N-12W
15	El Paso	Sullivan "F" No. 4	SW/4 SE/4 Sec. 32-27N-12W
16	El Paso	Sullivan "F" No. 3	SE/4 SE/4 Sec. 32-27N-12W
17	El Paso	Eddy No. 1	SE/4 SW/4 Sec. 33-27N-12W
18	El Paso	Hickman "A" No. 3	SE/4 NW/4 Sec. 3-26N-12W
19	Hidden Splendor	Walker "A" No. 1	SE/4 NE/4 Sec. 4-26N-12W
20	Hidden Splendor	Walker "B" No. 1	SE/4 NW/4 Sec. 4-26N-12W
21	Hidden Splendor	(El Dorado) Walker No. 1	NE/4 NW/4 Sec. 5-26N-12W
22	El Paso	Frontier No. 1	NE/4 SW/4 Sec. 5-26N-12W
23	El Paso	Hickman "A" No. 2	NW/4 SW/4 Sec. 3-26N-12W
24	El Paso	Hickman "A" No. 5	NW/4 SE/4 Sec. 3-26N-12W
25	Skelly	Goddard No. 5	NE/4 SW/4 Sec. 2-26N-12W
26	Skelly	Goddard No. 10	NE/4 SE/4 Sec. 2-26N-12W
27	Skelly	Goddard No. 2	NE/4 SE/4 Sec. 1-26N-12W
28	Western Dev.	Holloway No. 1	SE/4 SW/4 Sec. 6-26N-11W
29	Skelly	Goddard No. 1	SE/4 SE/4 Sec. 1-26N-12W
30	Skelly	Goddard No. 11	SW/4 SE/4 Sec. 1-26N-12W
31	Skelly	Goddard No. 7	SW/4 SW/4 Sec. 1-26N-12W
32	Skelly	Goddard No. 6	SW/4 SE/4 Sec. 2-26N-12W
33	Skelly	Goddard No. 8	SW/4 SW/4 Sec. 2-26N-12W
34	El Paso	Hickman "A" No. 4	SE/4 SW/4 Sec. 3-26N-12W
35	El Paso	Nelson No. 1	NE/4 NE/4 Sec. 8-26N-12W
36	El Paso	Sullivan "A" No. 1	NW/4 NE/4 Sec. 10-26N-12W
37	Skelly	Goddard No. 4	NE/4 NW/4 Sec. 11-26N-12W
38	Skelly	Navajo "J" No. 1	NE/4 NE/4 Sec. 11-26N-12W
39	Skelly	Navajo "F" No. 1	NE/4 NW/4 Sec. 12-26N-12W
40	El Paso	Delhi-Taylor "B" No. 2	NW/4 NW/4 Sec. 12-26N-12W
41	El Paso	Western No. 3	NW/4 NW/4 Sec. 7-26N-11W
42	El Paso	Western No. 5	NW/4 NE/4 Sec. 7-26N-11W
43	El Paso	Western "A" No. 4	NW/4 NW/4 Sec. 8-26N-11W
44	El Paso	Western "A" No. 2	SE/4 NW/4 Sec. 8-26N-11W
45	Gulf	Western Fed. No. 5	SE/4 NE/4 Sec. 7-26N-11W

GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Unit Well No.	Former Operator	Former Lease and Well No.	Location
46	Gulf	Western Fed No. 4	SE/4 NW/4 Sec. 7-26N-11W
47	El Paso	Delhi-Taylor "B" No. 1	SE/4 NE/4 Sec. 12-26N-12W
48	Skelly	Navajo "F" No. 2	SW/4 NW/4 Sec. 12-26N-12W
49	Skelly	Navajo "J" No. 2	SW/4 NE/4 Sec. 11-26N-12W
50	Skelly	Goddard No. 9	SW/4 NW/4 Sec. 11-26N-12W
51	El Paso	Nelson "A" No. 1	SE/4 NW/4 Sec. 9-26N-12W
52	El Paso	Frontier "A" No. 1	NE/4 SE/4 Sec. 8-26N-12W
53	El Paso	Sullivan "E" No. 1	NE/4 SE/4 Sec. 9-26N-12W
54	Skelly	Goddard No. 3	NE/4 SW/4 Sec. 11-26N-12W
55	Skelly	Navajo "L" No. 1	NE/4 SE/4 Sec. 11-26N-12W
56	Skelly	Navajo "G" No. 1	NE/4 SW/4 Sec. 12-26N-12W
57	Skelly	Navajo "K" No. 1	NE/4 SE/4 Sec. 12-26N-12W
58	Gulf	Western Fed No. 3	NW/4 SW/4 Sec. 7-26N-11W
59	Gulf	Western Fed No. 2	NW/4 SE/4 Sec. 7-26N-11W
60	Gulf	Blackrock Fed "B" No. 1	NW/4 SW/4 Sec. 8-26N-11W
61	Gulf	Blackrock Fed "B" No. 2	NW/4 SE/4 Sec. 8-26N-11W
62	El Paso	Western "A" No. 3	SE/4 SE/4 Sec. 8-26N-11W
63	El Paso	Western "A" No. 1	SE/4 SW/4 Sec. 8-26N-11W
64	El Paso	Western No. 2	SE/4 SE/4 Sec. 7-26N-11W
65	El Paso	Western No. 1	SE/4 SW/4 Sec. 7-26N-11W
66	Skelly	Navajo "L" No. 2	SW/4 SE/4 Sec. 11-26N-12W
67	El Paso	Hickman "A" No. 1	SW/4 SW/4 Sec. 10-26N-12W
68	Skelly	Navajo "D" No. 1	NW/4 NW/4 Sec. 13-26N-12W
69	Skelly	Navajo "H" No. 1	NE/4 NE/4 Sec. 13-26N-12W
70	El Paso	Western No. 4	NW/4 NE/4 Sec. 18-26N-11W
71	El Paso	Delhi-Taylor No. 3	NW/4 NE/4 Sec. 17-26N-11W
72	El Paso	Delhi-Taylor No. 4	SE/4 NE/4 Sec. 17-26N-11W
73	El Paso	Delhi-Taylor No. 2	SW/4 NW/4 Sec. 17-26N-11W
74	Gulf	Western Fed. No. 1	SE/4 NE/4 Sec. 18-26N-11W
75	Skelly	Navajo "B" No. 1	NE/4 SE/4 Sec. 14-26N-12W
76	El Paso	Delhi-Taylor No. 1	NE/4 SW/4 Sec. 17-26N-11W
77	Gulf	Blackrock Fed No. 1	NW/4 NW/4 Sec. 20-26N-11W
78	Skelly	Navajo "C" No. 1	NW/4 NW/4 Sec. 24-26N-12W

SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

January 24, 1963

Re: Initial Plan of Development and Operation
Gallegos Gallup Sand Unit
San Juan County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Pursuant to Section 10, "Plan of Further Development and Operation" of Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico, Skelly Oil Company, Unit Operator thereunder, respectfully submits for your consideration and approval this Initial Plan of Development and Operation for 1963. Attached, Exhibit No. 1, is a map showing the Unit Area and pertinent facilities discussed herein.

HISTORY

The Gallegos Gallup Field located approximately 15 miles south of the town of Farmington, San Juan County, New Mexico, was discovered by Skelly Oil Company when they completed the Navajo 1-B as a gas well in September, 1954, in the Gallup Sand. The Gallup Sand was encountered at an approximate depth of 5200 feet. The oil zone was discovered by El Paso Natural Gas Products Company with completion of Sullivan No. 1-F in March, 1957. Today, there are 90 Gallup wells within the Unit Participating Area. 77 of these wells are oil wells and the remaining 13 wells are completed in the gas cap.

Production history of the field follows closely the characteristic pattern of solution gas drive reservoirs. The oil producing rate had declined rapidly from a high of approximately 2,000 barrels per day to the current rate of approximately 200 barrels per day. Cumulative production to January 1, 1963, has been approximately 1,034,000 barrels of oil, 9,500 MMCF of solution gas, and 7,500 MMCF of gas cap gas. Bottom hole pressure in the oil zone has declined from 1525 psig to approximately 250 psig as of January 1, 1963. Bottom hole pressure in the gas cap has declined to approximately 850 psig.

RESERVOIR CONDITIONS

The Gallup Sand underlying the Gallegos Gallup Field is upper cretaceous in age and consists of four zones of laminated, dirty sandstone separated by shale streaks. Exhibit No. 2 is a typical log on which the four zones are identified. Each zone is a separate stratigraphic trap and has an updip gas cap associated with the oil column.

Average properties of the reservoir are as follows:

Zone	Porosity %	Permeability md	Water Saturation %	Net Pay Ft.
1	3.9	0.12	65	13
2	4.2	0.33	60	19
3	5.0	0.32	50	14
4	7.7	1.45	40	18

Regional dip is to the northeast at the rate of 100 feet per mile. The producing capacity of the reservoir is dependent upon an extensive vertical fracture system which is believed to trend in a northwest-southeast direction.

The original formation volume factor was 1.2929 and the original solution gas-oil ratio was 458 cu. ft. per barrel. The produced oil gravity is approximately 40° API. Ultimate recovery by primary depletion is estimated to be 1,215,000 barrels or about 8.1% of the effective original stock tank oil in place.

Prediction of waterflood performance and oil recoveries from a low permeability reservoir with an extensive vertical fracture system is not practical. For this reason, a pilot waterflood is necessary to supply actual reservoir performance data before developing the entire field for waterflood.

PLAN OF DEVELOPMENT

It is proposed to initiate a pilot water injection project within the participating area by converting six producing wells to water injection as shown in Exhibit No. 1. Locations of the injection wells are as follows:

Well No.	Location
32	SW/4 SE/4 Sec. 2-26N-12W
31	SW/4 SW/4 Sec. 1-26N-12W
33	SW/4 SW/4 Sec. 2-26N-12W
50	SW/4 NW/4 Sec. 11-26N-12W
48	SW/4 NW/4 Sec. 12-26N-12W
49	SW/4 NE/4 Sec. 11-26N-12W

The six injection wells will form two adjacent 5-spots with producing Wells No. 37, located NE/4 NW/4 Sec. 11-26N-12W, and No. 38, located NE/4 NE/4 Sec. 11-26N-12W in the center of the 5-spots. There will be ten producing wells around the periphery of the two 5-spot injection patterns as follows:

Well No.	Location
24	NW/4 SE/4 Sec. 3-26N-12W
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27	NE/4 SW/4 Sec. 1-26N-12W
30	SW/4 SE/4 Sec. 1-26N-12W
39	NE/4 NW/4 Sec. 12-26N-12W
54	NE/4 SW/4 Sec. 11-26N-12W
55	NE/4 SE/4 Sec. 11-26N-12W
56	NE/4 SW/4 Sec. 12-26N-12W
36	NW/4 NE/4 Sec. 10-26N-12W

No new water injection or producing wells will be drilled.

Based on present reservoir voidage in the pilot area, it is desired to inject between 600 barrels to 4,000 barrels water per day into the six injection wells. Initial surface water injection pressure will be about 100 psig. If the injection wells fail to take sufficient water at 100 psig, a pressure plant will be built. The injection pressure used will be based on injection tests. In no event will pressure exceed 2000 psig at the wellhead.

Water supply will be in the Ojo Alamo Sand which is found at a depth of approximately 400 feet. Two water supply wells will be used for the pilot with possibility of a third if the supply proves inadequate. Two wells have been drilled, completed and tested. Water supply Well No. 1 is located SW/4 NW/4 Sec. 2-26N-12W and tested at a rate of 1700 barrels per day. Water supply No. 2 is located NE/4 SW/4 Sec. 2-26N-12W and tested at a rate of 1700 barrels per day.

Water supply lines and water injection system are shown in Exhibit No. 1.

It is planned to proceed immediately after the effective date of the Unit, with development of the water supply and injection system, and well conversions, as set forth in this plan.

Your approval of this proposed plan is solicited.

Yours very truly,

SKELLY OIL COMPANY, as
Unit Operator of the
Gallegos Gallup Sand Unit

By Barton W. Ratliff

Barton W. Ratliff
Assistant to Manager of Production
P. O. Box 1650
Tulsa 2, Oklahoma

JHD:db

GALLEGOS GALLUP SAND UNIT

SAN JUAN COUNTY, NEW MEXICO

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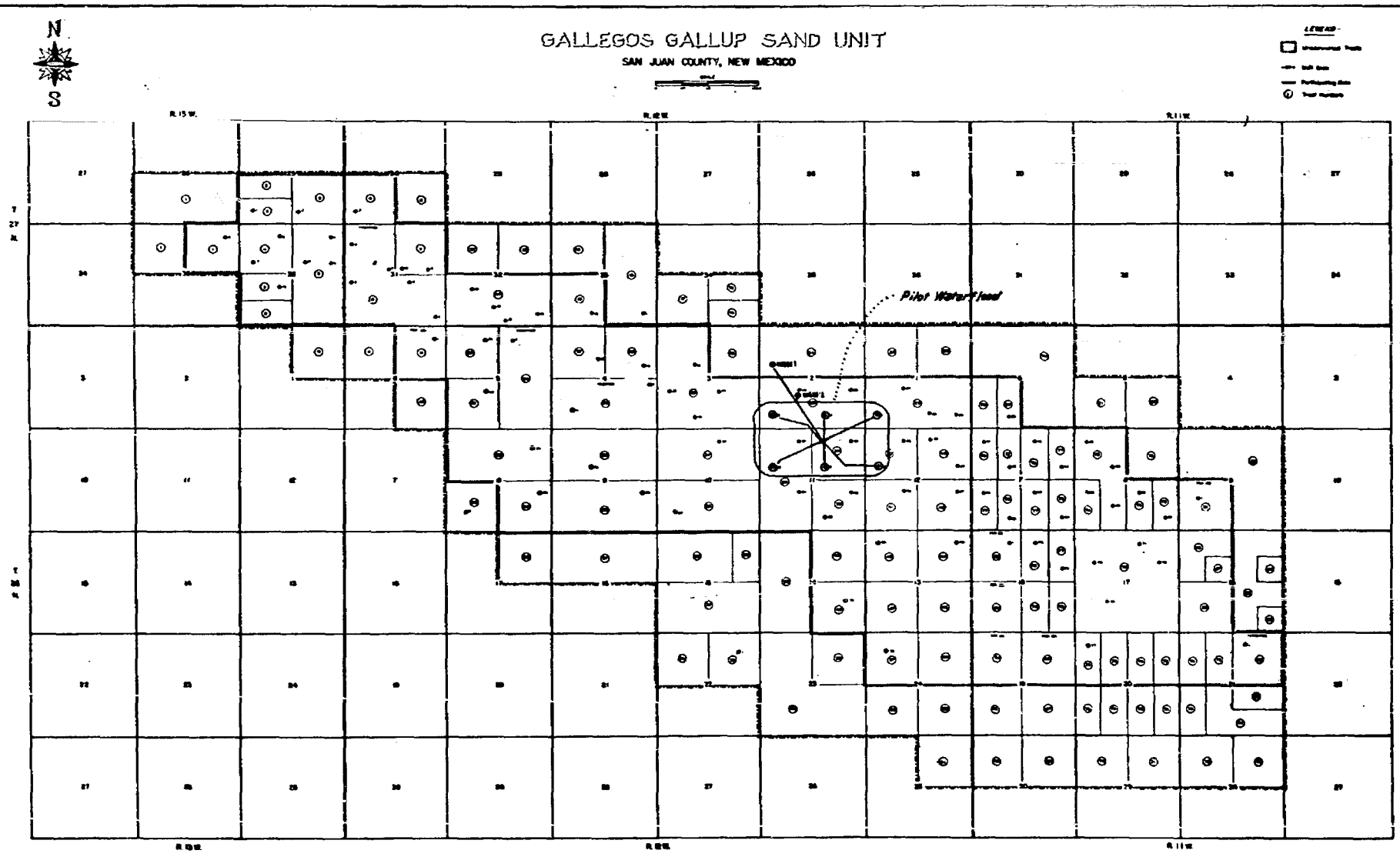


EXHIBIT No. 1

SCHLUMBERGER

Induction Electrical Log

COUNTY SAN JUAN, N.M.
FIELD or LOCATION GALLEGOS-GALLUP
WELL NAVAJO F #2
COMPANY SKELLY OIL COMPANY

COMPANY SKELLY OIL COMPANY

WELL NAVAJO F #2

FIELD GALLEGOS-GALLUP

LOCATION SEC. 12-26N-12W

COUNTY SAN JUAN

STATE NEW MEXICO

Other Surveys

ML

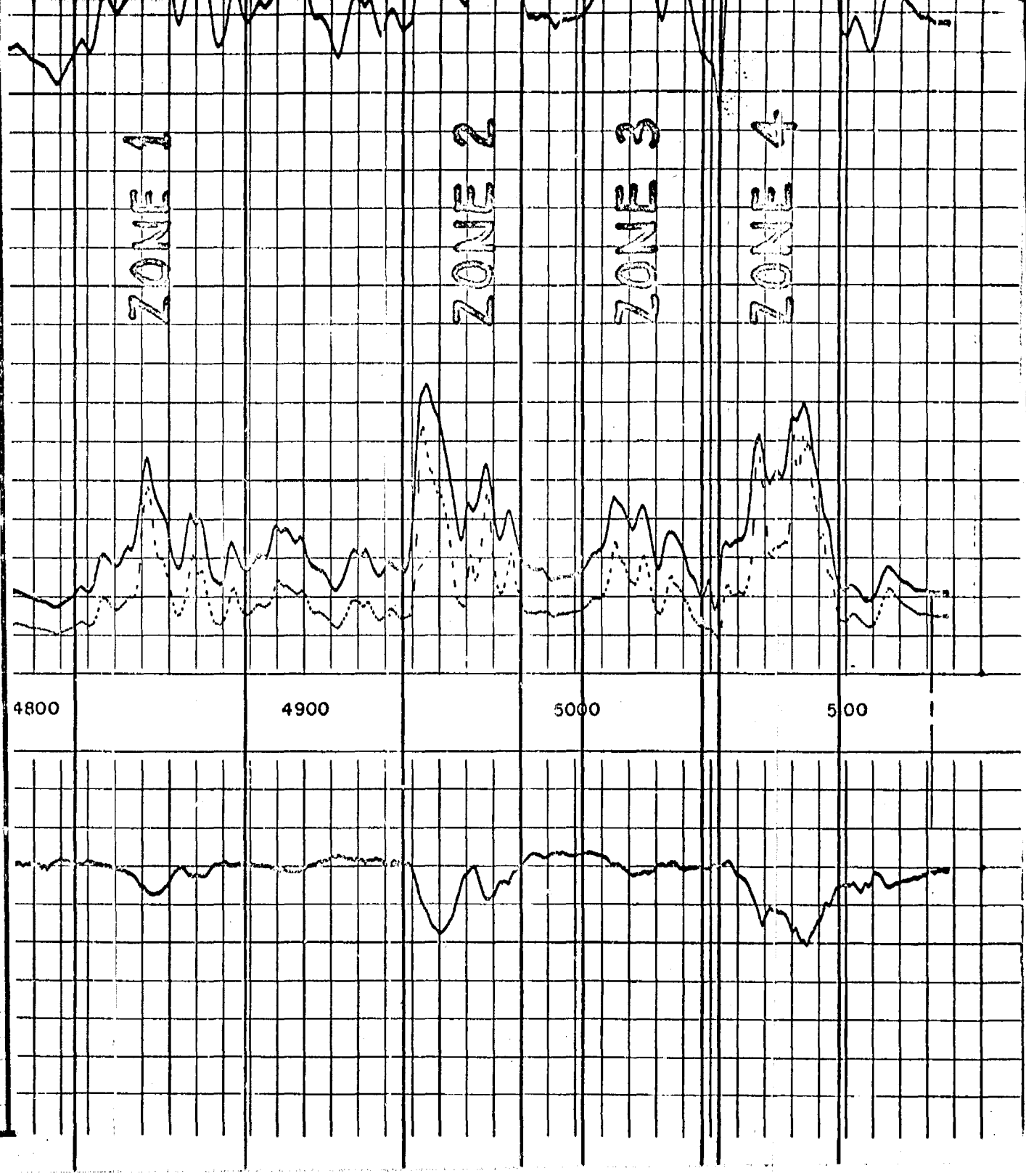
Location of Well
660' FR W/L
1980' FR N/L
SEC. 12-26N-12W

Elevation: D.F.: 5932'
K.B.: 5933'
or G.L.: 5923'

FILING No.

RUN No.	ONE				
Date	9-18-58				
First Reading	5132				
Last Reading	426				
Feet Measured	4706				
Csg. Schlum.	426				
Csg. Driller	426				
Depth Reached	5138				
Bottom Driller	5134				
Depth Datum	KB				
Mud Nat.	GEL				
Dens. Visc.	9.5 1130				
Mud Resist.	1.7 @ 80 °F	@ °F	@ °F	@ °F	@ °F
" Res. BHT	1.1 @ 123 °F	@ °F	@ °F	@ °F	@ °F
Rmf	1.1 @ 123 °F	@ °F	@ °F	@ °F	@ °F
Rmc	1.35 @ 123 °F	@ °F	@ °F	@ °F	@ °F
" pH	9 @ °F	@ °F	@ °F	@ °F	@ °F
" Wtr. Loss	5.5 CC 30 min.	CC 30 min.	CC 30 min.	CC 30 min.	CC 30 min.
Bit Size	7 7/8"				
Spcgs.—AM	16"				
IND.	40"				
Opr. Rig Time	2 HRS				
Truck No.	2515FARM				
Recorded By	JULIUS				
Witness	CLAUSEN & BIZZELL				

SHELL 2



SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

January 24, 1963

Re: Initial Plan of Development and Operation
Gallegos Gallup Sand Unit
San Juan County, New Mexico

Regional Oil and Gas Supervisor
United States Geological Survey
P. O. Box 6721
Roswell, New Mexico

Gentlemen:

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Yours very truly,

SKELLY OIL COMPANY, as
Unit Operator of the
Gallegos Gallup Sand Unit

By Barton W. Ratliff

Barton W. Ratliff
Assistant to Manager of Production
P. O. Box 1650
Tulsa 2, Oklahoma

JHD:db

GALLEGOS GALLUP SAND UNIT

SAN JUAN COUNTY, NEW MEXICO

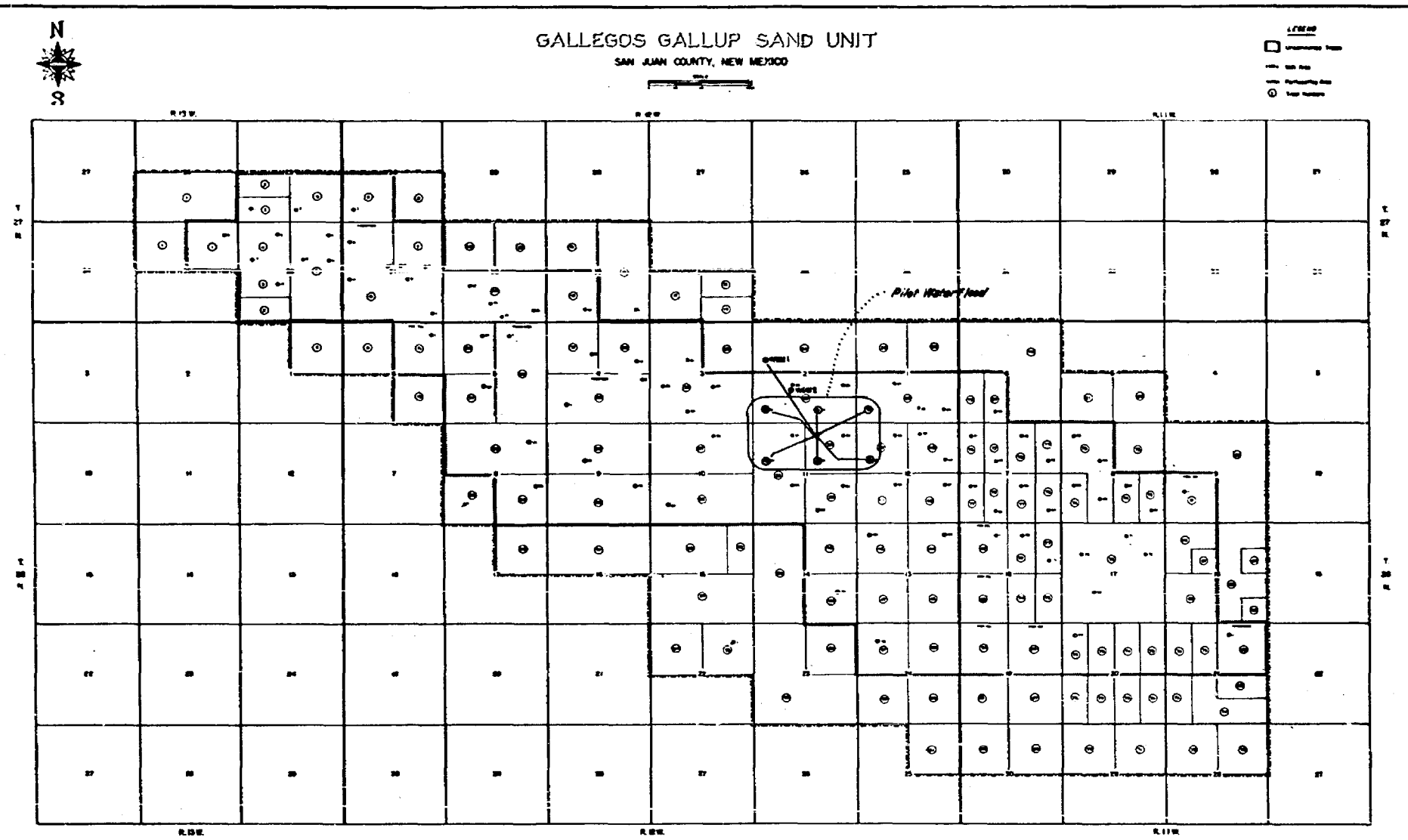


EXHIBIT No. 1

SCHLUMBERGER

Induction-Electrical Log

COMPANY SKELLY OIL COMPANY

WELL NAVAJO F #2

FIELD GALLEGOS-GALLUP

LOCATION SEC. 12-26N-12W

COUNTY SAN JUAN

STATE NEW MEXICO

COUNTY SAN JUAN, N.M.
FIELD or LOCATION GALLEGOS-GALLUP
WELL NAVAJO F #2
COMPANY SKELLY OIL COMPANY

Other Surveys

ML

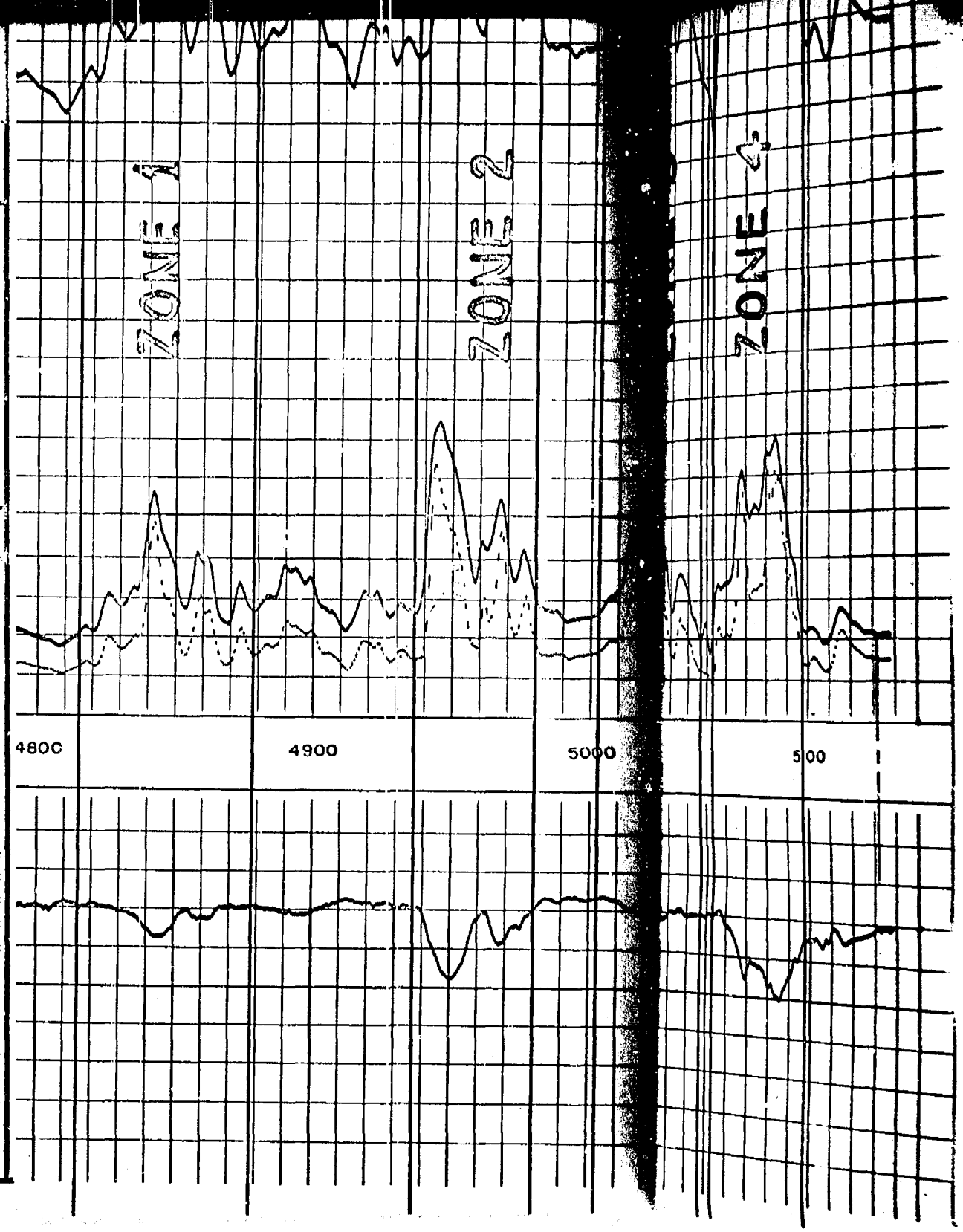
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RUN No.	ONE				
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Last Reading	426				
Feet Measured	4706				
Csg. Schlum.	426				
Csg. Driller	426				
Depth Reached	5138				
Bottom Driller	5134				
Depth Datum	KB				
Mud Nat.	GEL				
Dens. Visc.	9.5 1130				
Mud Resist.	1.7 @ 80 °F	@ °F	@ °F	@ °F	@ °F
" Res. BHT	1.1 @ 123 °F	@ °F	@ °F	@ °F	@ °F
Rmf	1.1 @ 123 °F	@ °F	@ °F	@ °F	@ °F
Rmc	1.35 @ 123 °F	@ °F	@ °F	@ °F	@ °F
" pH	9 @ °F	@ °F	@ °F	@ °F	@ °F
" Wtr. Loss	5.5 CC 30 min.	CC 30 min.	CC 30 min.	CC 30 min.	CC 30 min.
Bit Size	7 7/8"				
Spcgs.—AM	16"				
IND.	40"				
Opr. Rig Time	2 HRS				
Truck No.	2515FARM				
Recorded By	JULIUS				
Witness	CLAUSEN & BIZZELL				

XHIBIT 2



SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

January 24, 1963

Re: Initial Plan of Development and Operation
Gallegos Gallup Sand Unit
San Juan County, New Mexico

Commissioner of Public Lands
State of New Mexico
State Land Office
Santa Fe, New Mexico

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Water supply lines and water injection system are shown in Exhibit No. 1.

It is planned to proceed immediately after the effective date of the Unit, with development of the water supply and injection system, and well conversions, as set forth in this plan.

Your approval of this proposed plan is solicited.

Yours very truly,

SKELLY OIL COMPANY, as
Unit Operator of the
Gallegos Gallup Sand Unit

By Barton W. Ratliff

Barton W. Ratliff
Assistant to Manager of Production
P. O. Box 1650
Tulsa 2, Oklahoma

JHD:db

GALLEGOS GALLUP SAND UNIT

SAN JUAN COUNTY, NEW MEXICO

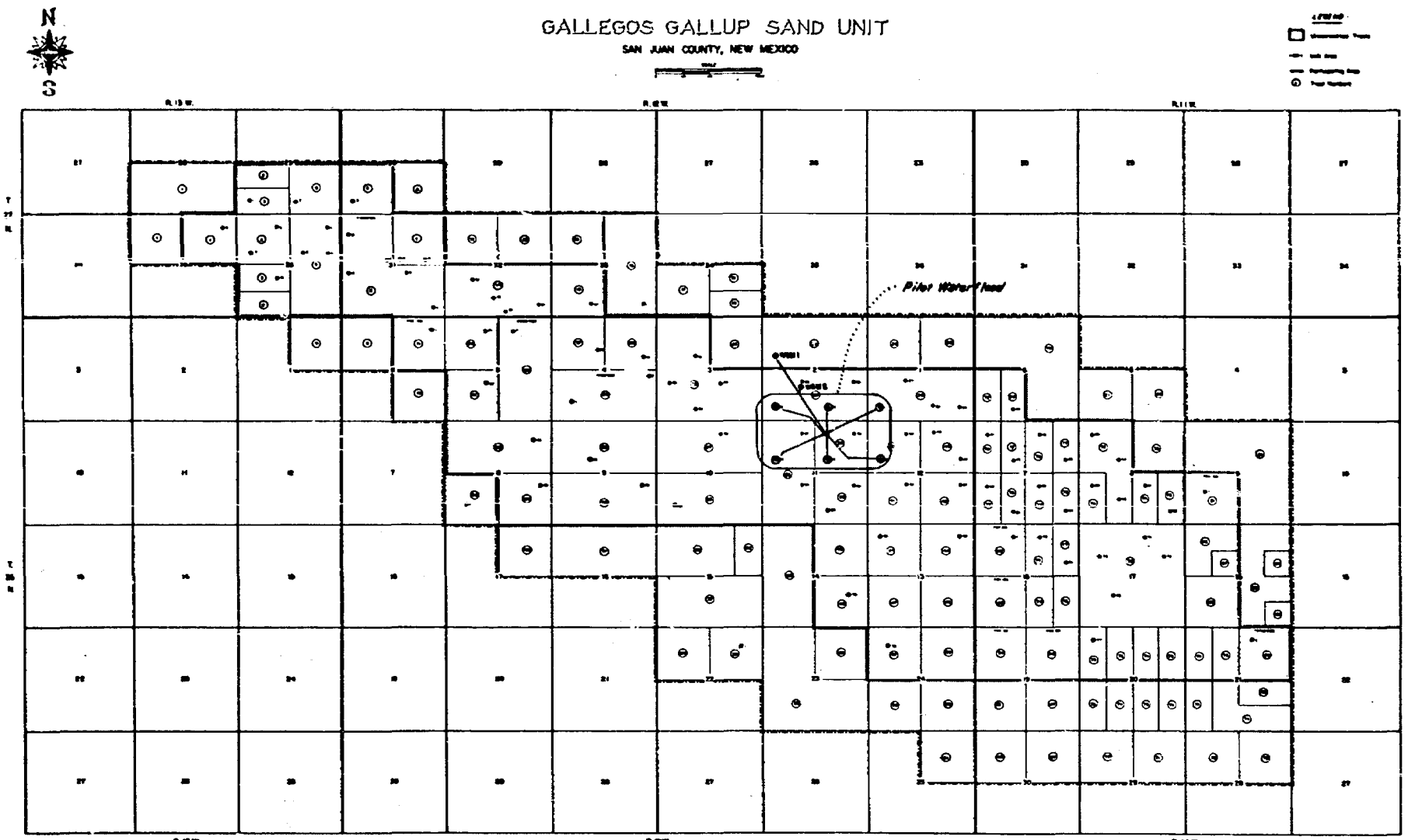


EXHIBIT NO. 1

SCHLUMBERGER

Induction-Electrical Log

COUNTY SAN JUAN
FIELD or LOCATION GALLEGOS-GALLUP
WELL NAVAJO F #2
COMPANY SKELLY OIL COMPANY

COMPANY SKELLY OIL COMPANY

WELL NAVAJO F #2

FIELD GALLEGOS-GALLUP

LOCATION SEC. 12-26N-12W

COUNTY SAN JUAN

STATE NEW MEXICO

Other Surveys

ML

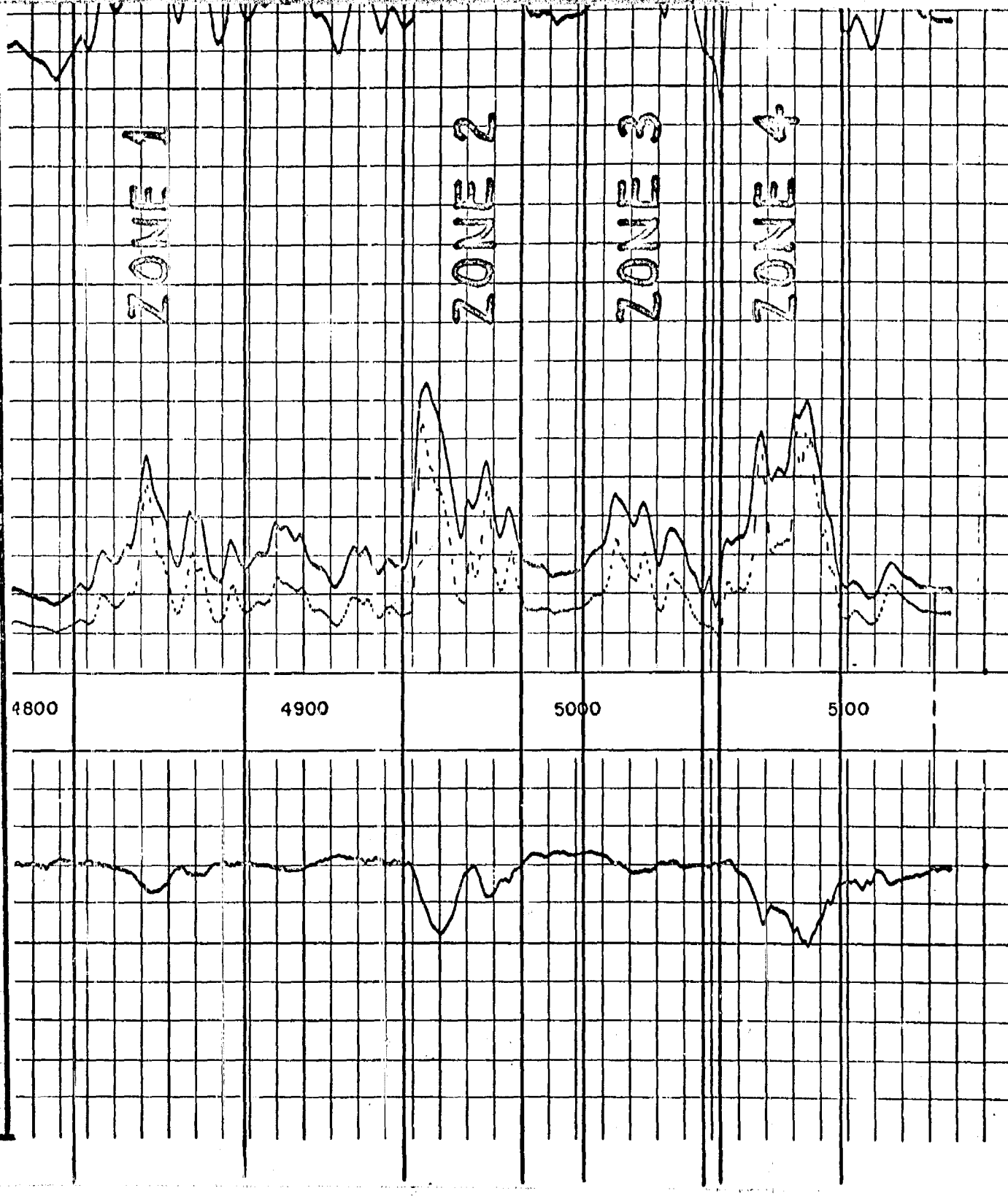
Location of Well
660' FR W/L
1980' FR N/L
SEC. 12-26N-12W

Elevation: D.F.: 5932'
K.B.: 5933'
or G.L.: 5923'

FILING No.

RUN No.	ONE				
Date	9-18-58				
First Reading	5132				
Last Reading	426				
Feet Measured	4706				
Csg. Schlum.	426				
Csg. Driller	426				
Depth Reached	5138				
Bottom Driller	5134				
Depth Datum	KB				
Mud Nat.	GEL				
Dens. Visc.	9.5 130				
Mud Resist.	1.7 @ 80 °F	@ °F	@ °F	@ °F	@ °F
" Res. BHT	1.1 @ 123 °F	@ °F	@ °F	@ °F	@ °F
Rmf	1.1 @ 123 °F	@ °F	@ °F	@ °F	@ °F
Rmc	1.35 @ 123 °F	@ °F	@ °F	@ °F	@ °F
" pH	9 @ °F	@ °F	@ °F	@ °F	@ °F
" Wtr. Loss	5.5 CC 30 min.	CC 30 min.	CC 30 min.	CC 30 min.	CC 30 min.
Bit Size	7 7/8"				
Spcgs.—AM	16"				
IND.	40"				
Opr. Rig Time	2 HRS				
Truck No.	2515FARM				
Recorded By	JULIUS				
Witness	CLAUSEN & BIZZELL				

EXHIBIT 2



GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

April 4, 1962

Re: CASE NO. 2512
ORDER NO. R-2207
APPLICANT:
Skelly Oil Company

Mr. George Selinger
Skelly Oil Company
P. O. Box 1650
Tulsa 2, Oklahoma

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC x

OTHER Mr. Charlie White

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2512
Order No. R-2207

APPLICATION OF SKELLY OIL COMPANY
FOR APPROVAL OF THE GALLEGOS-GALLUP
SAND UNIT AGREEMENT, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 28, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 4th day of April, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Skelly Oil Company, seeks approval of the Gallegos-Gallup Sand Unit Agreement covering 22,997.51 acres, more or less, of Federal, State, Indian and fee lands in portions of Townships 26 and 27 North, Ranges 11, 12, and 13 West, NMPM, San Juan County, New Mexico.

(3) That approval of the proposed Gallegos-Gallup Sand Unit Agreement will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That the Gallegos-Gallup Sand Unit Agreement is hereby approved.

(2) That the Plan under which the unit area shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Gallegos-Gallup Sand Unit Area and such plan shall be known as the Gallegos-Gallup Sand Unit Agreement Plan.

(3) That the Gallegos-Gallup Sand Unit Agreement Plan is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty or obligation which is now, or may hereafter be, vested in the Oil Conservation Commission of New Mexico relative to the supervision and control of operations for the exploration and development of any lands committed to the Gallegos-Gallup Sand Unit, or relative to the production of oil and gas therefrom.

(4) (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 26 NORTH, RANGE 11 WEST
Section 5: S/2
Sections 6 through 9: All
Sections 16 through 21: All
Section 28: N/2
Section 29: N/2
Section 30: N/2

TOWNSHIP 26 NORTH, RANGE 12 WEST
Sections 1 through 5: All
Section 6: E/2 and NW/4
Sections 8 through 15: All
Section 16: N/2
Section 17: NE/4
Section 22: N/2
Sections 23 and 24: All
Section 25: NE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST
Section 1: NE/4

TOWNSHIP 27 NORTH, RANGE 12 WEST
Section 30: S/2
Sections 31 through 33: All
Section 34: S/2

TOWNSHIP 27 NORTH, RANGE 13 WEST
Section 25: S/2
Section 26: S/2
Section 35: N/2
Section 36: All

comprising 22,997.51 acres, more or less.

(b) That the unit may be enlarged or contracted as provided in said Plan; provided, however, that administrative approval for expansion or contraction of the unit area must also be obtained from the Secretary-Director of the Commission.

(5) That the unit operator shall file with the Commission an executed original or executed counterpart of the Gallegos-Gallup Sand Unit Agreement within 30 days after the effective date thereof. In the event of subsequent joinder by a party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(6) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall notify the Commission immediately in writing of such termination.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

A. L. PORTER, Jr., Member & Secretary

esr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2512
Order No. R-2207

APPLICATION OF SKELLY OIL COMPANY
FOR APPROVAL OF THE GALLEGOS-GALLUP
SAND UNIT AGREEMENT, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 28, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 4th day of April, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises.

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Skelly Oil Company, seeks approval of the Gallegos-Gallup Sand Unit Agreement covering 22,997.51 acres, more or less, of Federal, State, Indian and fee lands in portions of Townships 26 and 27 North, Ranges 11, 12, and 13 West, NMPM, San Juan County, New Mexico.

(3) That approval of the proposed Gallegos-Gallup Sand Unit Agreement will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That the Gallegos-Gallup Sand Unit Agreement is hereby approved.

(2) That the Plan under which the unit area shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Gallegos-Gallup Sand Unit Area and such plan shall be known as the Gallegos-Gallup Sand Unit Agreement Plan.

(3) That the Gallegos-Gallup Sand Unit Agreement Plan is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty or obligation which is now, or may hereafter be, vested in the Oil Conservation Commission of New Mexico relative to the supervision and control of operations for the exploration and development of any lands committed to the Gallegos-Gallup Sand Unit, or relative to the production of oil and gas therefrom.

(4) (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 26 NORTH, RANGE 11 WEST
Section 5: S/2
Sections 6 through 9: All
Sections 16 through 21: All
Section 28: N/2
Section 29: N/2
Section 30: N/2

TOWNSHIP 26 NORTH, RANGE 12 WEST
Sections 1 through 5: All
Section 6: N/2 and NW/4
Sections 8 through 15: All
Section 16: N/2
Section 17: NW/4
Section 22: N/2
Sections 23 and 24: All
Section 25: NE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST
Section 1: NE/4

TOWNSHIP 27 NORTH, RANGE 12 WEST
Section 30: S/2
Sections 31 through 33: All
Section 34: S/2

TOWNSHIP 27 NORTH, RANGE 13 WEST
Section 25: S/2
Section 26: S/2
Section 35: N/2
Section 36: All

comprising 22,997.51 acres, more or less.

(b) That the unit may be enlarged or contracted as provided in said Plan; provided, however, that administrative approval for expansion or contraction of the unit area must also be obtained from the Secretary-Director of the Commission.

(5) That the unit operator shall file with the Commission an executed original or executed counterpart of the Gallegos-Gallup Sand Unit Agreement within 30 days after the effective date thereof. In the event of subsequent joindar by a party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(6) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall notify the Commission immediately in writing of such termination.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

S. S. WALKER, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

DRAFT

JEW/esr
March 30, 1962

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2512

Order No. R-2207

APPLICATION OF SKELLY OIL COMPANY
FOR APPROVAL OF THE GALLEGOS-GALLUP
SAND UNIT AGREEMENT, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 28, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of April, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Skelly Oil Company, seeks approval of the Gallegos-Gallup Sand Unit Agreement covering 22,997.51 acres, more or less, of Federal, State, Indian and fee lands in portions of Townships 26 and 27 North, Ranges 11, 12, and 13 West, NMPM, San Juan County, New Mexico.

(3) That approval of the proposed Gallegos-Gallup Sand Unit Agreement will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That the Gallegos-Gallup Sand Unit Agreement is hereby approved.

(2) That the Plan under which the unit area shall be operated shall be embraced in the form of a unit agreement for [redacted]

the development and operation of the Gallegos-Gallup Sand Unit Area and such plan shall be known as the Gallegos-Gallup Sand Unit Agreement Plan.

(3) That the Gallegos-Gallup Sand Unit Agreement Plan is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty or obligation which is now, or may hereafter be, vested in the Oil Conservation Commission of New Mexico relative to the supervision and control of operations for the exploration and development of any lands committed to the Gallegos-Gallup Sand Unit, or relative to the production of oil and gas therefrom.

(4) (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 26 NORTH, RANGE 11 WEST
Section 5: S/2
Sections 6 through 9: All
Sections 16 through 21: All
Section 28: N/2
Section 29: N/2
Section 30: N/2

TOWNSHIP 26 NORTH, RANGE 12 WEST
Sections 1 through 5: All
Section 6: E/2 and NW/4
Sections 8 through 15: All
Section 16: N/2
Section 17: NE/4
Section 22: N/2
Sections 23 and 24: All
Section 25: NE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST
Section 1: NE/4

TOWNSHIP 27 NORTH, RANGE 12 WEST
Section 30: S/2
Sections 31 through 33: All
Section 34: S/2

TOWNSHIP 27 NORTH, RANGE 13 WEST
Section 25: S/2
Section 26: S/2
Section 35: N/2
Section 36: All

comprising 22,997.51 acres, more or less.

(b) That the unit may be enlarged or contracted as provided in said Plan; provided, however, that administrative

approval for expansion or contraction of the unit area must also be obtained from the Secretary-Director of the Commission.

(5) That the unit operator shall file with the Commission an executed original or executed counterpart of the Gallegos-Gallup Sand Unit Agreement within 30 days after the effective date thereof. In the event of subsequent joinder by a party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(6) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall notify the Commission immediately in writing of such termination.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

No. 9-62

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 28, 1962

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, as alternate examiner:

Cases 2515 through 2519 will not be heard before 1:00 P.M.

CASE 2507: Application of Union Oil Company of California for an order creating a new oil pool, establishing special rules and regulations for said pool, and contracting the Anderson Ranch-Wolfcamp Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new oil pool to be designated the North Anderson Ranch-Wolfcamp Pool and comprising portions of Sections 28, 32 and 33, Township 15 South, Range 32 East, and Lots 1, 2, 7 and 8 of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico. Applicant proposes the promulgation of special rules and regulations to govern said pool, including a provision for 80-acre proration units; it is further proposed that the Anderson Ranch-Wolfcamp Pool be contracted by the deletion of the SE/4 and S/2 SW/4 of Section 28, E/2 SE/4 of Section 32 and W/2 and NE/4 of Section 33, Township 15 South, Range 32 East, and Lots 1, 2, 7 and 8 of Section 2, Township 16 South, Range 32 East.

CASE 2508: Application of Westates Petroleum Company for assignment of special allowables to four wells, Lea County, New Mexico. Applicant, in the above-styled cause, pursuant to Order No. R-1776, seeks an order extending the period within which its Carlson-Federal "B" Wells Nos. 2, 3, 4 and 5, located in Section 25, Township 25 South, Range 37 East, Lea County, New Mexico, are assigned a special allowable not to exceed top unit allowable for the Justis Tubb-Drinkard Pool.

CASE 2509: Application of Amerada Petroleum Corporation for approval of the Langlie Mattix Woolworth Unit Agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Langlie Mattix Woolworth Unit Agreement embracing 2559.48 acres of Federal and fee lands within Sections 27, 28, 33 and 34, Township 24 South, Range 37 East, Lea County, New Mexico.

CASE 2510: Application of Texaco, Inc. for an exception to Rule 107 (e), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 107 (e) authorizing the completion of its K. F. Quail-Federal Well No. 1, located 2086 feet from the South line and 556 feet from the West line of Section 1, Township 20 South, Range 34 East, Lea County, New Mexico, as a 2 7/8-inch tubingless completion below the depth of 5,000 feet.

CASE 2511: Application of Texaco, Inc. for an order pooling all mineral interests in the Basin-Dakota and Blanco-Mesaverde Pools in the W/2 of Section 12, Township 30 North, Range 12 West, San Juan County, New Mexico. Interested parties include Pan American Petroleum Corporation, Southwest Production Company and Tidewater Oil Company.

CASE 2512: Application of Skelly Oil Company for approval of the Gallegos-Gallup Sand Unit Agreement, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Gallegos-Gallup Sand Unit Agreement embracing 22,997.51 acres, more or less, of Federal, State, Indian and fee lands in portions of Townships 26 and 27 North, Ranges 11, 12 and 13 West, San Juan County, New Mexico.

CASE 2513: Application of Skelly Oil Company for a secondary recovery project, Gallegos-Gallup Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a secondary recovery project in the Gallegos-Gallup Oil Pool in an area underlying its proposed Gallegos-Gallup Sand Unit Area, comprising 22,997.51 acres, more or less, in portions of Townships 26 and 27 North, Ranges 11, 12 and 13 West, San Juan County, New Mexico, the injection of water initially to be through six wells located in Sections 1, 2, 11 and 12, Township 26 North, Range 12 West and the project to be governed by the provisions of Rule 701.

CASE 2514: Application of Skelly Oil Company for approval of the West Dollarhide Queen Sand Unit Agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West Dollarhide Queen Sand Unit Agreement embracing 2562.52 acres, more or less, of Federal, State and fee lands in Sections 19, 29, 30, 31, 32 and 33, Township 24 South, Range 38 East, and Sections 4, 5, and 6, Township 25 South, Range 38 East, Lea County, New Mexico.

The following cases will not be heard before 1:00 P.M.

CASE 2515: Application of D. W. Falls, Inc. for the assignment of a special temporary deliverability for allowable purposes to its Federal Well No. 2-11, located 1190 feet from the South line and 2210 feet from the East line of Section 11, Township 28 North, Range 13 West, San Juan County, New Mexico, which well is completed in the Basin-Dakota Gas Pool. Applicant proposes that the deliverability to be assigned to said well be the average deliverability of all gas wells in the Basin-Dakota Gas Pool.

CASE 2516: Application of Pan American Petroleum Corporation for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project on its Gallegos Canyon Unit Area, San Juan County, New Mexico, in the Cha Cha-Gallup Oil Pool, with the injection of water initially to be through two wells located in Section 28, Township 28 North, Range 13 West, and requests adoption of special rules to govern the operation of said project.

CASE 2517: Application of Pan American Petroleum Corporation for a unit agreement and a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Southeast Cha Cha Unit Agreement embracing Federal, State and fee lands in portions of Sections 7, 8, 9, 10, 15, 16, 17, 18, 20, 21, 22 and 27, Township 28 North, Range 13 West, and Sections 30, 31, 32 and 33, Township 29 North, Range 13 West, San Juan County, New Mexico. Applicant further seeks authority to institute a unit-wide pressure maintenance project by the injection of water into the Gallup formation through 10 wells located within said unit and requests adoption of special rules to govern the operation of said project.

CASE 2518: Application of Humble Oil & Refining Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its D. H. Crockett Well No. 1, located in Unit C of Section 21, Township 18 South, Range 26 East, Lea County, New Mexico, as a dual completion (conventional) in the Caudill Permo-Pennsylvanian and Caudill-Devonian Pools with the production of oil from

the Devonian zone to be through a string of 2 3/8-inch tubing and the production of oil from the Permo-Pennsylvanian zone to be through a parallel string of 1 1/4-inch tubing.

CASE 2519: Application of The Atlantic Refining Company for a unit agreement, a pressure maintenance project and the reclassification of two wells, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Horseshoe-Gallup Unit Agreement embracing 20,925.58 acres, more or less, of Federal, State, Indian and fee lands in Townships 30 and 31 North, Ranges 16 and 17 West, San Juan County, New Mexico. Applicant further seeks permission to institute a pressure maintenance project in the proposed Horseshoe-Gallup Unit Area with water to be injected into the Gallup formation through 112 wells located in said unit, and requests adoption of special rules to govern the operation of said project. Applicant further seeks the reclassification of two wells located in the proposed unit area from Verde-Gallup Oil Pool wells to Horseshoe-Gallup Oil Pool wells, the Verde-Gallup Oil Pool to be contracted by the deletion of the NE/4 NE/4 of Section 2, Township 30 North, Range 16 West, and the SW/4 SW/4 of Section 36, Township 31 North, Range 16 West, said acreage to be included in the Horseshoe-Gallup Oil Pool.

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION
TELEGRAM

W. P. MARSHALL, PRESIDENT

1220
R-4-60

SYMBOLS
DL = Day Letter
NL = Night Letter
LT = International Letter Telegram

MAIN OFFICE OCC

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

1962 MAR 27 AM 7:43

1962 MAR 20 PM 9:48 KA077

K DVA175 NL PD=FAX DENVER COLO 26=

NEW MEXICO OIL CONSERVATION COMMISSION=

STATE LAND OFFICE BLDG PO BOX 871 SANTAFE NMEX=

RE: CASES 2512 & 2513. GALLEGOS=GALLUP SAND UNIT, SAN JUAN COUNTY, NEW MEXICO

¶ ON MARCH 8, 1962, WE SENT A LETTER TO YOU ADVISING THAT FRONTIER ON OCTOBER 13, 1961, AND ON FEBRUARY 13, 1962, INFORMED SKELLY OIL CO., PROPOSED UNIT OPERATOR, THAT FRONTIER WOULD NOT COMMIT ANY OF ITS LEASES TO THE PROPOSED UNIT.

¶ WE OBJECT TO THE INCLUSION OF OUR ACREAGE IN THE PROPOSED GALLEGOS=GALLUP UNIT=

THE FRONTIER REFINING CO BY E B GRANVILLE
SUPERINTENDENT OF DRILLING AND PRODUCTION.

March 28th
Hearing

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

THE FRONTIER REFINING COMPANY

4040 EAST LOUISIANA AVENUE • DENVER 22, COLORADO • SKyline 6-1511

OFFICE OCC
1962 MAR 12 AM 8:22

March 8, 1962

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Proposed Gallegos-Gallup Sand Unit - San Juan County, New Mexico

Gentlemen:

Please be advised that The Frontier Refining Company has, on numerous occasions, notified Skelly Oil Company that Frontier leases producing from the Gallegos-Gallup Pool will not be committed to the proposed Gallegos-Gallup Sand Unit. However, Skelly continues to include these leases within the proposed unit.

Frontier has further informed Skelly that, in our opinion, the formula used for determining percentage participation in the proposed unit is not equitable.

A copy of our most recent notification to Skelly Oil Company is attached for your information.

Yours very truly,

THE FRONTIER REFINING COMPANY

E. B. Granville

E. B. Granville
Superintendent of
Drilling and Production

DBM:ak
Att
Carbon copies to:
Skelly Oil Company - Tulsa, Oklahoma
New Mexico Oil Conservation Commission - Aztec, N.M.

Docket Mailed 3/19/62

February 14, 1962

Skelly Oil Company
Production Department
Tulsa, Oklahoma

Attention: Mr. Kenneth E. Jones

Although you were notified by telegram October 13, 1961, that we have elected to commit none of our leases to the proposed Gallegos Gallup Unit, San Juan County, New Mexico, we note that both the Unit Agreement, and the Unit Operating Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area as submitted to

(1) Area Director, Gallup Area Office
Bureau of Indian Affairs,

(2) Director, United States Geological Survey,

(3) Commissioner of Public Lands of the State of New Mexico,

include within both the "unit area" and the "initial participating area", our producing leases listed below:

Morgan Lease: W/2 and SE/4 Section 31, T27N, R12W
(SF-080238-A)

Walker Lease: E/2 Section 5, T27N, R12W
(SF-081102)

Chartier Lease: S/2 Section 4, T27N, R12W
(SF-081101)

February 14, 1962

Again, please be advised that The Frontier Refining Company has elected to commit none of these leases to the Gallegos Gallup Sand Unit Area.

Yours very truly,

THE FRONTIER REFINING COMPANY

E. B. Granville

E. B. Granville
Drilling & Production Superintendent

DEB:dm

cc: Director, United States Geological Survey

Commissioner of Public Lands of the
State of New Mexico

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION OF SKELLY OIL COMPANY)
FOR APPROVAL OF THE GALLEGOS-GALLUP)
SAND UNIT AGREEMENT, SAN JUAN COUNTY,) Case No. 2512
NEW MEXICO.)

A P P E A R A N C E

Comes now L. C. WHITE of Gilbert, White and Gilbert, Santa Fe, New Mexico and herewith enters his formal appearance as local counsel for SKELLY OIL COMPANY in the above-captioned matter.

L. C. WHITE

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

Case 2572

MAIN OFFICE OCC

1962 FEB 13 AM 8:21

SKELLY OIL COMPANY

P. O. Box 1650
TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

February 12, 1962

Re: Gallegos-Gallup Sand Unit
San Juan County, New Mexico

Mr. A. L. Porter, Jr., Secretary-Director
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Attached is an application in triplicate for approval of a Unit Agreement for the Gallegos-Gallup Sand Unit, San Juan County, New Mexico.

We are attaching, for your information, a list of the names and addresses of the working interest owners within the unit area, as well as a list of the names and addresses of the royalty interest owners within the unit area.

Will you please set this application for an Examiner Hearing in March.

We are, also, enclosing a letter from Mr. L. C. White of Gilbert, White and Gilbert, Santa Fe, New Mexico, stating that they are resident counsel in this application.

Very truly yours,

George W. Selinger

RJJ:br
Attach.

cc: Mr. L. C. White
Gilbert, White and Gilbert
Bishop Building
Santa Fe, New Mexico

Case 2512

GILBERT, WHITE AND GILBERT
ATTORNEYS AND COUNSELORS AT LAW
BISHOP BUILDING
SANTA FE, NEW MEXICO

CARL H. GILBERT
L. C. WHITE
WILLIAM W. GILBERT
SUMNER S. KOCH
WILLIAM B. KELLY

February 7, 1962

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Re: Gallegos-Gallup Unit and
Secondary Recovery Project,
San Juan County, New Mexico

Gentlemen:

The undersigned herewith enters his appearance as resident counsel for Skelly Oil Company in its application for approval of the Gallegos-Gallup Unit and Secondary Recovery Project, San Juan County, New Mexico, as more fully appears from their application filed herewith.

Very truly yours,

L. C. WHITE
P. O. Box 787
Santa Fe, New Mexico

LCW/ab

MAIN OFFICE OCC

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

1952 FEB 14 AM 8:21

IN THE MATTER OF THE APPLICATION OF)
SKELLY OIL COMPANY FOR APPROVAL OF)
A UNIT AGREEMENT FOR THE GALLEGOS-)
GALLUP SAND UNIT, SAN JUAN COUNTY,)
NEW MEXICO.)

CASE NO. 2512

FILED _____

HEARING 3/12/52

A P P L I C A T I O N

Comes now Skelly Oil Company on behalf of itself and others and respectfully states as follows:

1. That it is an owner and operator of wells in the Gallegos-Gallup Sand Unit Area, San Juan County, New Mexico.

2. That in order to conduct secondary recovery operations and to increase the amount of ultimate recovery and thereby aid in the conservation of oil and gas, and in order to protect the correlative rights of all parties in the unit area, it is necessary and advisable that the Gallegos-Gallup Sand Unit be established and approved.

3. That the area to be included in this unit is described as follows:

Township 27 North, Range 13 West
S/2 Sec. 25, S/2 Sec. 26, N/2 Sec. 35, and Sec. 36,

Township 27 North, Range 12 West
S/2 Sec. 30, Secs. 31, 32, 33, and S/2 Sec. 34,

Township 26 North, Range 13 West
NE/4 Sec. 1,

Township 26 North, Range 12 West
Secs. 1, 2, 3, 4, 5, N/2 and SE/4 Sec. 6,
Secs. 8, 9, 10, 11, 12, 13, 14, 15, N/2 Sec. 16,
NE/4 Sec. 17, N/2 Sec. 22, Secs. 23 and 24, and
NE/4 Sec. 25,

Township 26 North, Range 11 West
S/2 Sec. 5, Secs. 6, 7, 8, 9, 16, 17, 18, 19,
20 and 21, N/2 Sec. 28, N/2 Sec. 29, and
N/2 Sec. 30,

and contains 22,997.51 acres more or less.

4. That the formation sought to be unitized is the Gallegos-Gallup Sand, and that sand shall be construed to mean the sand and reservoir encountered in drilling by Skelly Oil Company in its Navajo "F" No. 2 well between the depths 4,815 feet and 5,096 feet as shown by the Schlumberger Electric Log of said well, which well is located in the SW/4 of the NW/4 of Section 12, Township 26 North, Range 12 West, San Juan County, New Mexico.

5. That attached hereto and made a part hereof by reference is a copy of the Unit Agreement for the development and operation of the Gallegos-Gallup Sand Unit Area, and that contained in said Agreement as Exhibit "A" is a map showing the unit area and participating area for this unit.

WHEREFORE, PREMISES CONSIDERED, applicant prays that this Commission, after the giving of notice as required by law, set this application down for hearing, and that at the conclusion of said hearing, based on the evidence produced, that it approve the Unit Agreement for the Gallegos-Gallup Sand Unit, and for other rules and regulations as may be necessary in the premises.

Respectfully submitted,

SKELLY OIL COMPANY

George W. Selinger

George W. Selinger
Its Attorney

Of Counsel
L. C. White
Gilbert, White and Gilbert
Santa Fe, New Mexico

MAIN OFFICE OCC

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

1962 FEB 14 AM 8:21

IN THE MATTER OF THE APPLICATION OF SKELLY OIL COMPANY FOR APPROVAL OF A UNIT AGREEMENT FOR THE GALLEGOS-GALLUP SAND UNIT, SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 2572

FILED

HEARING 3/28

APPLICATION

Comes now Skelly Oil Company on behalf of itself and others and respectfully states as follows:

1. That it is an owner and operator of wells in the Gallegos-Gallup Sand Unit Area, San Juan County, New Mexico.

2. That in order to conduct secondary recovery operations and to increase the amount of ultimate recovery and thereby aid in the conservation of oil and gas, and in order to protect the correlative rights of all parties in the unit area, it is necessary and advisable that the Gallegos-Gallup Sand Unit be established and approved.

3. That the area to be included in this unit is described as follows:

Township 27 North, Range 13 West
S/2 Sec. 25, S/2 Sec. 26, N/2 Sec. 35, and Sec. 36,

Township 27 North, Range 12 West
N/2 Sec. 30, Secs. 31, 32, 33, and S/2 Sec. 34,

Township 26 North, Range 13 West
NE/4 Sec. 1,

Township 26 North, Range 12 West
Secs. 1, 2, 3, 4, 5, N/2 and SE/4 Sec. 6,
Secs. 8, 9, 10, 11, 12, 13, 14, 15, N/2 Sec. 16,
NE/4 Sec. 17, N/2 Sec. 22, Secs. 23 and 24, and
NE/4 Sec. 25,

Township 26 North, Range 11 West
S/2 Sec. 5, Secs. 6, 7, 8, 9, 16, 17, 18, 19,
20 and 21, N/2 Sec. 28, N/2 Sec. 29, and
N/2 Sec. 30,

and contains 22,997.51 acres more or less.

4. That the formation sought to be unitized is the Gallegos-Gallup Sand, and that sand shall be construed to mean the sand and reservoir encountered in drilling by Skelly Oil Company in its Navajo "F" No. 2 well between the depths 4,815 feet and 5,096 feet as shown by the Schlumberger Electric Log of said well, which well is located in the SW/4 of the NW/4 of Section 12, Township 26 North, Range 12 West, San Juan County, New Mexico.

5. That attached hereto and made a part hereof by reference is a copy of the Unit Agreement for the development and operation of the Gallegos-Gallup Sand Unit Area, and that contained in said Agreement as Exhibit "A" is a map showing the unit area and participating area for this unit.

WHEREFORE, PREMISES CONSIDERED, applicant prays that this Commission, after the giving of notice as required by law, set this application down for hearing, and that at the conclusion of said hearing, based on the evidence produced, that it approve the Unit Agreement for the Gallegos-Gallup Sand Unit, and for other rules and regulations as may be necessary in the premises.

Respectfully submitted,

SKELLY OIL COMPANY

George W. Selinger

George W. Selinger
Its Attorney

Of Counsel
L. C. White
Gilbert, White and Gilbert
Santa Fe, New Mexico

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF SKELLY OIL COMPANY FOR APPROVAL OF A UNIT AGREEMENT FOR THE GALLEGOS-GALLUP SAND UNIT, SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 2357

FILED

HEARING 3/28

APPLICATION

Comes now Skelly Oil Company on behalf of itself and others and respectfully states as follows:

1. That it is an owner and operator of wells in the Gallegos-Gallup Sand Unit Area, San Juan County, New Mexico.

2. That in order to conduct secondary recovery operations and to increase the amount of ultimate recovery and thereby aid in the conservation of oil and gas, and in order to protect the correlative rights of all parties in the unit area, it is necessary and advisable that the Gallegos-Gallup Sand Unit be established and approved.

3. That the area to be included in this unit is described as follows:

Township 27 North, Range 13 West
S/2 Sec. 25, S/2 Sec. 26, N/2 Sec. 35, and Sec. 36,

Township 27 North, Range 12 West
S/2 Sec. 30, Secs. 31, 32, 33, and S/2 Sec. 34,

Township 26 North, Range 13 West
NE/4 Sec. 1,

Township 26 North, Range 12 West
Secs. 1, 2, 3, 4, 5, N/2 and SW/4 Sec. 6,
Secs. 8, 9, 10, 11, 12, 13, 14, 15, N/2 Sec. 16,
NW/4 Sec. 17, N/2 Sec. 22, Secs. 23 and 24, and
NE/4 Sec. 25,

Township 26 North, Range 11 West
S/2 Sec. 5, Secs. 6, 7, 8, 9, 16, 17, 18, 19,
20 and 21, N/2 Sec. 28, N/2 Sec. 29, and
N/2 Sec. 30,

and contains 22,997.51 acres more or less.

4. That the formation sought to be unitized is the Gallegos-Gallup Sand, and that sand shall be construed to mean the sand and reservoir encountered in drilling by Skelly Oil Company in its Navajo "F" No. 2 well between the depths 4,815 feet and 5,096 feet as shown by the Schlumberger Electric Log of said well, which well is located in the SW/4 of the NW/4 of Section 12, Township 26 North, Range 12 West, San Juan County, New Mexico.

5. That attached hereto and made a part hereof by reference is a copy of the Unit Agreement for the development and operation of the Gallegos-Gallup Sand Unit Area, and that contained in said Agreement as Exhibit "A" is a map showing the unit area and participating area for this unit.

WHEREFORE, PREMISES CONSIDERED, applicant prays that this Commission, after the giving of notice as required by law, set this application down for hearing, and that at the conclusion of said hearing, based on the evidence produced, that it approve the Unit Agreement for the Gallegos-Gallup Sand Unit, and for other rules and regulations as may be necessary in the premises.

Respectfully submitted,

SKELLY OIL COMPANY

George W. Selinger

George W. Selinger
Its Attorney

Of Counsel
L. C. White
Gilbert, White and Gilbert
Santa Fe, New Mexico

2512

CERTIFICATE
RELATING TO SECOND REVISION OF
EXHIBIT "C" ATTACHED TO
UNIT AGREEMENT - GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

THE STATE OF NEW MEXICO)
) SS
COUNTY OF SAN JUAN)

KNOW ALL MEN BY THESE PRESENTS:

THAT, SKELLY OIL COMPANY, in its capacity as Unit Operator of the above described unit and pursuant to the terms and provisions of said Unit Agreement of record in Book 515, Page 124, of the Records of the County Clerk of San Juan County, New Mexico, reference to such agreement and the record thereof being hereby made for all purposes, does hereby certify as follows, to-wit:

1. That it has, in compliance with said agreement, revised Exhibit "C" attached thereto, said revision being occasioned by and in accordance with the provisions thereof;

2. That true and correct copies of said Exhibit "C" as so revised are attached hereto and by reference made a part hereof; and

3. That in accordance with the provisions of said Unit Agreement the said revised Exhibit "C" is to become effective as of 7:00 A.M., February 1, 1963, in lieu of the preceding Exhibit "C" and said revised Exhibit "C" shall thereafter remain in full force and effect until again revised pursuant to the terms and provisions of said Unit Agreement.

IN WITNESS WHEREOF, SKELLY OIL COMPANY, acting in its capacity as Unit Operator, has on this 17th day of May, 1963, executed this instrument by and through its Vice President thereunto duly authorized.

SKELLY OIL COMPANY

Approved as to
Form

ATTEST:

R. Kendall Merrill
Assistant Secretary

By C. L. Blackley
Vice President

STATE OF OKLAHOMA)
) SS
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 17th day of May, 1963, by C. L. Blackley, Vice President of SKELLY OIL COMPANY, a Delaware corporation, on behalf of said corporation.

Notary Public

My commission expires:

My Commission Expires May 31, 1963

REVISED EXHIBIT "C" 4-27-63
SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	FEDERAL LANDS		
1	T27N-R13W: Sec. 26: S/2 Sec. 35: N/2	SF-078105 12-1-47 H.B.P.	0.671851
2	T27N-R13W: Sec. 25: N/2 SW/4 Sec. 36: N/2 SW/4	SF-078391-C 6-14-54 H.B.P.	0.057624
3	T27N-R13W: Sec. 25: S/2 SW/4 Sec. 36: N/2 SW/4	SF-078391-C 6-14-54 H.B.P.	1.443535
4	T27N-R13W: Sec. 36: NW/4	SF-078391-B 6-1-49 H.B.P.	1.256399
5	T27N-R13W: Sec. 25: SE/4 Sec. 36: SE/4	SF-078391-A 6-1-49 H.B.P.	0.845196
6	T27N-R12W: Sec. 30: S/2	SF-078100 12-1-47 H.B.P.	0.106356
7	T27N-R12W: Sec. 31: NE/4	SF-080238 4-1-51 H.B.P.	1.135652
14	T27N-R12W: Sec. 32: S/2	SF-078858 4-1-48 H.B.P.	2.112104
15	T27N-R12W: Sec. 33: W/2	NM-03413 5-1-48 H.B.P.	0.476323
20	T26N-R11W: Sec. 6: E/2 SW/4	NM-03523 7-1-47 H.B.P.	0.980533

23	T26N-R12W: Sec. 1: NW/4; S/2 Sec. 2: S/2 Sec. 11: W/2 Sec. 14: W/2 Sec. 23: W/2; SE/4	SF-078953 2-1-48 H.B.P.	12.355918
25	T26N-R12W: Sec. 3: All Sec. 10: S/2	SF-080384-B 5-1-51 H.B.P.	8.391114
26	T26N-R12W: Sec. 4: NE/4	SF-078286 9-1-47 H.B.P.	1.791245
27	T26N-R12W: Sec. 4: NW/4	SF-078286-B 9-1-47 H.B.P.	2.308752
30	T26N-R12W: Sec. 5: NW/4	SF-078286-A 9-1-47 H.B.P.	1.569683
31	T26N-R12W: Sec. 5: SW/4	SF-081102-A 9-1-47 H.B.P.	0.625959
32	T26N-R12W: Sec. 8: N/2	SF-081100 9-1-47 H.B.P.	0.830293
34	T26N-R12W: Sec. 8: SE/4	SF-080008 9-1-47 H.B.P.	0.399059
35	T26N-R12W: Sec. 9: N/2	SF-078944-A 2-1-48 H.B.P.	2.424070
36	T26N-R12W: Sec. 9: S/2	SF-078944 2-1-48 H.B.P.	1.473749
37	T26N-R12W: Sec. 10: N/2 Sec. 15: S/2	SF-080384 5-1-51 H.B.P.	3.666228
43	T26N-R12W: Sec. 12: NE/4	SF-078918 2-1-48 H.B.P.	1.913564

74	T26N-R11W: Sec. 8: W/2 SW/4 W/2 SE/4 Sec. 18: W/2 SE/4 Sec. 20: W/2 NW/4 E/2 SW/4 W/2 NE/4 E/2 SE/4 Sec. 21: W/2 NW/4 E/2 SW/4 S/2 SE/4		SF-078899 7-1-47 H.B.P.	4.298366
75	T26N-R11W: Sec. 8: N/2 E/2 SW/4 E/2 SE/4 Sec. 18: E/2 SE/4 Sec. 20: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 21: E/2 NW/4 W/2 SW/4		SF-078899-A 7-1-47 H.B.P.	5.296178
76	T26N-R11W: Sec. 17: All		SF-079679 12-1-47 H.B.P.	6.847413
77	T26N-R11W: Sec. 7: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 18: E/2 NE/4		SF-078897 7-1-47 H.B.P.	6.580967
78	T26N-R11W: Sec. 7: W/2 NE/4 Lots 1 and 2 E/2 SW/4 E/2 SE/4 Sec. 18: W/2 NE/4		SF-078897-A 7-1-47 H.B.P.	4.520205
79	T26N-R11W: Sec. 6: W/2 SW/4		NM-03523 7-1-47 H.B.P.	0.419215
90	T27N-R13W: Sec. 36: NE/4		SF-078391 6-1-49 H.B.P.	1.615016

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	INDIAN ALLOTTED LANDS		
38	T26N-R12W: Sec. 11: NE/4	14-20-603-294 5-11-54 H.B.P.	2.157640
39	T26N-R12W: Sec. 11: SE/4	14-20-603-295 5-11-54 H.B.P.	2.517019
40	T26N-R12W: Sec. 12: NW/4	14-20-603-296 5-11-54 H.B.P.	2.646002
41	T26N-R12W: Sec. 12: SW/4	14-20-603-297 5-11-54 H.B.P.	2.303519
42	T26N-R12W: Sec. 12: SE/4	14-20-603-298 5-11-54 H.B.P.	2.319216
44	T26N-R12W: Sec. 13: NE/4	14-20-603-299 5-11-54 H.B.P.	1.561061
45	T26N-R12W: Sec. 13: SE/4	14-20-603-300 5-11-54	1.067618
46	T26N-R12W: Sec. 13: NW/4	14-20-603-302 2-9-54 H.B.P.	1.543176
47	T26N-R12W: Sec. 13: SW/4	14-20-603-301 5-11-54	0.937516
48	T26N-R12W: Sec. 14: NE/4	14-20-603-303 5-11-54	0.892655
49	T26N-R12W: Sec. 14: SE/4	14-20-603-304 5-11-54 H.B.P.	0.963094
57	T26N-R12W: Sec. 24: NW/4	14-20-603-306 2-9-54 H.B.P.	0.970675
59	T26N-R12W: Sec. 24: NE/4	14-20-603-309 5-11-54	0.714041

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	STATE OF NEW MEXICO LANDS		
86	T26N-R11W: Sec. 16: N/2 NW/4 SW/4 NW/4	E-9895 3-20-56 H.B.P.	1.231380
87	T26N-R11W: Sec. 16: SE/4 NW/4	B-11240 5-16-44	0.374629
88	T26N-R11W: Sec. 16: SW/4	E-9989 4-17-56	1.388192

DEARNLEY-MEIER REPORTING SERVICE, Inc.
ALBUQUERQUE, N. M. PHONE 243-6691
FARMINGTON, N. M. PHONE 325-1182

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

March 28, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Skelly Oil Company for approval of the Gallegos-Gallup Sand Unit Agreement, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Gallegos-Gallup Sand Unit Agreement embracing 22,997.51 acres, more or less, of Federal, State, Indian and fee lands in portions of Townships 26 and 27 North, Ranges 11, 12 and 13 West, San Juan County, New Mexico.

CASE NO. 2512

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 2512.

MR. WHITFIELD: In the matter of application of Skelly Oil Company for approval of the Gallegos-Gallup Sand Unit Agreement, San Juan County, New Mexico.

MR. SELINGER: The next case is a companion case. I wonder if the Examiner has any objections to combining the two for taking testimony, or, we could treat them separately.

MR. UTZ: 2512 and 2513?

MR. SELINGER: Yes.

MR. UTZ: Is there any objection to consolidating 2512 and 2513 for the purposes of testimony? We will so do.

(Whereupon, Applicant's Exhibit No. 1 and 1-A in Case 2512 Marked for Identification.)

DEARNLEY-MEIER REPORTING SERVICE, Inc.
ALBUQUERQUE, N. M. PHONE 243-6691
FARMINGTON, N. M. PHONE 325-1182

MR. UTZ: Are there any other appearances to be made in Cases 2512 or 2513?

Mr. Selinger, you may proceed with your Unit Agreement testimony.

MR. SELINGER: We would like to make part of the record the appearance of our local counsel in writing. We have two witnesses, one for Case 2512 and one for Case 2513 that we would like to have sworn at this time.

(Witnesses sworn)

KENNETH E. JONES,

called as a witness herein, having been first duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. SELINGER:

Q State your name.

A Kenneth E. Jones.

Q And you are associated with what company?

A Skelly Oil Company.

Q In what capacity?

A I'm senior petroleum engineer in charge of the unitization section.

Q Are you a graduate of an accredited school in petroleum engineering?

A Yes, I am.

Q What is your experience with respect to the type of

work you are doing now and generally in petroleum engineering? For example, how long have you been at your profession?

A I graduated from the University of Pittsburgh in 1951 and since July of 1951 I've been in the petroleum end of the business. I served three years as a field engineer and then was transferred to the general office for Skelly Oil Company, and since that time I have been working primarily on units, unit operation and the formation of units.

Q As such, have you been actively engaged in working on the Gallegos-Gallup Sand Unit area of San Juan County?

A Yes, I have.

Q As a result of your activities have you had under your supervision and with your help, worked out the Unit Agreement which is Exhibit One in Case 2512?

A Yes.

Q Is this Unit Agreement a usual and normal agreement in the oil business?

A Yes. This is what we call the Federal type Unit Agreement. As a matter of fact, it's modeled after Central Bisti and West Bisti Agreement.

Q Attached to this Unit Agreement you have what you have marked as Exhibits A, B and C, the tract map, the tract data and the percentage participation, is that correct?

A That's right.

Q Is the U. S. Geological Survey or the State involved in

DEARNLEY-MEIER REPORTING SERVICE, Inc.
ALBUQUERQUE, N. M.
PHONE 243 6691

this Unit Agreement?

A Yes, both of them are.

Q Have both of these agencies been contacted?

A Yes.

Q In the filing of the application was there attached thereto a list of all possible working and royalty interests to whom were given notice of this Hearing?

A Yes, there was.

MR. SELINGER: We would like to offer in evidence Skelly Exhibit Number One to which is attached Exhibit A and on the railing is a blown-up copy of the Unit area which is similar to Exhibit A which indicates the unit area as outlined in the Unit Agreement, Exhibit One. That's for the benefit of all parties here to have a blown-up version of Exhibit A. I believe that's all we have of this witness.

MR. UTZ: Without objection, Exhibits 1 and 1-A will be entered into the record of this Case.

(Whereupon, Applicant's Exhibits No. 1 and 1-A in Case 2512 Introduced into Evidence.)

MR. UTZ: Are there questions of the witness?

MR. MORRIS: Yes, sir.

CROSS EXAMINATION

BY MR. MORRIS:

Q. Mr. Jones, would you point out on your Exhibit the acreage that is owned by the Frontier Refining Company, please?

DEARNLEY-MEIER REPORTING SERVICE, Inc.
ALBUQUERQUE, N. M. PHONE 243-6691
FARMINGTON, N. M. PHONE 325-1182

A You want me to point it out on the map?

MR. SELINGER: Yes, put it on the map.

Q (By Mr. Morris) Yes, if you could indicate it with a red "X" on the Exhibit, please.

A All right.

Q Mr. Jones, the acreage that you have marked, I believe in Township 27 North, Range 12 West, the west half and the southeast quarter of Section 31, the east half of Section 5 and the south half of Section 4.

A That's right within the participating area and then they own the northwest quarter of Section 6, the northeast quarter of Section 1 in the area which lies outside the participating area.

Q Mr. Jones, have you been informed by the Frontier Refining Company that they will not commit their acreage to your unit?

A Yes, we have.

Q The Commission has also received correspondence in that regard. Will the nonjoinder of this particular acreage detrimentally affect your plans for the formation of this unit?

A The nonjoinder will not effect the immediate plans. It could possibly be that in the immediate future we plan a pilot area, it could possibly be that when the pilot is expanded that it may give us some control difficulty.

Q Is your pilot area projected to cover any of the

DEARNLEY-MEIER REPORTING SERVICE, Inc.
FARMINGTON, N. M.
PHONE 325-1182
ALBUQUERQUE, N. M.
PHONE 243-6691

DEARNLEY-MEIER REPORTING SERVICE, Inc.
ALBUQUERQUE, N. M. PHONE 243-6691
FARMINGTON, N. M. PHONE 325-1182

acreage belonging to Frontier?

A No, it isn't.

Q How close to it would the pilot area be?

A The pilot area is a mile, two miles; no, a mile from Frontier property. You want me to give you where the pilot area is?

Q No, sir, that will probably be covered later. Do you foresee any difficulty in getting other interest owners within your unit to commit their acreage to the unit in view of the fact that Frontier has indicated their reluctance to join?

A No, we don't. As a matter of fact, we are trying to iron out the difficulties between us and Frontier, also.

Q Your Unit Agreement has the standard nonjoinder clause in it, does it not?

A Yes, it does.

MR. MORRIS: I have no further question.

MR. UTZ: Are there other questions of the witness? Mr. Nutter.

BY MR. NUTTER:

Q What percentage of the actual working interest has actually committed itself to the un[illegible]r. Jones?

A Skelly has committed its i[illegible]ests, El Paso has committed their interest, Western Development has committed their interest and Gulf has informed us that they will commit their interest tomorrow; that would be approximately sixty-five percent.

Q What percentage of the total would Frontier represent?

A Approximately nine percent.

Q This leaves approximately twenty-six percent then that you haven't covered. Is this just tentatively committed or tentatively not committed, or what --

A Oh, --

Q -- on the remaining twenty-six percent?

A We believe that the remaining percentage will sign with possibly the exception of Pan American. Of course, we have high hopes that these people can be convinced.

Q At this time you have sixty-five percent committed, including the acreage that will be committed to them?

A That's right.

Q Are you speaking of the percentage as being a percentage of the participating area or the acreage within the unit area?

A Participating area.

Q But the unit does have a provision of subsequent joinder?

A Yes, it does

MR. NUTTER: Thank you.

BY MR. UTZ:

Q What seems to be the difficulty in obtaining the permission of these people to join this unit?

A In the Pan American instance it boils down to a return on investment basis. The area, of course, hasn't returned too

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much money on a primary basis and just the fact that some of the companies don't think that it will ultimately turn out to be a paying flood. That's part of the reason why we're going to pilot first. In Frontier's instance I'm at a loss to tell you exactly what the cause is. They've blown hot and cold for the last three or four years. They are going to go and then they are not going to go. We have had meetings where the Minutes reflect that they voted to go along. As a matter of fact, we were quite sure they would go along up until just recently. We're negotiating with Frontier, trying to straighten that out.

Q Is it a matter of interest?

A By "interest" you mean participation?

Q Yes, their interest in the participation formula?

A That could be some of it, yes.

MR. UTZ: Are there other questions of the witness?

The witness may be excused.

(Witness excused.)

MR. SELINGER: We would like to offer Skelly Exhibit Two, a letter from El Paso and I don't know whether your Commission files reflect missives from any other interested parties.

(Whereupon, Applicant's Exhibit No. 2 in Case 2512, Marked, and Offered into Evidence.)

MR. MORRIS: Mr. Selinger, the Commission has received a letter and a telegram from the Frontier Refining Company stating that they would not commit any of their leases to the

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proposed unit area and they will be made part of the file.

MR. SELINGER: No objection. I presume the Commission will give weight to the fact that it's in written form and no appearance by them.

JOHN B. CHAMBERS,

called as a witness herein, having been first duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. SELINGER:

Q State your name.

A John B. Chambers.

MR. SELINGER: Just a minute. We would like to have the record reflect in Case 2513 the local appearance by Mr. White in this case.

Q (By Mr. Selinger) Now, state your name.

A John B. Chambers.

Q And you are associated with what company?

A Skelly Oil Company.

Q In what capacity?

A As a Petroleum Engineer in the Unitization Section.

Q Are you familiar with Skelly's application with respect to a proposed pilot flood in a proposed unit called the Gallegos-Gallup Sand Unit?

A Yes, sir.

Q Have you been actively working on this proposal?

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A Yes, sir.

Q Both as to the Unit Agreement and as to the proposed injection program?

A Yes, sir.

(Whereupon, Applicant's Exhibit No. 1 in Case 2513 Marked for Identification.)

Q I'll show you what has been marked as Exhibit One and ask you to state whether or not you prepared or had it prepared under your supervision?

A Yes, I did.

Q Now, referring to Exhibit One, I'll ask you to state what the heavy black line and what the yellow and green colors are.

A The heavy black line on the Exhibit designates the boundary of the unit area, the proposed unit area, the hashered line within the dark line designates the initial participating area. The area in green being the participating area, the area in yellow being the unit area outside the initial participating area.

Q What do the red colors surrounding the six locations indicate?

A Those are the six proposed injection wells for a pilot water flood.

Q Are these six proposed injection wells on Skelly acreage?

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A Yes, sir.

Q Does Skelly offset these units either directly or diagonally?

A Skelly offsets these wells on the north, on the west and on the south; El Paso Natural Gas Products Company offsets them on the east along with Skelly.

Q There are approximately ninety-five wells in the field, is that correct?

A Ninety-four, I believe.

Q Ninety-four. And the schedule indicates an allowable of four hundred sixty-one barrels a day for an average of approximately five barrels, is that correct?

A Yes, sir.

Q There are no wells that produce the top unit allowable of ninety-four barrels at this time?

A Not to my knowledge.

Q Is it true that the majority of wells have extremely high gas-oil ratio and are penalized or are not affected by a non-effective penalty?

A Would you repeat your question?

Q Is it true that the majority of the wells are penalized by a gas-oil ratio or have a non-effective penalty?

A Yes, sir.

Q A number of wells are shut in or are temporarily abandoned, is that correct?

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A Yes, sir.

Q And the highest allowable within the unit area is approximately fifteen barrels, is that correct?

A Yes, sir. Fifteen to twenty barrels.

Q The highest allowable in the field is the Pan-Am Well on their Randel, which is outside the unit area having an allowable of twenty-two barrels?

A Yes, sir.

Q There has been negotiation on this matter for several years, approximately four to five years, is that correct?

A That is correct.

Q Would you say that this field is in a salvage state at this time?

A Very definitely.

Q And there have been doubts as to the success, either economically or feasibility from a reservoir standpoint, as to water flooding. Is that the reason why you are attempting to start out initially with a pilot project?

A Yes, sir.

Q You are not concerned with allowable, either by the individual wells or by the project at this time since the wells are capable of producing so small an amount?

A That is correct.

Q It is immaterial whether the allowable is assigned under the Commission's Rules 701 or whether it follows the top

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unit allowable of ninety-four barrels per unit at the present time, we are not particularly concerned with allowables, is that correct?

A That's correct.

Q At least during the initial pilot flood stage?

A Yes, sir.

MR. SELINGER: I believe that's all we have of this witness. We would like to offer in evidence Exhibit One in Case 2513.

(Whereupon, Applicant's Exhibit No. 1 in Case 2513 Introduced into Evidence.)

MR. UTZ: Without objection, Exhibit One will be introduced in the record in this case.

Are there questions of the witness?

MR. MORRIS: Yes.

CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Chambers, are you recommending to the Commission that this project be considered a pressure maintenance project or a water flood project under the definitions in our rules?

A I believe under the definitions of a water flood project.

Q And it's your testimony that the allowable provisions of Rule 701 which would govern the water flood projects should be applicable to control your project?

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A Yes, sir.

Q I believe you stated that the area was definitely a salvage type of a proposition. By that, do you mean that the wells should be classified as stripper wells?

A I'm afraid they are stripper wells.

Q Mr. Chambers, would you give me an acreage description of your pilot project area? I believe you just described the wells that would be in the area in your previous testimony.

A Yes, sir, these six injection wells would be located in Section 1, 2, 11, and 12 in Township 26 North, Range 12 West.

Q Is it your recommendation that the six 160-acre tracts upon which those wells are located form the original pilot area or is it your recommendation that the original pilot area be larger than that?

A I believe the original pilot area should be larger than the 160-acre tracts.

Q What plans does Skelly have at the moment for expanding this pilot project area, which directions will it move in and how fast do you foresee the expansion of this pilot area?

A We don't calculate initiating this pilot project until such time as this unit becomes effective. The Engineering Committee has estimated approximately eight to twelve months will elapse before we can determine any results as to whether this pilot project will be successful and as to whether we should expand the pilot to a field-wide flood. In answer to your direct

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question, until we have some results from the pilot project, we would be unable to state in which direction or what type of flood pattern would be used to expand the pilot project.

MR. SELINGER: I might say, Mr. Morris, in that connection that we will comply with Rule 701 as to expansion of the project in compliance with that rule.

MR. MORRIS: It will be expanded in stages rather than any -- no plans are made at this time to put a large area outside the pilot area on injection if the pilot area proves successful?

MR. SELINGER: No, as the witness said, it depends on the sign up and what the unit participating area will be and, of course, that will govern the direction of the expansion along with whatever data is secured from the initial pilot project, but in other words, the injection will not be on a vast scale until the unit has been properly formed.

MR. MORRIS: Thank you, Mr. Selinger, and thank you, Mr. Chambers.

BY MR. UTZ:

Q Mr. Chambers, in this pool are there not two or three, possibly four stringers in the Gallup pay?

A Yes, sir, there are four zones or benches, whichever they might be called, in the Gallup formation here.

Q Do you intend to flood all four of those in this area?

A No, sir. The six proposed injection wells and the wells immediately concerned with the pilot project within the

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double five spot pattern are completed only in the fourth zone which is the better quality zone of the four.

Q You have no plans at all to flood the three upper sections?

A The Engineering Committee has discussed the possibility of flooding the upper sections and certainly if the pilot project is successful we would make some attempt to flood the upper zones. However, we felt by injecting into this fourth or bottom bench we could determine the results of the pilot more rapidly and also determine if there is communication between these zones of which we are not aware at the present time.

Q Approximately how thick is your fourth zone?

A Approximately eighteen feet.

Q Do you have anything as to permeability?

A Yes, sir, the fourth zone is approximately one and a half millidarcies as the permeability that has been established.

MR. SELINGER: One and one half. That's all.

MR. UTZ: Are there other questions of the witness?

MR. SELINGER: Mr. Examiner, I might add that attached to our application is the casing program for the six wells that we're proposing to use and it has the casing and cementing program attached to our application.

MR. NUTTER: That answers some of my questions.

BY MR. NUTTER:

Q Mr. Chambers, what has been the primary recovery in

this area, not only by individual wells, but as the area as a whole is concerned?

A The primary recovery, I believe, around the first of September last year, or the latest figures I had as I recall, was nine hundred sixty-one thousand barrels of oil.

Q Would that be for the participating area?

A Yes, sir. That would be within the participating area.

Q How about per well recoveries, what have they been in the neighborhood of?

A I would estimate the individual recoveries are between nine and fourteen thousand barrels.

Q Per well?

A Per well.

Q What percentage of the original oil in place does the primary recovery represent?

A Approximately five percent.

Q What percentage of the remaining ninety-five percent of the oil that's in place would you expect to recover from this project? Have you made any predictions on that?

A Well, the predictions, sir, would be based on the success of the pilot project. If the field can be successfully flooded we have estimated an additional recovery of approximately nine hundred seventy-two thousand barrels, which as I recall, would be in the neighborhood of four percent additional recovery over primary.

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Q What about your water supply source here?

A The water supply which we intend to use is fresh water from an Oju-Alamo sand at a depth of approximately four hundred feet, sir.

Q Have the water supply wells been drilled as yet?

A No.

Q Has the Ojo-Alamo water been tested for compatibility with the formation fluids?

A Not by Skelly Oil Company.

Q Not by Skelly?

A No, sir.

MR. UTZ: Has it been tested at all to your knowledge?

A There are two wells owned by El Paso Natural Gas Company in the area north of the Gallegos-Gallup field and they have had water anaylses run, but to my knowledge, there have been no compatibility tests between the Ojo-Alamo and the Gallegos water.

Q (By Mr. Nutter) So you don't know what treatment of the water will be necessary, if any?

A No. we don't know until they drill a well.

Q What do you expect your injection volumes to be?

A We estimate a maximum volume of six thousand barrels.

Q For the six wells?

A Six thousand barrels a day for the six wells.

Q Would this probably be in the neighborhood of a

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thousand barrels each?

A Yes.

Q What kind of pressures are you estimating?

A We estimate maximum pressure of approximately around fifteen hundred pounds at the well head.

Q At the well head?

A Yes.

Q You mentioned that your flood will be confined to the fourth bench of the Gallup Sand; are these six wells, these injection wells opened to all four benches?

A No, sir. They are open only in the fourth bench.

Q And the offsetting producing wells are open to the fourth bench, also?

A That is correct.

Q Is injection here through perforation?

A Yes, sir.

Q Will this be open hole completion?

A No, sir, these wells are cased below the producing formation.

Q What has been the normal cement program here, Mr. Chambers?

A I can give you an example of our J. W. Goddard Number Six which is one of the proposed injection wells. This well, are you interested in surface casing or just the long string?

Q I'm interested in both of them, actually.

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A This well had four hundred twelve feet of ten and three-quarter inch thirty-two point seven five pound-round 2-H40 casing, set at four hundred twenty-six feet. It would be a Kelly Burke elevation with four hundred twenty-five sacks of cement.

Q I presume that was circulated?

A Yes, sir. We ran five and a half fourteen pound eight round J fifty-five casing, fifty-one hundred fifty-four feet in this well, set it at fifty-one hundred fifty-nine feet, with a hundred twenty-five sacks, plus one hundred twenty-five sacks of Strata-Crete. That was our normal completion.

Q What was the estimated top on the cement?

A I don't have that information available. However, it's common practice with Skelly Oil Company to run temperature survey following a cement job on a long string.

Q This two hundred fifty sacks that were used here in the five and a half inch pipe, is this fairly typical cement job for the area?

A Yes, sir.

Q Under normal circumstances would that two hundred fifty sacks of cement bring the cement up above all the ventures of the Gallup Sand?

A I would estimate that it would.

MR. NUTTER: I believe that's all, thank you.

MR. UTZ: Are there other questions?

MR. IRBY: Mr. Examiner, I'm Frank Irby, State Engineer's

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Office. I would like to ask one question, if I may. Whether or not this injection will be through tubing and packer or directly down the casing?

A We are calculating, sir, actually no decision has been made as to how we would inject this water. We are calculating at the present time of injecting down the casing since the fourth bench is the only bench that's open.

Q (By Mr. Irby) Are any of your proposed injection wells cased with a casing and cementing program inferior to the one that you mentioned?

A No, sir, they are identical.

MR. UTZ: Any other questions?

MR. SELINGER: Mr. Examiner, attached to our application are the logs of these six proposed injection wells and as Exhibit Two in Case 2513, we would like to offer a letter from El Paso.

(Whereupon, Applicant's Exhibit No. 2 in Case 2513 Marked for Identification.)

MR. UTZ: Without objection these Exhibits will be entered into the record.

(Whereupon, Applicant's Exhibit No. 2 in Case 2513 Introduced into Evidence.)

MR. IRBY: May I ask another question, Mr. Examiner?

MR. UTZ: Yes, sir.

BY MR. IRBY:

Q Is there a sufficiency of water in this Ojo-Alamo sand

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to complete this project?

A We believe there is.

Q And you say you have no analysis of the water?

A I do not.

Q Would you furnish the State Engineer's Office a copy of the analysis as soon as it's run?

A Yes, sir.

MR. IRBY: I would further appreciate receiving the Exhibits that were mentioned. No copy of the application or the Exhibits have been furnished the State Engineer. This Exhibit that he mentioned pertaining to the casing program is the one I'm particularly interested in.

MR. SELINGER: I'm giving Mr. Irby a copy right now.

We rest. That's all we have.

MR. UTZ: Are there any other questions? The witness may be excused.

(Witness excused)

MR. UTZ: Any other statements in this case? The case will be taken under advisement.

Gentlemen, may I have your attention. Due to the fact that we have had four cases continued to after lunch and we have given notice that all cases after 1514 will not be heard until after 1:00 o'clock, counsel advises me that we shall not hear any of the cases so advertised until 1:00 o'clock. So I have no alternative except to break until 1:15.

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STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, New Mexico, do hereby certify that the foregoing and attached transcript of Hearing was reported by me in stenotype and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:

June 19, 1963

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2512, heard by me on March 8, 1962.

Examiner
New Mexico Oil Conservation Commission

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BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

March 28, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Skelly Oil Company for approval of the Gallegos-Gallup Sand Unit Agreement, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Gallegos-Gallup Sand Unit Agreement embracing 22,997.51 acres, more or less, of Federal, State, Indian and fee lands in portions of Townships 26 and 27 North, Ranges 11, 12 and 13 West, San Juan County, New Mexico.

) CASE NO. 2512

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 2512.

MR. WHITFIELD: In the matter of application of Skelly Oil Company for approval of the Gallegos-Gallup Sand Unit Agreement, San Juan County, New Mexico.

MR. SELINGER: The next case is a companion case. I wonder if the Examiner has any objections to combining the two for taking testimony, or, we could treat them separately.

MR. UTZ: 2512 and 2513?

MR. SELINGER: Yes.

MR. UTZ: Is there any objection to consolidating 2512 and 2513 for the purposes of testimony? We will so do.

(Whereupon, Applicant's Exhibit No. 1 and 1-A in Case 2512 Marked for Identification.)

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MR. UTZ: Are there any other appearances to be made in Cases 2512 or 2513?

Mr. Selinger, you may proceed with your Unit Agreement testimony.

MR. SELINGER: We would like to make part of the record the appearance of our local counsel in writing. We have two witnesses, one for Case 2512 and one for Case 2513 that we would like to have sworn at this time.

(Witnesses sworn)

KENNETH E. JONES,

called as a witness herein, having been first duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. SELINGER:

Q State your name.

A Kenneth E. Jones.

Q And you are associated with what company?

A Skelly Oil Company.

Q In what capacity?

A I'm senior petroleum engineer in charge of the unitization section.

Q Are you a graduate of an accredited school in petroleum engineering?

A Yes, I am.

Q What is your experience with respect to the type of

work you are doing now and generally in petroleum engineering? For example, how long have you been at your profession?

A I graduated from the University of Pittsburgh in 1951 and since July of 1951 I've been in the petroleum end of the business. I served three years as a field engineer and then was transferred to the general office for Skelly Oil Company, and since that time I have been working primarily on units, unit operation and the formation of units.

Q As such, have you been actively engaged in working on the Gallegos-Gallup Sand Unit area of San Juan County?

A Yes, I have.

Q As a result of your activities have you had under your supervision and with your help, worked out the Unit Agreement which is Exhibit One in Case 2512?

A Yes.

Q Is this Unit Agreement a usual and normal agreement in the oil business?

A Yes. This is what we call the Federal type Unit Agreement. As a matter of fact, it's modeled after Central Bisti and West Bisti Agreement.

Q Attached to this Unit Agreement you have what you have marked as Exhibits A, B and C, the tract map, the tract data and the percentage participation, is that correct?

A That's right.

Q Is the U. S. Geological Survey or the State involved in

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this Unit Agreement?

A Yes, both of them are.

Q Have both of these agencies been contacted?

A Yes.

Q In the filing of the application was there attached thereto a list of all possible working and royalty interests to whom were given notice of this Hearing?

A Yes, there was.

MR. SELINGER: We would like to offer in evidence Skelly Exhibit Number One to which is attached Exhibit A and on the railing is a blown-up copy of the Unit area which is similar to Exhibit A which indicates the unit area as outlined in the Unit Agreement, Exhibit One. That's for the benefit of all parties here to have a blown-up version of Exhibit A. I believe that's all we have of this witness.

MR. UTZ: Without objection, Exhibits 1 and 1-A will be entered into the record of this Case.

(Whereupon, Applicant's Exhibits No. 1 and 1-A in Case 2512 Introduced into Evidence.)

MR. UTZ: Are there questions of the witness?

MR. MORRIS: Yes, sir.

CROSS EXAMINATION

BY MR. MORRIS:

Q. Mr. Jones, would you point out on your Exhibit the acreage that is owned by the Frontier Refining Company, please?

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A You want me to point it out on the map?

MR. SELINGER: Yes, put it on the map.

Q (By Mr. Morris) Yes, if you could indicate it with a red "X" on the Exhibit, please.

A All right.

Q Mr. Jones, the acreage that you have marked, I believe in Township 27 North, Range 12 West, the west half and the southeast quarter of Section 31, the east half of Section 5 and the south half of Section 4.

A That's right within the participating area and then they own the northwest quarter of Section 6, the northeast quarter of Section 1 in the area which lies outside the participating area.

Q Mr. Jones, have you been informed by the Frontier Refining Company that they will not commit their acreage to your unit?

A Yes, we have.

Q The Commission has also received correspondence in that regard. Will the nonjoinder of this particular acreage detrimentally affect your plans for the formation of this unit?

A The nonjoinder will not effect the immediate plans. It could possibly be that in the immediate future we plan a pilot area, it could possibly be that when the pilot is expanded that it may give us some control difficulty.

Q Is your pilot area projected to cover any of the

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acreage belonging to Frontier?

A No, it isn't.

Q How close to it would the pilot area be?

A The pilot area is a mile, two miles; no, a mile from Frontier property. You want me to give you where the pilot area is?

Q No, sir, that will probably be covered later. Do you foresee any difficulty in getting other interest owners within your unit to commit their acreage to the unit in view of the fact that Frontier has indicated their reluctance to join?

A No, we don't. As a matter of fact, we are trying to iron out the difficulties between us and Frontier, also.

Q Your Unit Agreement has the standard nonjoinder clause in it, does it not?

A Yes, it does.

MR. MORRIS: I have no further question.

MR. UTZ: Are there other questions of the witness? Mr. Nutter.

BY MR. NUTTER:

Q What percentage of the actual working interest has actually committed itself to the unit, Mr. Jones?

A Skelly has committed its interests, El Paso has committed their interest, Western Development has committed their interest and Gulf has informed us that they will commit their interest tomorrow; that would be approximately sixty-five percent.

Q What percentage of the total would Frontier represent?

A Approximately nine percent.

Q This leaves approximately twenty-six percent then that you haven't covered. Is this just tentatively committed or tentatively not committed, or what --

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Q -- on the remaining twenty-six percent?

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A That could be some of it, yes.

MR. UTZ: Are there other questions of the witness? The witness may be excused.

(Witness excused.)

MR. SELINGER: We would like to offer Skelly Exhibit Two, a letter from El Paso and I don't know whether your Commission files reflect missives from any other interested parties.

(Whereupon, Applicant's Exhibit No. 2 in Case 2512, Marked, and Offered into Evidence.)

MR. MORRIS: Mr. Selinger, the Commission has received a letter and a telegram from the Frontier Refining Company stating that they would not commit any of their leases to the

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proposed unit area and they will be made part of the file.

MR. SELINGER: No objection. I presume the Commission will give weight to the fact that it's in written form and no appearance by them.

JOHN B. CHAMBERS,

called as a witness herein, having been first duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. SELINGER:

Q State your name.

A John B. Chambers.

MR. SELINGER: Just a minute. We would like to have the record reflect in Case 2513 the local appearance by Mr. White in this case.

Q (By Mr. Selinger) Now, state your name.

A John B. Chambers.

Q And you are associated with what company?

A Skelly Oil Company.

Q In what capacity?

A As a Petroleum Engineer in the Unitization Section.

Q Are you familiar with Skelly's application with respect to a proposed pilot flood in a proposed unit called the Gallegos-Gallup Sand Unit?

A Yes, sir.

Q Have you been actively working on this proposal?

A Yes, sir.

Q Both as to the Unit Agreement and as to the proposed injection program?

A Yes, sir.

(Whereupon, Applicant's Exhibit No. 1 in Case 2513 Marked for Identification.)

Q I'll show you what has been marked as Exhibit One and ask you to state whether or not you prepared or had it prepared under your supervision?

A Yes, I did.

Q Now, referring to Exhibit One, I'll ask you to state what the heavy black line and what the yellow and green colors are.

A The heavy black line on the Exhibit designates the boundary of the unit area, the proposed unit area, the hashered line within the dark line designates the initial participating area. The area in green being the participating area, the area in yellow being the unit area outside the initial participating area.

Q What do the red colors surrounding the six locations indicate?

A Those are the six proposed injection wells for a pilot water flood.

Q Are these six proposed injection wells on Skelly acreage?

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A Yes, sir.

Q Does Skelly offset these units either directly or diagonally?

A Skelly offsets these wells on the north, on the west and on the south; El Paso Natural Gas Products Company offsets them on the east along with Skelly.

Q There are approximately ninety-five wells in the field, is that correct?

A Ninety-four, I believe.

Q Ninety-four. And the schedule indicates an allowable of four hundred sixty-one barrels a day for an average of approximately five barrels, is that correct?

A Yes, sir.

Q There are no wells that produce the top unit allowable of ninety-four barrels at this time?

A Not to my knowledge.

Q Is it true that the majority of wells have extremely high gas-oil ratio and are penalized or are not affected by a non-effective penalty?

A Would you repeat your question?

Q Is it true that the majority of the wells are penalized by a gas-oil ratio or have a non-effective penalty?

A Yes, sir.

Q A number of wells are shut in or are temporarily abandoned, is that correct?

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A Yes, sir.

Q And the highest allowable within the unit area is approximately fifteen barrels, is that correct?

A Yes, sir. Fifteen to twenty barrels.

Q The highest allowable in the field is the Pan-Am Well on their Randel, which is outside the unit area having an allowable of twenty-two barrels?

A Yes, sir.

Q There has been negotiation on this matter for several years, approximately four to five years, is that correct?

A That is correct.

Q Would you say that this field is in a salvage state at this time?

A Very definitely.

Q And there have been doubts as to the success, either economically or feasibility from a reservoir standpoint, as to water flooding. Is that the reason why you are attempting to start out initially with a pilot project?

A Yes, sir.

Q You are not concerned with allowable, either by the individual wells or by the project at this time since the wells are capable of producing so small an amount?

A That is correct.

Q It is immaterial whether the allowable is assigned under the Commission's Rules 701 or whether it follows the top

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unit allowable of ninety-four barrels per unit at the present time, we are not particularly concerned with allowables, is that correct?

A That's correct.

Q At least during the initial pilot flood stage?

A Yes, sir.

MR. SELINGER: I believe that's all we have of this witness. We would like to offer in evidence Exhibit One in Case 2513.

(Whereupon, Applicant's Exhibit No. 1 in Case 2513 Introduced into Evidence.)

MR. UTZ: Without objection, Exhibit One will be introduced in the record in this case.

Are there questions of the witness?

MR. MORRIS: Yes.

CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Chambers, are you recommending to the Commission that this project be considered a pressure maintenance project or a water flood project under the definitions in our rules?

A I believe under the definitions of a water flood project.

Q And it's your testimony that the allowable provisions of Rule 701 which would govern the water flood projects should be applicable to control your project?

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A Yes, sir.

Q I believe you stated that the area was definitely a salvage type of a proposition. By that, do you mean that the wells should be classified as stripper wells?

A I'm afraid they are stripper wells.

Q Mr. Chambers, would you give me an acreage description of your pilot project area? I believe you just described the wells that would be in the area in your previous testimony.

A Yes, sir, these six injection wells would be located in Section 1, 2, 11, and 12 in Township 26 North, Range 12 West.

Q Is it your recommendation that the six 160-acre tracts upon which those wells are located form the original pilot area or is it your recommendation that the original pilot area be larger than that?

A I believe the original pilot area should be larger than the 160-acre tracts.

Q What plans does Skelly have at the moment for expanding this pilot project area, which directions will it move in and how fast do you foresee the expansion of this pilot area?

A We don't calculate initiating this pilot project until such time as this unit becomes effective. The Engineering Committee has estimated approximately eight to twelve months will elapse before we can determine any results as to whether this pilot project will be successful and as to whether we should expand the pilot to a field-wide flood. In answer to your direct

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question, until we have some results from the pilot project, we would be unable to state in which direction or what type of flood pattern would be used to expand the pilot project.

MR. SELINGER: I might say, Mr. Morris, in that connection that we will comply with Rule 701 as to expansion of the project in compliance with that rule.

MR. MORRIS: It will be expanded in stages rather than any -- no plans are made at this time to put a large area outside the pilot area on injection if the pilot area proves successful?

MR. SELINGER: No, as the witness said, it depends on the sign up and what the unit participating area will be and, of course, that will govern the direction of the expansion along with whatever data is secured from the initial pilot project, but in other words, the injection will not be on a vast scale until the unit has been properly formed.

MR. MORRIS: Thank you, Mr. Selinger, and thank you, Mr. Chambers.

BY MR. UTZ:

Q Mr. Chambers, in this pool are there not two or three, possibly four stringers in the Gallup pay?

A Yes, sir, there are four zones or benches, whichever they might be called, in the Gallup formation here.

Q Do you intend to flood all four of those in this area?

A No, sir. The six proposed injection wells and the wells immediately concerned with the pilot project within the

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double five spot pattern are completed only in the fourth zone which is the better quality zone of the four.

Q You have no plans at all to flood the three upper sections?

A The Engineering Committee has discussed the possibility of flooding the upper sections and certainly if the pilot project is successful we would make some attempt to flood the upper zones. However, we felt by injecting into this fourth or bottom bench we could determine the results of the pilot more rapidly and also determine if there is communication between these zones of which we are not aware at the present time.

Q Approximately how thick is your fourth zone?

A Approximately eighteen feet.

Q Do you have anything as to permeability?

A Yes, sir, the fourth zone is approximately one and a half millidarcies as the permeability that has been established.

MR. SELINGER: One and one half. That's all.

MR. UTZ: Are there other questions of the witness?

MR. SELINGER: Mr. Examiner, I might add that attached to our application is the casing program for the six wells that we're proposing to use and it has the casing and cementing program attached to our application.

MR. NUTTER: That answers some of my questions.

BY MR. NUTTER:

Q Mr. Chambers, what has been the primary recovery in

this area, not only by individual wells, but as the area as a whole is concerned?

A The primary recovery, I believe, around the first of September last year, or the latest figures I had as I recall, was nine hundred sixty-one thousand barrels of oil.

Q Would that be for the participating area?

A Yes, sir. That would be within the participating area.

Q How about per well recoveries, what have they been in the neighborhood of?

A I would estimate the individual recoveries are between nine and fourteen thousand barrels.

Q Per well?

A Per well.

Q What percentage of the original oil in place does the primary recovery represent?

A Approximately five percent.

Q What percentage of the remaining ninety-five percent of the oil that's in place would you expect to recover from this project? Have you made any predictions on that?

A Well, the predictions, sir, would be based on the success of the pilot project. If the field can be successfully flooded we have estimated an additional recovery of approximately nine hundred seventy-two thousand barrels, which as I recall, would be in the neighborhood of four percent additional recovery over primary.

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Q What about your water supply source here?

A The water supply which we intend to use is fresh water from an Oju-Alamo sand at a depth of approximately four hundred feet, sir.

Q Have the water supply wells been drilled as yet?

A No.

Q Has the Ojo-Alamo water been tested for compatibility with the formation fluids?

A Not by Skelly Oil Company.

Q Not by Skelly?

A No, sir.

MR. UTZ: Has it been tested at all to your knowledge?

A There are two wells owned by El Paso Natural Gas Company in the area north of the Gallegos-Gallup field and they have had water anaylses run, but to my knowledge, there have been no compatibility tests between the Ojo-Alamo and the Gallegos water.

Q (By Mr. Nutter) So you don't know what treatment of the water will be necessary, if any?

A No, we don't know until they drill a well.

Q What do you expect your injection volumes to be?

A We estimate a maximum volume of six thousand barrels.

Q For the six wells?

A Six thousand barrels a day for the six wells.

Q Would this probably be in the neighborhood of a

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thousand barrels each?

A Yes.

Q What kind of pressures are you estimating?

A We estimate maximum pressure of approximately around fifteen hundred pounds at the well head.

Q At the well head?

A Yes.

Q You mentioned that your flood will be confined to the fourth bench of the Gallup Sand; are these six wells, these injection wells opened to all four benches?

A No, sir. They are open only in the fourth bench.

Q And the offsetting producing wells are open to the fourth bench, also?

A That is correct.

Q Is injection here through perforation?

A Yes, sir.

Q Will this be open hole completion?

A No, sir, these wells are cased below the producing formation.

Q What has been the normal cement program here, Mr. Chambers?

A I can give you an example of our J. W. Goddard Number Six which is one of the proposed injection wells. This well, are you interested in surface casing or just the long string?

Q I'm interested in both of them, actually.

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A This well had four hundred twelve feet of ten and three-quarter inch thirty-two point seven five pound-round 2-H40 casing, set at four hundred twenty-six feet. It would be a Kelly Burke elevation with four hundred twenty-five sacks of cement.

Q I presume that was circulated?

A Yes, sir. We ran five and a half fourteen pound eight round J fifty-five casing, fifty-one hundred fifty-four feet in this well, set it at fifty-one hundred fifty-nine feet, with a hundred twenty-five sacks, plus one hundred twenty-five sacks of Strata-Crete. That was our normal completion.

Q What was the estimated top on the cement?

A I don't have that information available. However, it's common practice with Skelly Oil Company to run temperature survey following a cement job on a long string.

Q This two hundred fifty sacks that were used here in the five and a half inch pipe, is this fairly typical cement job for the area?

A Yes, sir.

Q Under normal circumstances would that two hundred fifty sacks of cement bring the cement up above all the ventures of the Gallup Sand?

A I would estimate that it would.

MR. NUTTER: I believe that's all, thank you.

MR. UTZ: Are there other questions?

MR. IRBY: Mr. Examiner, I'm Frank Irby, State Engineer's

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Office. I would like to ask one question, if I may. Whether or not this injection will be through tubing and packer or directly down the casing?

A We are calculating, sir, actually no decision has been made as to how we would inject this water. We are calculating at the present time of injecting down the casing since the fourth bench is the only bench that's open.

Q (By Mr. Irby) Are any of your proposed injection wells cased with a casing and cementing program inferior to the one that you mentioned?

A No, sir, they are identical.

MR. UTZ: Any other questions?

MR. SELINGER: Mr. Examiner, attached to our application are the logs of these six proposed injection wells and as Exhibit Two in Case 2513, we would like to offer a letter from El Paso.

(Whereupon, Applicant's Exhibit No. 2 in Case 2513 Marked for Identification.)

MR. UTZ: Without objection these Exhibits will be entered into the record.

(Whereupon, Applicant's Exhibit No. 2 in Case 2513 Introduced into Evidence.)

MR. IRBY: May I ask another question, Mr. Examiner?

MR. UTZ: Yes, sir.

BY MR. IRBY:

Q Is there a sufficiency of water in this Ojo-Alamo sand

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to complete this project?

A We believe there is.

Q And you say you have no analysis of the water?

A I do not.

Q Would you furnish the State Engineer's Office a copy of the analysis as soon as it's run?

A Yes, sir.

MR. IRBY: I would further appreciate receiving the Exhibits that were mentioned. No copy of the application or the Exhibits have been furnished the State Engineer. This Exhibit that he mentioned pertaining to the casing program is the one I'm particularly interested in.

MR. SELINGER: I'm giving Mr. Irby a copy right now. We rest. That's all we have.

MR. UTZ: Are there any other questions? The witness may be excused.

(Witness excused)

MR. UTZ: Any other statements in this case? The case will be taken under advisement.

Gentlemen, may I have your attention. Due to the fact that we have had four cases continued to after lunch and we have given notice that all cases after 1514 will not be heard until after 1:00 o'clock, counsel advises me that we shall not hear any of the cases so advertised until 1:00 o'clock. So I have no alternative except to break until 1:15.

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PHONE 327

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, New Mexico, do hereby certify that the foregoing and attached transcript of Hearing was reported by me in stenotype and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:

June 19, 1963

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2512 heard by me on March 26, 1962.

, Examiner
New Mexico Oil Conservation Commission

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FARMINGTON, N. M.
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CASE NO. 2512

Application,
Transcripts,
Small Exhibits
ETC.

SKELLY OIL COMPANY

2512

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

April 26, 1963

Re: Gallegos Gallup Unit
San Juan County, New Mexico

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

In compliance with Article 2, Paragraph 2 of the Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, we have enclosed revised copies of Exhibits "A", "B", and "C" to the Agreement.

Very truly yours,

Robert G. Hiltz

HRW:sw
Attach.

2212

MISC. 22

CERTIFICATE
RELATING TO FIRST REVISION OF
EXHIBITS "A", "B", AND "C" ATTACHED TO
UNIT AGREEMENT - GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

THE STATE OF NEW MEXICO)
) SS
COUNTY OF SAN JUAN) KNOW ALL MEN BY THESE PRESENTS:

THAT, SKELLY OIL COMPANY, in its capacity as Unit Operator of the above described unit and pursuant to the terms and provisions of said Unit Agreement of record in Book 515, Page 124, of the Records of the County Clerk of San Juan County, New Mexico, reference to such agreement and the record thereof being hereby made for all purposes, does hereby certify as follows, to-wit:

1. That it has, in compliance with said agreement, revised Exhibits "A", "B", and "C" attached thereto, each of said revisions being occasioned by and in accordance with the provisions thereof;

2. That true and correct copies of said Exhibits "A", "B", and "C" as so revised are attached hereto and by reference made a part hereof; and

3. That in accordance with the provisions of said Unit Agreement the said revised Exhibits "A", "B", and "C" are each to become effective as of 7:00 A.M., February 1, 1963, in lieu of each of the preceding Exhibits "A", "B", and "C" and each of said revised Exhibits "A", "B", and "C" shall thereafter remain in full force and effect until again revised pursuant to the terms and provisions of said Unit Agreement.

IN WITNESS WHEREOF, SKELLY OIL COMPANY, acting in its capacity as Unit Operator, has on this 3rd day of April, 1963, executed this instrument by and through its Vice President thereunto duly authorized.

Appd as to form

ATTEST: SKELLY OIL COMPANY

F. J. Gordon
Assistant Secretary

By C. L. Blackshire
Vice President

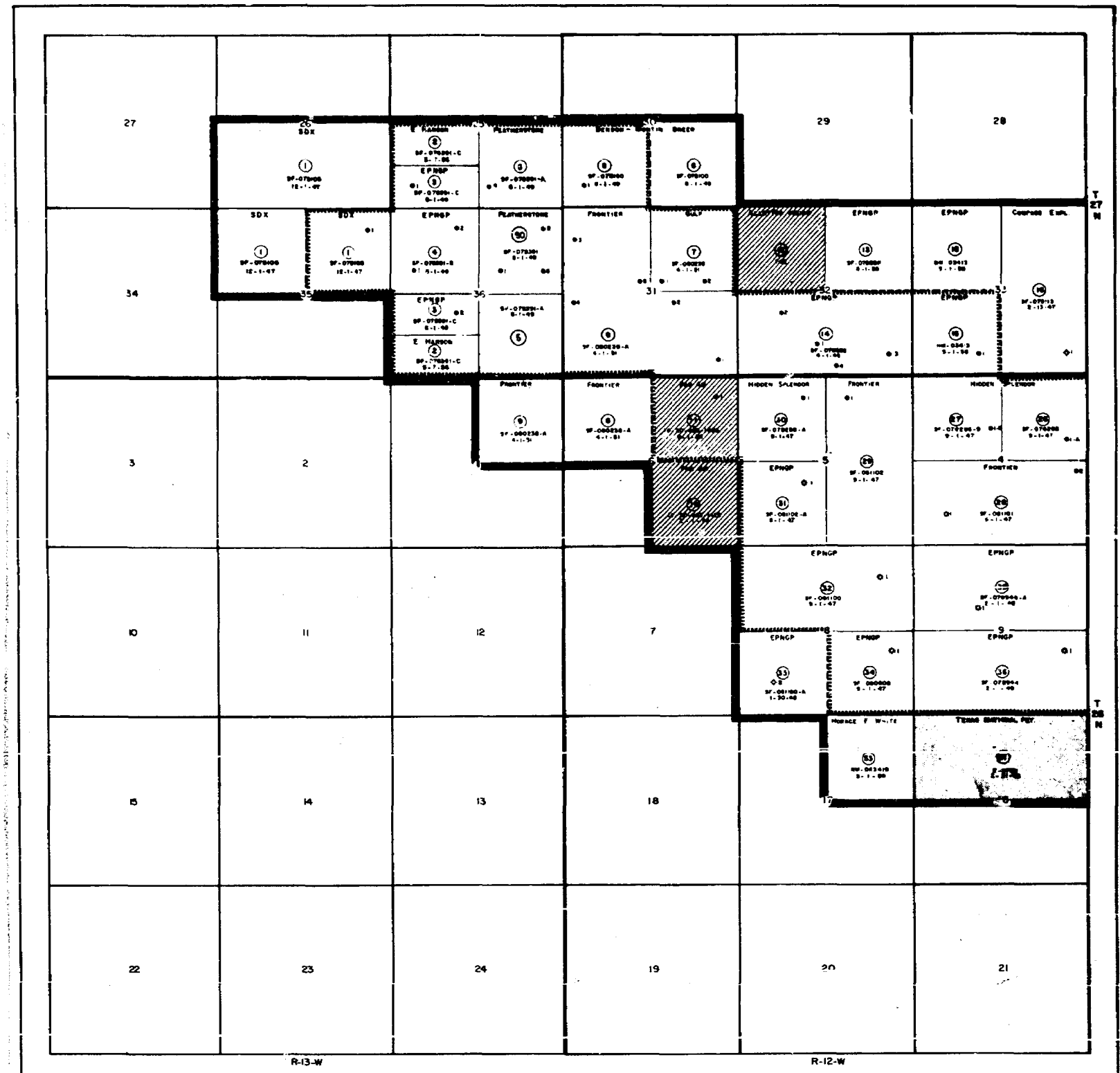
STATE OF OKLAHOMA)
) SS
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 3rd day of April, 1963, by C. L. Blackshire, Vice President of SKELLY OIL COMPANY, a Delaware corporation, on behalf of said corporation.

Doris L. Cullen
Notary Public

My commission expires:

My Commission Expires May 31, 1963



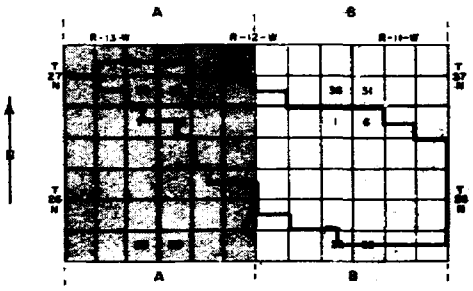
GALLEGOS GALLUP SAND UNIT
SAN JUAN NEW MEXICO
REVISED EXHIBIT "A" 2-19-63
AREA = A

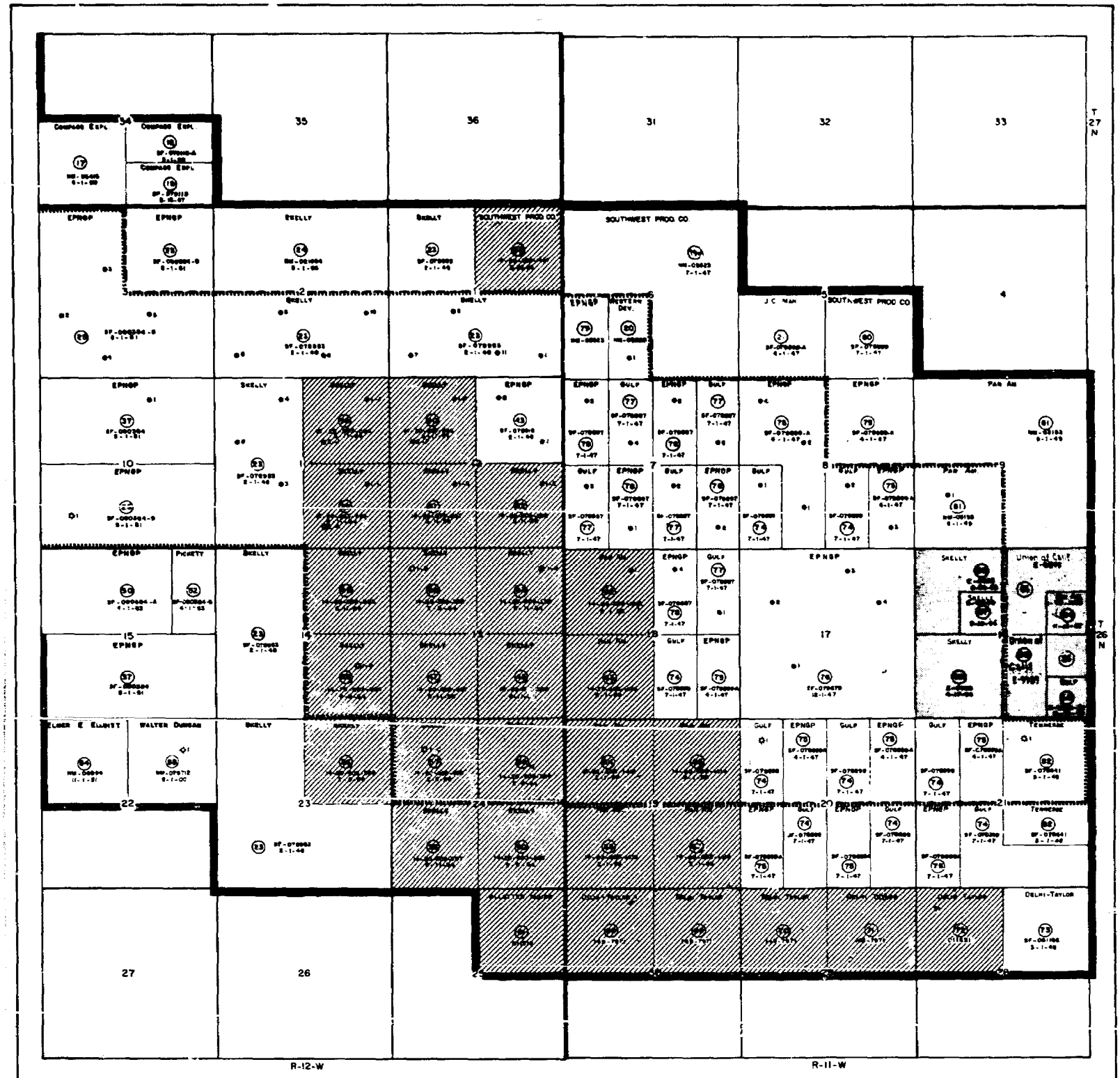
Legend

- UNIT AREA
- PARTICIPATING AREA
- FEDERAL LAND
- INDIAN LAND
- STATE OF NEW MEXICO LAND
- (3) TRACT NO.

SCALE
FEET

AREA MAP





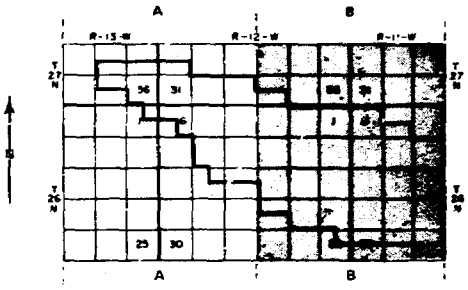
GALLEGOS GALLUP SAND UNIT
SAN JUAN NEW MEXICO
REVISED EXHIBIT "A" 2-19-63
AREA = B

Legend

- UNIT AREA
- PARTICIPATING AREA
- FEDERAL LAND
- INDIAN LAND
- STATE OF NEW MEXICO LAND
- (3) TRACT NO.

SCALE
1000 0 1000 2000 3000
FEET

AREA MAP



REVISED EXHIBIT "B" 2-19-63

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP
OF ALL LANDS WITHIN THE GALLEGOS GALLUP SAND UNIT
TOWNSHIPS 26 AND 27 NORTH, RANGES 11, 12 AND 13 WEST, SAN JUAN COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest & Percentage
1	T27N-R13W Sec. 26: S/2 Sec. 35: N/2	640.00	SF-078105 12-1-47 H.B.P.	USA 12.5%	Sunray DX Oil Company	None	Sunray DX Oil C All
2	T27N-R13W Sec. 25: N/2 SW/4 Sec. 36: N/2 SW/4	160.00	SF-078391-C 6-14-54 H.B.P.	USA 12.5%	Ernest A. Hanson	Ralph G. Roberson and Neva J. Roberson 3.000000%	Ernest A. Hanso All
3	T27N-R13W Sec. 25: S/2 SW/4 Sec. 36: N/2 SW/4	160.00	SF-078391-C 6-14-54 H.B.P.	USA 12.5%	Ernest A. Hanson	None	El Paso Natural Products Compan 50.00% Ernest A. Hanso 50.00%
4	T27N-R13W Sec. 36: NW/4	160.00	SF-078391-B 6-1-49 H.B.P.	USA 12.5%	Ernest A. Hanson	None	El Paso Natural Products Compan 50.00% Ernest A. Hanso 50.00%
5	T27N-R13W Sec. 25: SE/4 Sec. 36: SE/4	320.00	SF-078391-A 6-1-49 H.B.P.	USA 12.5%	Olen F. Featherstone	Ralph C. Roberson, Jr. *3.000000% (Oil Only)	Olen F. Feather All

REVISED EXHIBIT "B" 2-19-63

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP
OF ALL LANDS WITHIN THE GALLEGOS GALLUP SAND UNIT
TOWNSHIPS 26 AND 27 NORTH, RANGES 11, 12 AND 13 WEST, SAN JUAN COUNTY, NEW MEXICO

ion	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest and Percentage
3/2 N/2	640.00	SF-078105 12-1-47 H.B.P.	USA 12.5%	Sunray DX Oil Company	None	Sunray DX Oil Company All
N/2 SW/4 S/2 SW/4	160.00	SF-078391-C 6-14-54 H.B.P.	USA 12.5%	Ernest A. Hanson	Ralph G. Roberson and Neva J. Roberson 3.000000%	Ernest A. Hanson All
S/2 SW/4 N/2 SW/4	160.00	SF-078391-C 6-14-54 H.B.P.	USA 12.5%	Ernest A. Hanson	None	El Paso Natural Gas Products Company 50.00% Ernest A. Hanson 50.00%
NW/4	160.00	SF-078391-B 6-1-49 H.B.P.	USA 12.5%	Ernest A. Hanson	None	El Paso Natural Gas Products Company 50.00% Ernest A. Hanson 50.00%
SE/4 SE/4	320.00	SF-078391-A 6-1-49 H.B.P.	USA 12.5%	Olen F. Featherstone	Ralph G. Roberson, Jr. *3.000000% (Oil Only)	Olen F. Featherstone All

6	T27N-R12W Sec. 30: S/2	313.56	SF-078100 12-1-47 H.B.P.	USA 12.5%	William H. Hudson 50% Benson-Montin-Greer Drilling Corp. 25% O. J. Lilly 25%	Ginther, Warren and Ginther 1.00000%	William H. Hudson 50.00% Benson-Montin-Greer Drilling Corp. 25.00% O. J. Lilly 25.00%
7	T27N-R12W Sec. 31: NE/4	160.00	SF-080238 4-1-51 H.B.P.	USA 12.5%	Gulf Oil Corporation	Tom Bolack 2.000000% J. C. Roberts 2.000000%	Gulf Oil Corporation 100.00%
8	T27N-R12W Sec. 31: W/2 and SE/4 T26N-R12W Sec. 6: NW/4	622.10	SF-080238-A 4-1-51 H.B.P.	USA 12.5%	The Frontier Refining Co. 50% Oklahoma Oil Co. 50%	Tom Bolack 2.000000% J. C. Roberts 2.000000% Howard K. Hee and Aheong Chun Hee 0.312500% Henry Pui Chun and Patsy Chun 0.187500% Walter K. Togikowa and Mildred O. Togikawa 0.125000% Amy L. Fern 0.125000% Frank H. Gaudin 0.250000%	The Frontier Refining Company 50.00% Oklahoma Oil Company 50.00%
9	T26N-R13W Sec. 1: NE/4	160.08	SF-080238-A 4-1-51 H.B.P.	USA 12.5%	The Oklahoma Oil Company Frontier Refining Company	Beulah Morgan and Luther S. Morgan 5.000000%	The Oklahoma Oil Company 50.00% Frontier Refining Co. 50.00%

13	T27N-R12W Sec. 32: NE/4	160.00	SF-078858-A 4-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company John F. Sullivan Edward Arcaro Shiprock Industries, Inc.	John F. Sullivan 0.750000%	John F. Sullivan 56.250000% Edward Arcaro 6.250000% Shiprock Industries 37.50000%
14	T27N-R12W Sec. 32: S/2	320.00	SF-078858 4-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company John F. Sullivan Edward Arcaro Shiprock Industries, Inc.	Louis M. Walker and Geraldine Walker 1.250000% A. L. Duff, Jr. 1.250000% John F. Sullivan 0.750000% O. J. Lilly 0.50000% William T. Walker 1.000000% Rose M. Blount 0.250000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 6.250% Edward Arcaro 6.250% Shiprock Industries, Inc. 37.500%
15	T27N-R12W Sec. 33: W/2	320.00	NM-03413 5-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	Dorothy M. Rummel and G. T. Rummel 2.000000% Western Development Company of Delaware 1.250000% J. D. Hancock and Anna Marye Hancock 0.012239% Mrs. L. B. Maytag, Jr. 0.061034% C. E. Gardner 0.061033% B. B. Robinson 0.061033% Alto B. Corvin 0.061033%	El Paso Natural Gas Products Company All

Tract No. 15 Continued

Clyde W. Morgan
0.061033%
Mary Ruth Moseley Graham,
Executrix of Estate of
W. Wilson Graham
0.061033%
L. H. Mannan
0.061033%
J. M. Somerville
0.024413%
M. W. George
0.024413%
Mrs. Lillian Duncan
0.024413%
Lawrence Albert Nelson
0.024413%
C. W. Austin, Jr.
0.061033%
Laurence Corbett Kelly
0.407705%
Dana Latham, Trustee
for the following:
Polly Corliss Moseley Royce
David Bruce Moseley
Sandra Moseley
0.183106%
F. S. Oldt
0.061033%

16	T27N-R12W Sec. 33: E/2	320.00	SF-079133 5-1-48 H.B.P.	USA 12.5%	Marathon Oil Company	Dorothy M. Rummel 2.500000% Western Development Company of Delaware 1.25% 1.25% of 8/8 Divided as Follows: B. B. Robinson 0.061034% C. W. Morgan 0.061034% Mary Ruth Moseley Graham, Executrix of Estate of W. Wilson Graham .061034%	Southwest Production Company All

Tract No. 16 Continued

						Alto B. Cervin 0.061034% F. S. Oldt 0.061034% L. H. Mannan 0.061034% Mrs. Lillian Duncan 0.024414% J. M. Somerville 0.024414% M. W. George 0.024414% Lawrence Albert Nelson 0.024414% C. W. Austin, Jr. 0.061034% Frank B. Hadlock, Adah Hadlock and Ann Hadlock 12.500000% G. E. Gardner 0.061034% J. D. Hancock, Sr. 0.664074%		
17	T27N-R12W Sec. 34: SW/4	160.00	NM-03413 5-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	A. W. Rutter 5.000000%	Southwest Production Company All
18	T27N-R12W Sec. 34: N/2 SE/4	80.00	Unleased	USA 12.5%			
19	T27N-R12W Sec. 34: S/2 SE/4	80.00	SF-079113 5-1-48 H.B.P.	USA 12.5%	Marathon Oil Company	Western Development Company of Delaware 1.250000% P. G. Lake, Incorporated 3.250000%	Southwest Production Company All

20	T26N-R11W Sec. 6: E/2 SW/4	80.00	NM-03523 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	5.000000% of 8/8 Divided as follows: Robert Beamon, Independent Executor of Estate of R. E. Beamon, Dec'd. .149495% Midwest Oil Corporation .122366% E. F. Kalb .061183% E. R. Richardson .015296% Lyle E. Carbaugh .009789% L. C. Oldham, Jr. .020802% Gladys Watford .015296% Hugh G. Alexander, Jr. .061184% T. J. Ahern .335658% Mary J. Wagner .022377% Raybourne Thompson .117480% J. P. Davis .044754% First National Bank of Ft. Worth Trustee of Eula May Johnston Trust .240817% Willie Leone Rogers .020068% Veva Jean Gibbard .020068% Orville Curtis Rogers .020068% V. A. Johnston .060204% Texas National Petroleum Company .481634%	Western Development Company of Delaware 93.750000% W. W. Lynch 6.250000%

Tract No. 20 Continued

Mary Doll Ingram
.083914%
Robert Norman Dumble, Jr.
.027971%
Wilbur E. Hess
.120837%
Douglas E. Johnston
.040279%
R. E. Beamon, III
.067131%
Charles S. Alexander
.080558%
Fondren Oil Company
.122366%
A. W. Ashley
.021414%
W. C. McMahan
.107071%
James A. Williams
.042829%
George R. Reese, Jr.
.021414%
Waters S. Davis III, Roger H. Davis & Jeremy S. Davis For the Estate of Waters S. Davis, Jr.
.061184%
Gladys D. Pearson
.030591%
Texas National Bank of Houston Attorney-in-Fact for Waters S. Davis III, Roger H. Davis, Jeremy S. Davis, & Pearson O. Porter, Jr.
.030591%
Wilbur H. Frederking
.040279%
L. A. Nordan
.122366%
Albert E. Fagan
.079539%
M. E. Fagan
.024474%

Tract No. 20 Continued

J. Doyle Smith
.006119%
William Ray Kitchel
.041667%
Alma Beamon Anderson
.095582%
Rosser J. Coke
.122370%
M. W. George
.024473%
C. E. Gardner
.061183%
B. B. Robinson
.061183%
Clyde W. Morgan
.061183%
James J. Johnston
.145437%
Mary Ruth Moseley Graham
Independent Executrix of
the Estate of W. Wilson Graham
.061183%
Alto B. Cervin
.061183%
F. S. Oldt
.061183%
Stanley Harris, Jr.
.122370%
Harry C. Campbell
.018356%
C. Randolph Snowden
.018356%
Elva K. Dumas
.122370%
Laurence Corbett Kelly
.477389%
J. D. Hancock
.000887%
Grace K. Davant
.061183%
Hortense E. Davant
.061183%
Jerry J. Andrew
.145437%

Tract No. 20 Continued

							William T. Walker .195786% John R. Scott .030592%	
21	T26N-R11W Sec. 5: SW/4	160.00	SF-078899-A 7-1-47 H.B.P.	USA 12.5%	J. C. Man, Jr. 66.666666% Vinson Trust Robert E. Vinson, Trustee 33.333334%	El Paso Natural Gas Products Company 6.750000% Robert Beamon, Independent Executor of Estate of R. E. Beamon, Dec'd. 0.149495% E. F. Kalb 0.061183% E. R. Richardson 0.015296% Lyle E. Carbaugh 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296% Hortense E. Davant 0.061183% Grace K. Davant 0.061183% Hugh G. Alexander, Jr. 0.061184% T. J. Ahern 0.335658% Mary J. Wagner 0.022377% Raybourne Thompson 0.117480% J. P. Davis 0.044754% First National Bank of Ft. Worth Trustee of Eula May Johnston Trust 0.240817%	J. C. Man, Jr. 66.666666% Vinson Trust Robert E. Vinson, Trustee 33.333334%

Tract No. 21 Continued

Lillie Leona Rogers
0.020068%
Veva Jean Gibbard
0.020068%
Orville Curtis Rogers
0.020068%
Jerry J. Andrew
0.060204%
Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum Company
0.481634%
Mary Doll Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon III
0.067131%
Charles S. Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
Waters S. Davis III, Roger H. Davis & Jeremy S. Davis For the Estate of Waters S. Davis, Jr.
0.061184%
W. C. McMahan
0.107071%
James A. Williams
0.042829%
George R. Reese, Jr.
0.021414%

Tract No. 21 Continued

Gladys D. Pearson
0.030591%
Texas National Bank of Houston
Attorney-in-Fact for Waters S.
Davis III, Roger H. Davis,
Jeremy S. Davis, & Pearson O. Porter, Jr.
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchel
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.061183%
Mary Ruth Moseley
Graham Executrix of
Estate of W. Wilson
Graham
0.061183%
Alto B. Cervin
0.061183%
William T. Walker
0.195786
John R. Scott
0.030592%
Midwest Oil Corporation
0.122366%

Tract No. 21 Continued

F. S. Oldt
0.061183%
Stanley Harris, Jr.
0.122370%
Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%
Laurence Corbett Kelly
0.467170%
J. D. Hancock
0.011106%
P. G. Lake, Inc.
3.250000%
Western Development
Company of Delaware
2.500000%

23	T26N-R12W Sec. 1: NW/4; S/2 Sec. 2: S/2 Sec. 11: W/2 Sec. 14: W/2 Sec. 23: W/2; SE/4	1919.46	SF-078953 2-1-48 H.B.P.	USA 12.5%	Skelly Oil Company	None	Skelly Oil Company All
24	T26N-R12W Sec. 2: N/2	318.36	NM-021684 5-1-56	USA 12.5%	Skelly Oil Company	F. K. Andrews 1.000000%	Skelly Oil Company All
25	T26N-R12W Sec. 3: All Sec. 10: S/2	957.92	SF-080384-B 5-1-51 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company 50.00% J. Felix Hickman 50.00%	Edythe M. Clark 0.250000% Carolyn Clark Wiggin 0.125000% John F. Sullivan 1.000000% First National Bank of Albuquerque for J. Felix Hickman 3.500000%	El Paso Natural Gas Products Co. 50.00% First National Bank of Albuquerque for J. Felix Hickman 50.00%

Tract No. 25 Continued

						Ethelynn Yvonne Clark 0.125000%	
26	T26N-R12W Sec. 4: NE/4	158.90	SF-078286 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D. Walker and Beeler L. Walker 2.000000% Harry B. Botts 0.339674% Hugh G. Alexander 0.169837% Jack Neveleff 0.339674% Mary Doll Ingram 0.169837% Alma Mae Anderson 0.245245% Mildred Payne Moore 0.169837% E. F. Kalb 0.169837% Texas National Petroleum Company 0.905570% Robert Beamon, Ind. Executor of Estate of R. E. Beamon, Dec'd. 0.490489%	Hidden Splendor Mining Company
27	T26N-R12N Sec. 4: NW/4	159.02	SF-078286-B 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D. Walker & Wife 1.000000% David L. Mills 0.500000% Thomas F. Wheatley 0.250000% John S. Wold 0.250000% Mildred Payne Moore 0.169837% Harry B. Botts 0.339674% E. F. Kalb 0.169837%	Hidden Splendor Mining Company All

Tract No. 27 Continued

						Jack Neveleff 0.339674% Mary Doll Ingram 0.169837% Texas National Petroleum Company 0.905570% Alma Mae Anderson 0.245245% Robert Beamon, Ind. Executor of Estate of R. E. Beamon, Dec'd. 0.490489% Suspense 0.169837%	
28	T26N-R12W Sec. 4: S/2	320.00	SF-081101 9-1-47 H.B.P.	USA 12.5%	The Frontier Refining Company	Peggy Chartier & F. E. Chartier 2.500000% Tom Bolack 2.000000% J. V. Fritts and Ruth C. Fritts 0.250000% A. L. Duff, Jr. 0.250000%	The Frontier Refining Company All
29	T26N-R12W Sec. 5: E/2	319.12	SF-081102 9-1-47 H.B.P.	USA 12.5%	The Frontier Refining Company	James Graves and Mattie Lou Graves 1.500000% C. D. Thomas and Winnie Thomas 1.500000% Tom Bolack 2.000000%	The Frontier Refining Company All
30	T26N-R12W Sec. 5: NW/4	159.20	SF-078286-A 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D. Walker 1.000000% David L. Mills 1.000000% Harry B. Botts 0.339674%	Hidden Splendor Mining Company All

Tract No. 30 Continued

							Hugh G. Alexander, Jr. 0.169837% Jack Neveleff 0.339674% Mary Doll Ingram 0.169837% Alma Mae Anderson 0.245245% Mildred Payne Moore 0.169837% E. F. Kalb 0.169837% Texas National Petroleum Company 0.905570% Robert Beamon, Ind. Executor of Estate of R. E. Beamon, Dec'd. 0.490489%	
31	T26N-R12W Sec. 5: SW/4	160.00	SF-081102-A 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	James Graves and Mattie Lou Graves 1.500000% C. D. Thomas and Winnie Thomas 1.500000% Tom Bolack 2.000000%	El Paso Natural Gas Products Company All	
32	T26N-R12W Sec. 8: E/2	320.00	SF-081100 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%	S. Victor Day 1.500000% John F. Sullivan 2.000000% Rebecca Oien, Ind. and as Trustee 1.500000%	El Paso Natural Gas Products Company 50.000000% John F. Sullivan 50.000000%	
33	T26N-R12W Sec. 8: SW/4	160.00	SF-081100-A 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%	Paul C. Nelson & Margaret Nelson 2.000000% Rebecca Oien 1.500000% S. Victor Day 1.500000%	John F. Sullivan All	

34	T26N-R12W Sec. 8: SE/4	160.00	SF-080008 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	J. V. Fritts & Ruth C. Fritts 0.250000% A. L. Duff, Jr. 0.250000% Tom Bolack 2.000000% F. E. Chartier and Peggy Chartier 2.500000% The Frontier Refining Co. 20.625000%	El Paso Natural Gas Products Company All
35	T26N-R12W Sec. 9: N/2	320.00	SF-078944-A 2-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	Frances Hermann Daum 4.000000% John F. Sullivan 1.000000%	El Paso Natural Gas Products Company All
36	T26N-R12W Sec. 9.: S/2	320.00	SF-078944 2-1-48 H.B.P.	USA 12.5%	J. C. Daum	Frances Hermann Daum 5.000000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%
37	T26N-R12W Sec. 10: N/2 Sec. 15: S/2	640.00	SF-080384 5-1-51 H.B.P.	USA 12.5%	J. Felix Hickman	J. Felix Hickman & Merle Hickman 4.500000% Edythe M. Clark 0.250000% Carolyn Clark Wiggin 0.125000% Ethelynn Yvonne Clark 0.125000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%
43	T26N-R12W Sec. 12: NE/4	160.00	SF-078918 2-1-48 H.B.P.	USA 12.5%	Delhi-Taylor Oil Corp. 50%	Martin A. Pierce 1.750000%	El Paso Natural Gas Products Company 50.00%

Tract No. 43 Continued

					El Paso Natural Gas Products Company 50%	Jay J. Harris and L. Cathren Harris 0.350000% Hazel Abraham 0.350000% Sara K. Ryer(Mrs.) 0.350000% J. L. Werntz 0.350000% W. A. Kernaghan and Bernice F. Kernaghan 1.000000% Charles J. Hathoat 0.350000%	Delhi-Taylor Oil Corporation 50.00%
50	T26N-R12W Sec. 15: NW/4 & W/2 NE/4	240.00	SF-080384-A 5-1-51	USA 12.5%	El Paso Natural Gas Products Company J. Felix Hickman John C. Daum	Carolyn Clark Wiggin 0.125000% Ethelyn Yvonne Clark 0.125000% Edythe M. Clark 0.250000% J. Felix Hickman and Merle Hickman 2.250000% Frances Hermann Daum 2.250000%	El Paso Natural Gas Products Company 50.00% J. Felix Hickman 25.00% Frances Hermann Daum 25.00%
52	T26N-R12W Sec. 15: E/2 NE/4	80.00	SF-080384-B 5-1-51	USA 12.5%	James R. Pickett	J. Felix Hickman and Merle Hickman 2.250000% Frances Hermann Daum 2.250000% Edythe M. Clark 0.250000% Carolyn Clark Wiggin 0.125000% Ethelyn Yvonne Clark 0.125000%	James R. Pickett All

53	T26N-R12W Sec. 17: NE/4	160.00	Unleased	USA 12.5%				
54	T26N-R12W Sec. 22: NW/4	160.00	NM-06094 11-1-51	USA 12.5%	Elliott, Incorporated	None	Elliott, Incorporated All	
55	T26N-R12W Sec. 22: NE/4	160.00	NM-079712 9-1-60	USA 12.5%	Walter Duncan	None	Walter Duncan All	
*73	T26N-R11W Sec. 28: NE/4	160.00	SF-081186 3-1-48 H.B.P.	USA 12.5%	Delhi-Taylor Oil Corp.	Richard H. Ernest 5.000000% *E. W. Mudge, Jr. 12.500000% Gas 17.500000% Oil Elizabeth Storey 1.000000%	Delhi-Taylor Oil Corporation All	
74	T26N-R11W Sec. 8: W/2 SW/4 W/2 SE/4 Sec. 18: W/2 SE/4 Sec. 20: W/2 NW/4 E/2 SW/4 W/2 NE/4 E/2 SE/4 Sec. 21: W/2 NW/4 E/2 SW/4 S/2 SE/4	800.00	SF-078899 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	Rosser J. Coke 0.122400% Harry C. Campbell 0.018400% P. G. Lake, Inc. 3.250000% T. J. Ahern 0.335700% W. C. McMahan 0.107100% Midwest Oil Corp. 0.122400% Raybourne Thompson 0.117500% Albert E. Fagan 0.079500%	Gulf Oil Corporation All	

* Tract 73 - E. W. Mudge, Jr. Overriding Royalty Subject to Suspension and Conversion
Elizabeth Storey Overriding Royalty to continue until $25.00 per acre is received.

Tract No. 74 Continued

L. A. Nordan
0.122400%
Lillie Leona Rogers
0.020100%
Mary J. Wagner
0.022400%
J. P. Davis
0.044800%
Charles S. Alexander
0.040300%
Wilbur E. Hess
0.161100%
Douglas E. Johnston
0.040300%
Wilbur H. Frederking
0.040300%
E. F. Kalb
0.061200%
E. R. Richardson
0.015300%
L. C. Oldham, Jr.
0.020800%
Lyle E. Carbaugh
0.009800%
Gladys Watford
0.015300%
Hugh G. Alexander, Jr.
0.061200%
Fondren Oil Company
0.122400%
R. E. Beamon III
0.067100%
George R. Reese, Jr.
0.021400%
A. W. Ashley
0.021400%
James A. Williams
0.042800%
Waters S. Davis III, Roger H. Davis & Jeremy S. Davis For the Estate of Waters S. Davis, Jr.
0.061200%
Gladys D. Pearson
0.030600%

Tract No. 74 Continued

M. E. Fagan
0.024500%
William Ray Kitchel
0.041700%
Elva K. Dumas
0.122400%
C. E. Gardner
0.061200%
B. B. Robinson
0.061200%
Clyde W. Morgan
0.061200%
Alto B. Cervin
0.061200%
F. S. Oldt
0.061200%
Stanley Harris, Jr.
0.122400%
M. W. George
0.024500%
Laurence Corbett Kelly
0.467100%
Alma Beamon Anderson
0.095700%
Texas National
Petroleum Company
0.481700%
First National Bank
of Fort Worth, Trustee
for Eula May Johnston
0.240800%
V. A. Johnston
0.060200%
Orville C. Rogers
0.020100%
Veva Jean Gibbard
0.020100%
Robert Beamon, Independent Executor
of Estate of R. E. Beamon, Dec'd.
0.149000%
Robert Norman Dumble, Jr.
0.028000%
Mary Doll Ingram
0.083900%

Tract No. 74 Continued

Jerry J. Andrew
0.060200%
James J. Johnston
0.060200%
Mary Ruth Graham
0.061200%
J. Doyle Smith
0.006100%
C. Randolph Snowden
0.018400%
William T. Walker
0.195800%
Texas National Bank of Houston Attorney-in-Fact for Waters S. Davis III, Roger H. Davis, Jeremy S. Davis, & Pearson O. Porter, Jr.
0.030600%
J. D. Hancock
0.010800%
John R. Scott
0.030600%
Ralph A. Johnston
0.170400%
Grace K. Davant
0.061200%
Hortense E. Davant
0.061200%

75	T26N-R11W Sec. 8: N/2 E/2 SW/4 E/2 SE/4 Sec. 18: E/2 SE/4 Sec. 20: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 21: E/2 NW/4 W/2 SW/4	1040.00	SF-078899-A 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware 50.000000% El Paso Natural Gas Products Company 50.000000%	Robert Beamon, Independent Executor of Estate of R. E. Beamon, Dec'd. 0.149495% E. F. Kalb 0.061183% E. R. Richardson 0.015296% Lyle E. Carbaugh 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296%	El Paso Natural Gas Products Company 50% Western Development Company of Delaware 50%

Tract No. 75 Continued

Hortense E. Davant
0.061183%
Grace K. Davant
0.061183%
Hugh G. Alexander, Jr.
0.061184%
T. J. Ahern
0.335658%
Mary J. Wagner
0.022377%
Raybourne Thompson
0.117480%
J. P. Davis
0.044754%
First National Bank of
Fort Worth Trustee for
Eula May Johnston
0.240817%
Lillie Leona Rogers
0.020068%
Veva Jean Gibbard
0.020068%
Orville Curtis Rogers
0.020068%
Jerry J. Andrew
.060204%
Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%
Mary Doll Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon III
0.067131%

Tract No. 75 Continued

Charles S. Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
Waters S. Davis III, Roger H.
Davis & Jeremy S. Davis For
The Estate of Waters S. Davis, Jr.
0.061184%
W. C. McMahan
0.107071%
James A. Williams
0.042829%
George R. Reese, Jr.
0.021414%
Gladys D. Pearson
0.030591%
Texas National Bank of Houston
Attorney-in-Fact for Waters
S. Davis III, Roger H. Davis,
Jeremy S. Davis, & Pearson
O. Porter, Jr.
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchel
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%

Tract No. 75 Continued

Clyde W. Morgan
0.061183%
Mary Ruth Moseley
Graham Executrix of
Estate of W. Wilson
Graham
0.061183%
Alto B. Cervin
0.061183%
William T. Walker
0.195786%
John R. Scott
0.030592%
Midwest Oil Corporation
0.122366%
F. S. Oldt
0.061183%
Stanley Harris, Jr.
0.122370%
Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%
Laurence Corbett Kelly
0.467170%
J. D. Hancock
0.011106%
P. G. Lake, Inc.
3.250000%
Western Development
Company of Delaware
2.500000%

76	T26N-R11W Sec. 17: All	640.00	SF-079679 12-1-47 H.B.P.	USA 12.5%	Delhi-Taylor Oil Corporation 50% El Paso Natural Gas Products Company 50%	Martin A. Pierce & Beverly Pierce 1.750000% Charles J. Finklea 1.75000% W. A. Kernaghan & Bernice F. Kernaghan 1.000000%	El Paso Natural Gas Products Company 50.000000% Delhi-Taylor Oil Corp. 50.000000%

77	T26N-R11W Sec. 7: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 18: E/2 NE/4	398.75	SF-078897 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	Rosser J. Coke 0.122400% Harry C. Campbell 0.018400% P. G. Lake, Inc. 3.250000% T. J. Ahern 0.335700% W. C. McMahan 0.107100% Midwest Oil Corporation 0.122400% Raybourne Thompson 0.117500% C. Randolph Snowden 0.018400% Albert E. Fagan 0.079500% L. A. Nordan 0.122400% Lillie Leona Rogers 0.020100% Mary J. Wagner 0.022400% J. P. Davis 0.044800% Charles S. Alexander 0.040300% Wilbur E. Hess 0.161100% Douglas E. Johnston 0.040300% Wilbur H. Frederking 0.040300% E. F. Kalb 0.061200% E. R. Richardson 0.015300% L. C. Oldham, Jr. 0.020800% Lyle E. Carbaugh 0.009600% Gladys Watford 0.015300%	Gulf Oil Corp. All

Tract No. 77 Continued

Hugh G. Alexander, Jr.
0.061200%
Fondren Oil Company
0.122400%
R. E. Beamon III
0.067100%
George R. Reese, Jr.
0.021400%
A. W. Ashley
0.021400%
James A. Williams
0.042800%
Waters S. Davis III, Roger H. Davis, Jeremy S. Davis, & Pearson O. Porter, Jr. For Estate of Waters S. Davis, Jr.
0.061200%
Gladys D. Pearson
0.030600%
M. E. Fagan
0.024500%
William Ray Kitchel
0.041700%
Elva K. Dumas
0.122400%
C. E. Gardner
0.061200%
B. B. Robinson
0.061200%
Clyde W. Morgan
0.061200%
Alto B. Cervin
0.061200%
F. S. Oldt
0.061200%
Stanley Harris, Jr.
0.122400%
M. W. George
0.024500%
Laurence Corbett Kelly
0.477300%
Alma Beamon Anderson
0.095500%

Tract No. 77 Continued

Texas National Petroleum
Company
0.481700%
First National Bank of
Ft. Worth Trustee for
Eula May Johnston
0.240800%
V. A. Johnston
0.060200%
Orville C. Rogers
0.020100%
Veva Jean Gibbard
0.020100%
Robert Beamon, Independent
Executor of Estate of
R. E. Beamon, Dec'd.
0.149200%
Robert Norman Dumble, Jr.
0.028000%
Mary Doll Ingram
0.083900%
Jerry J. Andrew
0.060200%
James J. Johnston
0.060200%
Mary Ruth Graham
0.060200%
J. Doyle Smith
0.[illegible]%
William T. Walker
0.195800%
Texas National Bank of
Houston Attorney-in-Fact
for Waters S. Davis III,
Roger H. Davis, Jeremy S.
Davis, & Pearson O. Porter, Jr.
0.030600%
J. D. Hancock
0.000600%
John R. Scott
0.030600%
Ralph A. Johnston
0.170400%
Grace K. Davant
0.061200%
Hortense E. Davant
0.061200%

78

T26N-R11W
Sec. 7: W/2 NE/4
Lots 1 & 2
E/2 SW/4
E/2 SE/4
Sec. 18: W/2 NE/4

398.57

SF-078897-A
7-1-47

USA
12.5%

Western Development Company
50.000000%
El Paso Natural Gas Products Company
50.000000%

Robert Beamon, Independent Executor of Estate of R. E. Beamon, Dec'd.
0.149495%
E. F. Kalb
0.061183%
E. R. Richardson
0.015296%
Lyle E. Carbaugh
0.009789%
L. C. Oldham, Jr.
0.020802%
Gladys Watford
0.015296%
Hortense E. Davant
0.061183%
Hugh G. Alexander, Jr.
0.061184%
T. J. Ahern
0.335658%
Mary J. Wagner
0.022377%
Midwest Oil Corporation
0.122366%
Grace K. Davant
0.061183%
Raybourne Thompson
0.117480%
J. P. Davis
0.044754%
First National Bank of Ft. Worth Trustee for Eula May Johnston
0.240817%
George R. Reese, Jr.
0.021414%
Gladys D. Pearson
0.030591%
Texas National Bank of Houston Attorney-in-Fact for Waters S. Davis III, Roger H. Davis, Jeremy S. Davis, & Pearson O. Porter, Jr.
0.030591%
Wilbur H. Frederking
0.040279%

El Paso Natural Gas Products Company
50.000000%
Western Development Company of Delaware
50.000000%

Tract No. 78 Continued

L. A. Nordan
0.122366%
William T. Walker
0.195786%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchel
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.61183%
Mary Ruth Moseley Graham
Executrix of Estate of
W. Wilson Graham
0.061183%
Lillie Leona Rogers
0.020068%
Veva Jean Gibbard
0.020068%
Orville Curtis Rogers
0.020068%
Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
Jerry J. Andrew
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%

Tract No. 78 Continued

Mary Doll Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon III
0.067131%
Charles S. Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
Waters S. Davis III, Roger H. Davis & Jeremy S. Davis For the Estate of Waters S. Davis, Jr.
0.061184%
W. C. McMahan
0.107071%
James A. Williams
0.042829%
Alto B. Cervin
0.061183%
F. S. Oldt
0.061183%
Stanley Harris, Jr.
0.122370%
Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%
Laurence Corbett Kelly
0.477389%
J. D. Hancock
0.031479%
P. G. Lake, Inc.
3.250000%
Western Development Company of Delaware
2.500000%

79	T26N-R11W Sec. 6: W/2 SW/4	80.00	NM-03523 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	12.5% of 8/8 Divided as follows: Western Development Company of Delaware 15/16 W. W. Lynch 1/16 5.000000% of 8/8 Divided as follows: Robert Beamon, Independent Executor of Estate of R. E. Beamon, Dec'd. .149495% Midwest Oil Corporation .122366% E. F. Kalb .061183% William Ray Kitchel .041667% Alma Beamon Anderson .095582% Rosser J. Coke .122370% M. W. George .024473% C. E. Gardner .061183% B. B. Robinson .061183% Clyde W. Morgan .061183% Mary Ruth Moseley Graham, Executrix of Estate of W. Wilson Graham .061183% Alto B. Cervin .061183% F. S. Oldt .061183% Stanley Harris, Jr. .122370% Harry C. Campbell .018356% C. Randolph Snowden .018356%	El Paso Natural Gas Products Company All

Tract No. 79 Continued

Elva K. Dumas
.122370%
Laurence Corbett Kelly
.477389%
J. D. Hancock
.000887%
Grace K. Davant
.061183%
Hortense E. Davant
.061183%
James J. Johnston
.060206%
Jerry J. Andrew
.060204%
William T. Walker
.195786%
John R. Scott
.030592%
Wilbur E. Hess
.120837%
Douglas E. Johnston
.040279%
R. E. Beamon III
.067131%
Charles S. Alexander
.000558%
Fondren Oil Company
.122366%
A. W. Ashley
.021414%
W. C. McMahan
.107071%
James A. Williams
.042829%
George R. Reese, Jr.
.021414%
Waters S. Davis III, Roger H. Davis, & Jeremy S. Davis For the Estate of Waters S. Davis, Jr.
.061184%
Gladys D. Pearson
.030591%
Texas National Bank of Houston Attorney-in-Fact for Waters S. Davis III, Roger H. Davis, Jeremy S. Davis, & Pearson O. Porter, Jr.
.030591%

Tract No. 79 Continued

Wilbur H. Frederking
.040279%
L. A. Nordan
.122366%
Albert E. Fagan
.079539%
M. E. Fagan
.024474%
J. Doyle Smith
.006119%
Ralph A. Johnston
0.170463%
E. R. Richardson
.015296%
Lyle E. Garbaugh
.009789%
L. C. Oldham, Jr.
.020802%
Gladys Watford
.015296%
Hugh G. Alexander, Jr.
.061184%
T. J. Ahern
.335658%
Mary J. Wagner
.022377%
Raybourne Thompson
.117480%
J. P. Davis
.044754%
First National Bank of Fort Worth
Trustee of Eula May Johnston Trust
.240817%
Lillie Leona Rogers
.020068%
Veva Jean Gibbard
.020068%
Orville Curtis Rogers
.020068%
V. A. Johnston
.060204%
Texas National Petroleum Company
.481634%
Mary Doll Ingram
.083914%
Robert Norman Dumble, Jr.
.027971%

79-A	T26N-R11W Sec. 6: E/2 & NW/4	477.68	NM-03523 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	12.5% of 8/8 Divided as follows: Western Development Company of Delaware 15/16 W. W. Lynch 1/16 5.000000% of 8/8 Divided as follows: Robert Beamon, Independent Executor of Estate of R. E. Beamon, Dec'd. .149495% Midwest Oil Corporation .122366% E. F. Kalb .061183% William Ray Kitchel .041667% Alma Beamon Anderson .095582% Rosser J. Coke .122370% M. W. George .024473% C. E. Gardner .061183% B. B. Robinson .061183% Clyde W. Morgan .061183% Mary Ruth Moseley Graham, Executrix of Estate of W. Wilson Graham .061183% Alto B. Cervin .061183% F. S. Oldt .061183% Stanley Harris, Jr. .122370% Harry C. Campbell .018356% C. Randolph Snowden .018356%	Southwest Production Company All

Tract No. 79-A Continued

Elva K. Dumas
.122370%
Laurence Corbett Kelly
.477389%
J. D. Hancock
.008870%
Grace K. Davant
.061183%
Hortense E. Davant
.061183%
James J. Johnston
.060206%
Jerry J. Andrew
.060204%
William T. Walker
.195786%
John R. Scott
.030592%
Wilbur E. Hess
.120837%
Douglas E. Johnston
.040279%
R. E. Beamon III
.067131%
Charles S. Alexander
.080558%
Fondren Oil Company
.122366%
A. W. Ashley
.021414%
W. C. McMahan
.107071%
James A. Williams
.042829%
George R. Reese, Jr.
.021414%
Waters S. Davis III, Roger H. Davis & Jeremy S. Davis For the Estate of Waters S. Davis, Jr.
.061184%
Gladys D. Pearson
.030591%

Tract No. 79-A Continued

Wilbur H. Frederking
.040279%
L. A. Nordan
.122366%
Albert E. Fagan
.079539%
M. E. Fagan
.024474%
J. Doyle Smith
.006119%
Ralph A. Johnston
0.170463%
E. R. Richardson
.015296%
Lyle E. Carbaugh
.009789%
L. C. Oldham, Jr.
.020802%
Gladys Watford
.015296%
Hugh G. Alexander, Jr.
.061184%
T. J. Ahern
.335658%
Mary J. Wagner
.022377%
Raybourne Thompson
.117480%
J. P. Davis
.044754%
First National Bank of
Fort Worth Trustee of
Eula May Johnston Trust
.240817%
Lillie Leona Rogers
.020068%
Veva Jean Gibbard
.020068%
Orville Curtis Rogers
.020068%
V. A. Johnston
.060204%

Tract No. 79-A Continued

							Texas National Petroleum Company .481634% Mary Doll Ingram .083914% Robert Norman Dumble, Jr. .027971%	
80	T26N-R11W Sec. 5: SE/4	160.00	SF-078899 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	Western Development Company of Delaware 9.250000% 5.000000% of 8/8 Divided as follows: Robert Beamon, Independent Executor of Estate of R. E. Beamon, Dec'd. 0.149495% E. F. Kalb 0.061183% E. R. Richardson 0.015296% Lyle E. Carbaugh 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296% Hortense E. Davant 0.061183% Grace K. Davant 0.061118% Jerry J. Andrew 0.060204% Hugh G. Alexander, Jr. 0.061184% T. J. Ahern 0.335658% Mary J. Wagner 0.022377% Raybourne Thompson 0.117480% J. P. Davis 0.044754%	Southwest Production Company All

Tract No. 80 Continued

First National Bank of
Fort Worth Trustee
for Eula May Johnston Trust
0.240817%
Lillie Leona Rogers
0.020068%
Veva Jean Gibbard
0.020068%
Orville Curtis Rogers
0.020068%
Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%
Mary Doll Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120637%
Douglas E. Johnston
0.040279%
R. E. Beamon III
0.067131%
Charles S. Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
W. C. McMahan
0.107071%
James A. Williams
0.042829%
William T. Walker
0.195786%
George R. Reese, Jr.
0.021414%

Tract No. 80 Continued

Waters S. Davis III, Roger H. Davis & Jeremy S. Davis For the Estate of Waters S. Davis, Jr.
0.061184%
Gladys D. Pearson
0.030591%
Texas National Bank of Houston Attorney-in-Fact for Waters S. Davis III, Roger H. Davis, Jeremy S. Davis, & Pearson O. Porter, Jr.
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchel
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.061183%
Mary Ruth Moseley Graham
Executrix of Estate of
W. W. Wilson Graham
0.061183%
Alto B. Cervin
0.061183%

	Tract No. 80 Continued					John R. Scott 0.030592% Midwest Oil Corporation 0.122366% F. S. Oldt 0.061183% Stanley Harris, Jr. 0.122370% Harry C. Campbell 0.018356% C. Randolph Snowden 0.018356% Elva K. Dumas 0.122370% Laurence Corbett Kelly 0.467170% J. D. Hancock 0.011106% P. G. Lake, Inc. 3.250000%	
81	T26N-R11W Sec. 9: All	640.00	NM-03153 6-1-49 H.B.P.	USA 12.5%	Pan American Petroleum Corporation	O. H. Randel 1.000000% Ernest A. Hanson 1.000000% Olen F. Featherstone 1.000000%	Pan American Petroleum Corporation All
82	T26N-R11W Sec. 21: NE/4; N/2 SE/4	240.00	SF-078641 5-1-48 H.B.P.	USA 12.5%	Tenneco Corporation	Brookhaven Oil Co. 2.183400% Dacresa Corporation 2.816600%	Tenneco Corporation All
90	T27N-R13W Sec. 36: NE/4	160.00	SF-078391 6-1-49 H.B.P.	USA 12.5%	Olen F. Featherstone	None	Olen F. Featherstone All

Fifty (50) Federal Tracts Containing 16,922.72 acres or 73.5850% of Unit Area

51	T26N-R12W Sec. 16: N/2	320.00	E-9790 2-1-56	State of New Mexico 12.5%	Texas National Petroleum Company	Monsanto Chemical Company 12.50000%	Texas National Petroleum Company 100%
83	T26N-R11W Sec. 16: SE/4 SE/4	40.00	B-11680-79 12-18-44	State of New Mexico 12.5%	Gulf Oil Corporation	Harold Kogan & Matilda Kogan 5.000000%	Gulf Oil Corporation All
84	T26N-R11W Sec. 16: SE/4 NE/4	40.00	OG-1530 11-19-57	State of New Mexico 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
85	T26N-R11W Sec. 16: N/2 NE/4 SW/4 NE/4 NE/4 SE/4	160.00	E-9895 3-20-56	State of New Mexico 12.5%	El Paso Natural Gas Products Company	Monsanto Chemical Company 12.5%	Texas National Petroleum Company All
86	T26N-R11W Sec. 16: N/2 NW/4 SW/4 NW/4	120.00	E-9895 3-20-56 H.B.P.	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 6.25%	Skelly Oil Company All
87	T26N-R11W Sec. 16: SE/4 NW/4	40.00	B-11240 5-16-44	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 6.25%	Skelly Oil Company All
88	T26N-R11W Sec. 16: SW/4	160.00	E-9989 4-17-56	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 6.25%	Skelly Oil Company All
89	T26N-R11W Sec. 16: W/2 SE/4	80.00	E-9989 4-17-56	State of New Mexico 12.5%	El Paso Natural Gas Products Company	Monsanto Chemical Company 12.5%	Texas National Petroleum Company All

Eight (8) State of New Mexico Tracts containing 960.00 acres or 4.1744% of Unit Area

10	T26N-R12W Sec. 6: SE/4	160.00	14-20-603-1426 2-1-56	Total Basic Royalty 12.5% Divided as Follows: Eth-ne-pah, or Mrs. River Jim 3.1250% E-nus-pah, or Mrs. Je-en-bega Biddoni 3.1250% Nah-ti-eth-da-yah or Jim Harvey 3.1250% Ida Meyer 3.1250%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation 100.00%
11	T26N-R12W Sec. 6: Lot 1 and 2, S/2 NE/4	160.00	14-20-603-1425 2-1-56 H.B.P.	Elizabeth Gray Eyes or Zonnie Yazzie 32/128 Ramon Grey Eyes 16/128 Ray Grey Eyes 16/128 Ka Nun bah or Etta Grey Eyes 16/128 Ta Nee Yah or Willie Grey Eyes (dec'd.) 16/128 Bruce Heller 16/128 Evelyn Grey Eyes 3/128 Anna Mae Grey Eyes 3/128 Freddie Grey Eyes 3/128 Kenneth Grey Eyes 3/128 Helen Grey Eyes 4/128	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation 100.00%

12	T27N-R12W Sec. 32: NW/4	160.00	Unleased Allotment No. 742 SF-011653	E-nus-pah or Mrs. Je-en-bega Biddoni or Annie Scott 100%	None	None	None
22	T26N-R12W Sec. 1: NE/4	159.82	14-20-603-1447 5-22-56	Total Basic Royalty 12.5% Divided as Follows: Heirs of Keh Yil des bah Hasten Yazzie Pete 7/28 Al so da or Tso des bah Pete 3/28 Da nos bah or Rachel Pete 3/28 Joe Pete or Nah tah hally or Ta ho leth 3/28 Wood Pete or Bert Fuller or Ah uska tah wot or Burke Pete 3/28 Wilfred Pete or Ah uska ye ne wot or Ke yil nit wood Pete 3/28 Jennie Pete or I ni gee bah or Al naji bah Pete 3/28 Ah uska ye da wood or wod yazzie Pete or John Shorty Pete 3/28	Western Development Company of Delaware	Western Develop- ment Company of Delaware 8.750000% Wilson Oil Company 8.750000%	Western Development Company of Delaware

38	T26N-R12W Sec. 11: NE/4	160.00	14-20-603-294 5-11-54 H.B.P.	Nah ti yah ne pah, Natoni Blackie, Nahti Yah Neah 2/14 Joe Blackie, Hosha ye ka li 2/14 Dickie Blackie, Nah to yelth wood(minor) 2/14 Glen na pah Blackie 2/14 Da Naz bah, Jessie Thomas 1/14 Mrs. Joe Arviso, Da Naz bah be Dazzie, Daisy Thomas 1/14 Mabel Blackie 1/14 Ernest Blackie, Ushka nah no tah 1/14 Ush ye ni tah, Harry Blackie Whitey, Harry White 1/14 Besie Blackie Whitey 1/14	Skelly Oil Company	None	Skelly Oil Company All
39	T26N-R12W Sec. 11: SE/4	160.00	14-20-603-295 5-11-54 H.B.P.	Nah ti yah ne ah, Natonni Blackie 16/112 Joe Blackie 16/112 Glen na pah 16/112 Na Naz bah, Jessie Thomas 8/112 Da Naz bah de Dazzie, Daisy Arviso 8/112	Skelly Oil Company	None	Skelly Oil Company All

Tract No. 39 Continued

Ushka na no tah, Ernest Blackie
8/112
Mabel Blackie
8/112
Mary Pete Blackie
3/112
Dickie Blackie(minor)
13/112
Ush ye ti tah, Harry Blackie Whitey, Harry White
8/112
Dez Bah, Bessie Blackie Whitey
8/112

40	T26N-R12W Sec. 12: NW/4	160.00	14-20-603-296 5-11-54 H.B.P.	Mary Pete Blackie or Mary Pete Smith 1/4 Dickie Blackie or Nah to yelth wood(minor) 3/4	Skelly Oil Company	None	Skelly Oil Company All
41	T26N-R12W Sec. 12: SW/4	160.00	14-20-603-297 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Jo-hostein-nez E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) 1/6 Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All

42	T26N-R12W Sec. 12: SE/4	160.00	14-20-603-298 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Ka-he-ah-pah E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) 1/6 Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All
44	T26N-R12W Sec. 13: NE/4	160.00	14-20-603-299 5-11-54 H.B.P.	Heir of Eska-e-hole-wood Jack Frost or Larrie Ni Pahe or Larrie Napane 12.5%	Skelly Oil Company	None	Skelly Oil Company All
45	T26N-R12W Sec. 13: SE/4	160.00	14-20-603-300 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Nah ti yah ne ah, Natoni Blackie 32/224 Joe Blackie 32/224 Glen na pah Blackie 32/224 Dickie Blackie(minor) 29/224 Da nez bah, Jessie Thomas 16/224	Skelly Oil Company	None	Skelly Oil Company All

Tract No. 45 Continued

Daisy Thomas, Da nes
bah de Dazzie, Daisy
Arvisc
16/224
Ushka nah not tah,
Ernest Blackie
16/224
Mabel Blackie
16/224
Mary Pete Blackie
3/224
Ush ye nit ah, Harry
Blackie Whitey, Harry
White
16/224
Dez bah, Bessie Blackie
Whitey
16/224

46	T26N-R12W Sec. 13: NW/4	160.00	14-20-603-302 2-9-54 H.B.P.	E-nus-pah 12.5%	Skelly Oil Company	None	Skelly Oil Company All
47	T26N-R12W Sec. 13: SW/4	160.00	14-20-603-301 5-11-54	Nah-ti-yah-ne-ah 12.5%	Skelly Oil Company	None	Skelly Oil Company
48	T26N-R12W Sec. 14: NE/4	160.00	14-20-603-303 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Eska-no-ah E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nes-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-dah or John Yazzie or Timothy Na pahe or Timothy	Skelly Oil Company	None	Skelly Oil Company

Tract No. 48 Continued

				Kenneth 1/6 Yith-Nip-Pah (Marjorie Nelson) 1/6 Jack Frost or Larrie Napane 1/6			
49	T26N-R12W Sec. 14: SE/4	160.00	14-20-603-304 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Heirs of Eth-ah-nop-pah E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-dah or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) 1/6 Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All
56	T26N-R12W Sec. 23: NE/4	160.00	14-20-603-305 2-9-54	Heir of Ah-de-yazza Es-ske-nele-wood or Esitty Chee or Red Silversmith 12.5%	Skelly Oil Company	None	Skelly Oil Company All
57	T26N-R12W Sec. 24: NW/4	160.00	14-20-603-306 2-9-54 H.B.P.	Hod-des-pah 12.5%	Skelly Oil Company	None	Skelly Oil Company All

58	T26N-R12W Sec. 24; SW/4	160.00	14-20-603-307 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Hoska-ge-di-ele-wood Kl-so-des-pah or Mrs. Amos John 24/96 Nah-tah-eth-day-yah or Sweetie Nockie Yazzie 8/96 Benjamin Harris, Jr. 8/96 Santo or Becente or Santo Ray 2/96 Kah-nus-bah or Eva Marie Ray 3/96 Hoska-ge-nele-wood or Tony Ray 3/96 Eska-nah-ho-gaith Harris or Fred Harris 8/96 Ushka-tah-tollywood Harris or Tyler H. Harris 8/96 Charlie Harris 8/96 Ith-nee-pah Harris 8/96 Eshkathl-le-wolth Harris or Ben H. Harris 8/96 E-tah-nip-bah-Harris or Della Harris 8/96	Skelly Oil Company	None	Skelly Oil Company All
59	T26N-R12W Sec. 24: NE/4	160.00	14-20-603-309 5-11-54	Total Basic Royalty 12.5% Divided as Follows:	Skelly Oil Company	None	Skelly Oil Company All

Tract No. 59 Continued

E tah nele wood, or
Nocki Yazzie
3/15
Ha doz bah, Annie
Casteanna
3/15
Sweetie Nocki Yazzie,
Nah tah eth day Yah
3/15
Hoska ya Ye Wolth,
Es ka nele wood,
Esitty Chee or Red
Silversmith
3/15
Jim Joe
1/15
Joe Benally
1/15
Tom Joe
1/15

60	T26N-R12W Sec. 24: SE/4	160.00	14-20-603-308 2-9-54	Es-ska-nele-wood 12.5%	Skelly Oil Company	None	Skelly Oil Company All
61	T26N-R12W Sec. 25: NE/4	160.00	Unleased Allotment No. 011516	Heirs of Nim Pah or Lame Woman Eska nele wood or Esitty Chee or Red Silversmith or Haska ya ye wolth 4/20 Etah nele wood or Nocki Yazzie 4/20 Ha duz bah or Annie Costearma 4/20 Sweetie Nocki Yazzie or Nah tah eth day yah 4/20 Minnie Joe 1/20	None	None	None

Tract No. 61 Continued

Jim Joe
1/20
Joe Benally
1/20
Tom Joe
1/20

62	T26N-R11W Sec. 18: Lots 1 and 2 E/2 NW/4	158.91	14-20-603-1412 3-30-56 H.B.P.	Uska-Yah-E-Wood (Herbert Jackson)	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
63	T26N-R11W Sec. 18: Lots 3 and 4 E/2 SW/4	159.05	14-20-603-1413 3-30-56	Na-glee-ya-nee-bah (Mrs. John Platero)	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
64	T26N-R11W Sec. 19: Lots 1 and 2 E/2 NW/4	159.13	14-20-603-1415 8-20-56	Total Basic Royalty 12.5% Divided as Follows: (Est. of Tahez pa Wero) Tom Taylor 3.125000% Elsie Taylor or Glen as bah (a Minor) 4.687500% Paul Taylor (a Minor) 4.687500%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
65	T26N-R11W Sec. 19: Lots 3 and 4 E/2 SW/4	159.19	14-20-603-1416 3-30-56	Nah-tah-eth-day-yah (Sweetie Nocki Yazzie) 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
66	T26N-R11W Sec. 19: NE/4	160.00	14-20-603-1414 3-30-56	Al-some-pah-wero 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All

68	T26N-R11W Sec. 30: NW/4	159.26	Allotment No. 661 I-149-Ind.-7971 12-22-49 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Et da yazza Es ka nele wood or Esitty Chee or Red Silversmith or Haska ya ye wolth 4/20 Etah nele wood or Nocki Yazzie 4/20 Ha daz bah or Annie Costeanna 4/20 Sweetie Nocki Yazzie or Nah tah eth day yah 4/20 Minnie Joe 1/20 Jim Joe 1/20 Joe Benally 1/20 Tom Joe 1/20	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%	None	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%
69	T26N-R11W Sec. 30: NE/4	160.00	Allotment No. 011539 I-149-Ind-7971 12-22-49 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Sundie Nocki Yazzie or Na Dah Is Not Da Ya Minnie Joe 1/4 Jim Joe 1/4 Joe Benally 1/4 Tom Joe 1/4	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%	None	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%

70	T26N-R11W Sec. 29: NW/4	160.00	Allotment No. 672 I-149-Ind-7971 12-22-49 H.B.P.	Nah das esta or Jack Bonnie 12.5%	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%	None	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%
71	T26N-R11W Sec. 29: NE/4	160.00	Allotment No. 669 I-149-Ind-7971 12-22-49	Total Basic Royalty 12.5% Divided as Follows: Heirs of Hon-nah-pah Mrs. Harold Begay or Na glin yealth dez bah 15.00% Virginia Begay or Virginia Jack 18/64 Louise Benally 4/64 Henry Jack, Jr. 7/64 Vivian E. Jack 7/64 Harry Jack 18/64 Edna Platero Daws 4/64 Betty Woods 2/64 Harris Woods 2/64 Lorena Woods 2/64	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%	None	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%
72	T26N-R11W Sec. 28: NW/4	160.00	Allotment No. 011531 I-149-Ind-7971 H.B.P. 12-22-49	Total Basic Royalty Divided as Follows: Heirs of Marie Leta Ha na bah or Asthon Sugar 3520/14080 Klth ke des pah or Mrs. Bekie Begay 1320/14080	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%	None	Delhi-Taylor Oil Corporation - 85.00% E. W. Mudge, Jr., et ux. 15.00%

Tract No. 72 Continued

Sport Eaton or
Sport Smith
1320/14080
William Eaton
1320/14080
Bil-ah-gee-bah or
Betty Howe or
Gebah Begay
Ith ke nip pah or
Dorothy Howe
660/14080
Hoska ilth or
Jerome Howe
660/14080
Ye de bah or
Mrs. John Blue-Eyes
440/14080
Carl Hogue or
Hoska ith le ya
440/14080
Charles or Charles Hogue
or Ni hi ya
440/14080
Everett Howell or
Everett Benally
440/14080
Betty Billy
440/14080
Mary H. Manulito
440/14080
Margaret Eaton or
Nah glee dez pah
165/14080
Mabel Warito Eaton
165/14080
Ruth Eaton
99/14080
Jimmie Eaton
99/14080
Billie Eaton
99/14080
Wilson Eaton
99/14080

Tract No. 72 Continued

Cecil Eaton
99/14080
Priscilla Eaton
99/14080
Loraine May Eaton
99/14080
Albert Eaton
99/14080
Fred Eaton
99/14080
George Eaton
99/14080
Bessie White or
Dex Bah or
Myra Jennie Blackie or
Bessie White or
Mrs. Dick Jimmie
330/14080
Emma Smith Kenneth or
Kah yil nih nih bah or
Ka yelth ni bah or
Mrs. John Yazzie
90/14080
Kenneth Smith or
Haska yil has wudt
90/14080
Wilbert Smith or
Haska yee chih has wudt
90/14080
Richard Smith or
Haska yee chih des wudt
90/14080
Lee Smith
90/14080
Robert Smith
90/14080
Walter Smith
90/14080
Harrison Smith
90/14080
Jerome Smith
90/14080

Tract No. 72 Continued

Irma Smith
90/14080
Annie Smith
Zonnie Yazzie
90/14080

Thirty-Two (32) Tracts Navajo Indian Land Containing 5,114.79 acres or 22.2406% of Unit Area

Gallegos Gallup Sand Unit Area Totals:	50 Federal Tracts	16,922.72 Acres	73.5850%
	32 Tracts Navajo Indian Land	5,114.79 Acres	22.2406%
	8 State of New Mexico Tracts	960.00 Acres	4.1744%
		22,997.51	100.0000%

REVISED EXHIBIT "C" 2-19-63
SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	FEDERAL LANDS		
1	T27N-R13W: Sec. 26: S/2 Sec. 35: N/2	SF-078105 12-1-47 H.B.P.	0.671851
2	T27N-R13W: Sec. 25: N/2 SW/4 Sec. 36: N/2 SW/4	SF-078391-C 6-14-54 H.B.P.	0.057624
3	T27N-R13W: Sec. 25: S/2 SW/4 Sec. 36: N/2 SW/4	SF-078391-C 6-14-54 H.B.P.	1.443535
4	T27N-R13W: Sec. 36: NW/4	SF-078391-B 6-1-49 H.B.P.	1.256399
5	T27N-R13W: Sec. 25: SE/4 Sec. 36: SE/4	SF-078391-A 6-1-49 H.B.P.	2.460212
6	T27N-R12W: Sec. 30: S/2	SF-078100 12-1-47 H.B.P.	0.106356
7	T27N-R12W: Sec. 31: NE/4	SF-080238 4-1-51 H.B.P.	1.135652
14	T27N-R12W: Sec. 32: S/2	SF-078858 4-1-48 H.B.P.	2.112104
15	T27N-R12W: Sec. 33: W/2	NM-03413 5-1-48 H.B.P.	0.476323
20	T26N-R11W: Sec. 6: E/2 SW/4	NM-03523 7-1-47 H.B.P.	0.980533

23	T26N-R12W: Sec. 1: NW/4; S/2 Sec. 2: S/2 Sec. 11: W/2 Sec. 14: W/2 Sec. 23: W/2; SE/4	SF-078953 2-1-48 H.B.P.	12.355918
25	T26N-R12W: Sec. 3: All Sec. 10: S/2	SF-080384-B 5-1-51 H.B.P.	8.391114
26	T26N-R12W: Sec. 4: NE/4	SF-078286 9-1-47 H.B.P.	1.791245
27	T26N-R12W: Sec. 4: NW/4	SF-078286-B 9-1-47 H.B.P.	2.308752
30	T26N-R12W: Sec. 5: NW/4	SF-078286-A 9-1-47 H.B.P.	1.569683
31	T26N-R12W: Sec. 5: SW/4	SF-081102-A 9-1-47 H.B.P.	0.625959
32	T26N-R12W: Sec. 8: N/2	SF-081100 9-1-47 H.B.P.	0.830293
34	T26N-R12W: Sec. 8: SE/4	SF-080008 9-1-47 H.B.P.	0.399059
35	T26N-R12W: Sec. 9: N/2	SF-078944-A 2-1-48 H.B.P.	2.424070
36	T26N-R12W: Sec. 9: S/2	SF-078944 2-1-48 H.B.P.	1.473749
37	T26N-R12W: Sec. 10: N/2 Sec. 15: S/2	SF-080384 5-1-51 H.B.P.	3.666228
43	T26N-R12W: Sec. 12: NE/4	SF-078918 2-1-48 H.B.P.	1.913564

Tract Number	Description	Serial No. and Date of Lease Application	Percentage Participation
	INDIAN ALLOTTED LANDS		
38	T26N-R12W: Sec. 11: NE/4	14-20-603-294 5-11-54 H.B.P.	2.157640
39	T26N-R12W: Sec. 11: SE/4	14-20-603-295 5-11-54 H.B.P.	2.517019
40	T26N-R12W: Sec. 12: NW/4	14-20-603-296 5-11-54 H.B.P.	2.646002
41	T26N-R12W: Sec. 12: SW/4	14-20-603-297 5-11-54 H.B.P.	2.303519
42	T26N-R12W: Sec. 12: SE/4	14-20-603-298 5-11-54 H.B.P.	2.319216
44	T26N-R12W: Sec. 13: NE/4	14-20-603-299 5-11-54 H.B.P.	1.561061
45	T26N-R12W: Sec. 13: SE/4	14-20-603-300 5-11-54	1.067618
46	T26N-R12W: Sec. 13: NW/4	14-20-603-302 2-9-54 H.B.P.	1.543176
47	T26N-R12W: Sec. 13: SW/4	14-20-603-301 5-11-54	0.937516
48	T26N-R12W: Sec. 14: NE/4	14-20-603-303 5-11-54	0.892655
49	T26N-R12W: Sec. 14: SE/4	14-20-603-304 5-11-54 H.B.P.	0.963094
57	T26N-R12W: Sec. 24: NW/4	14-20-603-306 2-9-54 H.B.P.	0.970734

74	T26N-R11W: Sec. 8: W/2 SW/4 W/2 SE/4 Sec. 18: W/2 SE/4 Sec. 20: W/2 NW/4 E/2 SW/4 W/2 NE/4 E/2 SE/4 Sec. 21: W/2 NW/4 E/2 SW/4 S/2 SE/4		SF-078899 7-1-47 H.B.P.	4.298366
75	T26N-R11W: Sec. 8: N/2 E/2 SW/4 E/2 SE/4 Sec. 18: E/2 SE/4 Sec. 20: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 21: E/2 NW/4 W/2 SW/4		SF-078899-A 7-1-47 H.B.P.	5.296178
76	T26N-R11W: Sec. 17: All		SF-079679 12-1-47 H.B.P.	6.847413
77	T26N-R11W: Sec. 7: E/2 NW/4 E/2 NE/4 W/2 SW/4 W/2 SE/4 Sec. 18: E/2 NE/4		SF-078897 7-1-47 H.B.P.	6.580967
78	T26N-R11W: Sec. 7: W/2 NE/4 Lots 1 and 2 E/2 SW/4 E/2 SE/4 Sec. 18: W/2 NE/4		SF-078897-A 7-1-47 H.B.P.	4.520205
79	T26N-R11W: Sec. 6: W/2 SW/4		NM-03523 7-1-47 H.B.P.	0.419215

59	T26N-R12W: Sec. 24: NE/4	14-20-603-309 5-11-54	0.713982

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	STATE OF NEW MEXICO LANDS		
86	T26N-R11W: Sec. 16: N/2 NW/4 SW/4 NW/4	E-9895 3-20-56 H.B.P.	1.231380
87	T26N-R11W: Sec. 16: SE/4 NW/4	B-11240 5-16-44	0.374629
88	T26N-R11W: Sec. 16: SW/4	E-9989 4-17-56	1.388192

2512

SKELLY OIL COMPANY

1963 FEB 14 PM 1 30

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

February 12, 1963

Re: Gallegos Gallup Sand Unit
San Juan County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Attached is a copy of the Certification Determination for the Gallegos Gallup Sand Unit, which has been executed by the Acting Director of the United States Geological Survey and the Assistant Acting Director of the Bureau of Indian Affairs. This instrument was last executed on January 9, 1963, and in accordance with Section 20 of the Unit Agreement, the Unit became effective February 1, 1963.

We are presently revising Exhibit B to the Unit Agreement for the purpose of correcting errors in ownership, and we are re-calculating the tract participation (Exhibit C) to include only the committed tracts within the Participating Area. As soon as possible, we will furnish you copies of the revised exhibits and conformed copies of the Unit and Unit Operating Agreements.

Very truly yours,

Robert P. Hiltz

JBC:sw
Attach.

RECEIVED
NOV 6 1962
1963 FEB 14 PM 1 36
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

CONSERVATION DIVISION
RECEIVED
NOV 27 1962
GEOLOGICAL SURVEY

RECEIVED
SEP 1962
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

CERTIFICATION - DETERMINATION

14-08-0001 8493

Pursuant to the authority vested in the Secretary of Interior under the allotted Mineral Leasing Act of March 3, 1909, 35 Stat. 783, 25 U. S. C. Sec. 396 and the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U. S. C. Secs. 396a, et seq., as to certain restricted and allotted Indian lands and delegated to the Commissioner of Indian Affairs by Departmental Order No. 2508 of January 11, 1949, 14 F. R. 258-260, and

Pursuant to the authority vested in the Secretary of the Interior as to Federal lands, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. Secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C. F. R. Sec. 4.611, 12 F. R. 6784, we do hereby:

A. Approve the attached agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, and royalty requirements of all Indian leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

D. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated NOV 14 1962

ACTING ASSISTANT Melvin Helander
Area Director, Gallup Area Office
Bureau of Indian Affairs

Dated JAN - 9 1963

Acting Arthur A. Baker
Director, United States Geological Survey

UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

GALLEGOS GALLUP SAND UNIT AREA

COUNTY OF SAN JUAN

STATE OF NEW MEXICO

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Percentage Participation. . . . . Exhibit "C"

Certification - Determination

Certificate of Approval

CERTIFICATION - DETERMINATION

Pursuant to the authority vested in the Secretary of Interior under the allotted Mineral Leasing Act of March 3, 1909, 35 Stat. 783, 25 U. S. C. Sec. 396 and the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U. S. C. Secs. 396a, et seq., as to certain restricted and allotted Indian lands and delegated to the Commissioner of Indian Affairs by Departmental Order No. 2508 of January 11, 1949, 14 F. R. 258-260, and

Pursuant to the authority vested in the Secretary of the Interior as to Federal lands, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. Secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C. F. R. Sec. 4.611, 12 F. R. 6784, we do hereby:

A. Approve the attached agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, and royalty requirements of all Indian leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

D. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated_____

_____
Area Director, Gallup Area Office
Bureau of Indian Affairs

Dated_____

_____
Director, United States Geological Survey

CERTIFICATE OF APPROVAL
BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO,
OF UNIT AGREEMENT FOR DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA, COUNTY OF
SAN JUAN, NEW MEXICO

There has been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, an agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, New Mexico, dated February 1, 1962, in which Skelly Oil Company is designated as Operator, and which has been executed by various parties owning and holding oil and gas leases embracing lands within the Unit Area and upon examination of said agreement, the Commissioner finds:

(a) That such agreement will tend to promote conservation of oil and gas and the better utilization of reservoir energy in said field;

(b) That under the operations proposed, the state will receive its fair share of the recoverable oil or gas in place under its land in the area affected;

(c) That the agreement is in other respects for the best interests of the state;

(d) That the agreement provides for the unit operation of the field, for allocation of production and sharing of proceeds from the area covered by the agreement in accordance with a formula for participation as specified in the agreement regardless of the particular tract from which production is obtained or proceeds are derived and for repressuring or secondary recovery operations.

NOW, THEREFORE, by virtue of the authority conferred upon me by virtue of the Laws of the State of New Mexico, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the state, do hereby consent to and approve the above referred to Gallegos Gallup Sand Unit Agreement as to the lands of the State of New Mexico committed hereto, and all oil and gas leases embracing lands of the State of New Mexico committed to said agreement shall be and the same are hereby amended so that the provisions thereof will conform to the provisions of said Unit Agreement and so that the length of the secondary term of each such lease as to the lands within the Unit Area will be extended, insofar as is necessary, to coincide with the term of said Unit Agreement and in the event the term of said Unit Agreement shall be extended as provided therein, such extension shall also be effective to extend the term of each oil and gas lease embracing lands of the State of New Mexico committed to said Unit Agreement which would otherwise expire, so as to coincide with the extended term of such Unit Agreement.

IN WITNESS WHEREOF, this Certificate of Approval is executed as of this _____ day of _____, 1962.

_____
Commissioner of Public Lands of the
State of New Mexico

UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

GALLEGOS GALLUP SAND UNIT AREA

COUNTY OF SAN JUAN

STATE OF NEW MEXICO

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UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

GALLEGOS GALLUP SAND UNIT AREA

COUNTY OF SAN JUAN

STATE OF NEW MEXICO

NO._____

THIS AGREEMENT entered into as of the 1st day of February, 1962, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto",

W I T N E S S E T H:

WHEREAS, the parties hereto are the owners of working, royalty, or other oil and gas interests in the Unit Area subject to this agreement; and

WHEREAS, the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Secs. 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others, in collectively adopting and operating under a cooperative or unit plan of development or operation of any oil or gas pool, field, or like area, or any part thereof, for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws 1943) as amended by Sec. 1 of Chapter 162, Laws of 1951 (Chap. 7, Art. 11, Sec. 39, N. M. Statutes 1953 Annot.), to consent to and approve the development or operation of State lands under agreements made by lessees of State land jointly or severally with other lessees where such agreements provide for the unit operation or development of part of or

all of any oil or gas pool, field or area; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 1, Chap. 162, Laws of 1951; Chap. 7, Art. 11, Sec. 41, N. M. Statutes 1953 Annotated) to amend with the approval of lessee, evidenced by the lessee's execution of such agreement or otherwise, any oil and gas lease embracing State lands so that the length of the term of said lease may coincide with the term of such agreements for the unit operation and development of part or all of any oil or gas pool, field or area; and

WHEREAS, the rules and regulations governing the leasing of restricted allotted and tribal Indian lands for oil and gas, except allotments made to the members of the Five Civilized Tribes and Osage Indians in Oklahoma, promulgated by the Secretary of the Interior (25 C.F.R. 189.24(c)) under and pursuant to the Allotted Land Leasing Act of March 3, 1909, 35 Stat. 783, 25 U.S.C. Sec. 396 and the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U.S.C. Sec. 396a et seq., and the oil and gas leases covering said allotted and tribal Indian lands provide for the commitment of such leases to a cooperative or unit plan of development or operation; and

WHEREAS, the Oil Conservation Commission of the State of New Mexico (hereinafter referred to as "the Commission") is authorized by an Act of Legislature (Chap. 72, Laws 1935; Chap. 65, Art. 3, Sec. 14, N. M. Statutes 1953 Annotated) to approve this agreement and the conservation provisions hereof; and

WHEREAS, the parties hereto hold sufficient interests in the Gallegos Gallup Sand Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

WHEREAS, it is the purpose of the parties hereto to enable institution and consummation of secondary recovery operations, to

conserve natural resources, prevent waste and secure other benefits obtainable through development and operation of the Gallegos Gallup Sand subject to this agreement under the terms, conditions and limitations herein set forth.

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their respective interests in the Unit Area defined below and agree severally among themselves as follows:

1. ENABLING ACT AND REGULATIONS. The Acts of March 3, 1909, May 11, 1938, and the Mineral Leasing Act of February 25, 1920, as amended, supra, and all valid pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder or valid, pertinent and reasonable regulations hereafter issued thereunder are accepted and made a part of this agreement as to Federal and Indian lands, provided such regulations are not inconsistent with the terms of this agreement; and as to non-Federal and non-Indian lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations not inconsistent with the terms hereof or the laws of the state in which the non-Federal land and non-Indian land are located are hereby accepted and made a part of this agreement.

2. UNIT AREA. The area specified on the map attached hereto marked Exhibit "A" is hereby designated and is recognized as constituting the Gallegos Gallup Sand Unit Area hereinafter referred to as "Unit Area", containing 22,997.51 acres, more or less.

Exhibit "A" shows, in addition to the boundaries of the Unit Area and of the "initial participating area", the boundaries and identity of tracts and leases in said area to the extent known to the Unit Operator. Exhibit "B" attached hereto is a schedule showing to the extent known to the Unit Operator the acreage, percentage, and kind of ownership of oil and gas interests in all land in the Unit Area. However, nothing herein

or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party. Exhibits "A" and "B" shall be revised by the Unit Operator whenever changes in the Unit Area render such revision necessary, or when requested by the Oil and Gas Supervisor, hereinafter referred to as "Supervisor" or when requested by the Commissioner of Public Lands of the State of New Mexico, hereinafter referred to as "Commissioner", and not less than seven copies of the revised exhibits shall be filed with the Supervisor and copies thereof shall be filed with the Commissioner and the Oil Conservation Commission of the State of New Mexico. The Commissioner of Indian Affairs shall hereafter be referred to as the "Indian Commissioner".

The above described Unit Area shall, when practicable, be expanded to include therein any additional tract or tracts regarded as reasonably necessary or advisable for the purposes of this agreement or shall be contracted to exclude lands not within any participating area, whenever such expansion or contraction is necessary or advisable to conform with the purposes of this agreement. Such expansion shall be effected in the following manner:

(a) Unit Operator, with concurrence of at least 65% of the voting interest or on demand of the Director of the Geological Survey, hereinafter referred to as "Director", after preliminary concurrence by the Director, or on demand of the Commissioner and Commission, shall prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the Unit Area, the reasons therefor, and the proposed effective date thereof, preferably the first day of a month subsequent to the date of notice.

(b) Said notice shall be delivered to the Supervisor and Commissioner and the Commission, and copies thereof mailed to the last known address of each working interest owner, lessee, and lessor whose interests are affected, advising that 30 days will be allowed for submission to the Unit Operator of any objections.

(c) Upon expiration of the 30-day period provided in the preceding item (b) hereof, Unit Operator shall file with the Supervisor, Commissioner and the Commission evidence of mailing of the notice of expansion or contraction and a copy of any objections thereto which have been filed with the Unit Operator, together with an application in sufficient number, for approval of such expansion or contraction and with appropriate joinders.

(d) After due consideration of all pertinent information, the expansion or contraction shall, upon approval by the Director, Commissioner and the Commission become effective as of the date prescribed in the notice thereof.

3. UNITIZED LAND AND UNITIZED SUBSTANCES. All oil and gas in the hereinabove described lands committed to this agreement, as to the Gallegos Gallup Sand, are unitized under the terms of this agreement and are herein called "unitized substances", and said lands shall constitute said lands herein referred to as "unitized lands" or "lands subject to this agreement".

The Gallegos Gallup Sand shall be construed to mean the sand and reservoir encountered in the drilling by Skelly Oil Company of its Navajo No. F-2 Well between the depths of 4,815 feet and 5,096 feet as shown by the Schlumberger electric log of said well, which well is located in the SW/4 of the NW/4 Section 12, T. 26 N., R. 12W., San Juan County, New Mexico.

4. UNIT OPERATOR. Skelly Oil Company is hereby designated as the initial Unit Operator and by signature hereto as Unit Operator agrees and consents to accept the duties of Unit Operator for the development and production of unitized substances as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interest in unitized substances, and the term "working interest owner" when used herein shall include or refer to Unit Operator as the owner of a working interest when such interest is owned by it.

The term "working interest owner", as used herein, shall mean the owner of such an interest committed hereto as may be obligated to bear or share a portion of all costs and expenses of drilling, developing, producing and operating the unitized land under this agreement and the Unit Operating Agreement.

5. RESIGNATION OR REMOVAL OF UNIT OPERATOR. Unit Operator shall have the right to resign at any time, but such resignation shall not become effective so as to release Unit Operator from the duties and obligations of Unit Operator and terminate Unit Operator's rights as such for a period of 6 months after notice of intention to resign has been served by Unit Operator on all working interest owners and the Director, Commissioner and the Commission, and until all wells then drilled hereunder are placed in satisfactory condition for suspension or abandonment, whichever is required by the Supervisor as to Federal lands and by the Commission as to State lands, unless a new Unit Operator shall have been selected and approved and shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

The resignation of Unit Operator shall not release Unit Operator from any liability or default by it hereunder occurring prior to the effective date of its resignation.

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working interest determined in like manner as herein provided for the selection of a new Unit Operator. Such removal shall be effective upon notice thereof to the Director and Commissioner.

In all such instances of resignation or removal, until a successor Unit Operator is selected and approved as hereinafter provided, the working interest owners shall be jointly responsible for the performance of the duties of Unit Operator and shall, not later than 30 days

before such resignation or removal becomes effective, appoint a common agent to represent them in any action to be taken hereunder.

The resignation or removal of Unit Operator under this agreement shall not terminate its right, title or interest as the owner of a working interest or other interests in unitized substances, but upon the resignation or removal of Unit Operator becoming effective, such Unit Operator shall deliver possession of all equipment, materials, and appurtenances used in conducting the unit operations as owned by the working interest owners to the new duly qualified successor Unit Operator or to the owners thereof if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells.

6. SUCCESSOR UNIT OPERATOR. Whenever the Unit Operator shall tender his or its resignation as Unit Operator, or shall be removed as hereinabove provided, the working interest owners shall by affirmative vote of at least 65 per cent of their voting interests, based on the percentage participation assigned to tracts in the participating area, select a successor Unit Operator; provided, however, that should any working interest owner own a voting interest of more than 35 per cent, the vote of said party shall not serve to disapprove the selection of a new Unit Operator approved by 80 per cent or more of the voting interests of the remaining working interest owners and provided, further, that the Unit Operator shall not vote to succeed itself and its voting interest shall not be counted in a vote concerning its removal as the Unit Operator. Such selection shall not become effective until (a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and (b) the selection shall have been approved by the Director and Commissioner.

7. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT. All costs and expenses incurred by Unit Operator in conducting unit

operations hereunder shall be paid and apportioned among and borne by the working interest owners, all in accordance with the agreement or agreements entered into by and between the Unit Operator and the working interest owners, whether one or more, separately or collectively. Any agreement or agreements entered into between the working interest owners and the Unit Operator, as provided in this section whether one or more, are herein referred to as the "Unit Operating Agreement". Such Unit Operating Agreement shall also provide the manner in which the working interest owners shall be entitled to receive their respective proportionate and allocated share of the benefits accruing hereto in conformity with their underlying operating agreements, leases, or other independent contracts and such other rights and obligations as between Unit Operator and the working interest owners as may be agreed upon by the Unit Operator and the working interest owners. However, no such Unit Operating Agreement shall be deemed either to modify the terms and conditions of this Unit Agreement or to relieve the Unit Operator of any right or obligation established under this Unit Agreement, and in case of any inconsistency or conflict between the Unit Agreement and the Unit Operating Agreement, this Unit Agreement shall prevail. Three (3) true copies of any Unit Operating Agreement executed pursuant to this section shall be filed with the Supervisor and one copy with the Commissioner.

8. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR. Except as otherwise specifically provided herein, the exclusive right, privilege, and duty of exercising any and all rights of the parties hereto including surface rights, which are necessary or convenient for the prospecting for, producing, storing, allocating, and distributing the unitized substances, are hereby granted and delegated to and shall be exercised by the Unit Operator as herein provided. Acceptable evidence of title to said rights shall be deposited with said Unit Operator and, together with this agreement, shall constitute and define the rights, privileges, and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer

title to any land, lease, royalty interest, working interest, operating agreement or communitization agreement, it being understood that under this agreement the Unit Operator, in its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

9. DISCOVERY. Inasmuch as wells capable of producing unitized substances in paying quantities (to wit: quantities sufficient to repay the cost of drilling and producing operations with a reasonable profit) from the Gallegos Gallup Sand have already been drilled, tested and completed within the Unit Area and production in paying quantities is currently being taken therefrom, no initial test well is required under the terms of this Unit Agreement.

10. PLAN OF FURTHER DEVELOPMENT AND OPERATION. It is agreed that the unitized land will be so operated as to determine the feasibility of pressure maintenance or some form of secondary recovery operation in order to effect the greatest recovery of unitized substances, prevent waste and conserve natural resources. The Unit Operator is authorized to inject gas, oil, liquefied petroleum gas, brine, water or a combination of said substances and any one or more of said substances, irrespective of whether produced from the Gallegos Gallup Sand, into said Gallegos Gallup Sand through any well or wells now or hereafter completed therein; provided, however, that the above operations may be conducted by Unit Operator only in accordance with a plan of operation approved by the Supervisor, Commissioner and the Commission. The parties hereto hereby grant to the Unit Operator the use of brine or water or both from any formation within the Unit Area for injecting into the Gallegos Gallup Sand, except that no rights to water from Indian lands are granted hereby.

On or before the effective date of this agreement, Unit Operator shall submit for the approval of the Supervisor, Commissioner and the Commission an acceptable plan of development and operation for the

unitized land which said plan shall include provisions for a pilot injection project within the initial participating area. Said plan shall define the area of said pilot project and shall specify the wells to be used as injection wells and also the wells to be used as producing wells. When approved by the Supervisor, Commissioner and the Commission, said plan of development shall constitute the further drilling and operating obligations of the Unit Operator under this agreement for the period specified therein. Thereafter, from time to time, before the expiration of any existing plan, the Unit Operator shall submit for the approval of the Supervisor, Commissioner and the Commission a plan or plans for an additional specified period for the development and operation of the unitized land. Said initial plan and all revisions thereof shall be as complete and adequate as the Supervisor and Commissioner may determine to be necessary for timely operations and development consistent herewith. Said plan or plans shall be modified or supplemented when necessary to meet changed conditions or to protect the interests of all parties to this agreement. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of development and operation. After the effective date hereof, no further wells, except such as may be necessary to afford protection against operations not under this agreement or such as may be specifically approved by the Supervisor, Commissioner and the Commission shall be drilled except in accordance with a plan of development approved as herein provided. Following the institution and completion of said pilot injection project, Unit Operator shall thereupon determine whether or not pressure maintenance or secondary recovery operations shall be conducted throughout the initial participating area. Said determination shall be by vote of all working interest owners. In order to pass, the proposition shall be supported by an affirmative vote of 80% of the voting interest; provided, however, that the proposition shall not be defeated except upon the negative vote of two (2) or more working interest owners having an aggregate voting interest of 25% or more.

11. PARTICIPATION. The lands outlined by the irregular line depicted on Exhibit "A" are recognized as reasonably proved to be productive of unitized substances and are hereby designated and fixed as the "initial participating area", containing 13,248.83 acres, more or less.

In Exhibit "C", attached hereto and made a part hereof, there are listed and numbered the various tracts within the initial participating area, and set opposite each tract is a figure which represents the percentage participation to which such tract shall be entitled if all of said tracts are committed hereto as of the effective date of this agreement. In the event less than all tracts within the initial participating area are committed hereto as of the effective date of this agreement, Unit Operator, as soon as practicable after the effective date of this agreement, shall file with the Supervisor, Commissioner and the Commission a schedule of those tracts within the initial participating area committed hereto as of said effective date, which said schedule shall be designated "Revised Exhibit C" and considered for all purposes as a part of this agreement. Such Revised Exhibit "C" shall set forth opposite each such committed tract within the initial participating area a revised percentage participation therefor, which shall be calculated by using the same tract factors and formula which were used to arrive at the percentage participation of each tract as set out in Exhibit "C" attached hereto but applying the same only to the committed tracts. Such Revised Exhibit "C", unless disapproved by the Supervisor, Commissioner or the Commission within 30 days after filing, shall supersede, effective as of the effective date hereof, the percentage participations set forth in Exhibit "C" attached hereto until a further revision (or revisions) thereof is filed with and approved by the Supervisor, Commissioner and Commission as hereinafter provided. The percentage participation for each tract as shown on Exhibit "C" attached hereto, or as may be shown on the Revised Exhibit "C" as above provided, is calculated and determined in accordance with the tract factors and formula

set forth in Section 12 hereof and shall govern the allocation of production on and after the effective date of this Unit Agreement until the allocation schedule is revised pursuant to this agreement and the revised percentage participations are filed with and approved by the Director, Commissioner and the Commission as hereinafter provided.

The participating area established hereby as the initial participating area may be revised from time to time, subject to approval by the Director, Commissioner and the Commission, whenever such action appears proper as a result of further drilling operations or otherwise, to include additional land then regarded as reasonably proved to be productive in paying quantities or determined to be essential for unit operations and the participating percentage for each tract in the participating area so enlarged shall be revised, subject to the approval of the Director, Commissioner and Commission in accordance with the same formula and factors as were used to arrive at the percentage participation of each tract as set forth in Exhibit "C"; provided, however, that notwithstanding anything herein which may be construed to the contrary, in any revision of the participating area the revised percentage participations of the respective tracts which were participating prior to such revision shall remain in the same ratio one to another insofar as the individual factors comprising the participation formula are concerned. Unit Operator shall, within eight (8) months from and after the official date of completion of a unit well occasioning a revision of the participating area, file with the Director, Commissioner and the Commission appropriate instruments outlining and establishing the revised participating area occasioned by such well. The effective date of any revision of the participating area shall be the first day of the seventh month following the official date of the well completion on which the revision of the participating area is predicated, upon approval by the Director, Commissioner and the Commission; provided, that a more appropriate effective date may be used if justified by the Unit Operator and approved by the

Director, Commissioner and the Commission. No land shall be excluded from a participating area on account of depletion of unitized substances. It is the intent of this section that a participating area shall be comprised of adjoining parcels of land on each of which such parcels there is a well capable of producing in paying quantities or which, in the absence of such well thereon, are nevertheless determined to be essential for unit operations; but, regardless of any revision of the participating area, nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of the revision of the participating area.

In the absence of agreement at any time between the Unit Operator and the Supervisor, Commissioner and the Commission as to the proper definition or redefinition of a participating area, the portion of all payments affected thereby may be impounded in a manner mutually acceptable to the owners of working interests, except royalties due (a) the United States and Indians, and (b) the State of New Mexico, which shall be determined by the Supervisor and the Commissioner, respectively, to be held as unearned money until a participating area as revised is finally approved and then applied as earned or returned in accordance with determination of the sum due as Federal, Indian, and State royalty on the basis of such approved participating area.

Whenever it is determined, subject to the approval of the Supervisor as to wells on Federal and Indian land and the Commissioner as to wells on State land, that a well drilled under this agreement is not capable of producing in paying quantities or determined not to be essential for unit operations and inclusion of the land on which it is situated in a participating area is unwarranted, production from such well shall, for the purposes of settlement among all parties other than working interest owners, be allocated to the lands on which the well is located so long as the well is not within a participating area. Settlement for working interest benefits for such a well shall be made as

provided in the Unit Operating Agreement.

If, subsequent to the effective date of this agreement, any additional tract within the initial participating area becomes committed hereto under the provisions of Section 28 hereof, or any committed tract within the initial participating area is excluded herefrom under the provisions of Section 27, Unit Operator shall revise Exhibit "C" to show the new percentage participations of the committed tracts in the initial participating area, which revised exhibit shall, upon its filing and approval by the Supervisor, Commissioner and the Commission, supersede as of its effective date, the last previously effective Exhibit "C". In any such revision of Exhibit "C" the revised percentage participations of the respective tracts which were committed hereto prior to such revision shall remain in the same ratio one to another insofar as the individual factors comprising the participation formula are concerned.

12. ALLOCATION OF PRODUCTION. For the purpose of determining any and all benefits accruing under this agreement each tract committed hereto within the participating area shall have allocated to it a proportion, equal to its percentage participation of all unitized substances produced from the participating area (except any part of such substances used in conformity with good operating practices within the Unit Area for drilling, operating, camp and other production or development purposes, for pressure maintenance or secondary recovery operations in accordance with a plan of operation approved by the Supervisor, Commissioner and the Commission, or unavoidably lost). The amount of unitized substances allocated to each tract in the participating area shall be deemed to be produced from such tract. It is hereby agreed that production of unitized substances from any part of the participating area shall be allocated as provided herein regardless of whether oil or gas is being produced from any particular tract committed hereto. If the working interests or the royalty interests in any tract are divided with respect to separate parcels or portions of such tract and owned severally by different

persons, the percentage participation assigned to such tract shall, in the absence of a recordable instrument among all owners fixing the division of ownership, be divided among such parcels or portions in proportion to the number of surface acres in each.

The Percentage Participation for each tract in the Participating Area as set forth in Section 11 hereof was determined, and any revisions thereof shall be determined, in accordance with the following formula, which is hereby adopted:

$$\frac{\text{Total Tract Original Hydrocarbon Recoverable by Primary Methods of Operation}}{\text{Total Participating Area Original Hydrocarbon Recoverable by Primary Methods of Operation}} \times 0.75$$

Plus

$$\frac{\text{Total Tract Income during Base Period}}{\text{Total Participating Area Income During Base Period}} \times 0.25$$

= Tract Percentage Participation

In connection with the foregoing formula, it is recognized and agreed that the Gallegos Gallup Sand as herein defined is a common reservoir consisting of four productive intervals, each of which has a different value as to original hydrocarbons recoverable by primary methods of operation. Said productive intervals are referred to herein as Bench 1, Bench 2, Bench 3 and Bench 4, respectively, and are defined as follows:

Bench 1 - Shall mean and refer to the same interval of the Gallegos Gallup Sand encountered in the Skelly-Navajo "F" No. 2 well between the depths of 4815 feet and 4868 feet as shown by the Schlumberger electric log of said well, which well is located in the SW/4 of NW/4 Section 12, T26N-R12W, San Juan County, New Mexico.

Bench 2 - Shall mean and refer to the same interval of the Gallegos Gallup Sand encountered in the said Skelly-Navajo "F" No. 2 well between the depths of 4938 feet and 4978 feet as shown by the Schlumberger electric log of said well.

Bench 3 - Shall mean and refer to the same interval of the Gallegos Gallup Sand encountered in the said Skelly-Navajo "F" No. 2 well between the depths of 5006 feet and 5051 feet as shown by the Schlumberger electric log of said well.

Bench 4 - Shall mean and refer to the same interval of the Gallegos Gallup Sand encountered in the said Skelly-Navajo "F" No. 2 well between the depths of 5051 feet and 5096 feet as shown by the Schlumberger electric log of said well.

It is further agreed that the Percentage Participation of each tract in the Participating Area, as set forth in Section 11 hereof, was calculated and determined, and any revision thereof shall be calculated and determined, by application of the foregoing formula in accordance with the following factors, definitions and procedure:

A. The fraction of the original hydrocarbons recoverable by primary methods of operation attributable to each lease in the Participating Area and in the Participating Area as a whole were determined as follows:

(1) The acre feet of productive sand in each of the four benches or intervals of the Gallegos Gallup Sand in each tract in the Participating Area was determined from net isopach maps constructed for both the gas zone and oil zone in each of the said respective four benches based upon electric log surveys made in accordance with acceptable geological and engineering practices and utilizing accurate survey data of the surface area of each tract in the participating area.

(2) Acre-feet figures for Benches 1, 2 and 3 were then combined and the hydrocarbon pore space calculated by the following formula:

HPS = (Gross Ac. Ft.) x (Thickness Correction Factor) x (Porosity) x (1-Sw) (7758)

Bench 4 was calculated separately using this formula also.

(3) It was determined, using the best engineering practices and utilizing all of the geological and engineering information available, that the factors used in calculating the HPS would be as follows:

Benches 1, 2 & 3	T.C.F.	=	0.19
	Por.	=	0.045
	1-Sw	=	0.59
Bench 4	T.C.F.	=	0.40
	Por.	=	0.066
	1-Sw	=	0.59

(4) The Oil Recovery Factor is 0.050; the original oil reserve recoverable by primary methods of operation was determined by using the results of (2) and (3) above in conjunction with the following formula:

$$\text{Recoverable Primary Oil Reserve} = \frac{\text{H.P.S.} \times \text{Oil Recovery Factor}}{\text{F.V.F.}}$$

(5) The Gas Recovery Factor is 0.955878; the recoverable solution gas was determined by using the results of (2) and (3) above in conjunction with the following formula:

$$\text{Recoverable Solution Gas} = (S_1 - S_2)(\text{Orig. Oil in Place})(\text{Gas Recovery Factor}) + (S_2 - S_a)(\text{Recoverable Primary Oil Reserve})$$

(6) It was determined, using the best engineering practices and utilizing all of the geological and engineering

information available, that the factors used in calculating the scf would be as follows:

S_1 = 540 scf of gas in each bbl. of Orig. Oil in Place

S_2 = 180 scf of unrecovered gas in each bbl. of Orig. Oil in Place

S_a = 47 scf of unrecovered gas in each bbl. Stock Tank Oil Produced

(7) The recoverable free gas in the gas cap was determined by using the results of (2) and (3) above in conjunction with the following formula:

Recoverable Free Gas = HPS in bbls. x 5.6146 x gas factor

(with the gas factor = to 96.917).

(8) These gas reserves were then equated to the oil reserves by using the factor $\frac{0.13}{2.77}$; the sum of the total gas reserves and the total oil reserves is the original hydrocarbons recoverable by primary methods.

B. "Current Income", as used in the foregoing formula, was derived by determining the dollar value of all oil and gas produced from each tract in the Unit Area. The tract current income during the base period and the Participating Area current income during the base period were determined as follows:

(1) For the purposes of this agreement, the "base period" shall mean and refer to production of oil and gas during the fourth quarter of 1959 (October 1, 1959 through December 31, 1959); provided, however, that the "base period" for any well not having produced three months prior to October 1, 1959, shall

be the last three months of the first six months in which said well was produced. However, whenever a well is to be converted to an injection well before producing it for a sufficient period to qualify as to the base production period under the formula set forth herein, the production for the base period may be calculated at any rate up to the maximum allowable which may be agreed to by 65% of the working interest owners and approved by the Director and the Commissioner.

13. DEVELOPMENT OR OPERATION OF NON-PARTICIPATING LAND. Any party or parties hereto owning or controlling the working interest or a majority of the working interests in any unitized land having thereon a regular well location may, with the approval of the Supervisor as to Federal and Indian land and the Commissioner as to State land, and subject to the provisions of the Unit Operating Agreement, at such party's sole risk, cost and expense, drill a test well to test the Gallegos Gallup Sand Formation if such location is not within a participating area, or drill any well not mutually agreed to by all interested parties, unless within 90 days from receipt of notice from said party of his intention to drill the well the Unit Operator elects and commences to drill such well in like manner as other wells are drilled by the Unit Operator under this agreement.

If any well drilled, as aforesaid, by a working interest owner results in production such that the land upon which it is situated may properly be included in a participating area, such participating area shall be enlarged as provided in this agreement, and the party or parties paying the cost of drilling such well shall be reimbursed as provided in the Unit Operating Agreement for the cost of drilling such well, and the well shall thereafter be operated by Unit Operator in accordance with the terms of this agreement and the

Unit Operating Agreement.

If any well drilled, as aforesaid, by a working interest owner obtains production in quantities insufficient to justify the inclusion in a participating area of the land upon which such well is situated, such well may be operated and produced by the party drilling the same subject to the conservation requirements of this agreement. The royalties in amount or value of production from any such well shall be paid as specified in the underlying lease and agreements affected.

14. ROYALTY SETTLEMENT. The United States, the Indians, and the State of New Mexico and all royalty owners who, under existing contracts, are entitled to take in kind a share of the unitized substances produced from any tract, shall hereafter be entitled to take in kind their share of the unitized substances allocated to such tract, and Unit Operator, or in case of the operation of a well by a working interest owner as herein in special cases provided for, such working interest owner shall make deliveries of such royalty share taken in kind in conformity with the applicable contracts, laws and regulations. Settlement for royalty interests not taken in kind shall be made by working interest owners responsible therefor under existing contracts, laws and regulations on or before the last day of each month for unitized substances produced during the preceding calendar month; provided, however, that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any royalties due under their leases except that said royalties shall be computed in accordance with the terms of this agreement.

If gas obtained from lands not subject to this agreement is introduced into the unitized land for use in pressure maintenance, stimulation of production, or increasing ultimate recovery, which shall be in conformity with a plan first approved by the Supervisor, Commissioner and the Commission, a like amount of gas, less appropriate deductions for loss from any cause, may be withdrawn from the formation into which

the gas was introduced, royalty free as to dry gas, but not as to the products extracted therefrom; provided that such withdrawal shall be pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and the Commissioner; and, provided further, that such right of withdrawal shall terminate on the termination of this agreement. If liquefied petroleum gases obtained from lands or formations not subject to this agreement be injected into the unitized land for the purpose of increasing ultimate recovery, which shall be in conformance with a plan first approved by the Supervisor and Commissioner, part or all of such liquefied petroleum gases may be withdrawn royalty free pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and Commissioner.

Royalty due the United States and the Indians shall be computed as provided in the operating regulations and paid in value or delivered in kind as to all unitized substances on the basis of the amounts thereof allocated to unitized Federal and Indian land as provided herein at the rate specified in the respective Federal and Indian leases, or at such lower rate or rates as may be authorized by law or regulation; provided that for leases on which the royalty rate depends on the daily average production per well such average production shall be determined in accordance with the operating regulations as though the participating area were a single consolidated lease.

Royalty due on account of State lands shall be computed and paid on the basis of all unitized substances allocated to such lands.

15. RENTAL SETTLEMENT. Rental or minimum royalties due on leases committed hereto shall be paid by working interest owners responsible therefor under existing contracts, laws and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty in lieu thereof due under their leases. Rental or minimum royalty for lands of the United States

and the Indians subject to this agreement shall be paid at the rate specified in the respective leases from the United States and the Indians unless such rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary of the Interior (hereinafter called "Secretary") or his duly authorized representative.

Rentals on State of New Mexico lands subject to this agreement shall be paid at the rate specified in the respective leases, or may be reduced or suspended under the order of the Commissioner pursuant to applicable laws and regulations.

With respect to any lease on non-Federal and non-Indian land containing provisions which would terminate such lease unless drilling operations were within the time therein specified commenced upon the land covered thereby or rentals paid for the privilege of deferring such drilling operations, the rentals required thereby shall, notwithstanding any other provision of this agreement, be deemed to accrue and become payable during the term thereof as extended by this agreement and until the required drilling operations are commenced upon the land covered thereby or some portion of such land is included within the participating area.

16. CONSERVATION. Operations hereunder and production of unitized substances shall be conducted to provide for the most economical and efficient recovery of such substances as to prevent waste as defined by or pursuant to State or Federal law or regulation.

17. DRAINAGE. The Unit Operator shall take appropriate and adequate measures to prevent draining of unitized substances from unitized land by wells on land not subject to this agreement, or, with consent of the Director and Commissioner, pursuant to applicable regulations pay a fair and reasonable compensatory royalty as determined by the Supervisor and Commissioner.

18. LEASES AND CONTRACTS CONFORMED AND EXTENDED. The terms, conditions, and provisions of all leases, subleases, and other contracts

relating to exploration, drilling, development, or operation for oil or gas of lands committed to this agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect; and the parties hereto hereby consent that the Secretary as to Federal and Indian leases and the Commissioner as to State leases shall and each by his approval hereof, or by the approval hereof by his duly authorized representative, does hereby establish, alter, change or revoke the drilling, producing, rental, minimum royalty and royalty requirements of Federal, Indian, and State leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this agreement, and without limiting the generality of the foregoing, all leases, subleases, and contracts are particularly modified in accordance with the following:

(a) The development and operation of lands subject to this agreement under the terms hereof shall be deemed full performance of all obligations for development and operation with respect to each and every part or separately owned tract subject to this agreement, regardless of whether there is any development of any particular part or tract of the Unit Area, notwithstanding anything to the contrary in any lease, operating agreement, or other contract by and between the parties hereto, or their respective predecessors in interest, or any of them.

(b) Drilling and producing operations performed hereunder upon any tract of unitized land will be accepted and deemed to be performed upon and for the benefit of each and every tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on the land therein embraced.

(c) Suspension of drilling or producing operations on all unitized lands pursuant to direction or consent of the Secretary (or his duly authorized representative) and the Commissioner shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every tract of unitized land.

(d) Each lease, sublease, or contract relating to the exploration, drilling, development or operation for oil or gas of lands committed to this agreement, which by its terms might expire prior to the termination of this agreement, is hereby extended beyond any such term so provided therein so that it shall be continued in full force and effect for and during the term of this agreement, as to the land committed so long as such lease remains subject hereto.

(e) The segregation of any Federal lease committed to this agreement is governed by the following provision in the fourth paragraph of Sec. 17(j) of the Act, as amended by the Act of September 2, 1960 (74 Stat. 781, 784): "Any (Federal) lease hereafter committed to any such (unit) plan embracing lands that are in part within and in part outside of the area covered by any such plan shall be segregated into separate leases as to the lands committed and the lands not committed as of the effective date of unitization: Provided, however, That any such lease as to the nonunitized portion shall continue in force and effect for the term thereof but for not less than two years from the date of such segregation and so long thereafter as oil or gas is produced in paying quantities."

(f) Any Indian lease having only a portion of its lands committed hereto shall be segregated as to the

portion committed and the portion not committed, and the provisions of such lease shall apply separately to such segregated portions commencing as of the effective date hereof.

(g) Any lease embracing lands of the State of New Mexico having only a portion of its lands commited hereto shall be segregated as to the portion committed and as to the portion not committed and the terms of such leases shall apply separately as to such segregated portions commencing as of the effective date hereof. Notwithstanding any of the provisions of this agreement to the contrary, any lease embracing lands of the State of New Mexico having only a portion of its lands committed hereto shall continue in full force and effect beyond the term provided therein as to all lands embraced in such lease, if unitized substances are discovered and are capable of being produced in paying quantities from some part of the lands embraced in such lease committed to this agreement or some part of the lands embraced in such State lease is included in the Participating Area at the expiration of the secondary term of such lease; or if, at the expiration of the secondary term, the lessee or the Unit Operator is then engaged in bona fide drilling or reworking operations on some part of the lands embraced therein, any such lease shall remain in full force and effect so long as such operations are being diligently prosecuted, and if they result in the production of unitized substances, said lease shall continue in full force and effect as to all of the lands embraced therein, so long thereafter as unitized substances are produced in paying quantities from any portion of said lands.

19. COVENANTS RUN WITH LAND. The covenants herein shall be construed to be covenants running with the land with respect to the interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee, or other successor in interest. No assignment or transfer of any working interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, photostatic or certified copy of the instrument of transfer; and no assignment or transfer of any royalty interest shall be binding upon the working interest owner responsible therefor until the first day of the calendar month after said working interest owner is furnished with the original, photostatic or certified copy of the instrument of transfer.

20. EFFECTIVE DATE AND TERM. This agreement shall become effective upon approval by the Director, Commissioner, and the Indian Commissioner, or their duly authorized representatives, as of the first day of the month following the date of approval by the Director and shall remain in effect so long as unitized substances can be produced from the unitized land in paying quantities, i.e. in this particular instance in quantities sufficient to pay for the cost of producing same, and, should production cease, so long thereafter as diligent operations are in progress for the restoration of production and so long thereafter as such unitized substances can be produced as aforesaid. This agreement shall remain in effect during any period of suspension approved by the Director and the Commissioner as provided for in Section 18(c) hereof.

This agreement may be terminated at any time by the working interest owners whose voting interests aggregate not less than 90%, subject to the approval of the Director and the Commissioner; notice

of any such approval shall be given by Unit Operator to all parties hereto.

21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION. The Director is hereby vested with authority to alter or modify from time to time in his discretion the quantity and rate of production under this agreement when such quantity and rate is not fixed pursuant to Federal or State law or does not conform to any state-wide voluntary conservation or allocation program, which is established, recognized, and generally adhered to by the majority of operators in such State, such authority being hereby limited to alteration or modification in the public interest, the purpose thereof and the public interest to be served thereby to be stated in the order of alteration or modification. Without regard to the foregoing, the Director is also hereby vested with authority to alter or modify from time to time in his discretion the rate of prospecting and development and the quantity and rate of production under this agreement when such alteration or modification is in the interest of attaining the conservation objectives stated in this agreement and is not in violation of any applicable Federal or State law. It is agreed, further, that no such alteration or modification shall be effective as to any land of the State of New Mexico as to the rate of prospecting and development in the absence of the specific written approval thereof by the Commissioner and as to the quantity and rate of production in the absence of specific written approval thereof by the Commission.

Powers in this section vested in the Director shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than 15 days from notice.

22. APPEARANCES. Unit Operator shall, after notice to other parties affected, have the right to appear for or on behalf of any and all interests affected hereby before the Department of the Interior and the Commission and to appeal from orders issued under

the regulations of said Department and/or Commission or to apply for relief from any of said regulations or in any proceedings relative to operations before the Department of the Interior, the Commission, or other legally constituted authority; provided, however, that any other interested party shall also have the right at his or its own expense to be heard in any such proceeding.

23. NOTICES. All notices, demands or statements required hereunder to be given or rendered to the parties hereto shall be deemed fully given if given in writing and personally delivered to the party or sent by postpaid registered or certified mail, addressed to such party or parties at their respective addresses set forth in connection with the signatures hereto or to the ratification or consent hereof or to such other address as any such party may have furnished in writing to party sending the notice, demand or statement.

24. NO WAIVER OF CERTAIN RIGHTS. Nothing in this agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right to defense as to the validity or invalidity of any law of the state wherein said unitized land is located, or of the United States or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

25. UNAVOIDABLE DELAY. All obligations under this agreement requiring the Unit Operator to commence or continue drilling or to operate on or to produce unitized substances from any of the lands covered by this agreement shall be suspended while, but only so long as, the Unit Operator, despite the exercise of due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, acts of God, Federal, State, or municipal law or agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

26. NONDISCRIMINATION. In the performance of work under this agreement, Unit Operator agrees to comply with the nondiscrimination provisions of Executive Order 10925 (26 F. R. 1977).

Unit Operator shall also comply with the terms and conditions of the Indian leases while engaged in operations thereon with respect to the employment of available Indian labor.

27. LOSS OF TITLE. In the event title to any tract of unitized land shall fail and the true owner cannot be induced to join in this Unit Agreement, such tract shall be automatically regarded as not committed hereto and there shall be such readjustment of future costs and benefits as may be required on account of the loss of such title. In the event of a dispute as to the title to any royalty, working interest or any other interest subject hereto, payment or delivery on account thereof may be withheld without liability for interest until the dispute is finally settled; provided that as to Federal land, Indian land, and State land or leases, no payments of funds due the United States, Indians, or the State of New Mexico should be withheld, but such funds of the United States and Indians shall be deposited as directed by the Supervisor, and such funds of the State shall be deposited as directed by the Commissioner, to be held as unearned money pending final settlement of the title dispute, and then applied as earned in accordance with the final settlement.

Unit Operator as such is relieved from any responsibility for any defect or failure of any title hereunder.

28. NON-JOINDER AND SUBSEQUENT JOINDER. If the owner of any substantial interest in a tract within the Unit Area fails or refuses to subscribe to this agreement, the owner of the working interest in that tract may withdraw said tract from this agreement by written notice to the Director, the Commissioner and the Unit Operator prior to the approval of this agreement by the Director. Any such tract effectively committed as to the working interest

and not so withdrawn shall be considered unitized, and any necessary adjustments of royalty occasioned by failure of the royalty and record owner to join will be for the account of the corresponding working interest owner. Any oil or gas interest in lands within the Unit Area not committed hereto prior to submission of this agreement for final approval may thereafter be committed hereto by the owner or owners thereof subscribing or consenting to this agreement and, if the interest is a working interest, by the owner of such interest also subscribing to the Unit Operating Agreement. After operations are commenced hereunder, the right of subsequent joinder, as provided in this section, by a working interest owner is subject to such requirements or approvals, if any, pertaining to such joinder, as may be provided for in the Unit Operating Agreement. After final approval hereof, joinder by a non-working interest owner must be consented to in writing by the working interest owner committed hereto and responsible for the payment of any benefits that may accrue hereunder in behalf of such non-working interest. Joinder by any owner of a non-working interest, at any time, must be accompanied by appropriate joinder by the owner of the corresponding working interest in order for the interest to be regarded as effectively committed hereto. Joinder to the Unit Agreement by a working interest owner, at any time, must be accompanied by appropriate joinder to the Unit Operating Agreement in order for the interest to be regarded as effectively committed to this Unit Agreement. Except as may otherwise herein be provided, subsequent joinders to this agreement shall be effective as of the first day of the month following the filing with the Supervisor and the Commissioner of duly executed counterparts of all or any papers necessary to establish effective commitment of any tract to this agreement unless objection to such joinder is duly made within 60 days by the Director or the Commissioner.

29. COUNTERPARTS. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all

parties, or may be ratified or consented to by separate instrument in writing specifically referring hereto and shall be binding upon all those parties who have executed such a counterpart, ratification, or consent hereto with the same force and effect as if all such parties had signed the same document and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above described Unit Area; provided, if this agreement has not been approved by the Director and the Commissioner prior to February 1, 1963, it shall thereupon terminate and be of no further force and effect.

30. TAXES. The working interest owners shall render and pay for their account and the account of the royalty owners all valid taxes on or measured by the unitized substances in and under or that may be produced, gathered and sold from the land subject to this contract after the effective date of this agreement, or upon the proceeds or net proceeds derived therefrom. The working interest owners on each tract shall and may charge the proper proportion of said taxes to the royalty owners having interests in said tract, and may currently retain and deduct sufficient of the unitized substances or derivative products, or net proceeds thereof from the allocated share of each royalty owner to secure reimbursement for the taxes so paid. No such taxes shall be charged to the United States, Indians, or the State of New Mexico or to any lessor who has a contract with his lessee which requires the lessee to pay such taxes.

31. CONFLICT OF SUPERVISION. Neither the Unit Operator nor the working interest owners or any of them shall be subject to any forfeiture, termination, or expiration of any rights hereunder or under any leases or contracts subject hereto, or to any penalty or liability on account of delay or failure in whole or in part to comply with any applicable provisions thereof to the extent that the said Unit Operator, working interest owners, or any of them are hindered,

delayed or prevented from complying therewith by reason of the failure of the Unit Operator to obtain, in the exercise of due diligence, the concurrence of proper representatives of the United States and proper representatives of the State of New Mexico in and about any matters or things concerning which it is required herein that such concurrence be obtained. The parties hereto, including the Commission, agree that all powers and authority vested in the Commission in and by any provisions of this contract are vested in the Commission and shall be exercised by it pursuant to the provisions of the laws of the State of New Mexico and subject in any case to appeal or judicial review as may now or hereafter be provided by the laws of the State of New Mexico.

32. NO PARTNERSHIP. It is expressly agreed that the relation of the parties hereto is that of independent contractors and nothing in this agreement contained, express or implied, or any operations conducted hereunder, shall create or be deemed to have created a partnership or association between the parties hereto or any of them.

33. BORDER AGREEMENTS. Subject to the approval of the Director and the Commissioner, the Unit Operator, with concurrence of 65% of the voting interest of the working interest owners may enter into a border-protection agreement or agreements with the working interest owners of adjacent lands along the exterior boundary of the Unit Area with respect to the operations in the border area for the maximum ultimate recovery, conservation purposes and proper protection of the parties and interests.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed as of the date first above written and have set opposite their respective names the date of execution and the address of each of the respective executing parties.

124-212

UNIT OPERATOR AND WORKING INTEREST OWNER

Appd as to form: Kenta

SKELLY OIL COMPANY

ATTEST: [illegible] Assistant Secretary

By L. L. Blackshear

Address

Date of Signature:

March 7, 1962

WORKING INTEREST OWNERS

EL PASO NATURAL GAS PRODUCTS COMPANY

By [illegible]
Attorney-In-Fact

Address P. O. BOX 1161
EL PASO, TEXAS

~~ATTEST:~~

~~Secretary~~

Date of Signature:
MAR 14 1962

GULF OIL CORPORATION

By C. D. Borland
~~Vice President~~ C. D. BORLAND
ATTORNEY-IN-FACT

Address GULF OIL CORPORATION
P. O. BOX 2097
DENVER, COLORADO

ATTEST: [illegible]
Secretary

Date of Signature:
April 6, 1962

WESTERN DEVELOPMENT CO. OF DELAWARE

By W B Macey
President

825 Petroleum Club Building
Address
Denver 2, Colorado

ATTEST: [illegible]
Secretary

Date of Signature:
March 16, 1962

UNIT OPERATOR AND WORKING INTEREST OWNER

Agreed as to form: Beeler

ATTEST:

SKELLY OIL COMPANY

_____ By _____

Assistant Secretary

Date of Signature:

_____ Address

_____ _____

WORKING INTEREST OWNERS

EL PASO NATURAL GAS PRODUCTS COMPANY

By _____

Attorney-In-Fact

_____

Address

ATTEST:

_____ _____

Secretary

Date of Signature:

_____

GULF OIL CORPORATION

By _____

Vice President

_____

Address

ATTEST:

_____

Secretary

Date of Signature:

_____

WESTERN DEVELOPMENT CO. OF DELAWARE

By _____

President

_____

Address

ATTEST:

_____

Secretary

Date of Signature:

_____

By _____
Vice President

_____
Address

ATTEST:

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Secretary

Date of Signature:

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By _____
Vice President

_____
Address

ATTEST:

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Secretary

Date of Signature:

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Date of Signature:

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Date of Signature:

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Address

Date of Signature:

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124-34

OTHER PARTIES

The Navajo Tribe of Indians

By _____
Chairman, Navajo Tribal Council

_____
Address

DATE OF SIGNATURE:

_____

J. Keith
Box 4176
Address
Albuquerque, New Mexico

DATE OF SIGNATURE:
5-2-62

_____
Address

DATE OF SIGNATURE:

_____

_____
Address

ATTEST:

_____
Secretary

Date of Signature:

_____

124-315

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 9th day of March, 19__, by _____ as _____ President and _____ as ~~Secretary of~~ _____ of _____, a corporation.

Witness my hand and official seal

My Commission Expires: _____

_____
Notary Public

STATE OF TEXAS)
)
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 14th day of March, 1962, by W. T. HOLLIS, as Attorney-in-Fact on behalf of EL PASO NATURAL GAS PRODUCTS COMPANY.

My commission expires: _____

_____
Notary Public in and for El Paso County, Texas

ACKNOWLEDGMENT — CORPORATION

STATE OF COLORADO)
) SS.
COUNTY OF DENVER)

Indiana, Michigan, Nevada, New Mexico, Tennessee, Utah, Wyoming

On this 6th day of April, 1962, before me appeared C. D. Borland to me personally known, who, being by me duly sworn, did say that he is the Attorney in Fact of Gulf Oil Corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said C.D.Borland acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and official seal the day and year above written.

My commission expires October 5, 1965

Vivian Gatling Tate
Notary Public

My Commission Expires: _____

_____
Notary Public

STATE OF COLORADO)
) SS:
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 16 day of March, 1962, by W. B. MACEY as President and ZANE E. HENDERSON as Secretary of WESTERN DEVELOPMENT COMPANY OF DELAWARE, a corporation.

Witness my hand and official seal

My Commission Expires: October 25, 1964

Notary Public

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My commission expires:

_____

_____
Notary Public

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by_____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My commission expires:

_____

_____
Notary Public

STATE OF ARIZONA_____)
) SS:
COUNTY OF APACHE_____)

On this _____ day of _____, 19___, before me appeared _____, to me personally known, who being by me duly sworn, did say that he is the (Acting) Chairman of the Navajo Tribal Council, and that he did execute the within agreement in behalf of the Navajo Tribe of Indians by authority of its Council, and that he acknowledged the instrument to be the free act and deed of said Navajo Tribe.

_____
Notary Public in and for
Apache County, Arizona

My Commissions Expires:

_____

124-317

STATE OF New Mexico)
) SS:
COUNTY OF Bernalillo)

The foregoing instrument was acknowledged before me this 2nd. day of May, 1964, by [illegible] Fritts.

Witness my hand and official seal

My Commission Expires:
4-6-66

[illegible] Smith Becker
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

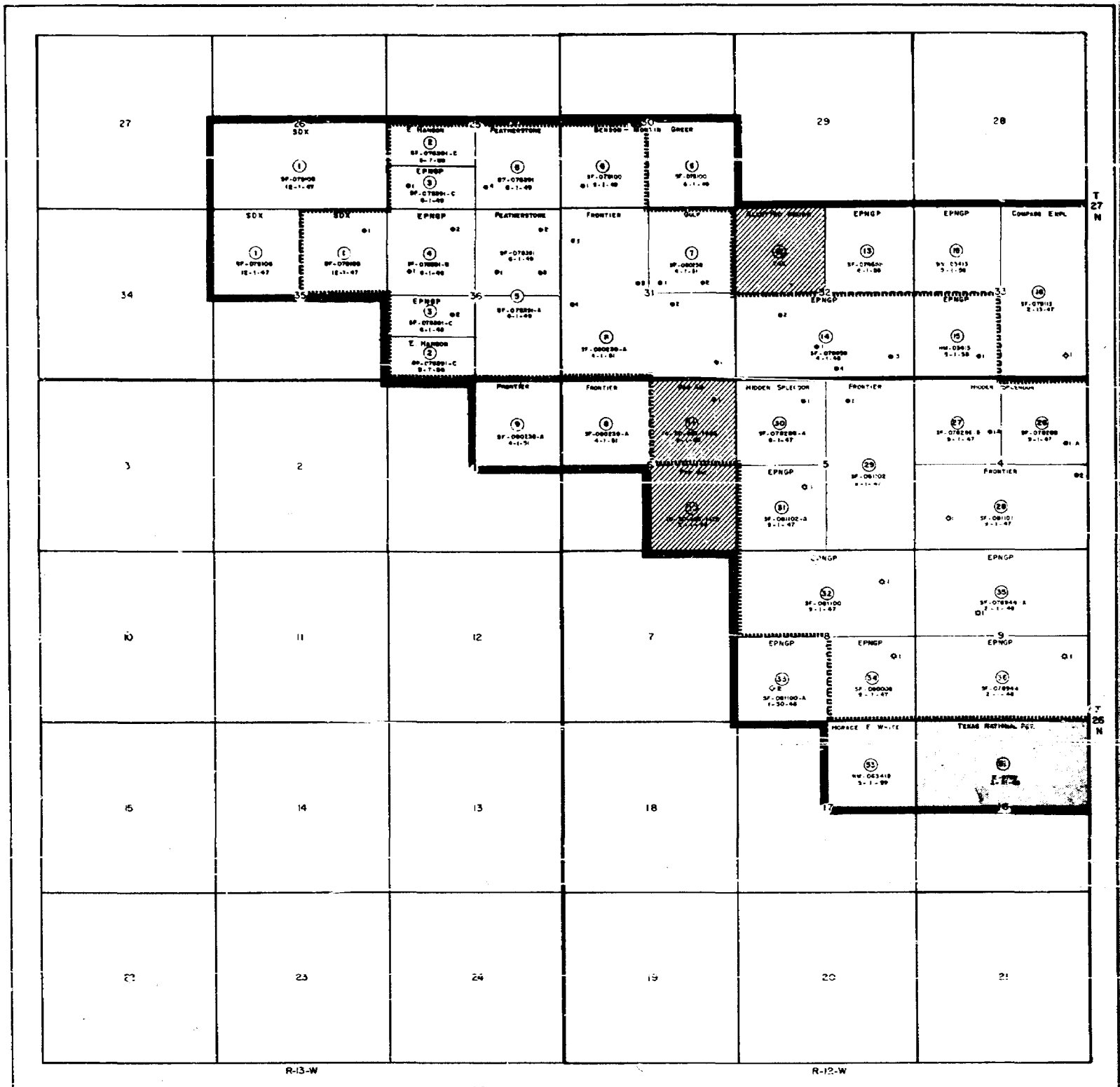
The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public



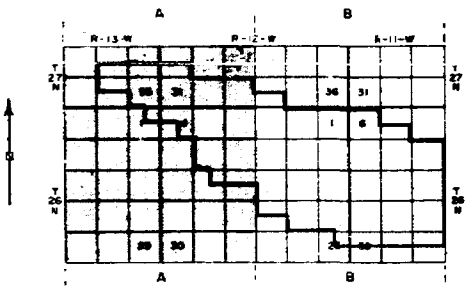
GALLEGOS GALLUP SAND UNIT
SAN JUAN NEW MEXICO
EXHIBIT "A"
AREA = A

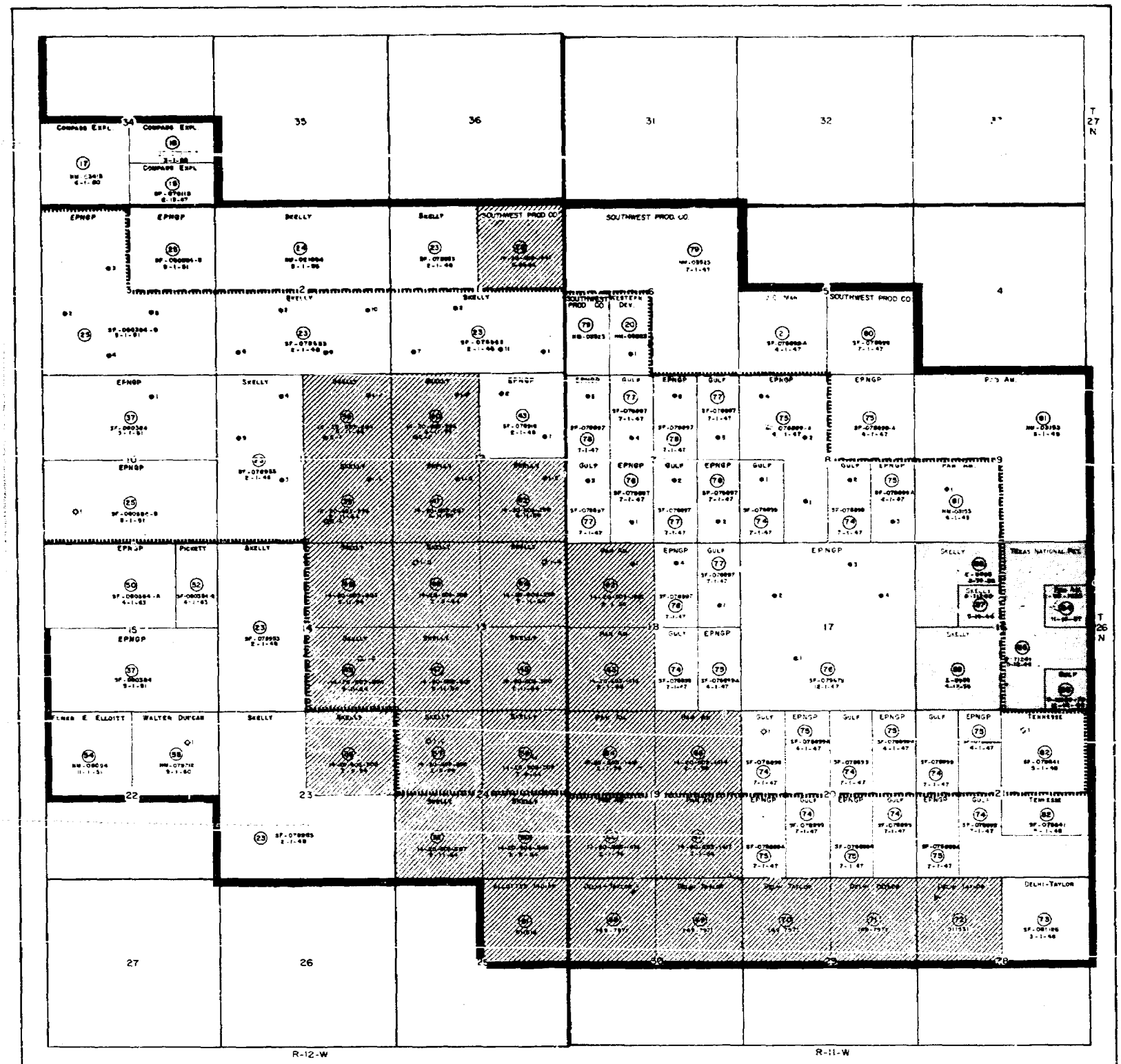
Legend

- UNIT AREA
- PARTICIPATING AREA
- FEDERAL LAND
- INDIAN LAND
- STATE OF NEW MEXICO LAND
- (3) TRACT NO.

SCALE
1000 0 1000 2000 3000
FEET

AREA MAP





GALLEGOS GALLUP SAND UNIT
SAN JUAN NEW MEXICO
EXHIBIT "A"
AREA = B

Legend

- UNIT AREA
- PARTICIPATING AREA
- FEDERAL LAND
- INDIAN LAND
- STATE OF NEW MEXICO LAND
- (3) TRACT NO.

SCALE
1000 0 1000 2000 3000
FEET

AREA MAP

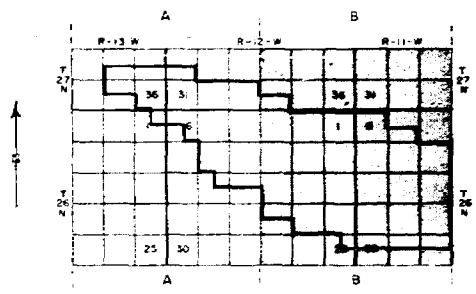


EXHIBIT "B"

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP
OF ALL LANDS WITHIN THE GALLEGOS GALLUP SAND UNIT
TOWNSHIPS 26 and 27 NORTH, RANGES 11, 12 AND 13 WEST, SAN JUAN COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest and Percentage
1	T27N-R13W Sec. 26: S/2 Sec. 35: N/2	640.00	SF-078105 12-1-47 H.B.P.	USA 12.5%	Mid-Continent Petroleum Corporation	None	Sunray Mid-Continent Oil Company All
2	T27N-R13W Sec. 25: N/2 SW/4 Sec. 36: S/2 SW/4	160.00	SF-078391-C 5-7-56	USA 12.5%	Ernest A. Hanson	Ralph G. Roberson and Nena J. Roberson 3.000000%	Ernest A. Hansen All
3	T27N-R13W Sec. 25: S/2 SW/4 Sec. 36: N/2 SW/4	160.00	SF-078391-C 6—1-49 H.B.P.	USA 12.5%	Ernest A. Hanson	None	El Paso Natural Gas Products Company 50.00% Ernest A. Hanson 50.00%
4	T27N-R13W Sec. 36: NW/4	160.00	SF-078391-B 6-1-49 H.B.P.	USA 12.5%	Ernest A. Hanson	None	El Paso Natural Gas Products Company 50.00% Ernest A. Hanson 50.00%
5	T27N-R13W Sec. 25: SE/4 Sec. 36: E/2	480.00	SF-078391 SF-078391-A 6-1-49 H.B.P.	USA 12.5%	Ralph G. Roberson, Jr.	Ralph G. Roberson, Jr. *3.000000% (Oil Only)	Olen F. Featherstone All

6	T27N-R12W Sec. 30: S/2	313.56	SF-078100 6-1-49 H.B.P.	USA 12.5%	Warren Petroleum Corporation	British American 50.000000% Warren 50.000000%	William H. Hudson 50.00% Benson-Montin-Greer Drilling Corp. 25.00% O. J. Lilly 25.00%
7	T27N-R12W Sec. 31: NE/4	160.00	SF-080238 4-1-51 H.B.P.	USA 12.5%	Gulf Oil Corporation	Tom Bolack 2.000000% J. C. Roberts 2.000000%	Gulf Oil Corporation 100.00%
8	T27N-R12W Sec. 31: W/2 and SE/4 T26N-R12W Sec. 6: NW/4	622.10	SF-080238-A 4-1-51 H.B.P.	USA 12.5%	Beulah Morgan	Tom Bolack 2.000000% J. C. Roberts 2.000000% Howard K. Hee and Aheong Chun Hee 0.312500% Henry Pui Chun and Patsy Chun 0.187500% Walter K. Togikowa and Mildred O. Togikawa 0.125000% Amy L. Fern 0.125000% Frank H. Gaudin 0.250000%	The Frontier Refining Company 50.00% Oklahoma Oil Company 50.00%
9	T26N-R13W Sec. 1: NE/4	160.08	SF-080238-A 4-1-51 H.B.P.	USA	The Oklahoma Oil Company Frontier Refining Company	Beulah Morgan and Luther S. Morgan 5.000000%	The Oklahoma Oil Company 50.00% Frontier Refining Co. 50.00%

13	T27N-R12W Sec. 32: NE/4	160.00	SF-078858—A 4-1-58 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company John F. Sullivan Edward Arcaro Shiprock Industries, Inc.	Paul C. Nelson and Margaret Nelson 0.750000%	John F. Sullivan 56.250000% Edward Arcaro 6.250000% Shiprock Industries 37.500000%
14	T27N-R12W Sec. 32: S/2	320.00	SF-078858 4-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company John F. Sullivan Edward Arcaro Shiprock Industries, Inc.	Louis M. Walker and Geraldine Walker 1.250000% A. L. Duff, Jr. 1.250000% Paul C. Nelson 0.750000% O. J. Lilly 0.500000% William T. Walker 1.000000% Rose M. Blount 0.250000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 6.250% John F. Sullivan 6.250% Edward Arcaro 6.250% Shiprock Industries, Inc. 37.500%
15	T27N-R12W Sec. 33: W/2	320.00	NM-03413 5-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	Dorothy M. Rummel and G. T. Rummel 2.000000% Western Development Company of Delaware 1.250000% J. D. Hancock and Anna Marye Hancock 0.012239%	El Paso Natural Gas Products Company All

Tract No. 15 continued

C. E. Gardner
0.061033%
B. B. Robison
0.061033%
Alta B. Cervin
0.061033%
Clyde W. Morgan
0.061033%
W. Wilson Graham, Estate
0.061033%
L. H. Mannan
0.061033%
J. M. Somerville
0.024413%
M. W. George
0.024413%
Mrs. Lillian Duncan
0.024413%
Lawrence Albert Nelson
0.024413%
C. W. Austin, Jr.
0.061033%
Laurence Corbett Kelly
0.407705%
Dana Latham, Trustee
for the following:
Marquita Mosley Denny
Polly Corliss Mosley Royce
David Bruce Mosley
Sandra Mosley
0.24414O%
F. S. Oldt
0.061033%

16 T27N-R12W
Sec. 33: E/2 — 320.00 — SF-079113 2-13-47 — USA 12.5% — Dorothy M. Rummel — Dorothy M. Rummel 2.500000% — Compass Exploration Incorporated All

Tract No. 16 continued

Western Development
Company of Delaware
1.25%
1.25% of 8/8
Divided as Follows:
B. B. Robinson
0.061034%
C. W. Morgan
0.061034%
W. Wilson Graham, Estate
0.061034%
Alto B. Cervin
0.061034%
F. S. Oldt
0.061034%
L. H. Mannan
0.061034%
Lillian Duncan
0.024414%
J. M. Somerville
0.024414%
M. W. George
0.024414%
L. L. Nelson
0.024414%
C. W. Austin, Jr.
0.061034%
Frank B. Hadlock,
Adah Hadlock and
Ann Hadlock
12.500000%
G. E. Gardner
0.061034%
J. D. Hancock, Sr.
0.664074%

17	T27N-R12W Sec. 34: SW/4	160.00	NM-03413 6-1-50	USA 12.5%	El Paso Natural Gas Products Company	A. W. Rutter 5.000000%	Compass Exploration Incorporated All
18	T27N-R12W Sec. 34: N/2 SE/4	80.00	SF-079113-A 3-1-5[illegible]	USA 12.5%	Col. Norman M. Walker	Western Development Company of Delaware 1.250000%	Compass Exploration Incorporated All
19	T27N-R12W Sec. 34: S/2 SE/4	80.00	SF-079113 2-13-47	USA 12.5%	Dorothy M. Rummel	Western Development Company of Delaware 1.250000% P. G. Lake, Incorporated 3.250000%	Compass Exploration Incorporated All
20	T26N-R11W Sec. 6: E/2 SW/4	80.00	NM-03523	USA 12.5%	Sibyl Oneda Holloway	5.000000% of 8/8 Divided as follows: R. E. Beamon .1494950% Jack Capps .1276340% Midwest Oil Corporation .1223660% E. F. Kalb .0611830% E. R. Richardson .0152960% Lyle E. Carbaugh .0097890% L. C. Oldham, Jr. .0208020% Gladys Watford .0152960% Hugh G. Alexander, Jr. .0611840%	Western Development Company 93.750000% W. L. Lynch 6.250000%	

Tract No. 20 continued

T. J. Ahern
.3356580%
Mary J. Wagner
.0223770%
Raybourne Thompson
.1174800%
J. P. Davis
.0447540%
First National Bank of
Fort Worth Trustee of
Eula M. Johnson Trust
.2408170%
Lillie Leona Rogers
.0200680%
Vera Jean Gibbard
.0200680%
Orville Curtis Rogers
.0200680%
V. A. Johnston
.0602040%
Texas National Petroleum
Company
.4816340%
L. C. Oldham, Jr.
Executor of E. W. Ingram
Estate
.0839140%
Robert Norman Dumble, Jr.
.0279710%
Wilbur E. Hess
.1208370%
Douglas E. Johnston
.0402790%
R. E. Beamon, III
.0671310%
Charles S. Alexander
.0805580%
Fondren Oil Company
.1223660%
A. W. Ashley
.0214140%

Tract No. 20 continued

Cannon B. McMahon
.0428290%
W. C. McMahon
.1070710%
James A. Williams
.0428290%
George R. Reese, Jr. (.0214140%)
Waters S. Davis, Jr.
.0611840%
Gladys D. Davis
.0305910%
South Texas Nat'l Bank
of Houston
Waters S. Davis, Jr.
Trust
.0305910%
Wilbur H. Frederking
.0402790%
L. A. Nordan
.1223660%
Albert E. Fagan
.0795390%
M. E. Fagan
.0244740%
J. Doyle Smith
.0061190%
William Ray Kitchel
.0416670%
Alma Beamon Anderson
.0955820%
Rosser J. Coke
.1223700%
M. W. George
.0244730%
C. E. Cardner
.0611830%
B. B. Robinson
.0611830%
Clyde W. Morgan
.0611830%

Tract No. 20 continued

Mary Ruth Moseley Graham
Ind. Executrix of the Estate
of W. Wilson Graham
.0611830%
Alto B. Cervin
.0611830%
F. S. Oldt
.0611830%
Stanley Harris, Jr.
.1223700%
Harry C. Campbell
.0183560%
C. Randolph Snowden
.0183560%
Elva K. Dumas
.1223700%
Laurence Corbett Kelly
.4773890%
J. D. Hancock
.0008887%
Grace K. Dawant
.0611830%
Hortense Devant
.0611830%
James J. Johnston
.0602045%
Jerry J. Andrew
.0602045%
William T. Walker
.1957860%
John R. Scott
.030592%

21	T26N-R11W Sec. 5: SW/4	160.00	SF-078899A 7-1-47 H.B.P.	USA 12.5%	J. C. Man, Jr. 66.666666% Vinson Truck Robert E. Vinson, Trustee 33.333334%	El Paso Natural Gas Products Company 6.750000% R. E. Beamon 0.149495% E. F. Kalb 0.061183%	J. C. Man, Jr. 66.666666% Vinson Truck Robert E. Vinson, Trustee 33.333334%

Tract No. 21 continued

E. R. Richardson
0.015296%
Lyle E. Carbough
0.009789%
L. C. Oldham, Jr.
0.020802%
Gladys Watford
0.015296%
Hortense E. Devant
0.061183%
Grace K. Devant
0.061183%
Hugh G. Alexander, Jr.
0.061184%
T. J. Ahern
0.335658%
Mary J. Wagner
0.022377%
Raybourne Thompson
0.117480%
J. P. Davis
0.044754%
First National Bank of
Fort Worth Trustee
0.240817%
Lillie Leona Rogers
0.020068%
Vera Jean Gibbard
0.020068%
Orville Curtis Rogers
0.020068%
Jerry J. Andrew
.060204%
Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%

Tract No. 21 continued

L. C. Oldham Trustee of the
Estate of E. W. Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon III
0.067131%
Charles S. Alexander
0.080558%
Fendren Oil Company
0.122366%
A. W. Ashley
0.021414%
South Texas National
Bank Trustee for the Estate of
Waters S. Davis, Jr.
0.061184%
W. C. McMahon
0.107071%
James A. Williams
0.042829%
George R. Reese, Jr.
0.021414%
Gladys D. Pearson
0.030591%
South Texas National Bank
of Houston - Trustee
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nerdan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%

Tract No. 21 continued

J. Doyle Smith
0.006119%
William Ray Kitchell
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.061183%
Mary Ruth Mosley
Graham Executrix of
Estate of W. Wilson
Graham
0.061183%
Alte B. Cervin
0.061183%
William T. Walker
0.195786%
John R. Scott
0.030592%
Midwest Oil Corperation
0.122366%
F. S. Child
0.061183%
Stanley Harris, Jr.
0.122370%
Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%
Laurence Corbett Kelly
0.467170%
J. D. Hancock
0.011106%

Tract No. 21 continued							P. G. Lake, Inc. 3.250000% Western Development Company of Delaware 2.500000%	
23 T26N-R12W Sec. 1: NW/4; S/2 Sec. 2: S/2 Sec. 11: W/2 Sec. 14: W/2 Sec. 23: W/2; SE/4	1919.46	SF-078953 2-1-48 H.B.P.	USA 12.5%	Skelly Oil Company	None		Skelly Oil Co. All
24 T26N-R12W Sec. 2: N/2	318.36	NM-021684 5-1-56	USA 12.5%	F. K. Andrews	F. K. Andrews 1.000000%		Skelly Oil Co. All
25 T26N-R12W Sec. 3: All Sec. 10: S/2	957.92	SF-080384-B 5-1-51 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company 50.00% J. Felix Hickman 50.00%	Edythe M. Clark 0.250000% Carolyn Clark Wiggins and Edythe M. Clark (Joint) 0.250000% John F. Sullivan 1.000000% First National Bank of Albuquerque for J. Felix Hickman 3.500000%		El Paso Natural Gas Products Co. 50.00% First National Bank of Albuquerque for J. Felix Hickman 50.00%

26	T26N-R12W Sec. 4: NE/4	158.90	SF-078286 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D. Walker and Beeler L. Walker 2.000000% Harry B. Botts 0.339674% Hugh G. Alexander 0.169837% Jack Neveleff 0.339674% E. W. Ingram 0.169837% Alma Mae Anderson 0.245245% Mildred P. Moore 0.169837% E. F. Kalb 0.169837% The Texas National Petroleum Company 0.905570% R. E. Beamon 0.490489%	Hidden Splendor Mining Company
27	T26N-R12W Sec. 4: NW/4	159.02	SF-078286-B 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D.Walker and Wife 1.000000% David L. Mills 0.500000% Thomas F. Wheatley 0.250000% John S. Wold 0.250000% Mildred Payne Moore 0.169837% Harry B. Botts 0.339674%	Hidden Splendor Mining Company All

	Tract No. 27 continued						E. F. Kalb 0.169837% Jack Neveleff 0.339674% The Estate of E. W. Ingram, Deceased 0.169837% Texas National Petroleum Company 0.905570% Alma Mae Anderson 0.245245% R. E. Beamon 0.490489% Suspense 0.169837%	
28	T26N-R12W, Sec. 4: S/2	320.00	SF-081101 9-1-47 H.B.P.	USA 12.5%	Truman D. Walker		Peggy Chartier and F. E. Chartier 2.500000% Tom Bolock 2.000000% J. F. Fritts and Ruth C. Fritts 0.250000% A. L. Duff, Jr. 0.250000%	The Frontier Refining Co. All
29	T26N-R12W Sec. 5: E/2	319.12	SF-081102 9-1-47 H.B.P.	USA 12.5%	Truman D. Walker		James Graves and Mattie Lou Graves 1.500000% C. D. Thomas and Winnie Thomas 1.500000% Tom Bolack 2.000000%	The Frontier Refining Co. All

30	T26N-R12W Sec. 5:	NW/4	159.20	SF-078286-A 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D. Walker 1.000000% David L. Mills 1.000000% Harry B. Botts 0.339674% Hugh G. Alexander 0.169837% Jack Neveleff 0.339674% E. W. Ingram 0.169837% Alma Mae Anderson 0.424245% Mildred P. Moore 0.169837% E. F. Kalb 0.169837% Texas National Petroleum Co. 0.905570% R. E. Beamon 0.490489%	Hidden Splendor Mining Company All
31	T26N-R12W Sec. 5:	SW/4	160.00	SF-081102-A 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	James Graves and Mattie Lou Graves 1.500000% C. B. Thomas and Winnie Thomas 1.500000% Tom Bolack 2.000000%	El Paso Natural Gas Products Company All

32	T26N-R12W Sec. 8:	N/2	320.00	SF-081100 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%	S. Victor Day 1.500000% John F. Sullivan 2.000000% Rebecca Oien, Ind. and as trustee 1.500000%	El Paso Natural Gas Products Company 50.000000% John F. Sullivan 50.000000%
33	T26N-R12W Sec. 8:	SW/4	160.00	SF-081100-A 1-30-48	USA 12.5%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%	Paul C. Nelson and Margaret Nelson 2.000000% Rebecca Oien 1.500000% S. Victor Day 1.500000%	John F. Sullivan All
34	T26N-R12W Sec. 8:	SE/4	160.00	SF-080008 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	J. V. Fritts and Ruth C. Fritts 0.25000% A. L. Duff, Jr. 0.250000% Tom Bolack 2.000000% F. E. Chartier and Peggy Chartier 2.500000% The Frontier Refining Co. 20.625000%	El Paso Natural Gas Products Co. All
35	T26N-R12W Sec. 9:	N/2	320.00	SF-078944-A 2-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Company	J. C. Daum and Frances Daum 4.000000% John F. Sullivan 1.000000%	El Paso Natural Gas Products Company All

36	T26N-R12W Sec. 9:	S/2	320.00	SF-078944 2-1-48 H.B.P.	USA 12.5%	J. C. Daum	J. C. Daum and Frances Daum 5.000000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%
37	T26N-R12W Sec. 10: Sec. 15:	N/2 S/2	640.00	SF-080384 5-1-51 H.B.P.	USA 12.5%	J. Felix Hickman	J. Felix Hickman Merle Hickman 4.500000% Edythe M. Clark 0.250000% Ross L. Malone, Jr. 0.250000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%
43	T26N-R12W Sec. 12:	NE/4	160.00	SF-078918 2-1-48 H.B.P.	USA 12.5%	Delhi-Taylor Oil Corp. 50% El Paso Natural Gas Products Company 50%	C. H.Nye and Linda Nye 1.750000% Jay J. Harris and L. Cathren Harris 0.350000% Hazel Abraham 0.350000% Sara K. Ryer(Mrs.) 0.350000% J. L. Werntz 0.350000% Charles J. Hathcot 0.350000% W. A. Kernaghan and Bernice F. Kernaghan 1.000000%	El Paso Natural Gas Products Company 50.00% Delhi-Taylor Oil Corporation 50.00%

50	T26N-R12W Sec. 15: NW/4 & W/2 NE/4	240.00	SF-080384-A 4-1-63	USA 12.5%	El Paso Natural Gas Products Company J. Felix Hickman John C. Daum	Edythe M. Clark 0.250000% Alton H. Clark 0.250000% J. Felix Hickman and Merle Hickman 2.250000% John C. Daum 2.250000%	El Paso Natural Products Company 50.00% J. Felix Hickman 25.00% John C. Daum 25.00%
52	T26N-R12W Sec. 15: E/2 NE/4	80.00	SF-080384-B 4-1-63	USA 12.5%	El Paso Natural Gas Products Company J. Felix Hickman John C. Daum	Edythe & Alton Clark 0.500000% Felix and Merle Hickman 2.250000% J. C. Daum 2.250000%	James R. Pickett All
53	T26N-R12W Sec. 17: NE/4	160.00	NM-063419 5-1-59	USA 12.5%	Horace E. White	None	Horace E. White All
54	T26N-R12W Sec. 22: NW/4	160.00	NM-06094 11-1-51	USA 12.5%	Elmer E. Elliott	None	Elmer E. Elliott All
55	T26N-R12W Sec. 22: NE/4	160.00	NM-079712 9-1-60	USA 12.5%	Walter Duncan	None	Walter Duncan All

*73	T26N-R11W Sec. 28:	NE/4	160.00	SF-081186 3-1-48 H.B.P.	USA 12.5%	Elizabeth Storey	Richard H. Ernest 5.000000% *E. W. Mudge, Jr. 12.500000% Gas 17.500000% Oil Elizabeth Storey 1.000000%	Delhi-Taylor Oil Corporation All
74	T26N-R11W Sec. 8: Sec. 18: Sec. 20: Sec. 21: 	W/2 SW/4, W/2 SE/4 W/2 SE/4 W/2 NW/4, E/2 SW/4 W/2 NE/4, E/2 SE/4 W/2 NW/4, E/2 SW/4, S/2 SE/4	800.00	SF-078899-A 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	Rosser J. Coke 0.001224% Harry C. Campbell 0.000184% P. G. Lake, Inc. 0.032500% T. J. Ahern 0.003357% W. C. McMahan 0.001071% Midwest Oil Corp. 0.001224% Raybourne Thompson 0.001175% Albert E. Fagan 0.000795%	Gulf Oil Corporation All

* Tract 73 - E. W. Mudge, Jr. Overriding Royalty Subject to Suspension and Conversion.
Elizabeth Storey Overriding Royalty to continue until $25.00 per acre is received.

Tract No. 74 continued

L. A. Nordan
0.001224%
Lillie Rogers
0.000201%
Mary J. Wagner
0.000224%
J. P. Davis
0.000448%
Charles S. Alexander
0.000403%
Wilbur E. Hess
0.001611%
Douglas E. Johnston
0.000403%
Wilbur H. Frederking
0.000403%
E. F. Kalb
0.000612%
E. R. Richardson
0.000153%
L. C. Oldham, Jr.
0.000208%
Lyle E. Carbaugh
0.000098%
Gladys Watford
0.000153%
Hugh G. Alexander, Jr.
0.000612%
Fondren Oil Company
0.001224%
R. E. Beamon III
0.000671%
George R. Reese, Jr.
0.000214%
A. W. Ashley
0.000214%
James A. Williams
0.000428%

Tract No. 74 Continued

Waters S. Davis, Jr.
0.000612%
Gladys D. Davis
0.000306%
M. E. Fagan
0.000245%
William Ray Kitchel
0.000417%
Elva K. Dumas
0.001224%
C. E. Gardner
0.000612%
B. B. Robinson
0.000612%
Clyde W. Morgan
0.000612%
Alto B. Cervin
0.000612%
F. S. Oldt
0.000612%
Stanley Harris, Jr.
0.001224%
M. W. George
0.000245%
Laurence Corbett Kelly
0.004671%
Alma Beamon Anderson
0.000957%
Texas National
Petroleum Company
0.004817%
First National Bank of
Fort Worth, Trustee for
Eula Mae Johnston
0.002408%
V. A. Johnston
0.000602%
O. C. Rogers
0.000201%

Tract No.74 Continued

Vera Jean Gibbard
0.000201%
R. E. Beamon
0.001490%
Robert Norman Dumble, Jr.
0.000280%
E. W. Ingram
0.000839%
Jerry W. Andrew
0.000602%
James J. Johnston
0.000602%
Mary Ruth Graham
0.000612%
J. Doyle Smith
0.000061%
C. Randolph Snowden
0.000184%
William T. Walker
0.001958%
Texas National Bank of
Houston Atty-in-Fact
For Walter S. Davis III,
R. H. Davis, J. S. Davis,
Pearson O. Porter , Jr.
0.000306%
J. D. Hancock
0.000108%
John R. Scott
0.000306%
Ralph A. Johnston
0.001704%
Grace K. Davant
0.000612%
Hortense E. Davant
0.000612%

75 T26N-R11W

Sec. 8: N/2, E/2 SW/4, E/2 SE/4 Sec. 18: E/2 SE/4 Sec. 20: E/2 NW/4, E/2 NE/4, W/2 SW/4, W/2 SE/4, Sec. 21: E/2 NW/4, W/2 SW/4	1040.00	SF-078899-A 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware 50.000000% El Paso Natural Gas Products Company 50.000000%	R. E. Beamon 0.149495% E. F. Kalb 0.061183% E.R. Richardson 0.015296% Lyle E. Carbough 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296% Hortense E. Devant 0.061183% Grace K. Devant 0.061183% Hugh G. Alexander, Jr. 0.061184% T. J. Ahern 0.335658% Mary J. Wagner 0.022377% Raybourne Thompson 0.117480% J. P. Davis 0.044754% First National Bank of Fort Worth Trustee 0.240817% Lillie Leona Rogers 0.020068% Vera Jean Gibbard 0.020068% Orville Curtis Rogers 0.020068% Jerry J. Andrew .060204%	El Paso Natural Gas Products Company 50% Western Development Company 50%

Tract No.75 Continued

Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%
L. C. Oldham Trustee of the
Estate of E. W. Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E.Johnston
0.040279%
R. E. Beamon III
0.067131%
Charles S.Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
South Texas National
Bank Trustee for the estate of
Waters S. Davis, Jr.
0.061184%
W. C. McMahon
0.107071%
James A. Williams
0.042829%
George R. Reese, Jr.
0.021414%

Gladys D. Pearson
0.030591%

Tract No. 75 Continued

South Texas National Bank
of Houston - Trustee
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchell
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W.Morgan
0.061183%
Mary Ruth Mosley
Graham Executrix of
Estate of W. Wilson
Graham
0.061183%
Alto B. Cervin
0.061183%
William T. Walker
0.195786%

Tract No. 75 Continued						John R. Scott 0.030592% Midwest Oil Corporation 0.122366% F. S. Oldt 0.061183% Stanley Harris, Jr. 0.122370% Harry C.Campbell 0.018356% C. Randolph Snowden 0.018356% Elva K. Dumas 0.122370% Laurence Corbett Kelly 0.467170% J. D. Hancock 0.011106% P. G. Lake, Inc. 3.250000% Western Development Company of Delaware 2.500000%		
76	T26N-R11W Sec. 17: All	640.00	SF-079679 12-1-47 H.B.P.	USA 12.5%	Delhi-Taylor Oil Corporation 50% El Paso Natural Gas Products Company 50%	Martin A. Pierce and Beverly Pierce 1.750000% Charles J. Finklea 0.175000% W. A. Kernaghan and Bernice F. Kernaghan 1.000000%	El Paso Natural Gas Products Company 50.000000% Delhi-Taylor Oil Corp. 50.000000%
77	T26N-R11W Sec. 7: E/2 NW/4, E/2 NE/4, W/2 SW/4, W/2 SE/4 Sec. 18: E/2 NE/4	398.75	SF-078898 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	Rosser J. Coke 0.001224% Harry C. Campbell 0.000184% P. G. Lake, Inc. 0.032500%	Gulf Oil Corp. All

Tract No. 77 Continued

T. J. Ahern
0.003357%
W. C. McMahan
0.001071%
Midwest Oil Corporation
0.001224%
Raybourne Thompson
0.001175%
C. Randolph Snowden
0.000184%
Albert E. Fagan
0.000795%
L. A. Nordan
0.001224%
Lillie Rogers
0.000201%
Mary J. Wagner
0.000224%
J. P. Davis
0.000448%
Charles S. Alexander
0.000403%
Wilbur E. Hess
0.001611%
Douglas E. Johnston
0.000403%
Wilbur H. Frederking
0.000403%
E. F. Kalb
0.000612%
E. R. Richardson
0.000153%
L. C. Oldham,Jr.
0.000208%
Lyle E. Carbaugh
0.000098%
Gladys Watford
0.000153%

Tract No. 77 Continued

Hugh G. Alexander, Jr.
0.000612%
Fondren Oil Company
0.001224%
R. E. Beamon III
0.000671%
George R. Reese,Jr.
0.000214%
A. W. Ashley
0.000214%
James A. Williams
0.000428%
Waters S. Davis, Jr.
0.000612%
Gladys D. Davis
0.000306%
M. E. Fagan
0.000245%
William Ray Kitchell
0.000417%
Elva K. Dumas
0.001224%
C. E. Gardner
0.000612%
B. B. Robinson
0.000612%
Clyde W. Morgan
0.000612%
Alto B. Cervin
0.000612%
F. S. Oldt
0.000612%
Stanley Harris, Jr.
0.001224%
M. W. George
0.000245%

Tract No. 77 Continued

Laurence Corbett Kelly
0.004773%
Alma Beamon Anderson
0.000955%
Texas National Petroleum
Company
0.004817%
First National Bank of
Fort Worth Trust for
Eula Mae Johnston
0.002408%
V. A. Johnston
0.000602%
O. C. Rogers
0.000201%
Vera Jean Gibbard
0.000201%
R. E. Beamon
0.001492%
Robert Norman Dumble, Jr.
0.000280%
E. W. Ingram
0.000839%
Jerry J. Andrew
0.000602%
James J. Johnston
0.000602%
Mary Ruth Graham (0.000602%)
J. Doyle Smith
0.000061%
William T. Walker
0.001958%
Texas National Bank
of Houston Atty-in-Fact
for Walter S. Davis III,
R. H. Davis, J. S. Davis,
Pearson O. Porter, Jr.
0.000306%

Tract No. 77 Continued

J. D. Hancock
0.000006%
John R. Scott
0.000306%
Ralph A. Johnston
0.001704%
Grace K. Davant
0.000612%
Hortense E. Davant
0.000612%

78	T26N-R11W Sec. 7: W/2 NE/4, W/2 NW/4, Lots 1 & 2 E/2 SW/4, E/2 SE/4 Sec. 18: W/2 NE/4	398.57	SF-078897-A 7-1-47 H.B.P.	USA 12.5%	Western Development Company 50.000000% El Paso Natural Gas Products Company 50.000000%	R. E. Beamon 0.149495% E. F. Kalb 0.061183% E. R. Richardson 0.015296% Lyle E. Carbough 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296% Hortense E. Davant 0.061183% Hugh G. Alexander, Jr. 0.061184% T. J. Ahern 0.335658% Mary J. Wagner 0.022377% Midwest Oil Corporation 0.122366% Grace K. Davant 0.061183% Raybourne Thompson 0.117480% J. P. Davis 0.044754% 1st Nat'l Bank of Fort Worth, Trustee 0.240817%	El Paso Natural Gas Products Company 50.000000% Western Development Company of Delaware 50.000000%

Tract No. 78 Continued

George R. Reese, Jr.
0.021414%

Gladys D. Pearson
0.030591%
So. Texas National Bank
of Houston - Trustee
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
William T. Walker
0.195786%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchell
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.061183%
Mary Ruth Mosley Graham
Executrix of Estate of
W. Wilson Graham
0.061183%

Tract No. 78 Continued

Lillie Leona Rogers
0.020068%
Vera Jean Gibbard
0.020068%
Orville Curtis Rogers
0.020068%
Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
Jerry J. Andrew
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%
L. C. Oldham Trustee
Estate of E. W. Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon, III
0.067131%
Charles S. Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
South Texas National
Bank Trustee for
Waters S. Davis, Jr.
0.061184%
W. C. McMahon
0.107071%
James A. Williams
0.042829%

Tract No. 78 Continued

Alto B. Cervin
0.061183%
F. S. Oldt
0.061183%
Stanley Harris, Jr.
0.122370%
Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%

Laurence Corbett Kelly
0.477389%
J. D. Hancock
0.031479%
P. G. Lake, Inc.
3.250000%
Western Development Company
of Delaware
2.500000%

79	T26N-R11W Sec. 6:	N/2 SE/4 W/2 SW/4	557.68	NM-03523 7-1-47 H.B.P.	USA 12.5%	Sibyl Oneda Holloway	12.5% of 8/8 Divided as follows: Western Development Company of Delaware 15/16 W. L. Lynch 1/16 5.000000% of 8/8 Divided as Follows: R. E. Beamon .1494950% Jack Capps .1276340% Midwest Oil Corporation .1223660% E. F. Kalb .0611830%	Southwest Production Company All

Tract No. 79 Continued

William Ray Kitchel
.0416670%
Alma Beamon Anderson
.0955820%
Rosser J. Coke
.1223700%
M. W. George
.0244730%
C. E. Gardner
.0611830%
B. B. Robinson
.0611830%
Clyde W. Morgan
.0611830%
Mary Ruth Moseley Graham,
Ind. Executrix of
Estate of W. Wilson Graham
.0611830%
Alto B. Cervin
.0611830%
F. S. Oldt
.0611830%
Stanley Harris, Jr.
.1223700%
Harry C. Campbell
.0183560%
C. Randolph Snowden
.0183560%
Elva K. Dumas
.1223700%
Laurence Corbett Kelly
.4773890%
J. D. Hancock
.000887%
Grace K. Davant
.0611830%
Hortense Davant
.0611830%
James J. Johnston
.0602045%
Jerry J. Andrew
.0602045%

Tract No. 79 Continued

William T. Walker
.1957860%
John R. Scott
.030592%
Wilbur E. Hess
.1208370%
Douglas E. Johnston
.0402790%
R. E. Beamon, III
.0671310%
Charles S. Alexander
.0805580%
Fondren Oil Company
.1223660%
A. W. Ashley
.0214140%
Cannon B. McMahon
.0428290%
W. C. McMahon
.1070710%
James A. Williams
.0428290%
George R. Reese, Jr.
.0214140%
Waters S. Davis, Jr.
.0611840%
Gladys D. Davis
.0305910%
So. Texas Nat'l Bank
of Houston, Trustee
of the Waters S. Davis, Jr.
Trust
.0305910%
Wilbur H. Frederking
.0402790%
L. A. Nordan
.1223660%
Albert E. Fagan
.0795390%
M. E. Fagan
.0244740%
J. Doyle Smith
.0061190%

Tract No. 79 Continued

E. R. Richardson
.0152960%
Lyle E. Carbaugh
.0097890%
L. C. Oldham, Jr.
.0208020%
Gladys Watford
.0152960%
Hugh G. Alexander, Jr.
.0611840%
T. J. Ahern
.3356580%
Mary J. Wagner
.0223770%
Raybourne Thompson
.1174800%
J. P. Davis
.0447540%
First National Bank
of Ft. Worth Trustee
of Eula M. Johnson Trust
.2408170%
Lillie Leona Rogers
.0200680%
Vera Jean Gibbard
.0200680%
Orville Curtis Rogers
.0200680%
V. A. Johnston
.0602040%
Texas National Petroleum
Company
.4816340%
Estate of E. W. Ingram
L. C. Oldham, Jr.
Executor
.0839140%
Robert Norman Dumble, Jr.
.0279710%

80	T26N-R11W Sec. 5: SE/4	160.00	SF-078899 7-1-47 H.B.P.	USA 12.5%	Sibyl Oneda Holloway	Western Development Company of Delaware 9.250000% 5.000000% of 8/8 Divided as follows: R. E. Beamon 0.149495% E. F. Kalb 0.061183% E. R. Richardson 0.015296% Lyle E. Carbough 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296% Hortense E. Davant 0.061183% Grace K. Davant 0.061183% Jerry J. Andrew 0.060204% Hugh G. Alexander, Jr. 0.061184% T. J. Ahern 0.335658% Mary J. Wagner 0.022377% Raybourne Thompson 0.117480% J. P. Davis 0.044754% 1st Nat'l Bank of Fort Worth Trustee 0.240817% Lillie Leenz Rogers 0.020068% Vera Jean Gibbard 0.020068% Orville Curtis Rogers 0.020068%	Southwest Production Company All

Tract No. 80 Continued

Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnson
0.060205%
Texas National Petroleum
Company
0.481634%
L. C. Oldham Trustee
Estate of E. W. Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon, III
0.067131%
Charles S. Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
South Texas National
Bank Trustee for
Waters S. Davis, Jr.
0.042829%
W. C. McMahon
0.107071%
James A. Williams
0.042829%
William T. Walker
0.195786
George R. Reese, Jr.
0.021414%
Waters S. Davis, Jr.
0.061184%
Gladys D. Pearson
0.030591%

Tract No. 80 Continued

South Texas National
Bank of Houston -
Trustee
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchell
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.061183%
Mary Ruth Moseley Graham
Executrix of Estate of
W. Wilson Graham
0.061183%
Alto B. Cervin
0.061183%
John R. Scott
0.030592%
Midwest Oil Corporation
0.122366%
F. S. Oldt
0.061183%
Stanley Harris, Jr.
0.122370%

Tract No. 80 Continued

Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%
Laurence Corbett Kelly
0.467170%
J. D. Hancock
0.011106%
P. G. Lake, Inc.
3.250000%

81	T26N-R11W Sec. 9:	All	640.00	NM-03153 6-1-49 H.B.P.	USA 12.5%	Pan American Petroleum Corporation	O. H. Randel 1.000000% Ernest A. Hanson 1.000000% Olen F. Featherstone 1.000000%	Pan American Petroleum Corporation All
82	T26N-R11W Sec. 21:	NE/4; N/2 SE/4	240.00	SF-078641 5-1-48 H.B.P.	USA 12.5%	Walter Berger	Brookhaven Oil Co. 2.183400% Dacresa Corporation 2.816600%	Tennessee Oil & Gas Company All

Forty-Eight (48) Federal Tracts Containing 16,922.72 acres or 73.5850% of Unit Area

10	T26N-R12W Sec. 6:	SE/4	160.00	Tribal No. 14-20-603-1426 2-1—56	Total Basic Royalty 12.5% Divided as Follows: Eth-ne-pah, or Mrs. River Jim 3.1250% E-nus-pah, or Mrs. Je-en-bega Biddoni 3.1250% Nah-ti—eth-da-yah, or Jim Harvey 3.1250% Ida Meyer 3.1250%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation 100.00%
11	T26N-R12W Sec. 6: S/2 NE/4	Lot 1 and 2,	159.43	Tribal No. 14-20-603-1425 2-1-56 H.B.P.	Est. of Es-ska-eth-not-tah 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation 100.00%
12	T27N-R12W Sec. 32:	NW/4	160.00	Allotment No. 742 SF-011653	E-nus-pah or Mrs. Je-en-bega Biddoni or Annie Scott 100%	None	None	None

22	T26N-R12W Sec. 1:	NE/4	159.82	14-20-603-1447 5-22-56	Total Basic Royalty 12.5% Divided as Follows: Heirs of Keh Yil des bah Hasten Yazzie Pete 7/28 Al so da or Tso des bah Pete 3/28 Da nos bah or Rachel Pete 3/28 Joe Pete or Nah tah holly or Ta ha leth 3/28 Wood Pete or Bert Fuller or Ah uska tah wot 3/28 Wilfred Pete or Ah uska ye ne wot or Ke yil nit wood Pete 3/28 Jennie Pete or I ni gee bah or Al naji bah Pete 3/28 Ah uska ye da wood or wod yazzie Pete or John Shorty Pete 3/28	Western Development Co.	Western Development Company of Delaware 8.750000% Wilson Oil Company 8.750000%	Southwest Production Company All

38	T26N-R12W Sec. 11:	NE/4	160.00	Tribal No. 14-20-603-294 5-11-54 H.B.P.	Ah-deth-chee 12.5%	Skelly Oil Company	None	Skelly Oil Company All
39	T26N-R12W Sec. 11:	SE/4	160.00	Tribal No. 14-20-603-295 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Lockie (Blackie) Mable Blackie 6.250% Uska-nah-no-tah Blackie or Ernest Blackie 6.250%	Skelly Oil Company	None	Skelly Oil Company All
40	T26N-R12W Sec. 12:	NW/4	160.00	Tribal No. 14-20-603-296 5-11-54 H.B.P.	Es-ska-eth-not-tah 12.5%	Skelly Oil Company	None	Skelly Oil Company All
41	T26N-R12W Sec. 12:	SW/4	160.00	Tribal No. 14-20-603-297 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Jo-hostein-nez E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-ne-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Billa Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) (1/6) Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All

42	T26N-R12W Sec. 12:	SE/4	160.00	Tribal No. 14-20-603-298 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Ka-ha-ah-pah E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) 1/6 Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All
44	T26N-R12W Sec. 13:	NE/4	160.00	Tribal No. 14-20-603-299 5-11-54 H.B.P.	Heir of Eska-e-hole-wood Jack Frost or Larrie Ni Pahe or Larrie Napane 12.5%	Skelly Oil Company	None	Skelly Oil Company All
45	T26N-R12W Sec. 13:	SE/4	160.00	Tribal No. 14-20-603-300 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Hoska-non-e-pah Ah-deth-chee 14/56 Es-ska-eth-not-tah 6/56 Nah-ti-yah-ne-ah 6/56 Nah-die-ge-da-ga or Rastus Blackie 6/56 Joe Blackie 6/56 Glen-no-pah 6/56 Da-naz-bah 3/56 Da-naz-bah-be-Dazzie 3/56 Uska-nah-no-tah or Earnest Blackie 3/56 Mabel Blackie 3/56	Skelly Oil Company	None	Skelly Oil Company All

46	T26N-R12W Sec. 13:	NW/4	160.00	Tribal No. 14-20-603-302 2-9-54 H.B.P.	E-nus-pah 12.5%	Skelly Oil Company	None	Skelly Oil Company All
47	T26N-R12W Sec. 13:	SW/4	160.00	Tribal No. 14-20-603-301 5-11-54	Nah-ti-yah-ne-ah 12.5%	Skelly Oil Company	None	Skelly Oil Company
48	T26N-R12W Sec. 14:	NE/4	160.00	Tribal No. 14-20-603-303 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Eska-no-ah E-nes-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-Pah (Marjorie Nelson) (1/6) Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company

49	T26N-R12W Sec. 14: SE/4	160.00	Tribal No. 14-20-603-304 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided As Follows: Heirs of Eth-ah-nop-pah E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) (1/6) Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All
56	T26N-R12W Sec. 23: NE/4	160.00	Tribal No. 14-20-603-305 2-9-54	Heir of Ah-de-yazza Es-ske-nele-wood or Esitty Chee or Red Silversmith 12.5%	Skelly Oil Company	None	Skelly Oil Company All
57	T26N-R12W Sec. 24: NW/4	160.00	Tribal No. 14-20-603-306 2-9-54 H.B.P.	Hod-des-pah 12.5%	Skelly Oil Company	None	Skelly Oil Company All
58	T26N-R12W Sec. 24: SW/4	160.00	Tribal No. 14-20-603-307 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Hoska-ge-di-ele-wood El-so-des-pah or Mrs. Amos John 24/96 Nah-tah-eth-day-yah or Sweetie Nockie Yazzie 8/96	Skelly Oil Company	None	Skelly Oil Company All

Tract No. 58 Continued				Benjamin Harris, Jr. 8/96 Santo or Becente or Santo Ray 2/96 Kah-nuz-bah or Eva Marie Ray 3/96 Hoska-ge-nele-wood or Tony Ray 3/96 Eska-nah-ho-galth Harris or Fred Harris 8/96 Ushka-tah-tollywood Harris or Tyler H. Harris 8/96 Charlie Harris 8/96 Ilth-nee-pah-Harris 8/96 Eshkathl-le-wolth Harris or Ben H. Harris 8/96 E-tah-nip-bah-Harris or Della Harris 8/96			
59	T26N-R12W Sec. 24: NE/4	160.00	Tribal No. 14-20-603-309 2-9-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Es-Sun-ble-Clun Hostesn-Stoi Begay or Haska-ya-dah-wood 1/5 Es-ka-nele-wood or Esitty-Chee or Red Silversmith 1/5 E-tah-nele-wood or Nocki Yazzie 1/5 Ha-daz-bah or Annie Costeanna 1/5 Sweetie Nocki Yazzie or Nah-tah-eth-day--yah 1/5	Skelly Oil Company	None	Skelly Oil Company All
60	T26N-R12W Sec. 24: SE/4	160.00	Tribal No. 14-20-603-308 2-9-54	Es-ska-nele-wood 12.5%	Skelly Oil Company	None	Skelly Oil Company All

61	T26N-R12W Sec. 25: NE/4	160.00	Allotment No. 011516	Heirs of Nim Pah or Lame Woman Eska nele wood or Esitty Chee or Red Silversmith or Haska ya ye wolth 4/20 Etah nele wood or Nocki Yazzie 4/20 Ha duz bah or Annie Costeanna 4/20 Sweetie Nocki Yazzie or Nah tah eth day yah 4/20 Minnie Joe 1/20 Jim Joe 1/20 Joe Benally 1/20 Tom Joe 1/20	None	None	None
62	T26N-R11W Sec. 18: Lots 1 and 2 E/2 NW/4	158.91	Tribal No. 14-20-603-1412 2-1-56 H.B.P.	Uska-Yah-E-Wood (Herbert Jackson)	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
63	T26N-R11W Sec. 18: Lots 3 and 4, E/2 SW/4	159.05	Tribal No. 14-20-603-1413 2-1--56	Na-glee-ya-nee-bah (Mrs. John Platero)	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
64	T26N-R11W Sec. 19: Lots 1 and 2 E/2 NW/4	159.13	Tribal No. 14-20-603-1415 2-1-56	Total Basic Royalty 12.5% Divided as Follows: (Est. of Tahez pa Wero) Tom Taylor 3.125000% Elsie Taylor or Glen as bah (a Minor) 4.687500% Paul Taylor (a Minor) 4.687500%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All

65	T26N R11W Sec. 19: Lots 3 and 4 E/2 SW/4	159.19	Tribal No. 14-20-603-1416 2-1-56	Nah-tah-eth-day-yah (Sweetie Nocki Yazzie) 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
66	T26N-R11W Sec. 19: NE/4	160.00	Tribal No. 14-20-603-1414 2-1-56	Al-so-e-pah-wero 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
67	T26N-R11W Sec. 19: SE/4	160.00	Tribal No. 14-20-603-1417 2-1-56	John Wero 6.250000% Al-so-e-pah-Wero 6.250000%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
68	T26N-R11W Sec. 30: NW/4	159.26	Allotment No. 661 I-149-Ind.-7971 12-22-49 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Et da yazza Es ka nele wood or Esitty Chee or Red Silversmith or Haska ya ye wolth 4/20 Etah nele wood or Nocki Yazzie 4/20 Ha daz bah or Annie Costeanna 4/20 Sweetie Nocki Yazzie or Nah tah eth day yah 4/20 Minnie Joe 1/20 Jim Joe 1/20 Joe Benally 1/20 Tom Joe 1/20	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%

69	T26N-R11W Sec. 30: NE/4	160.00	Allotment No. 011539 I-149-Ind-7971 12-22-49 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Sundie Nocki Yazzie or Na Dah Is Not Da Ya Minnie Joe 1/4 Jim Joe 1/4 Joe Benally 1/4 Tom Joe 1/4	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%
70	T26N-R11W Sec. 29: NW/4	160.00	Allotment No. 672 I-149-Ind-7971 12-22-49 H.B.P.	Nah das esta or Jack Bonnie 12.5%	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%
71	T26N-R11W Sec. 29: NE/4	160.00	Allotment No. 669 I-149-Ind-7971 12-22-49 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Hon-nah-pah Mrs. Harold Begay or Na glin yealth dez bah Virginia Begay or Virginia Jack 18/64 Louise Benally 4/64 Henry Jack, Jr. 7/64 Vivian E. Jack 7/64 Harry Jack 18/64 Edna Platero Daws 4/64 Betty Woods 2/64 Harris Woods 2/64 Lorena Woods 2/64	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%

72	T26N-R11W Sec. 28:	NW/4	160.00	Allotment No. 011531 I-149-Ind-7971 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Marie Leta Ha na bah or Asthon Sugar 3520/14080 Elth ke des pah or Mrs. Bekie Begay 1320/14080 Sport Eaton or Sport Smith 1320/14080 William Eaton 1320/14080 Bil-ah-gee-bah or Betty Howe or Gebah Begay Ith ke nip pah or Dorothy Howe 660/14080 Hoska ilth or Jerome Howe 660/14080 Ye de bah or Mrs. John Blue-Eyes 440/14080 Carl Hogue or Hoska ith le ya 440/14080 Charles or Charles Hogue or Ni hi ya 440/14080 Everett Howell or Everett Benally 440/14080 Betty Billy 440/14080	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%

Tract No. 72 continued

Mary H. Manuelito
440/14080
Margaret Eaton or
Nah glee dez pah
165/14080
Mabel Warito Eaton
165/14080
Ruth Eaton
99/14080
Jimmie Eaton
99/14080
Billie Eaton
99/14080
Wilson Eaton
99/14080
Cecil Eaton
99/14080
Priscilla Eaton
99/14080
Loraine May Eaton
99/14080
Albert Eaton
99/14080
Fred Eaton
99/14080
George Eaton
99/14080
Bessie White or
Dez Bah or
Myra Jennie Blackie or
Bessie White or
Mrs. Dick Jimmie
330/14080

Tract No. 72 continued

Emma Smith Kenneth or
Kah yil nih nih bah or
Ka yelth ni bah or
Mrs. John Yazzie
90/14080
Kenneth Smith or
Haska yil has wudt
90/14080
Wilbert Smith or
Haska yee chih has wudt
90/14080
Richard Smith or
Haska yee chih des wudt
90/14080
Lee Smith
90/14080
Robert Smith
90/14080
Walter Smith
90/14080
Harrison Smith
90/14080
Jerome Smith
90/14080
Irma Smith
90/14080
Annie Smith
Zonnie Yazzie
90/14080

Thirty-Two (32) Tracts Navajo Indian Land Containing 5,114.79 acres or 22.2406% of Unit Area

51	T26N-R12W Sec. 16: N/2	320.00	E-9790 2-1-56	State of New Mexico 12.5%	Texas National Petroleum Company	None	Texas National Petroleum Company 100%
83	T26N-R11W Sec. 16: SE/4 SE/4	40.00	B-11680-79 12-18-44	State of New Mexico 12.5%	Gulf Oil Corporation	Harold Kegan Matilda Kegan 5.000000%	Gulf Oil Corporation All
84	T26N-R11W Sec. 16: SE/4 NE/4	40.00	OG-1530 11-19-57	State of New Mexico 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
85	T26N-R11W Sec. 16: N/2 NE/4 SW/4 NE/4, N/2 SE/4, SW/4 SE/4	240.00	B-11241 5-16-44	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 12.5%	Texas National Petroleum Company All
86	T26N-R11W Sec. 16: N/2 NW/4 SW/4 NW/4	120.00	E-9895 3-30-56 H.B.P.	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 6.25%	Skelly Oil Company All
87	T26N-R11W Sec. 16: SE/4 NW/4	40.00	B-11240 5-16-44	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 6.25%	Skelly Oil Company All

88	T26N-R11W Sec. 16: SW/4	160.00	E-9989 4-17-56	State of New Mexico 12.5%	Monsanto Chemical Company		Monsanto Chemical Company 6.25%	Skelly Oil Company All

Seven (7) State of New Mexico Tracts containing 960.00 acres or 4.1744% of Unit Area

Galleges Gallup Sand Unit Area Totals:	48 Federal Tracts	16,922.72 Acres	73.5850%
	32 Tracts Navajo Indian Land	5,114.79 Acres	22.2406%
	7 State of New Mexico Tracts	960.00 Acres	4.1744%
		22,997.51	100.0000%

EXHIBIT "C"
SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	Federal Lands		
1	T27N-R13W: Sec. 35; NE/4	SF-078105 12-1-47 H.B.P.	0.565848
2	T27N-R13W: Sec. 25; N/2 SW/4 Sec. 36; N/2 SW/4	SF-078391-C 5-7-56	0.047866
3	T27N-R13W: Sec. 25; S/2 SW/4 Sec. 36; S/2 SW/4	SF-078391-C 6-1-49 H.B.P.	1.230441
4	T27N-R13W: Sec. 36; NW/4	SF-078391-B 6-1-49 H.B.P.	1.061112
5	T27N-R13W: Sec. 25; SE/4 Sec. 36; E/2	SF-078391 SF-078391-A 6-1-49 H.B.P.	2.065609
6	T27N-R12W: Sec. 30; SW/4	SF-078392 6-1-49 H.B.P.	0.088606
7	T27N-R12W: Sec. 31; NE/4	SF-080238 4-1-51 H.B.P.	0.961277
8	T27N-R12W: Sec. 31; W/2; SE/4	SF-080238-A 4-1-51 H.B.P.	3.716558
14	T27N-R12W: Sec. 32; S/2	SF-078858 4-1-48 H.B.P.	1.787274
15	T27N-R12W: Sec. 33; SW/4	NM-03413 5-1-48 H.B.P.	0.403233
20	T26N-R11W: Sec. 6; E/2 SW/4	NM-03523 7-1-47 H.B.P.	0.830226

23	T26N-R12W: Sec. 1; S/2 Sec. 2; S/2 Sec. 11; W/2	SF-078953 2-1-48 H.B.P.	10.382334
25	T26N-R12W: Sec. 3; W/2, SE/4 Sec. 10; S/2	SF-080384-B 5-1-51 H.B.P.	7.035002
26	T26N-R12W: Sec. 4; NE/4	SF-078286 9-1-47 H.B.P.	1.510799
27	T26N-R12W: Sec. 4; NW/4	SF-078286-B 9-1-47 H.B.P.	1.948137
28	T26N-R12W: Sec. 4; S/2	SF-081101 9-1-47 H.B.P.	2.906562
29	T26N-R12W: Sec. 5; E/2	SF-081102 9-1-47 H.B.P.	2.364340
30	T26N-R12W: Sec. 5; NW/4	SF-078286-A 9-1-47 H.B.P.	1.311849
31	T26N-R12W: Sec. 5; SW/4	SF-081102-A 9-1-47 H.B.P.	0.530698
32	T26N-R12W: Sec. 8; N/2	SF-081100 9-1-47 H.B.P.	0.699689
34	T26N-R12W: Sec. 8; SE/4	SF-080008 9-1-47 H.B.P.	0.342296
35	T26N-R12W: Sec. 9; N/2	SF-078944-A 2-1-48 H.B.P.	2.023673
36	T26N-R12W: Sec. 9; S/2	SF-078944 2-1-48 H.B.P.	1.234183
37	T26N-R12W: Sec. 10; N/2	SF-080384 5-1-54 H.B.P.	3.050813

43	T26N-R12W: Sec. 12; NE/4	SF-078918 2-1-48 H.B.P.	1.601038
74	T26N-R11W: Sec. 8; W/2 SW/4 W/2 SE/4 Sec. 18; W/2 SE/4 Sec. 20; W/2 NE/4 W/2 NW/4 Sec. 21; W/2 NW/4	AF-078899-A 7-1-47 H.B.P.	3.607356
75	T26N-R11W: Sec. 8; NW/4 E/2 SW/4 E/2 SE/4 Sec. 18; E/2 SE/4 Sec. 20; E/2 NW/4 E/2 NE/4 Sec. 21; E/2 NW/4	SF-078899 4-1-47 H.B.P.	4.419875
76	T26N-R11W: Sec. 17; All	SF-079679 12-1-47 H.B.P.	5.729711
77	T26N-R11W: Sec. 7; E/2 NW/4, E/2 NE/4 W/2 SW/4, W/2 SE/4 Sec. 18; E/2 NE/4	SF-078897 7-1-47 H.B.P.	5.532381
78	T26N-R11W: Sec. 7; W/2 NW/4, W/2 NE/4 E/2 SW/4, E/2 SE/4 Sec. 18; W/2 NE/4	SF-078897 7-1-47 H.B.P.	3.776975
79	T26N-R11W: Sec. 6; W/2 SW/4	SF-078899 7-1-47 H.B.P.	0.348251
81	T26N-R11W: Sec. 9; SW/4	NM-03153 6-1-49 H.B.P.	1.613107
82	T26N-R11W: Sec. 21; NE/4	SF-078641 5-1-48 H.B.P.	1.371624

Indian Allotted Lands

Tract Number	Description	Navajo Allotted Contract No. and Date	Percentage Participation
11	T26N-R12W: Sec. 6; Lot 1 and 2, S/2 NE/4	14-20-603-1425 2-1-56 H.B.P.	0.489339
38	T26N-R12W: Sec. 11; NE/4	14-20-603-294 5-11-54 H.B.P.	1.812588

39	T26N-R12W: Sec. 11; SE/4	14-20-603-295 5-11-54 H.B.P.	2.115935
40	T26N-R12W: Sec. 12; NW/4	14-20-603-296 5-11-54 H.B.P.	2.220132
41	T26N-R12W: Sec. 12; SW/4	14-20-603-297 5-11-54 H.B.P.	1.925079
42	T26N-R12W: Sec. 12; SE/4	14-20-603-298 5-11-54 H.B.P.	1.934029
44	T26N-R12W: Sec. 13; NE/4	14-20-603-299 5-11-54 H.B.P.	1.306753
45	T26N-R12W: Sec. 13; SE/4	14-20-603-300 5-11-54	0.886892
46	T26N-R12W: Sec. 13; NW/4	14-20-603-302 2-9-54 H.B.P.	1.290739
47	T26N-R12W: Sec. 13; SW/4	14-20-603-301 5-11-54	0.778814
48	T26N-R12W: Sec. 14; NE/4	14-20-603-303 5-11-54	0.741548
49	T26N-R12W: Sec. 14; SE/4	14-20-603-304 5-11-54	0.806341
57	T26N-R12W: Sec. 24; NW/4	14-20-603-306 2-9-54 H.B.P.	0.818621
59	T26N-R12W: Sec. 24; NE/4	14-20-603-309	0.593169
62	T26N-R11W: Sec. 18; NW/4	14-20-603-1412 2-1-56 H.B.P.	1.357577
63	T26N-R11W: Sec. 18; SW/4	14-20-603-1413 2-1-56	0.884871

64	T26N-R11W: Sec. 19; NW/4	14-20-603-1415 2-1-56	0.670818
66	T26N-R11W: Sec. 19; NE/4	14-20-603-1414 2-1-56	0.778600

State of New Mexico Lands

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
86	T26N-R11W: Sec. 16; N/2 NW/4 SW/4 NW/4	E-9895 3-30-56 H.B.P.	1.024507
87	T26N-R11W: Sec. 16; SE/4 NW/4	B-11240 5-16-44	0.311212
88	T26N-R11W: Sec. 16; SW/4	E-9989 4-17-56	1.153199

MAIN OFFICE OCC
1982 FEB 14 AM 8 21

GALLEGOS GALLUP SAND UNIT

ROYALTY OWNERS & MAILING ADDRESS

United States of America
United States Geological Survey
P. O. Box 6721
Roswell, New Mexico

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Office of the Commissioner
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Santa Fe, New Mexico

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Houston, Trustee
Houston, Texas

Elizabeth Storey
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John F. Sullivan
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Attorney in Fact for Walter S.
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J. S. Davis; Pearson O. Porter, Jr.
Houston, Texas

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Unknown

James A. Williams
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Houston, Texas

Wilson Oil Company
Unknown

John S. Wold
Unknown

All Following--Bureau of Indian Affairs
c/o U.S.G.S.
Box 6721
Roswell, New Mexico

E-nus-pah, or Mrs. Je-en-bega Biddoni, or Annie Scott

Nah-ti-eth-da-yah or Jim Harvey

Ida Meyer

Eth-ne-pah or Mrs. River Jim

Estate of Es-ska-eth-not-tah

Heirs of Keh-yil-des-bah
Hasten Yozzie Pete

Al-so-da or Tso-des-bah Pete

Da-nos-bah or Rachel Pete

Joe Pete or Nah-tah-holly, or
Ta-ho-leth

Wood Pete, or Bert Fuller, or
Ah-uska-tah-wot

Wilfred Pete or Ah-uska-ye-ne-wot, or
Ke-yil-nit-wood Pete

Jennie Pete or I-ni-gee-bah, or
Al-naji-bah Pete

Ah-uska-ye-de-wood, or Wod Yazzie
Pete, or John Shorty Pete

Ah-deth-chee

Heirs of Lockie, Mable Blackie

Uska-nah-no-tah Blackie, or
Ernest Blackie

Es-ska-eth-not-tah

E-nos-pah, Evelyn Platero

Na-glee-ya-nee-bah, or Mary Nelson

Nah-glee-ha-nun-ha-pah, or
Rilla Nelson

Hoska-ah-na-da, or John Vazzie, or
Timothy Na-pahe, or Timmothy
Kenneth

Yith-nip-pah, Marjorie Nelson

Jack Frost or Larrie Napane

Es-ska-eth-not-tah

Nah-ti-yah-ne-ah

Nah-die-ge-da-ga
or Rastus Blackie

Joe Blackie

Glen-no-pah

Da-naz-bah

Da-naz-bah-be Dazzie

E-nus-pah

Nah-ti-yah-ne-ah

Heir of Ah-de-yazza, Es-ska-nele-wood, or Esitty Chee, or Red Silversmith

Hod-des-pah

El-so-des-pah, or Mrs. Amos John

Nah-tah-eth-day-yah, or Sweetie Nockie Yazzie

Benjamin Harris, Jr.

Santo or Bencente or Santo Ray

Kah-nuz-bah, or Eva Marie Ray

Hoska-ge-nele-wood, or Tony Ray

Eska-nah-ho-galth Harris or Fred Harris

Ushka-tah-tollywood Harris, or Tyler H. Harris

Charlie Harris

Ilth-nee-pah Harris

Eshkathl-le-wolth Harris or Ben H. Harris

E-tah-nip-bah Harris, or Della Harris

Hosteen-Stoi Begay, or Haska-ya-dah-wood

E-tah-nele-wood, or Nocki Yazzie

Ha-daz-bah, or Annie Costenna

Es-ska-nele-wood

Minnie Joe

Jim Joe

Joe Benally

Tome Joe

Uska-yah-E-Wood
Herbert Jackson

Na-glee-ya-nee-bah
Mrs. John Platero

Estate of Tahez-pa-wero
Tom Taylor

Elsie Taylor or Glen-as-bah (A minor)

Paul Taylor (A minor)

Al-so-e-pah-wero

John Wero

Nah-das-esta or Jack Bonnie

Virginia Begay or Virginia Jack

Louise Benally

Henry Jack, Jr.

Vivan E. Jack

Harry Jack

Edna Platero Davis

Betty Woods

Harris Woods

Lorena Woods

Heirs of Mario-Leta-Ha-na-bah
or Asthon Sugar

Elth-ke-des-pah, or Mrs. Bekie
Begay

Sport Eaton, or Sport Smith

William Eaton

Bil-ah-gee-bah, or Betty Howe, or
Gebah Begay Ith-ke-nip-pah, or
Dorothy Howe

Hoska-ilth, or Jerome Howe

Ye-de-bah, or Mrs. John Blue Eyes

Carl, or Carl Hogue, or Hoska-ith-
le-ya

Everett Howell, or Everett Benally

Betty Billy

Mary H. Manuelito

Margaret Eaton, or Nah-glee-dez-pah

Mabel Warito Eaton

Ruth Eaton

Jimmie Eaton

Billie Eaton

Wilson Eaton

Cecil Eaton

Priscilla Eaton

Loraine May Eaton

Albert Eaton

Fred Eaton

George Eaton

Bessie White or Dez Bah, or
Myra Jennie Blackie, or Bessie
White, or Mrs. Dick Jimmie

Emma Smith Kenneth, or Kah-yil-nih-nih-
bah, or Ka-yelth-ni-bah, or Mrs.
John Yazzie

Kenneth Smith or Haska-yil-has-wudt

Wilbert Smith, or Haska-Yee-Chih-has-
wudt

Richard Smith, or Haska-yee
Chih-des-wudt

Lee Smith

Robert Smith

Walter Smith

Harrison Smith

Jerome Smith

Irma Smith

Annie Smith
Zonnie Yazzie

WORKING INTEREST OWNERS

GALLEGOS-GALLUP SAND UNIT

Edward Arcaro
3825 Willat Avenue
Culver City, California

Benson-Montin-Greer Drilling Company
2808 First National Building
Oklahoma City 2, Oklahoma

Compass Exploration, Inc.
101 University Blvd.
Denver 2, Colorado

John C. Daum
1913 Fifteenth Street
Lubbock, Texas

Delhi Taylor Oil Corporation
Union Fidelity Tower Building
Dallas, Texas

Walter Duncan
Box 137
Durange, Colorado

Elmer E. Elliott
433 South Lincoln Street
Santa Maria, California

El Paso Natural Gas Products Company
P. O. Box 1161
El Paso, Texas

Mr. Olen F. Featherstone
Roswell Petroleum Building
Roswell, New Mexico

Frontier Refining Company
4040 East Louisiana Avenue
Denver 22, Colorado

Gulf Oil Corporation
P. O. Box 2097
Denver 1, Colorado

Ernest A. Hanson
P. O. Box 852
Roswell, New Mexico

J. Felix Hickman
4401 Constitution NE
Albuquerque, New Mexico

Hidden Splendor Mining Company
2000 National Bank of Tulsa Building
Tulsa 3, Oklahoma

William H. Hudson
1126 Mercantile Securities Building
Dallas, Texas

O. J. Lilly
P. O. Box 185
Farmington, New Mexico

Lion Oil Company
1310 Denver Club Building
Denver 2, Colorado

W. L. Lynch
2010 Fidelity Union Building
Dallas, Texas

J. C. Man, Jr.
1010 City National Bank Building
Wichita Falls, Texas

E. W. Mudge, Jr.
Republic National Bank Building
Dallas, Texas

The Oklahoma Oil Company
4457 Gunnison Street
Chicago, Illinois

Pan American Petroleum Corporation
P. O. Box 1410
Ft. Worth, Texas

Petro-Atlas, Inc.
2000 National Bank of Tulsa Building
Tulsa 3, Oklahoma

James R. Pickett

Shiprock Industries, Inc.
2000 National Bank of Tulsa Building
Tulsa 3, Oklahoma

Skelly Oil Company
P. O. Box 1650
Tulsa 2, Oklahoma

Southwest Production Company
3108 Southland Center
Dallas 1, Texas

Mr. John F. Sullivan
3825 Willat Avenue
Culver City, California

Sunray Mid-Continent Oil Company
P. O. Box 2039
Tulsa 2, Oklahoma

Tenneco Oil Company
P. O. Box 1031
Midland, Texas

Texas National Petroleum Company
902 South Coast Life Building
Houston 2, Texas

Vinson Truck
Robert E. Vinson, Trustee
Box 2289
Wichita Falls, Texas

Western Development Company of Delaware
825 Petroleum Club Building
Denver 2, Colorado

Horace E. White
430 First National Bank Building
Abilene, Texas

SKELLY OIL COMPANY

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

February 25, 1963

Re: Case No. 2512
Order No. R-2207
Gallegos Gallup Sand Unit

State of New Mexico
Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

In compliance with Section (5) of the above Case and Order, we are enclosing executed counterparts of the Gallegos Gallup Sand Unit Agreement.

Yours very truly,

Robert G. Hiltz

HRW:sw
Attach.

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
SAN JUAN COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS THAT:

For the considerations and purposes stated in those certain agreements, entitled as above and both being dated as of February 1, 1962, the undersigned, representing that it is a Working Interest Owner within the meaning of that term as it is used in captioned Unit Agreement, does hereby consent to, ratify, confirm and join in the execution of said Unit Agreement and said Unit Operating Agreement (each of said agreements being incorporated herein by reference) to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and said Unit Operating Agreement, or a counterpart of either or both of said agreements, EXCEPT THAT, the undersigned is hereby committing to the terms, provisions and agreements set forth in said Unit Agreement and said Unit Operating Agreement all of its right, title and interest in and to, but only in and to, the following described tracts of land (all situate in San Juan County, New Mexico):

Tract No. 43 – NE/4 Sec. 12-26N-12W, 160 acres; Federal lease Serial No. SF-078918, dated 2-1-48; Delhi-Taylor's Working Interest: 50%.

Tract No. 73 – NE/4 Sec. 28-26N-11W, 160 acres; Federal lease Serial No. SF-081186, dated 3-1-48; Delhi-Taylor's Working Interest: 100%.

Tract No. 76 – Sec. 17-26N-11W, 640 acres; Federal lease Serial No. SF-079679, dated 12-1-47; Delhi-Taylor's Working Interest: 50%.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and said Unit Operating Agreement and acknowledges that these instruments have been executed and delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, its successors and assigns.

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
AUG 8, 1962
at 9:45 o'clock A M
and Recorded in Book 524
Page 104
Sarah Gooding, County Clerk
By [signature] Deputy
Rec. 62559 Fee 2.75

104-H

IN WITNESS WHEREOF, this ratification is executed this 20th day of July, 1962.

WORKING INTEREST OWNER:

DELHI-TAYLOR OIL CORPORATION

ATTEST:

Katherine Vaughn
Assistant Secretary

Norman C Miller
Vice President

Address: FIDELITY UNION TOWER
DALLAS, TEXAS

STATE OF Texas }
COUNTY OF Dallas } SS:

The foregoing instrument was acknowledged before me this 20th day of July, 1962, by Norman C. Miller, as Vice President and by KATHERINE VAUGHN, as Asst Secretary of DELHI-TAYLOR OIL CORPORATION, a Delaware corporation.

Witness my hand and official seal.

Julene Neese
Notary Public

My commission expires:

JULIENE NEESE Notary Public,
in and for Dallas County, Texas.
My Commission Expires June 1, 1963

106

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
AUG 8, 1962
at 9:47 o'clock A M
and Recorded in Book 524
Page 106
Sarah Gooding, County Clerk
By Donnie Wilhite Deputy
Rec # 63559 Fee 2.75

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 24th day of July, 1962.

WORKING INTEREST OWNER:

J. Duckworth

ATTEST:

Address 4401 Constitution N.E.

Albuquerque, N.M.

106-H

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF Bernalillo)

The foregoing instrument was acknowledged before me this 24th day of July, 19 62 by J. Felix Rickman.

Witness my hand and official seal

My Commission Expires:
7/12/65

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____, a _____ corporation.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public.

J W George

107

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
AUG 8, 1962
at 9:48 o'clock A M
and Recorded in Book 524
Page 107
Sarah Gooding, County Clerk
By Deanna Aubert Deputy
Rec. 63559 Fee 2.75

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 20 day of July, 1962.

WORKING INTEREST OWNER:

Benson-Montin-Greer
BENSON-MONTIN-GREER DRILLING CORP.

By Albert J. Greer
Vice-President

Address 158 Petroleum Center Building

Farmington, New Mexico

ATTEST:

Nancy Elaine Davis
Asst. Secretary

107-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF NEW MEXICO)
) SS:
COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me this 23rd day of July, 19 62, by Albert R. Greer as Vice President and Nancy Elaine Jones as ~~Asst.~~ Secretary of Benson-Montin-Greer Drlg. Corp, a Delaware corporation.

Witness my hand and official seal

My Commission Expires:

February 20, 1963

Dorothy Holloway
Notary Public

J W Runge

109

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
AUG 8, 1962
at 9:50 o'clock a M
and Recorded in Book 524
Page 109
Sarah Goodding, County Clerk
By Susan Werkert Deputy
Rec=63559 9w2.75

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 17 day of July, 1962.

WORKING INTEREST OWNER:

D. H. Hudson

Address 1126 Mercantile Securities Bldg
Dallas, Texas

ATTEST:

R. A. Grant

109-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Texas
COUNTY OF Dallas } SS:

The foregoing instrument was acknowledged before me this 19th day of July, 1963, by W. H. Hudson.

Witness my hand and official seal

My Commission Expires:

June 1, 1963

Camilla Dabney
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____, as _____ President and _____, as Secretary of _____, a _____ _____ corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

J W Grage

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
AUG 8, 1962
at 9:51 o'clock A M
and Recorded in Book 524
Page 110
Sarah Gooding, County Clerk
By Dennis Walker Deputy
Rec=63559 Fee2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 20th day of July, 1962.

WORKING INTEREST OWNER:

Olen F. Featherstone

ATTEST:

Address Roswell Petroleum Building

Roswell, New Mexico

110-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF NEW MEXICO)
) SS:
COUNTY OF CHAVES)

The foregoing instrument was acknowledged before me this 20th day of July, 1962, by Olen F. Featherstone.

Witness my hand and official seal

My Commission Expires:

October 26, 1963

Dorothy E. Chumbley
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____, as _____ President and _____, as Secretary of _____, a _____ corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

J W Stange

105

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
AUG 8, 1962
at 9:46 o'clock A M
and Recorded in Book 524
Page 105
Sarah Goodding, County Clerk
By Donna Akers Deputy
Rec'd 63559 Fee 2.75

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 10th day of July, 1962.

WORKING INTEREST OWNER:

1816 North Wagner

Address Farmington, New Mexico

ATTEST:

105-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF San Juan)

The foregoing instrument was acknowledged before me this 10th day of July, 1962, by O. J. Lilly.

Witness my hand and official seal

My Commission Expires:

11-20-64

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____, a _____ corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

J W George

108

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
Aug 8, 1962
at 9:49 o'clock A M
and Recorded in Book 524
Page 108
Sarah Goodding, County Clerk
By Lenna Weddell Deputy
Rec 63559 Fee 2.75

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 12th day of July, 1962.

WORKING INTEREST OWNER:

(Mrs) Lennes Dawn

ATTEST:

Address 1649 Broadway Avenue

Lubbock, Texas

108-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF TEXAS)
) SS:
COUNTY OF LUBBOCK)

The foregoing instrument was acknowledged before me this 12th day of July, 1962, by (Mrs.) Frances Daum.

Witness my hand and official seal

My Commission Expires:

June 1, 1963

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____, a _____ corporation.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

132

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 12, 1962
at 10:20 o'clock A M
and Recorded in Book 522
Page 132
Sarah Goodding, County Clerk
By Irene Lewis Deputy

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT FOR THE DEVFLOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 27 day of May, 1962.

WORKING INTEREST OWNER:

Edward Arco

Ruth Arco

ATTEST:

Address 3875 Wellat Ave

Culver City Calif.

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF California)
) SS:
COUNTY OF Los Angeles)

The foregoing instrument was acknowledged before me this 22
day of May, 19 62, by Edward Ucaro and Ruth Ucaro, his wife.

Witness my hand and official seal

My Commission Expires:

July 5, 1964

Luella B. Chandler
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____, a _____ corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 12, 1962
at 10:21 o'clock A M
and Recorded in Book 522
Page 133
Sarah Goodding, County Clerk
By Irene Lanier Deputy

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT AND UNIT OPERATING AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 15 day of May, 1962.

WORKING INTEREST OWNER:

John F. Kellison

Riel Sullivan

ATTEST:

Address 3875 Willat Ave

Culver City, Calif.

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF California)
) SS:
COUNTY OF Los Angeles)

The foregoing instrument was acknowledged before me this 15 day of May, 1962, by John T Sullivan and Ruth Sullivan, his wife.

Witness my hand and official seal

My Commission Expires:

NOTARY PUBLIC LOS ANGELES
My Commission Exp. July 5, 1964

Beulah B Chandler
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____, a _____ corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

134

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 12, 1962
at 10:22 o'clock A M
and Recorded in Book 522
Page 134
Sarah Gaodding, County Clerk
By Irene Lanier Deputy

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 16th day of May, 1962.

WORKING INTEREST OWNER:
SUNRAY DX OIL COMPANY
(formerly named Sunray Mid-Continent Oil Company)

By R E Foss
Vice President

Address P. O. Box 2039

Tulsa 2, Oklahoma

ATTEST:
Melissa Rempson
Assistant Secretary

SUNRAY DX OIL COMPANY
1961
DELAWARE

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) SS:
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 16th day of May, 1962, by R. E. Fass as Vice President and Murma Redfern, Asst. Secretary of SUNRAY DX OIL COMPANY, a Delaware corporation.

Witness my hand and official seal

My Commission Expires:

OCT. 21, 1965

Donna Jean Meyer
Notary Public

135

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 12, 1962
at 10:23 o'clock A M
and Recorded in Book 522
Page 135
Sarah Goudding, County Clerk
By Irene Landis Deputy

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 10th day of May, 1962.

WORKING INTEREST OWNER:

THE HIDDEN SPLENDOR MINING COMPANY

BY: A. P. Kibbe

A. P. KIBBE - PRESIDENT

Address 2000 Nat'l Bank Tulsa Bldg.

Tulsa 3, Oklahoma

ATTEST:

J. R. Gough asst. Secretary

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF UTAH)
) SS:
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 10th day of May, 1962, by A. P. Kibbe as President and J. R. Gough as Ass't Secretary of The Hidden Splendor Mining Company, a Delaware corporation.

Witness my hand and official seal

My Commission Expires:

February 13, 1965

Ethella O. Berry
Notary Public ETHELLA O. BERRY, Notary Public
Commission Expires Feb. 13, 1965
Salt Lake City, Utah

136

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 12, 1962
at 11:24 o'clock A M
and Recorded in Book 522
Page 136
Sarah Goodding, County Clerk
By Irene Lanier Deputy

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 21st day of May, 1962.

WORKING INTEREST OWNER:

Ernest A. Hanson

Beulah Irene Hanson

ATTEST:

Address P. O. Box 1515

Roswell, New Mexico

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF New Mexico)
) SS:
COUNTY OF Chaves)

The foregoing instrument was acknowledged before me this 21st day of May, 1962, by Ernest A. Hanson and Beulah Irene Hanson, his wife.

Witness my hand and official seal

My Commission Expires:

MY COMMISSION EXPIRES FEBRUARY 28, 1964

_____

Ernest B. Hunter
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____, a _____ corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public.

137

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 12, 1962
at 10:25 o'clock A M
and Recorded in Book 522
Page 137
Sarah Goodding, County Clerk
By Irene Lanier Deputy

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 7th day of MAY, 1962.

WORKING INTEREST OWNER:

SHIPROCK INDUSTRIES, INC.

BY: F. T. Anderson

F. T. ANDERSON - PRESIDENT

Address 2000 Nat'l Bank of Tulsa Bldg.

Tulsa 3, Oklahoma

ATTEST:

Don M. Richards

Don M. Richards - Secretary

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal.

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) SS:
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 7th day of MAY, 1962, by F. T. ANDERSON as President and DON M. RICHARDS as Secretary of SHIPROCK INDUSTRIES, INC., a COLORADO corporation.

Witness my hand and official seal

My Commission Expires:

8-24-65

Helen Jeanne Parker
Notary Public

138

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT AND UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 12, 1962
at 10:26 o'clock A M
and Recorded in Book 522
Page 138
Sarah Goodding, County Clerk
By Irma Lanier Deputy

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in those certain agreements, entitled as above, both being dated February 1, 1962, the undersigned (whether one or more) represents that it is a Working Interest Owner within the meaning of that term as used in captioned Unit Agreement and, as such, does hereby consent to ratify, confirm, and join in the execution of said Unit Agreement and Unit Operating Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of its right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement and Unit Operating Agreement.

The undersigned hereby acknowledges receipt of copies of said Unit Agreement and Unit Operating Agreement and, further, acknowledges that these instruments have been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the neuter gender.

IN WITNESS WHEREOF, this instrument is executed this 7th day of MAY, 1962.

WORKING INTEREST OWNER:

PETRO-ATLAS, INC.

BY: F. T. Anderson

F. T. ANDERSON - PRESIDENT

Address 2000 National Bank of Tulsa Bldg.

Tulsa 3, Oklahoma

ATTEST:

H. J. Parks

H. J. Parks-Assistant Secretary

MAY 9 1962

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____ _____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____ _____
Notary Public

CORPORATE ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) SS:
COUNTY OF TULSA)

The foregoing instrument was acknowledged before me this 7th day of May, 19 62, by F. T. ANDERSON as President and H. J. Parks as Assistant ~~xxx~~ Secretary of PETRO-ATLAS, INC., a Delaware corporation.

Witness my hand and official seal

My Commission Expires:
March 22, 1966

_____ Merry D Allyn
Notary Public

CERTIFICATE OF APPROVAL

BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

GALLEGOS GALLUP SAND UNIT

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated February 1, 1962, which has been executed or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

(a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.

(b) That under the proposed agreement the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.

(c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.

(d) That such agreement is in other respects for the best interests of the state, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 7-11-39, 7-11-40, 7-11-41, 7-11-47, 7-11-48, New Mexico Statutes Annotated 1953 Compilation; I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 19th day of September 19 62.

E. L. Mechem

Commissioner of Public Lands
of the State of New Mexico

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

Oct. 30, 1962

at 3:12 o'clock P. M
and Recorded in Book 534
Page 87
Sarah Gooding, County Clerk
Irene Lanier Deputy

Rec. # 65637 Fee $1.75

RECEIVED
NOV 6 1962
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

CONSERVATION DIVISION
RECEIVED
NOV 27 1962
GEOLOGICAL SURVEY

RECEIVED
SEP 1962
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

CERTIFICATION - DETERMINATION

14-08-0001 8493

Pursuant to the authority vested in the Secretary of Interior under the allotted Mineral Leasing Act of March 3, 1909, 35 Stat. 783, 25 U. S. C. Sec. 396 and the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U. S. C. Secs. 396a, et seq., as to certain restricted and allotted Indian lands and delegated to the Commissioner of Indian Affairs by Departmental Order No. 2508 of January 11, 1949, 14 F. R. 258-260, and

Pursuant to the authority vested in the Secretary of the Interior as to Federal lands, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. Secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C. F. R. Sec. 4.611, 12 F. R. 6784, we do hereby:

A. Approve the attached agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, and royalty requirements of all Indian leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

D. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated NOV 14 1962

ACTING ASSISTANT Melvin Helander
Area Director, Gallup Area Office
Bureau of Indian Affairs

Dated JAN - 9 1963

Acting Arthur A. Baker
Director, United States Geological Survey

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

July 3, 1962

at 1:00 o'clock P. M
and Recorded in Book 519
Page 194
Sarah Goodding, County Clerk
By Irene Lander Deputy

Rec. # 62680 Fee $2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this _____ day of _____, 1962.

Unit Ag. 11128-62 Gallegos
14-20-603-294 tract 38
" " " 295 37
" " " 300 45

Date _____

Witnesses:

Howard Wilson

Charlie Y. Brown

ROYALTY OWNER:

C-53759

General Delivery

Address Farmington

New Mexico

ask ye to or Harry Blackie or Harry White

C-11094

Box 207

Address Farmington

New Mexico

Date _____

Witnesses:

Charlie Y. Brown

Alex Bob or Bessie Blackie or Bessie White or Bessie Blackie White

C-11095

Box 207

Address Farmington

New Mexico

Date _____

Witnesses:

Charlie Y. Brown

194-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mex)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 7
day of July, 1962, by Ernest Blackie.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mex)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 7
day of July, 1962, by Ush Yazzie or Harry Blackie
or Harry White or White.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mex)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 7
day of July, 1962, by Mrs Bekay Bessie Blackie
or Bessie White or Bessie Blackie White.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

H-461

Gallup Oil Co.
Lease No. 510
Farm

37

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:43 o'clock P M
and Recorded in Book 519
Page 37
Sarah Goodling, County Clerk
By [signature] Deputy
Fee 2.15 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 28 day of May, 1962.

60
14-20-603-308

ROYALTY OWNER:

Evelyn McCown
by Edith Cheverie Red Silversmith

Address Box 307
Farmington New Mex

Date _____

Witnesses:

_____

Charlie Y Brown

FARMINGTON, N. MEX.

Date _____

Witnesses:

Howard Cubero

_____

Address _____

_____

Date _____

Witnesses:

_____

_____

Address _____

_____

37-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ~~New Mexico~~ McKinley } SS:
COUNTY OF _____ }

The foregoing instrument was acknowledged before me this 28
day of May, 1962, by E. W. Thompson and Lillie M. Thompson.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico } SS:
COUNTY OF McKinley }

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____ } SS:
COUNTY OF _____ }

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____ } SS:
COUNTY OF _____ }

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____ } SS:
COUNTY OF _____ }

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

5-28-62

36

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

June 1 1962
at 2:42 o'clock P M
and Recorded in Book 519
Page 36
Sarah Gaadding, County Clerk
By Deputy
Fee 2.75 # 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 19 day of May, 1962.

59
14-20-603-309
Partial Rel M 1/2-55-6
M 50-61

Date _____

Witnesses:

_____

Charlie Y. Blanco

Date FARMINGTON, N. MEX.

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:
Gino Gallegos

_____

Address Tsaaswood Trdg. Post
Tsaaschinkai Area

_____

_____

Address _____

_____

_____

Address _____

_____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 17 day of May, 19 62, by _____.

Witness my hand and official seal

My Commission Expires:

9-1-62

Howard Wilson
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

35

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

June 1 1962
at 2:41 o'clock P M
and recorded in Book 519
Page 25
Sarah Gooding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 11 day of May, 1962.

#54
14-20-603-309
Prob Rqmnt-55
M50-61

Date _____

Witnesses:

_____

Charlie Y. Brown

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

4 Hardy Dale

or Annie Coatsworth

Address Carson Store

Farmington New Mex

_____

8 Tom Joe

Address Round Rock

Ariz

7 Joe Bennally

_____

Address Tuba Chapter

Ariz

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 11 day of May, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF _____)
New Mexico) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 11 day of May, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 11 day of May, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

34

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:40 o'clock P M
and Recorded in Book 519
Page 34
Sarah Gooding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 16 day of May, 1962.

5-9-
14-20-603-309
ProbRef M112-55
M30-61

Date _____

Witnesses:

_____

Chuckie Brown

Date FARMINGTON, N. MEX.

Witnesses:

[signature] c
[signature] of Wilson

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

5 Lucie Yazzie his mark
or Yah-tah-eth-day-Yah
Address Box 207
Farmington New Mex

2 Etsitty Chee or Es-ta-Nah-ee his mark
or Ed Silversmith
Address Calvin Ida Post
Farmington New Mex.

3 Mark Yazzie his mark
or E-tah-Nah-hood
Address Box 207
Farmington New Mex

34-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 16
day of May, 1962, by Curtis Mc Ke Young
or Mc Kee Lot - Attorney-in-fact

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 16
day of May, 1962, by Elliott Gross for Rex Lee Jones

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 16
day of May, 1962, by Rosa Lee Gross
or Rex Lee Gross

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

53

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:39 o'clock P M
and Recorded in Book 519
Page 33
Sarah Goodding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 25 day of May, 1962.

#58
14-20-603-307

Date 13

Witnesses:

Charlie J. Brown

FARMINGTON, N. MEX.

ROYALTY OWNER:

Address Farmington, N. Mex.

Date

Witnesses:

Address

Date 14

Witnesses:

Address

33-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25
day of May, 1962, by Lillie Mae Lester Dallas
+ C. T. K. - Mary - Tom - Hanna
Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25
day of May, 1962, by Edwards Bell
& Mrs. Louise Tom
Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25
day of May, 1962, by Ella Hanna
Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

32

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:38 o'clock P M
and Recorded in Book 519
Page 32
Sarah Goodding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 3 day of May, 1962.

458
14-20-603-307

ROYALTY OWNER:

Date 9

Witnesses:

Tyler K. Harris
Chief Ilgiost
Address Farmington N Mex

Charlie G. Brown 3

FARMINGTON, N. MEX.

Benjamin Harris Jr
Ben Hussain
608 West Arizona
Address Farmington
N. Mex.

Date May 3. 1962

Witnesses:

Charlie G. Brown
Howard Wash

Date 7

Tony Lee
Route 1 Box 47
Address Navajo Gospel Crusade
Cortez, Colorado

Witnesses:

32-H

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 3 day of May, 1962, by J. C. H. Harris or Navaho-Ute-Tallgrass Intertribal.

Witness my hand and official seal

My Commission Expires:
2-1-62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 3 day of May, 1962, by Ben Harris or Ben Jr. Harris Jr.

Witness my hand and official seal

My Commission Expires:
2-1-62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 3 day of May, 1962, by Tony Ray or Navaho-Ute-Mele-Wood

Witness my hand and official seal

My Commission Expires:
2-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

31

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:37 o'clock P M
and Recorded in Book 519
Page 31
Sarah Goodding, County Clerk
By _____ Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 22 day of May, 1962.

58
14-20-603-307

ROYALTY OWNER:
Fred H Harris

Date _____

Witnesses:

Address Box 1 Star Rt Aztec N Mex

_____

Charles J. Brown

Att. or Remit
C/O Santa Fe
Gen. Pass. Agt.

FARMINGTON, N. MEX.

Date _____

Witnesses:
Mrs. P Wall

Address Farmington N Mex

_____

Box 1 Route 6 Santa Fe Bldg

12
Bess M. Harris

Gen. Pass. Agt.

Date _____

Witnesses:

Address Box 1 Star Rt Aztec N Mex

_____

_____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 2nd day of May, 1962, by Fred H. Harris as Lease Not to Golf Course.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard C Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 2nd day of May, 1962, by Sam C Cox as Secretary

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 2nd day of May, 1962, by Sam H Harris as Lease Not to Golf Course.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

30

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:36 o'clock P M
and Recorded in Book 519
Page 30
Sarah Gooddin, County Clerk
By [signature] Deputy
Fee 2.75 R# 61594

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 23 day of May, 1962.

458

14-20-BOB-307

Date _____ 6

Witnesses:

_____

_____

ROYALTY OWNER:

Eva Marie Brown

_____

Address Box 207 Farmington N.M.

Date _____ 2

Witnesses:

_____

_____

ROYALTY OWNER:

_____

_____

Address _____

Date FARMINGTON, N. MEX. 10

Witnesses:

_____

_____

ROYALTY OWNER:

Charles Harris

_____

Address Box 207 Farmington N.M.

30-H

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of May, 1962, by Ben Nanie Tsinnie and Ruth Tsinnie his wife

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 23 day of May, 1962, by Ruth Etsitty Yazzie Nakai Yazzie

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF ~~New Mexico~~)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 23 day of May, 1962, by Charlie Hoskie

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

29

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:35 o'clock P M
and Recorded in Book 519
Page 29
Sarah Gooding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 19 day of May, 1962.

57
14-20-603-306

ROYALTY OWNER: [illegible]

Date _____

Witnesses:

_____

Address Box 207 Farmington N. Mex.

Chauncey G. Blow

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

Address _____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ~~McKinley~~ New Mexico)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 19 day of May, 1952, by Hollis Park.

Witness my hand and official seal

My Commission Expires:
9-1-60

Howard Wilson
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

28.

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:34 o'clock P M
and Recorded in Book 519
Page 28
Sarah Goodding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61804

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 28 day of April, 1962.

his mark

#156
14-20-603-305

ROYALTY OWNER:
Estelle Chee
or Estella Kelewood or
Red Silversmith
Address Box 207
Farmington, New Mex.

Date

Witnesses:

Charlie Y. Brown

FARMINGTON, N. MEX.

Date

Witnesses:

Fred Wilson

Address

Date

Witnesses:

Address

28-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 28 day of April, 19 62, by Elvin Chee and Goldie Lee Chee, his wife.

Witness my hand and official seal

My Commission Expires:
R-1-62

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

27

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

June 1 1962
at 2:33 o'clock P M
and Recorded in Book 519
Page 27
Sarah Goodding, County Clerk
By Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 10 day of May, 1962.

49
14-20-603-304

Date _____

Witnesses:

_____

Charlie J. Brown

Date FARMINGTON, N. MEX.

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

6 Or Larry Dapaio Jr. Joe Nicholas Trostel Virgil Nagoma Dino Nicholas

_____

Address Box 207
Farmington N Mex

3 Rilla Nelson

Or Nah-glee-ha-Nanke Pa

Address Carson Jr Post
Farmington N Mex
Ha Post

1 Mrs Pah

Or Evelyn Peters

Address Box 207
Farmington N Mex

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this 10
day of May, 1962, by Lucy Nopie or York Tsinnie
or Lucie Nopie or Lucie Tsinnie.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this 10
day of May, 1962, by Rita DeCora
or York Yazzie Tsinnie.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this 10
day of May, 1962, by Evelyn Slater
or Evelyn Platero.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

26

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:32 o'clock P M
and Recorded in Book 519
Page 26
Sarah Goodling, County Clerk
Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 8 day of May, 1962.

#49

14-20-603-309

ROYALTY OWNER:

Her Mark

2 Na-de-ya-Zeebah
or Mary Nelson

Date

Witnesses:

Address Crown Hgt Est
Farmington N. Mex

Sherlie G. Brown

4 Tommy Begay
or Timothy Nopah or John Yazzie
or Hosta-ah-Na-Ba

Date

FARMINGTON, N. MEX.

Witnesses:

Address Corner Store
Farmington N. Mex

5 Margaret Nelson
or Yith-Nip-Pah

Date May 8, 1962

Witnesses:

Address Farmington New Mex
Box 207

Sherlie G. Brown

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 8
day of May, 1962, by Mary Nelson
or Nat-glee-ya-nee-bah

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 8
day of May, 1962, by Timothy Kearthan Timothy Na-ya-ke
or John Yazzie or Hoska-dah-Nai-da

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 8
day of May, 1962, by Margorie Nelson
or Yeth-kip-pah

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

25

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:31 o'clock P M
and Recorded in Book 519
Page 25
Sarah Goodding, County Clerk
By Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 3 day of May, 1962.

48
14-20-603-303

ROYALTY OWNER:

2 Hagley Yazzie Bah
or Mary Nelson
Address Carson Trg Post
Farmington New Mex

Date

Witnesses:

Charley Brown

Date FARMINGTON, N. MEX.

Witnesses:
Hazel Wilson

4 Timothy Kenneth
or Timothy Kayinhe or John Yazzie
or Florida Na-Da
Address Carson Store
Farmington N Mex

5 Gith Nip-Poh
Margorie Nelson
Address Farmington New Mex
Box #207

Date May 3. 1962

Witnesses:
Charley Brown

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 3
day of May, 1962, by Mary Nelson
as Vice-Pres. of Navajo Tribal Utility Authority.

Witness my hand and official seal.

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 3
day of May, 1962, by Howard Wilson
as Secretary-Treasurer of Navajo Tribal Utility Authority.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 3
day of May, 1962, by Marvin Nelson
as Asst. Secretary-Treasurer.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

24

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:30 o'clock P M
and Recorded in Book 519
Page 24
Sarah Gooding, County Clerk
By Jannie Wakal Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 7 16 day of May, 1962.

#48
14-20-603-303

Date _____

Witnesses:

_____

Charles Y. Kruse

Date FARMINGTON, N. MEX.

Witnesses:

Howard Wilson

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

6 Lorrie Napahe
or Jack First of Lorrie Napahe
or Lorrie Napahe

Address Box 207
Farmington N Mex

3 Rilla Nelson
or Nah-glee ha Nun ka Pa

Address Corner Hy Post
Farmington N Mex

1 Elos Pah His Mark
or Evelyn Peters

Address Box 207
Farmington N Mex

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 16
day of May, 1962 by Larry Yazzie & Jack Frost
or Larry Napone or Larrie Napoleon

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 16
day of May, 1962 by Rella Nelson
or Nah-glee-ha-nun-ha-Pa

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 16
day of May, 1962, by Evelyn Plateo or E-ho-Poh

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

23

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

June 1 1962
at 2:29 o'clock P M
and Recorded in Book 519
Page 23
Sarah Gooding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 17 day of May, 1962.

#47
14-20-603-301

Date _____

Witnesses:

Charlidy Brown

Date _____ FARMINGTON, N. MEX.

Witnesses: [signature]

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER: his mark
Katoni Blackie
or Nah-ti-Yah-Mah

Address Blanco Store
Blomfield New Mex

_____

_____

Address _____

_____

_____

_____

Address _____

_____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ~~New Mexico~~ McKinley)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 17 day of May, 1962, by Dotson Block Jr. for North Gallup Supply Co.

Witness my hand and official seal

My Commission Expires:
6-1-62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF ~~New Mexico~~ McKinley)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

22

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:28 o'clock P M
and Recorded in Book 519
Page 22
Sarah Gooding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 14 day of May, 1962.

14 20-603-308

Date _____

Witnesses:

_____

Charlie Brown

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

E. Max Park

Drw 207

Address Farmington

New Mex

_____

_____

Address _____

_____

_____

_____

Address _____

_____

22-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico ~~McKinley~~)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 14
day of May, 1962, by E. Howard Wilson.

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

21

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:27 o'clock P M
and Recorded in Book 519
Page 21
Sarah Gooding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 25 day of May, 1962.

#35, 14-20-603-294
Probate Ref M 63-61 Nava
#45 14-20-603-310 8
Probate Ref M63-61 Nava

Date _____

Witnesses:

_____

Charlie G. Brown
FARMINGTON, N. MEX.

Date May 25. 1962

Witnesses:

Charlie G. Brown

Howard Wilson

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

Daisy H Arviso
or Dé Nez Bah Be Yazzie
Gallup N Mex

Address _____

7 Dé Nez Bah Right
or Her Thumb
Box 954 Fruitland
N Mex

Address _____

Address _____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25 day of May, 1962, by Leroy H Oliver
Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25 day of May, 1962, by Judie Thomas
Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25 day of May, 19___, by _____.
Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

20

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:26 o'clock P M
and Recorded in Book 519
Page 20
Sarah Gosdding, County Clerk
By Nancy Parker Deputy
Fee 2.75 R# 61694

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 25 day of May, 1962.

38-14-20-603-294
Prod Ref M 63-61 Wwa
45 14-20-603-300
Prod Ref M 73-61 Wwa

Date _____

Witnesses:

_____

Charlie G. Brown
FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

5 Joe Blackie
_____
Address Farmington N Mex

_____

10 Mabel B Lackie
_____
Address Farmington
N Mex

_____

3 _____
_____
Address _____

_____

20

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:26 o'clock P M
and Recorded in Book 519
Page 20
Sarah Gosding, County Clerk
By Nancy Gabert Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 25 day of May, 1962.

38-14-20-603-294
Prod Ref M 63-61 WWA
45 14-20-603-300
Prod Ref M 73-61 WWA

Date _____

Witnesses:

_____

Charlie J. Brown
FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

5 Joe Blackie
_____
Address Farmington N.M.

_____

10 Mabel Blackie
_____
Address Farmington
N. Mex.

_____

3 _____
_____
Address _____

_____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ~~New Mexico~~ McKinley } SS:
COUNTY OF McKinley }

The foregoing instrument was acknowledged before me this 25 day of May, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

STATE OF New Mexico } SS:
COUNTY OF McKinley }

The foregoing instrument was acknowledged before me this 25 day of May, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

STATE OF New Mexico } SS:
COUNTY OF McKinley }

The foregoing instrument was acknowledged before me this 25 day of May, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

19

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:25 o'clock P
and Recorded in Book 519
Page 19
Sarah Goodding, County Clerk
Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 25 day of May, 1962.

38-14-20-603-294
Prob. Ref. M-73-61 Iowa
45 14-20-603-300
Prob. Ref. M73-61 Iowa

ROYALTY OWNER: M-73-61 Iowa

11 Dick Bowlin

Box 207

Address Farmington N.M.

Date

Witnesses:

Charlie G. Brown

FARMINGTON, N. MEX.

6 Ilene McPeak

Box 207

Address Farmington N.M.

Date

Witnesses:

Howard Wilson

12 [illegible] Hecht

Box 207

Address Farmington N.M. M73-61 Iowa

Date

Witnesses:

19-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25 day of May, 1962, by Lee R Nickell.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25 day of May, 1962, by Lincoln Pat.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25 day of May, 1962, by Mary Blackie.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

18

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:24 o'clock P M
and Recorded in Book 519
Page 18
Sarah Gaddling, County Clerk
By Donna Baker Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 10 day of May, 1962.

44
14-20-603-299

Date _____

Witnesses:

_____

Charlie G Brown

FARMINGTON, N. MEX.

Date _____

Witnesses:

Howard Wilson

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

Larry Dapone
or Jack Frost & Lorie Dapone
or Leslie Dapone

Address Box 207
Farmington, New Mex

_____

_____

Address _____

_____

_____

Address _____

_____

18-H

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 10
day of May, 1962, by Lucy Napier a/k/a Lucy Napier a/k/a Lucy Napier
a/k/a Lucie Napier a/k/a Lucie Napier.

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

17

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:23 o'clock P M
and Recorded in Book 519
Page 17
Sarah Goodding, County Clerk
By Deanne Walker Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 9 day of May, 1962.

42
14-20-603-298

Date _____

Witnesses:

_____

Charlie Y. Brown

Date FARMINGTON, N. MEX.

Witnesses:

Howard Wall

_____

Date May 4. 1962

Witnesses:

Charlie Y Brown

_____

ROYALTY OWNER:

2 Mary Nelson
or Mah-glu-na-nee-tah
Casa Rdy Post

Address Farmington, New Mex.

_____

4 Timothy Kenneth
a Hosha-oh-nge-da or John Yazzie
or Timothy Na-peke
Casa Rdy Store

Address Farmington, N. Mex

_____

5 Margerie Nelson
a Yeh-nip-Pah

Address Farmington New Mex
Box #207

Carl J.W. George DA 5 9682
or Wm. Singley

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 4th day of May, 1962, by Mary Wilson a Na-gla-ya-nii-bah.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 4th day of May, 1962, by Timothy Kenneth a Tsi-ya-ki-e a Ma-ya-ki-e a Hosteen Ch-Na-che

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 4th day of May, 1962, by Maggie Wilson a Na-ya-ghe-ya-hi

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

16

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:22 o'clock P M
and Recorded in Book 519
Page 16
Sarah Gooding, County Clerk
By Lonnie Arbet Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 5 day of May, 1962.

42
14-20-603-298

Date _____

Witnesses:

_____

Charlie G. Kerr
FARMINGTON, N. MEX.

Date _____

Witnesses:

Howard Wilson

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

6 Larry Napie
or Jack Napie or Larrie Napaine or Larrie Napahe

Address Box 207
Farmington New Mex.

3 or Nah-glee-ha-Nez-ha-pe
Rillo Nelson

Address Carsons Idg. Post
Farmington N. Mex.

1 Evelyn Platero
or E-Nos-Pah

Address Box 207
Farmington New Mex

Her Mark

16-H

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 5th day of May, 1962, by Larry Rogue or Jack Frost or Larry Rogone or Larie Nipahe.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF ~~New Mexico~~)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 5th day of May, 1962, by Ruth Nelson or Navajo-Ute-Ta-Mun-Ta-Boh.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 5th day of May, 1962, by Evelyn Platero or E-Na-Ba-Ba

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

15

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:21 o'clock P M
and Recorded in Book 519
Page 15
Sarah Goodding, County Clerk
Deputy
Fee 2.75 R# 61894

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 7th day of May, 1962.

#41
14-20-603-297

ROYALTY OWNER:

2 Magleelyn Nee Bah
or Mary Nelson

Date _____

Witnesses:

_____

Address Carson Trading Post
Farmington New Mex

_____

FARMINGTON, N. MEX.

4 Timothy Kennith
or Dennis Nakaie or John Yazzie
or Harold Nelson

Date _____

Witnesses:

Ernest Nelson

Address Carson Store
Farmington New Mex

_____

5 Margrie Nelson
or Yith Nip Bah

Date May 7, 1962

Witnesses:

Charlie Yazzie

Address Farmington New Mex
207 Bof

_____

15-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ~~New Mexico~~ McKinley)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 7 day of May, 1962, by [illegible] Nakai-ye-nez-bah.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico ~~McKinley~~)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 7 day of May, 1962, by Timothy K. Smith of Smith Lake, New Mexico or Tse-ho-tsoh-Hasba-Ah-Nez-tsa.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF ~~New Mexico~~ McKinley)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 7 day of May, 1962, by Margaret Nelson Tse-yi-ih-nip-bah.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

14

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:20 o'clock P M
and Recorded in Book 519
Page 14
Sarah Goodding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 9 day of May, 1962.

41
14-20-603-297

ROYALTY OWNER:

Date _____

Witnesses:

_____

Charlie Y. Brown

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this 9 day of May, 1962 by Larry Napoe or Jack Frost or Farrel Napone or Lorie Nipaster

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this 9 day of May, 1962 by Billy Nelson or Noh-glu-ha-nun-ha-pa.

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this 9 day of May, 1962 by Evelyn Plateo or E-Nes-Pah

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF)
) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF)
) SS:
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

13

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED June 1 1962
at 2:19 o'clock A M
and Recorded in Book 519
Page 13
Sarah Gooding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 15 day of April, 1962.

Prob Ref M63-61 WWa

40
14-20-603-596

ROYALTY OWNER:

Dick Brockie or
Nehto-Yelth Wood Co 11/14/62

Date

Witnesses:

Address Carson & Post
Farmington N Mex

Charlie G. Brown
FARMINGTON, N. MEX.

Mary Blockie or Mary Pete Smith
Co 11/14/62

Date

Witnesses:
Howard Wilson

Address Carson & Post
Farmington N Mex

Date

Witnesses:

Address

13-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ~~New Mexico~~)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 25
day of April, 19__, by Dick Gackie Or Mahto Gelita Wood

Witness my hand and official seal

My Commission Expires:
10-11-64

Howard Wilson
Notary Public

STATE OF ~~New Mexico~~)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 25
day of April, 19__, by Mary Gackie Or Mary Pete Smith

Witness my hand and official seal

My Commission Expires:
10-11-64

Howard Wilson
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

12

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

June 1 1962
at 2:18 o'clock P M
and Recorded in Book 519
Page 12
Sarah Gooding, County Clerk
By Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 23 day of April, 1962.

39
14-20-603-295

Date _____

Witnesses:

_____

Charlie Y. Brown

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

Mabel Brown

_____

Address Box 66
Farmington New Mex

_____

_____

Address _____

_____

_____

Address _____

_____

FARMINGTON, N. MEX.

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 13
day of April, 19 62, by Howard Wilson.

Witness my hand and official seal

My Commission Expires:
9-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

11 12

#22

14-20-603-1447

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:17 o'clock P M
and Recorded in Book 519
Page 11
Sarah Goodlings County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 20 day of April, 1962.

#22
14-20-603-1447

#8

ROYALTY OWNER: John S Pete

Address [illegible] Box
[illegible]

Date

Witnesses:

Charley Brown

FARMINGTON, N. MEX.

#5

Burke Pete

Date

Witnesses:

Howard Wilson

Address Farmington N Mex

Date

Witnesses:

Address

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 20
day of April, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 20
day of April, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 20
day of April, 1962, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

10

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:16 o'clock P M
and Recorded in Book 519
Page 10
Sarah Gooding, County Clerk
By [signature] Deputy
Fee 2.75 R# 61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 16 day of April, 1962.

22
14-20-603-1447

Date _____

Witnesses:

_____

Charlie G. Brown

Date FARMINGTON, N. MEX.

Witnesses:

Edward Wil...

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

#6 Wilford B Pete

[illegible]

Address Box 207

Farmington New Mex

#3 Rachel Pete

or La Nora Lak

Address Box ...

Farmington New mex

#4 Joe Pete

[illegible]

Address _____

_____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 18
day of April, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 18
day of April, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 18
day of April, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

9 1

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
June 1 1962
at 2:15 o'clock P M
and Recorded in Book 519
Page 9
Sarah Gosdding, County Clerk
By [signature] Deputy
Fee 2.75 R#61894

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 18 day of April, 1962.

22

14-20-603-1447

ROYALTY OWNER:

#7 Dennie Pete

Bridget Baker (Mrs. Hoji) Pete

Date _____

Witnesses:

Address Box 207

Farmington N. Mex

_____

Charlie G. Kramer
FARMINGTON, N. MEX.

#2 Mary Pete

Her mark

Date _____

Witnesses:

Address _____

Gladys Lucie Pete

_____

_____

#1 Hoskie Hoji Pete

His mark

Date _____

Witnesses:

Address Box 207

Farmington New Mex

_____

_____

Call J.W George or Wm Si[illegible]ley DA5 9682

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 18
day of April, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
9 / 62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 18
day of April, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
9 / 62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 18
day of April, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
9 - 1 / 62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

63

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
CALLEGOS CANYON SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 30 1962
at 4:00 o'clock P M
and Recorded in Book 524
Page 63
Sarah Goodding, County Clerk
By Deputy
Fee 1.75 R#63362

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Callegos Canyon Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this JUL 27 1962 day of _____, 1962.

ROYALTY OWNER:

Contract #14-20-603-1425
Anna Mae Gray Eyes and Ta-Dee-Yah, deceased; Freddie Gray Eyes and Kenneth Gray Eyes, Minors.

Contract #14-20-603-1426
Eth-Ke-Pah or Mrs. River Jim, deceased.

Contract #14-20-603-1415
Elsie Taylor or Glen-Ja-Beh and Paul Taylor, minors.

Contract Allotment #669 #1-149 - Indian 7971
Vivian E. Jack, Harris Woods, and Lorena Woods, minors.

Contract Allotment #011531 #1-149 - Indian 7971
Mrs. John Blue Eyes and Wilbert Smith, deceased; Wilson Eaton, Cecil Eaton, Priscilla Eaton, Lorraine Ray Eaton, George Eaton, Harrison Smith, Jerome Smith, Iva Smith, Annie Smith or Zonnie Yazzie, minors.

Beatrice L Erickson

ACTING General Superintendent for the above.

INDIVIDUAL ACKNOWLEDGMENT

State of Arizona
County of Apache

The foregoing instrument was acknowledged before me this _____ day of JUL 27 1962, 19____, by Beatrice L. Erickson ACTING.

Witness my hand and official seal

My Commission Expires:
NOV 1 1965

General Superintendent.

Grace E. Sarkin
Notary Public

4 72
34

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:41 o'clock P M
and Recorded in Book 524
Page 34
Sarah Gosling, County Clerk
By Irene Lanier Deputy
Fee 2.75 R# 63129

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 20th day of July, 1962.

Date _____

Witnesses:

Charlie Y. Brown

Pauline Victor

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

Black Right Thumb

Bill Price

ROYALTY OWNER: C. 24757

by Bertha Hawk on behalf of Bertha Hawk

Fruitland Trading Post

Address Fruitland New Mex

_____

Right Thumb C-32436

Irene Begay

or Mrs Peter Begay

Fruitland Trading Post

Address Fruitland N Mex

Box 943

_____

_____

Address _____

_____

Skelly-Oil Co.
Attn. J.W.George
Drawer 510 Farmington, N.M.

34-H

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 20 day of July, 1962, by [illegible] Attorney in fact.

Witness my hand and official seal

My Commission Expires:
6-1-62

[illegible]
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 20 day of July, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
6-1-62

[illegible]
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

33

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:40 o'clock P M
and Recorded in Book 524
Page 33
Sarah Gosdding, County Clerk
By Irene Lanier Deputy
Fee 2.75 R# 63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 25 day of July, 1962.

Date _____

Witnesses:

_____

_____

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

_____

_____

Address FARMINGTON, N. MEX.

_____

_____

_____

Address _____

FARMINGTON, N. MEX.

_____

_____

FARMINGTON, N MEX.

Address _____

_____

Skelly Oil Company

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25
day of June, 1962 by Kenneth Smith.

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25
day of June, 1962 by William Eaton.

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 25
day of June, 1962 by Lee Smith.

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

32

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:39 o'clock P M
and Recorded in Book 524
Page 32
Sarah Goodding, County Clerk
By Irene Lanier Deputy
Fee 2.75 R# 63129

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 9 day of July, 1962.

ROYALTY OWNER:

Date _____

Witnesses:

_____

_____

FARMINGTON, N. MEX.

Address _____

_____

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Address _____

_____

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Address _____

_____

Skelly Oil Company

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ~~New Mexico~~ McKinley)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this 9 day of July, 1962 by Dilly Hatton.

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF New Mexico)
COUNTY OF McKinley) SS:

The foregoing instrument was acknowledged before me this 9 day of July, 1962 by Jimmie Eaton.

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

31

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:30 o'clock P M
and Recorded in Book 524
Page 31
Sarah Goodding, County Clerk
By Irene Lowe Deputy
Fee 2.75 R# 63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 26 day of July, 1962.

ROYALTY OWNER:

Date _____

Witnesses:

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

Address _____

Skelly Oil Company

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 26 day of June, 1962, by Bessie Whitley.

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 26 day of June, 1962, by Emma Smith Kennedy and Kenneth Kennedy her husband and Ila Smith Burke and Mrs. John Yazzie

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF _____)
New Mexico) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 26 day of June, 1962, by Grant Eaton and Grant Smith.

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

30

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:37 o'clock P M
and Recorded in Book 524
Page 30
Sarah Goodding, County Clerk
By Irene Lanier Deputy
Fee 2.75 R# 63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, ~~whether~~ one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 9 day of July, 1962.

ROYALTY OWNER:

Carl Hogue C-7636-6
Farmington, New Mex
628½ West Pinon

Date

Witnesses:

Charlie G. Brown
Pauline Victor
FARMINGTON, N. MEX.

Charles Hogue 26857
Farmington, New Mex
Box 1526

Date

Witnesses:

Right Thumb C-36746
Box 1526 Bloomfield, New Mex

Date

Witnesses:

Address

Skelly Oil company

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 7 day of July, 19 62, by [illegible] Jr.

Witness my hand and official seal

My Commission Expires:
9-1-62

[illegible]
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 7 day of July, 19 62, by [illegible] Jr.

Witness my hand and official seal

My Commission Expires:
9-1-62

[illegible]
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 7 day of July, 19 62, by [illegible]

Witness my hand and official seal

My Commission Expires:
9-1-62

[illegible]
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

12
29

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:36 o'clock P M
and Recorded in Book 524
Page 29
Sarah Gooding, County Clerk
By Dene Lewis Deputy
Fee 2.75 R# 63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 11 day of July 1962.

C 11256

ROYALTY OWNER:

Margaret Eaton

Date _____

Witnesses:

Charlie Y. Brown

Pauline Yates

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 11 day of June, 19--, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 11 day of June, 19--, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 11 day of June, 19--, by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19---, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19---, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:35 o'clock P M
and Recorded in Book 524
Page 28
Sarah Gooding, County Clerk
By Irene Lanier Deputy
Fee 2.75 R#63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 27 day of July, 1962.

ROYALTY OWNER:

Date _____

Witnesses:

_____

_____

FARMINGTON, N. MEX.

Address FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

Address _____

Skelly Oil Company

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 27th day of June, 1962, by M. B. Bigger and K. A. Rich.

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

17

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:34 o'clock P M
and Recorded in Book 524
Page 27
Sarah Gooding, County Clerk
By Dena Larsen Deputy
Fee 2.75 R#63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 7 day of July, 1962.

ROYALTY OWNER:

Date _____

Witnesses:

_____

_____

FARMINGTON, N. MEX.

Address 3520 Bluffs Apt 1 1/2 Mi

Date _____

Witnesses:

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

Address _____

Skelly Oil Company

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 7
day of July, 1943 by Arthur Unger or Hazel Unger

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

26

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:33 o'clock P M
and Recorded in Book 524
Page 26
Sarah Goodding, County Clerk
By Irene Lanier Deputy
Fee 2.75 R#63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 7 day of July, 1962.

Tract 71
I-149-Ind 7971

Date

Witnesses:

Charlie G. Brown

FARMINGTON, N. MEX.

ROYALTY OWNER:

Address

Date

Witnesses:

FARMINGTON, N. MEX.

Address

Date

Witnesses:

Address

26

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:33 o'clock P M
and Recorded in Book 524
Page 26
Sarah Goodding, County Clerk
By Irene Lanier Deputy
Fee 2.75 R#63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 2 day of July, 1962.

Tract 71
1-149-Ind 7971

Date

Witnesses:

Charlie G. Brown

FARMINGTON, N. MEX.

ROYALTY OWNER:

Address

Date

Witnesses:

FARMINGTON, N. MEX.

Address

Date

Witnesses:

Address

Skelly Oil Company

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 2
day of July, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
9-1-62

[illegible]
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 2
day of July, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
9-1-62

[illegible]
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

25

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:32 o'clock P M
and Recorded in Book 524
Page 25
Sarah Goodding, County Clerk
By Irene Lewis Deputy
Fee 2.75 R# 63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 16 day of July, 1962.

(#71
NM 9-047711)

Date _____

Witnesses:

Charlie G. Brown

Pauline Victor

ROYALTY OWNER:

_____

_____

Address Gen Del.
Farmington, N. M.

Date FARMINGTON, N. MEX.

Witnesses:

Edna J. Dawes Or
Edna Patricia Dawes

Gen Del.

Address Farmington NM

_____

_____

Right Thumb
C-24892

Date _____

Witnesses:

_____

_____

Address Hand Fred C. Bot
Fruitland
New Mexico

Skelly Oil Company

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 11
day of July, 19__, by _____

Witness my hand and official seal

My Commission Expires:
6-1-62

_____
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 11
day of July, 19__, by _____.

Witness my hand and official seal

My Commission Expires:
6-1-62

_____
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 11
day of July, 19__, by _____

Witness my hand and official seal

My Commission Expires:
6-1-62

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

24.

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:31 o'clock P M
and Recorded in Book 524
Page 24
Sarah Goodding, County Clerk
By Irene Lewis Deputy

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

Fee 2.75
R#63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to in the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 14 day of July, 1962.

11 T 29N R 14W 7971

Date _____

Witnesses:

Charlie G. Brown

Pauline Victor

FARMINGTON, N. MEX.

Date _____

Witnesse .

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER:

Betty Broad C-33888

Betty Broad
Fruitland Trading Post

Address Fruitland New Mex

_____

_____

_____

Address _____

_____

_____

Address _____

_____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____ Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____ Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____ Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____ Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____ Notary Public

Rec # 63129

23.

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 20 1962
at 3:30 o'clock P M
and Recorded in Book 524
Page 23
Sarah Goodding, County Clerk
By _____ Deputy

Fee 2.75
R#63129

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement, and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 19 day of July, 1962.

64 - Whitlock
14-20-603-1415

ROYALTY OWNER:
Jose Taylor 26923
Farmington New Mex

Date _____

Witnesses:
Charles Y. Brown
Pauline Vigil
Farmington, N. Mex.

Address Carson Indg Post
Box # 207

Date _____

Witnesses:

Address _____

Date _____

Witnesses:

Address _____

Skelly Oil Co

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico }
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 17
day of [illegible], 19__, by _____.

Witness my hand and official seal

My Commission Expires:
6-1-62

_____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____ }
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____
day of _____, 19__, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

Skelly Oil Co attn J W George
Box 510
Farmington N.M.

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 23 1962
at 4:03 o'clock P M
and Recorded in Book 524
Page 41
Sarah Gooding, County Clerk
By Irene Lanier Deputy

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 23 day of July, 1962.

Right Thumb

ROYALTY OWNER:

Bonnie Yazzie or Elizabeth Sage
Allotted

Date _____

Witnesses:

Gallegos Trading Post

Address Farmington, N.M.

Charlie Yazzie
Pauline Victor

FARMINGTON, N. MEX.

Right Thumb

F-NOS-9146 Annie Scott

Date _____

Witnesses:

Gallegos Trading post

Address Farmington N.M.

Jim Harvey C-2691

Date _____

Witnesses:

Gallegos Trading post

Address _____

41-H

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 23 day of July, 1962, by W. E. Lyssie.

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 3-3 day of _____, 19__, by Curtis Scott.

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 3-3 day of July, 1962, by Jim Harvey.

Witness my hand and official seal

My Commission Expires:
7-1-62

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

J W Lee, Jr. R.C
Durango 510 Ld. Kelly Oil Co.

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 23 1962
at 4:02 o'clock P M
and Recorded in Book 524
Page 40
Sarah Gooding, County Clerk
By Susan Waskel, Deputy
Fee 2.75 R# 63171

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 7th day of July, 1962.

ROYALTY OWNER:

Date _____

Witnesses:

Pauline Winter

Charlie G Brown

Address 1734 Apache Dr
Farmington, N. Mex.

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

Address _____

J.W.George Skelly Oil Co

40-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

July 23 1962
at 4:01 o'clock P M
and Recorded in Book 524
Page 39
Sarah Gooding, County Clerk
By Jeanie Walker Deputy
Fee 2.75 R# 63171

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 23 day of July, 1962.

ROYALTY OWNER:
Ida Meyers #1067
307 So Behend Ave
Address Farmington, N.M.

Date _____

Witnesses:
Charles H Brown
Pauline Wester

Roy Hoy Lyers 1060
Old Trading Post
Address Farmington, N.M.

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

Address _____

_____

R.6.
J.W.George, Skelly Oil Co.
39-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 23 day of July, 19 42, by Ida Meyer.

Witness my hand and official seal

My Commission Expires:
7-1-42

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 23 day of July, 19 42, by Ray Hargrave.

Witness my hand and official seal

My Commission Expires:
7-1-42

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

38

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED

July 23 1962
at 4:00 o'clock P M
and Recorded in Book 524
Page 38
Sarah Gooding, County Clerk
By Deana Wakefield Deputy
Fee 2.75 R#63171

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 23 day of July, 1962.

ROYALTY OWNER:

Date _____

Witnesses:

Charlie G Brown

Pauline Victor

FARMINGTON, N. MEX.

Eveleyn Dean (Gallegos)
Box 230
Address Farmington
New Mexico

Date _____

Witnesses:

Helen Gallegos Tso
Box 136
Address Farmington
New Mex

Date _____

Witnesses:

Thumb Right
Rasmunah Little Shield
Gallegos Trading Post
Address Farmington, N. M.

J.W. George (Skelly Oil Co.)
Drawer 510 Farmington, N.M.

38-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 23 day of July, 19 62 by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 23 day of July, 19 62 by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF New Mexico
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 23 day of July, 19 62 by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

109

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 9, 1962
at 1:31 o'clock P. M
and Recorded in Book 522
Page 109
Sarah Goodding, County Clerk
By Irene Lanier Deputy
Rec # 62807 - $4.2.75

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 25 day of June, 1962.

Aff #1672
1-149-Sect 7 T 31 N

Date June 7c

Witnesses:

Charlie Y. Brown

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Date _____

Witnesses:

_____

_____

ROYALTY OWNER: Walter Brown

Carolyn Brown

Address FARMINGTON, N. MEX.

_____

_____

Address _____

_____

_____

Address _____

_____

102-17

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
McKinley) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

7-1-62

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19__, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

108

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 9, 1962
at 1:30 o'clock P. M
and Recorded in Book 522
Page 109
Sarah Goodding, County Clerk
By Irene Lewis Deputy
Rec # 62807 - Jul. 2.75

CONSENT TO AND RATIFICATION OF
UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA
COUNTY OF SAN JUAN
STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 26 day of June 26, 1962.

1-149-Ind. 7971
Cert #661

ROYALTY OWNER:

her mark

Annie Costanne by Ted Day Bah

FARMINGTON, N. MEX.

Date June 26

Witnesses:

Address Box 207

E. Bitty Chee or Red Silversmith

his mark

or Ezka Halewood

Charley Brown

FARMINGTON, N. MEX.

Date

Witnesses:

Address Carson Trdg. Post

his mark

Ethel Halewood or Nakigoggie

Date

Witnesses:

Address Box 207

FARMINGTON, N. MEX.

108-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ~~New Mexico~~ McKinley)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this 26 day of June, 1962, by Annie Watterson et al

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF ~~New Mexico~~ McKinley)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this 26 day of June, 1962, by Estella Chee et al

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

STATE OF ~~New Mexico~~ McKinley)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this 26 day of June, 1962, by Estella Bekennord et al

Witness my hand and official seal

My Commission Expires:

9-1-62

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
COUNTY OF _____) SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 9, 1962
at 1:29 o'clock P. M
and Recorded in Book 522
Page 107
Sarah Goodding, County Clerk
By Irene Lewis Deputy
Rec # 62807 Fee 2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 6 day of July, 1962.

Dist 67
14-20-603-1417

Date _____

Witnesses:

_____

_____
FARMINGTON, N. MEX.

ROYALTY OWNER:
Her mark
Al. A. E Pole

Box 207

Address FARMINGTON, N. MEX.

_____

John W Poe

FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Address _____

_____

Date _____

Witnesses:

_____

_____

Address _____

_____

107 A

INDIVIDUAI ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 6
day of July, 19 61, by A't Sa E Poh.

Witness my hand and official seal

My Commission Expires:
4-1-62

Notary Public

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 6
day of July, 19 61, by John A Vero.

Witness my hand and official seal

My Commission Expires:
4-1-62

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

106

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 9, 1962
at 1:28 o'clock P M
and Recorded in Book 522
Page 106
Sarah Goodding, County Clerk
By Irene Lanier Deputy
Rec # 62807 - Fee 2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 6 day of July, 1962.

Tract 6
14-20-603-1414

ROYALTY OWNER:
Et Al E Fok

Date _____

Witnesses:

_____

_____

FARMINGTON, N. MEX.

Address FARMINGTON, N. MEX

Date _____

Witnesses:

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

Address _____

106-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mex)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 8 - 6 day of July, 19 62, by C. A. Cole.

Witness my hand and official seal

My Commission Expires:
4-1-62

Howard Wilson
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

#1

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 9, 1962
at 1:25 o'clock P. M
and Recorded in Book 522
Page 103
Sarah Goodding, County Clerk
By Irene Lewis Deputy
Rec # 62867 - fee 2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 5 day of July, 1962.

Tract 62
14-20-603-1412

Date _____

Witnesses:

_____

_____

FARMINGTON, N. MEX.

ROYALTY OWNER:

_____

_____

Address P. O. Box 261
Farmington, N. Mex.

Date _____

Witnesses:

_____

_____

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

_____

_____

Address _____

103-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mex)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 5 day of July, 19[illegible], by [illegible].

Witness my hand and official seal

My Commission Expires:
9-1-62

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

510

104

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 9, 1962
at 1:26 o'clock P M
and Recorded in Book 522
Page 104
Sarah Goodding, County Clerk
By Irma Lewis Deputy
Rec # 62807 - Fee 2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 3 day of July, 1962.

Jrdet 63
14-20-603-1413

Date _____

Witnesses:

Elmer B. ...
Charley Brown
FARMINGTON, N. MEX.

ROYALTY OWNER:

... Sawtooth
... Mineral Fuels

Address ...

...

Date _____

Witnesses:

_____

_____

Address _____

_____

_____

Date _____

Witnesses:

_____

_____

Address _____

_____

104-H

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mexico)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this [illegible] day of July, 1962, by [illegible]

Witness my hand and official seal

My Commission Expires:
7-1-62

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ and _____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

Notary Public

105

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
July 9, 1962
at 1:27 o'clock P M
and Recorded in Book 522
Page 105
Sarah Goodding, County Clerk
By Irene Lonier Deputy
Rec # 62807 - Fee. 2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 8 day of July, 1962.

Sec. 25-T 29N-R 13W
14-20-603-1416
Parcel 68
1-149-Gal-7911

ROYALTY OWNER:

Date _____

Witnesses:

_____

_____

Address FARMINGTON, N. MEX.

Date _____

Witnesses:

_____

_____

Address _____

Date _____

Witnesses:

_____

_____

Address _____

105-11

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mex)
) SS:
COUNTY OF McKinley)

The foregoing instrument was acknowledged before me this 8
day of July, 19 62, by Lucky Yazzie Yazzie
Or Nah-tah-tah-tte Begyazh.

Witness my hand and official seal

My Commission Expires:

9-1-62

Edward Wilson
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

172

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
November 15, 1962
at 8:55 o'clock A. M
and Recorded in Book 534
Page 172
Sarah Goodding, County Clerk
Sarah Goodding Deputy
66001 $2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this Oct day of Nov, 1962.

Lease # 1-149 Ind 7971

ROYALTY OWNER: 14-20-603-1425

Mabel Wirsta Eaton c 1034 3

Person by Post

Address Farmington

By

Date Oct 29 1962

Witnesses:

Charlie G Brown

Pauline Victor

Robert Smith C.# 31743

609½ W. Arrington

Address Farmington N.M.

Date Nov. 8, 1962

Witnesses:

Charlie G Brown

Pauline Victor

Richard Smith

Okie Trading Post

Address Navajo Co

Ship Rock

Date Nov. 8, 1962

Witnesses:

Charlie G Brown

Pauline Victor

172-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Jersey
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 9
day of Nov, 19 62, by Mabel Harris Eaton.

Witness my hand and official seal

My Commission Expires:
10/8/66

Howard Wilson
Notary Public

STATE OF New Jersey
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 9th
day of Nov, 19 62, by Richard Smith.

Witness my hand and official seal

My Commission Expires:
10/8/66

Howard Wilson
Notary Public

STATE OF New Jersey
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 9th
day of Nov, 19 62, by Richard Smith.

Witness my hand and official seal

My Commission Expires:
10/8/66

Howard Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF NEW MEXICO
COUNTY OF SAN JUAN
FILED
November 15, 1962
at 8:56 o'clock A. M
and Recorded in Book 537
Page 173
Sarah Goodding, County Clerk
Sarah Goodding Deputy
66001 $2.75

CONSENT TO AND RATIFICATION OF UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE GALLEGOS GALLUP SAND UNIT AREA COUNTY OF SAN JUAN STATE OF NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

For the consideration and purposes stated in that certain agreement dated February 1, 1962, and entitled "Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico", the undersigned (whether one or more) represents that he is a Royalty Owner within the meaning of that term as used in said Unit Agreement and, as such, does hereby consent to ratify, confirm and join in the execution of said Unit Agreement, same being incorporated herein by reference, to the same extent and with like effect as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof and, further, the undersigned does hereby commit all of his right, title and interest in and to the lands within said Unit to the terms, provisions and agreements set forth in said Unit Agreement.

The undersigned hereby acknowledges receipt of a copy of said Unit Agreement and, further, acknowledges that this instrument has been signed and unconditionally delivered on the date set out hereinbelow.

This ratification shall extend to and be binding upon the undersigned, his heirs, legal representatives, successors and assigns.

The undersigned, whether one or more, is referred to tin the masculine gender.

IN WITNESS WHEREOF, this instrument is executed this 9 day of Nov, 1962.

ROYALTY OWNER: Guy Eyes
Ex Ranger Navy Ex Cpl
Chief Hq Post
Address Farmington N Mex

Date Oct 27. 1962

Witnesses:
Charlie Y Brown
Pauline Victor

Everett Bunday CV
Everett Howell 26744

Date Nov. 9. 1962

Witnesses:
Charlie Y. Brown
Pauline Victor

Cove Arizona
Shiprock New Mexico
Address

Date Nov. 9. 1962

Witnesses:
Charlie Y Brown
Pauline Victor

Yeska ith or
Farmington 26717
Grey Hills
Address

123-A

INDIVIDUAL ACKNOWLEDGMENT

STATE OF New Mex
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 1
day of Nov, 19 62, by Edward Taylor Eyre for Raymond Eyre

Witness my hand and official seal

My Commission Expires:
10-8-66

Edward C Wilson
Notary Public

STATE OF New Mex
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 7 &
day of Nov, 1962, by Ernest Howell & Everett Kelly

Witness my hand and official seal

My Commission Expires:
10-8-66

Edward C Wilson
Notary Public

STATE OF New Mex
COUNTY OF McKinley } SS:

The foregoing instrument was acknowledged before me this 1
day of Nov, 1962, by Alvin Smith & Jerome Howe

Witness my hand and official seal

My Commission Expires:
10-8-66

Edward C Wilson
Notary Public

INDIVIDUAL ACKNOWLEDGMENT
(Husband and Wife)

STATE OF _____
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

STATE OF _____
COUNTY OF _____ } SS:

The foregoing instrument was acknowledged before me this _____
day of _____, 19___, by _____ and
_____, his wife.

Witness my hand and official seal

My Commission Expires:

_____
Notary Public

UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

GALLEGOS GALLUP SAND UNIT AREA

COUNTY OF SAN JUAN

STATE OF NEW MEXICO

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Certificate of Approval

CERTIFICATION - DETERMINATION

Pursuant to the authority vested in the Secretary of Interior under the allotted Mineral Leasing Act of March 3, 1909, 35 Stat. 783, 25 U. S. C. Sec. 396 and the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U. S. C. Secs. 396a, et seq., as to certain restricted and allotted Indian lands and delegated to the Commissioner of Indian Affairs by Departmental Order No. 2508 of January 11, 1949, 14 F. R. 258-260, and

Pursuant to the authority vested in the Secretary of the Interior as to Federal lands, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. Secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C. F. R. Sec. 4.611, 12 F. R. 6784, we do hereby:

A. Approve the attached agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, and royalty requirements of all Indian leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

D. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated_____

Area Director, Gallup Area Office
Bureau of Indian Affairs

Dated_____

Director, United States Geological Survey

CERTIFICATE OF APPROVAL
BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO,
OF UNIT AGREEMENT FOR DEVELOPMENT AND OPERATION OF THE
GALLEGOS GALLUP SAND UNIT AREA, COUNTY OF
SAN JUAN, NEW MEXICO

There has been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, an agreement for the development and operation of the Gallegos Gallup Sand Unit Area, San Juan County, New Mexico, dated February 1, 1962, in which Skelly Oil Company is designated as Operator, and which has been executed by various parties owning and holding oil and gas leases embracing lands within the Unit Area and upon examination of said agreement, the Commissioner finds:

(a) That such agreement will tend to promote conservation of oil and gas and the better utilization of reservoir energy in said field;

(b) That under the operations proposed, the state will receive its fair share of the recoverable oil or gas in place under its land in the area affected;

(c) That the agreement is in other respects for the best interests of the state;

(d) That the agreement provides for the unit operation of the field, for allocation of production and sharing of proceeds from the area covered by the agreement in accordance with a formula for participation as specified in the agreement regardless of the particular tract from which production is obtained or proceeds are derived and for repressuring or secondary recovery operations.

NOW, THEREFORE, by virtue of the authority conferred upon me by virtue of the Laws of the State of New Mexico, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the state, do hereby consent to and approve the above referred to Gallegos Gallup Sand Unit Agreement as to the lands of the State of New Mexico committed hereto, and all oil and gas leases embracing lands of the State of New Mexico committed to said agreement shall be and the same are hereby amended so that the provisions thereof will conform to the provisions of said Unit Agreement and so that the length of the secondary term of each such lease as to the lands within the Unit Area will be extended, insofar as is necessary, to coincide with the term of said Unit Agreement and in the event the term of said Unit Agreement shall be extended as provided therein, such extension shall also be effective to extend the term of each oil and gas lease embracing lands of the State of New Mexico committed to said Unit Agreement which would otherwise expire, so as to coincide with the extended term of such Unit Agreement.

IN WITNESS WHEREOF, this Certificate of Approval is executed as of this _____ day of _____, 1962.

_____
Commissioner of Public Lands of the
State of New Mexico

UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

GALLEGOS GALLUP SAND UNIT AREA

COUNTY OF SAN JUAN

STATE OF NEW MEXICO

I N D E X

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UNIT AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

GALLEGOS GALLUP SAND UNIT AREA

COUNTY OF SAN JUAN

STATE OF NEW MEXICO

NO._____

THIS AGREEMENT entered into as of the 1st day of February, 1962, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto",

W I T N E S S E T H:

WHEREAS, the parties hereto are the owners of working, royalty, or other oil and gas interests in the Unit Area subject to this agreement; and

WHEREAS, the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Secs. 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others, in collectively adopting and operating under a cooperative or unit plan of development or operation of any oil or gas pool, field, or like area, or any part thereof, for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws 1943) as amended by Sec. 1 of Chapter 162, Laws of 1951 (Chap. 7, Art. 11, Sec. 39, N. M. Statutes 1953 Annot.), to consent to and approve the development or operation of State lands under agreements made by lessees of State land jointly or severally with other lessees where such agreements provide for the unit operation or development of part of or

all of any oil or gas pool, field or area; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorised by an Act of the Legislature (Sec. 1, Chap. 162, Laws of 1951; Chap. 7, Art. 11, Sec. 41, N. M. Statutes 1953 Annotated) to amend with the approval of lessee, evidenced by the lessee's execution of such agreement or otherwise, any oil and gas lease embracing State lands so that the length of the term of said lease may coincide with the term of such agreements for the unit operation and development of part or all of any oil or gas pool, field or area; and

WHEREAS, the rules and regulations governing the leasing of restricted allotted and tribal Indian lands for oil and gas, except allotments made to the members of the Five Civilized Tribes and Osage Indians in Oklahoma, promulgated by the Secretary of the Interior (25 C.F.R. 189.24(c)) under and pursuant to the Allotted Land Leasing Act of March 3, 1909, 35 Stat. 783, 25 U.S.C. Sec. 396 and the Tribal Land Mineral Leasing Act of May 11, 1938, 52 Stat. 347, 25 U.S.C. Sec. 396a et seq., and the oil and gas leases covering said allotted and tribal Indian lands provide for the commitment of such leases to a cooperative or unit plan of development or operation; and

WHEREAS, the Oil Conservation Commission of the State of New Mexico (hereinafter referred to as "the Commission") is authorised by an Act of Legislature (Chap. 72, Laws 1935; Chap. 65, Art. 3, Sec. 14, N. M. Statutes 1953 Annotated) to approve this agreement and the conservation provisions hereof; and

WHEREAS, the parties hereto hold sufficient interests in the Gallegos Gallup Sand Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

WHEREAS, it is the purpose of the parties hereto to enable institution and consummation of secondary recovery operations, to

conserve natural resources, prevent waste and secure other benefits obtainable through development and operation of the Gallegos Gallup Sand subject to this agreement under the terms, conditions and limitations herein set forth.

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their respective interests in the Unit Area defined below and agree severally among themselves as follows:

1. ENABLING ACT AND REGULATIONS. The Acts of March 3, 1909, May 11, 1938, and the Mineral Leasing Act of February 25, 1920, as amended, supra, and all valid pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder or valid, pertinent and reasonable regulations hereafter issued thereunder are accepted and made a part of this agreement as to Federal and Indian lands, provided such regulations are not inconsistent with the terms of this agreement; and as to non-Federal and non-Indian lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations not inconsistent with the terms hereof or the laws of the state in which the non-Federal land and non-Indian land are located are hereby accepted and made a part of this agreement.

2. UNIT AREA. The area specified on the map attached hereto marked Exhibit "A" is hereby designated and is recognized as constituting the Gallegos Gallup Sand Unit Area hereinafter referred to as "Unit Area", containing 22,997.51 acres, more or less.

Exhibit "A" shows, in addition to the boundaries of the Unit Area and of the "initial participating area", the boundaries and identity of tracts and leases in said area to the extent known to the Unit Operator. Exhibit "B" attached hereto is a schedule showing to the extent known to the Unit Operator the acreage, percentage, and kind of ownership of oil and gas interests in all land in the Unit Area. However, nothing herein

or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party. Exhibits "A" and "B" shall be revised by the Unit Operator whenever changes in the Unit Area render such revision necessary, or when requested by the Oil and Gas Supervisor, hereinafter referred to as "Supervisor" or when requested by the Commissioner of Public Lands of the State of New Mexico, hereinafter referred to as "Commissioner", and not less than seven copies of the revised exhibits shall be filed with the Supervisor and copies thereof shall be filed with the Commissioner and the Oil Conservation Commission of the State of New Mexico. The Commissioner of Indian Affairs shall hereafter be referred to as the "Indian Commissioner".

The above described Unit Area shall, when practicable, be expanded to include therein any additional tract or tracts regarded as reasonably necessary or advisable for the purposes of this agreement or shall be contracted to exclude lands not within any participating area, whenever such expansion or contraction is necessary or advisable to conform with the purposes of this agreement. Such expansion shall be effected in the following manner:

(a) Unit Operator, with concurrence of at least 65% of the voting interest or on demand of the Director of the Geological Survey, hereinafter referred to as "Director", after preliminary concurrence by the Director, or on demand of the Commissioner and Commission, shall prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the Unit Area, the reasons therefor, and the proposed effective date thereof, preferably the first day of a month subsequent to the date of notice.

(b) Said notice shall be delivered to the Supervisor and Commissioner and the Commission, and copies thereof mailed to the last known address of each working interest owner, lessee, and lessor whose interests are affected, advising that 30 days will be allowed for submission to the Unit Operator of any objections.

(c) Upon expiration of the 30-day period provided in the preceding item (b) hereof, Unit Operator shall file with the Supervisor, Commissioner and the Commission evidence of mailing of the notice of expansion or contraction and a copy of any objections thereto which have been filed with the Unit Operator, together with an application in sufficient number, for approval of such expansion or contraction and with appropriate joinders.

(d) After due consideration of all pertinent information, the expansion or contraction shall, upon approval by the Director, Commissioner and the Commission become effective as of the date prescribed in the notice thereof.

3. UNITIZED LAND AND UNITIZED SUBSTANCES. All oil and gas in the hereinabove described lands committed to this agreement, as to the Gallegos Gallup Sand, are unitized under the terms of this agreement and are herein called "unitized substances", and said lands shall constitute said lands herein referred to as "unitized lands" or "lands subject to this agreement".

The Gallegos Gallup Sand shall be construed to mean the sand and reservoir encountered in the drilling by Skelly Oil Company of its Navajo No. F-2 Well between the depths of 4,815 feet and 5,096 feet as shown by the Schlumberger electric log of said well, which well is located in the SW/4 of the NW/4 Section 12, T. 26 N., R. 12W., San Juan County, New Mexico.

4. UNIT OPERATOR. Skelly Oil Company is hereby designated as the initial Unit Operator and by signature hereto as Unit Operator agrees and consents to accept the duties of Unit Operator for the development and production of unitized substances as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interest in unitized substances, and the term "working interest owner" when used herein shall include or refer to Unit Operator as the owner of a working interest when such interest is owned by it.

The term "working interest owner", as used herein, shall mean the owner of such an interest committed hereto as may be obligated to bear or share a portion of all costs and expenses of drilling, developing, producing and operating the unitized land under this agreement and the Unit Operating Agreement.

5. RESIGNATION OR REMOVAL OF UNIT OPERATOR. Unit Operator shall have the right to resign at any time, but such resignation shall not become effective so as to release Unit Operator from the duties and obligations of Unit Operator and terminate Unit Operator's rights as such for a period of 6 months after notice of intention to resign has been served by Unit Operator on all working interest owners and the Director, Commissioner and the Commission, and until all wells then drilled hereunder are placed in satisfactory condition for suspension or abandonment, whichever is required by the Supervisor as to Federal lands and by the Commission as to State lands, unless a new Unit Operator shall have been selected and approved and shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

The resignation of Unit Operator shall not release Unit Operator from any liability or default by it hereunder occurring prior to the effective date of its resignation.

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working interest determined in like manner as herein provided for the selection of a new Unit Operator. Such removal shall be effective upon notice thereof to the Director and Commissioner.

In all such instances of resignation or removal, until a successor Unit Operator is selected and approved as hereinafter provided, the working interest owners shall be jointly responsible for the performance of the duties of Unit Operator and shall, not later than 30 days

before such resignation or removal becomes effective, appoint a common agent to represent them in any action to be taken hereunder.

The resignation or removal of Unit Operator under this agreement shall not terminate its right, title or interest as the owner of a working interest or other interests in unitized substances, but upon the resignation or removal of Unit Operator becoming effective, such Unit Operator shall deliver possession of all equipment, materials, and appurtenances used in conducting the unit operations as owned by the working interest owners to the new duly qualified successor Unit Operator or to the owners thereof if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells.

6. SUCCESSOR UNIT OPERATOR. Whenever the Unit Operator shall tender his or its resignation as Unit Operator, or shall be removed as hereinabove provided, the working interest owners shall by affirmative vote of at least 65 per cent of their voting interests, based on the percentage participation assigned to tracts in the participating area, select a successor Unit Operator; provided, however, that should any working interest owner own a voting interest of more than 35 per cent, the vote of said party shall not serve to disapprove the selection of a new Unit Operator approved by 80 per cent or more of the voting interests of the remaining working interest owners and provided, further, that the Unit Operator shall not vote to succeed itself and its voting interest shall not be counted in a vote concerning its removal as the Unit Operator. Such selection shall not become effective until (a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and (b) the selection shall have been approved by the Director and Commissioner.

7. ACCOUNTING PROVISIONS AND UNIT OPERATING AGREEMENT. All costs and expenses incurred by Unit Operator in conducting unit

operations hereunder shall be paid and apportioned among and borne by the working interest owners, all in accordance with the agreement or agreements entered into by and between the Unit Operator and the working interest owners, whether one or more, separately or collectively. Any agreement or agreements entered into between the working interest owners and the Unit Operator, as provided in this section whether one or more, are herein referred to as the "Unit Operating Agreement". Such Unit Operating Agreement shall also provide the manner in which the working interest owners shall be entitled to receive their respective proportionate and allocated share of the benefits accruing hereto in conformity with their underlying operating agreements, leases, or other independent contracts and such other rights and obligations as between Unit Operator and the working interest owners as may be agreed upon by the Unit Operator and the working interest owners. However, no such Unit Operating Agreement shall be deemed either to modify the terms and conditions of this Unit Agreement or to relieve the Unit Operator of any right or obligation established under this Unit Agreement, and in case of any inconsistency or conflict between the Unit Agreement and the Unit Operating Agreement, this Unit Agreement shall prevail. Three (3) true copies of any Unit Operating Agreement executed pursuant to this section shall be filed with the Supervisor and one copy with the Commissioner.

8. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR. Except as otherwise specifically provided herein, the exclusive right, privilege, and duty of exercising any and all rights of the parties hereto including surface rights, which are necessary or convenient for the prospecting for, producing, storing, allocating, and distributing the unitized substances, are hereby granted and delegated to and shall be exercised by the Unit Operator as herein provided. Acceptable evidence of title to said rights shall be deposited with said Unit Operator and, together with this agreement, shall constitute and define the rights, privileges, and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer

title to any land, lease, royalty interest, working interest, operating agreement or communitization agreement, it being understood that under this agreement the Unit Operator, in its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

9. DISCOVERY. Inasmuch as wells capable of producing unitized substances in paying quantities (to wit: quantities sufficient to repay the cost of drilling and producing operations with a reasonable profit) from the Gallegos Gallup Sand have already been drilled, tested and completed within the Unit Area and production in paying quantities is currently being taken therefrom, no initial test well is required under the terms of this Unit Agreement.

10. PLAN OF FURTHER DEVELOPMENT AND OPERATION. It is agreed that the unitized land will be so operated as to determine the feasibility of pressure maintenance or some form of secondary recovery operation in order to effect the greatest recovery of unitized substances, prevent waste and conserve natural resources. The Unit Operator is authorized to inject gas, oil, liquefied petroleum gas, brine, water or a combination of said substances and any one or more of said substances, irrespective of whether produced from the Gallegos Gallup Sand, into said Gallegos Gallup Sand through any well or wells now or hereafter completed therein; provided, however, that the above operations may be conducted by Unit Operator only in accordance with a plan of operation approved by the Supervisor, Commissioner and the Commission. The parties hereto hereby grant to the Unit Operator the use of brine or water or both from any formation within the Unit Area for injecting into the Gallegos Gallup Sand, except that no rights to water from Indian lands are granted hereby.

On or before the effective date of this agreement, Unit Operator shall submit for the approval of the Supervisor, Commissioner and the Commission an acceptable plan of development and operation for the

unitized land which said plan shall include provisions for a pilot injection project within the initial participating area. Said plan shall define the area of said pilot project and shall specify the wells to be used as injection wells and also the wells to be used as producing wells. When approved by the Supervisor, Commissioner and the Commission, said plan of development shall constitute the further drilling and operating obligations of the Unit Operator under this agreement for the period specified therein. Thereafter, from time to time, before the expiration of any existing plan, the Unit Operator shall submit for the approval of the Supervisor, Commissioner and the Commission a plan or plans for an additional specified period for the development and operation of the unitized land. Said initial plan and all revisions thereof shall be as complete and adequate as the Supervisor and Commissioner may determine to be necessary for timely operations and development consistent herewith. Said plan or plans shall be modified or supplemented when necessary to meet changed conditions or to protect the interests of all parties to this agreement. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of development and operation. After the effective date hereof, no further wells, except such as may be necessary to afford protection against operations not under this agreement or such as may be specifically approved by the Supervisor, Commissioner and the Commission shall be drilled except in accordance with a plan of development approved as herein provided. Following the institution and completion of said pilot injection project, Unit Operator shall thereupon determine whether or not pressure maintenance or secondary recovery operations shall be conducted throughout the initial participating area. Said determination shall be by vote of all working interest owners. In order to pass, the proposition shall be supported by an affirmative vote of 80% of the voting interest; provided, however, that the proposition shall not be defeated except upon the negative vote of two (2) or more working interest owners having an aggregate voting interest of 25% or more.

11. PARTICIPATION. The lands outlined by the irregular line depicted on Exhibit "A" are recognized as reasonably proved to be productive of unitized substances and are hereby designated and fixed as the "initial participating area", containing 13,248.83 acres, more or less.

In Exhibit "C", attached hereto and made a part hereof, there are listed and numbered the various tracts within the initial participating area, and set opposite each tract is a figure which represents the percentage participation to which such tract shall be entitled if all of said tracts are committed hereto as of the effective date of this agreement. In the event less than all tracts within the initial participating area are committed hereto as of the effective date of this agreement, Unit Operator, as soon as practicable after the effective date of this agreement, shall file with the Supervisor, Commissioner and the Commission a schedule of those tracts within the initial participating area committed hereto as of said effective date, which said schedule shall be designated "Revised Exhibit C" and considered for all purposes as a part of this agreement. Such Revised Exhibit "C" shall set forth opposite each such committed tract within the initial participating area a revised percentage participation therefor, which shall be calculated by using the same tract factors and formula which were used to arrive at the percentage participation of each tract as set out in Exhibit "C" attached hereto but applying the same only to the committed tracts. Such Revised Exhibit "C", unless disapproved by the Supervisor, Commissioner or the Commission within 30 days after filing, shall supersede, effective as of the effective date hereof, the percentage participations set forth in Exhibit "C" attached hereto until a further revision (or revisions) thereof is filed with and approved by the Supervisor, Commissioner and Commission as hereinafter provided. The percentage participation for each tract as shown on Exhibit "C" attached hereto, or as may be shown on the Revised Exhibit "C" as above provided, is calculated and determined in accordance with the tract factors and formula

set forth in Section 12 hereof and shall govern the allocation of production on and after the effective date of this Unit Agreement until the allocation schedule is revised pursuant to this agreement and the revised percentage participations are filed with and approved by the Director, Commissioner and the Commission as hereinafter provided.

The participating area established hereby as the initial participating area may be revised from time to time, subject to approval by the Director, Commissioner and the Commission, whenever such action appears proper as a result of further drilling operations or otherwise, to include additional land then regarded as reasonably proved to be productive in paying quantities or determined to be essential for unit operations and the participating percentage for each tract in the participating area so enlarged shall be revised, subject to the approval of the Director, Commissioner and Commission in accordance with the same formula and factors as were used to arrive at the percentage participation of each tract as set forth in Exhibit "C"; provided, however, that notwithstanding anything herein which may be construed to the contrary, in any revision of the participating area the revised percentage participations of the respective tracts which were participating prior to such revision shall remain in the same ratio one to another insofar as the individual factors comprising the participation formula are concerned. Unit Operator shall, within eight (8) months from and after the official date of completion of a unit well occasioning a revision of the participating area, file with the Director, Commissioner and the Commission appropriate instruments outlining and establishing the revised participating area occasioned by such well. The effective date of any revision of the participating area shall be the first day of the seventh month following the official date of the well completion on which the revision of the participating area is predicated, upon approval by the Director, Commissioner and the Commission; provided, that a more appropriate effective date may be used if justified by the Unit Operator and approved by the

Director, Commissioner and the Commission. No land shall be excluded from a participating area on account of depletion of unitized substances. It is the intent of this section that a participating area shall be comprised of adjoining parcels of land on each of which such parcels there is a well capable of producing in paying quantities or which, in the absence of such well thereon, are nevertheless determined to be essential for unit operations; but, regardless of any revision of the participating area, nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of the revision of the participating area.

In the absence of agreement at any time between the Unit Operator and the Supervisor, Commissioner and the Commission as to the proper definition or redefinition of a participating area, the portion of all payments affected thereby may be impounded in a manner mutually acceptable to the owners of working interests, except royalties due (a) the United States and Indians, and (b) the State of New Mexico, which shall be determined by the Supervisor and the Commissioner, respectively, to be held as unearned money until a participating area as revised is finally approved and then applied as earned or returned in accordance with determination of the sum due as Federal, Indian, and State royalty on the basis of such approved participating area.

Whenever it is determined, subject to the approval of the Supervisor as to wells on Federal and Indian land and the Commissioner as to wells on State land, that a well drilled under this agreement is not capable of producing in paying quantities or determined not to be essential for unit operations and inclusion of the land on which it is situated in a participating area is unwarranted, production from such well shall, for the purposes of settlement among all parties other than working interest owners, be allocated to the lands on which the well is located so long as the well is not within a participating area. Settlement for working interest benefits for such a well shall be made as

provided in the Unit Operating Agreement.

If, subsequent to the effective date of this agreement, any additional tract within the initial participating area becomes committed hereto under the provisions of Section 28 hereof, or any committed tract within the initial participating area is excluded herefrom under the provisions of Section 27, Unit Operator shall revise Exhibit "C" to show the new percentage participations of the committed tracts in the initial participating area, which revised exhibit shall, upon its filing and approval by the Supervisor, Commissioner and the Commission, supersede as of its effective date, the last previously effective Exhibit "C". In any such revision of Exhibit "C" the revised percentage participations of the respective tracts which were committed hereto prior to such revision shall remain in the same ratio one to another insofar as the individual factors comprising the participation formula are concerned.

12. ALLOCATION OF PRODUCTION. For the purpose of determining any and all benefits accruing under this agreement each tract committed hereto within the participating area shall have allocated to it a proportion, equal to its percentage participation of all unitized substances produced from the participating area (except any part of such substances used in conformity with good operating practices within the Unit Area for drilling, operating, camp and other production or development purposes, for pressure maintenance or secondary recovery operations in accordance with a plan of operation approved by the Supervisor, Commissioner and the Commission, or unavoidably lost). The amount of unitized substances allocated to each tract in the participating area shall be deemed to be produced from such tract. It is hereby agreed that production of unitized substances from any part of the participating area shall be allocated as provided herein regardless of whether oil or gas is being produced from any particular tract committed hereto. If the working interests or the royalty interests in any tract are divided with respect to separate parcels or portions of such tract and owned severally by different

persons, the percentage participation assigned to such tract shall, in the absence of a recordable instrument among all owners fixing the division of ownership, be divided among such parcels or portions in proportion to the number of surface acres in each.

The Percentage Participation for each tract in the Participating Area as set forth in Section 11 hereof was determined, and any revisions thereof shall be determined, in accordance with the following formula, which is hereby adopted:

$$\frac{\text{Total Tract Original Hydrocarbon Recoverable by Primary Methods of Operation}}{\text{Total Participating Area Original Hydrocarbon Recoverable by Primary Methods of Operation}} \times 0.75$$

Plus

$$\frac{\text{Total Tract Income during Base Period}}{\text{Total Participating Area Income During Base Period}} \times 0.25$$

= Tract Percentage Participation

In connection with the foregoing formula, it is recognized and agreed that the Gallegos Gallup Sand as herein defined is a common reservoir consisting of four productive intervals, each of which has a different value as to original hydrocarbons recoverable by primary methods of operation. Said productive intervals are referred to herein as Bench 1, Bench 2, Bench 3 and Bench 4, respectively, and are defined as follows:

Bench 1 - Shall mean and refer to the same interval of the Gallegos Gallup Sand encountered in the Skelly-Navajo "F" No. 2 well between the depths of 4815 feet and 4868 feet as shown by the Schlumberger electric log of said well, which well is located in the SW/4 of NW/4 Section 12, T26N-R12W, San Juan County, New Mexico.

Bench 2 - Shall mean and refer to the same interval of the Gallegos Gallup Sand encountered in the said Skelly-Navajo "F" No. 2 well between the depths of 4938 feet and 4978 feet as shown by the Schlumberger electric log of said well.

Bench 3 - Shall mean and refer to the same interval of the Gallegos Gallup Sand encountered in the said Skelly-Navajo "F" No. 2 well between the depths of 5006 feet and 5051 feet as shown by the Schlumberger electric log of said well.

Bench 4 - Shall mean and refer to the same interval of the Gallegos Gallup Sand encountered in the said Skelly-Navajo "F" No. 2 well between the depths of 5051 feet and 5096 feet as shown by the Schlumberger electric log of said well.

It is further agreed that the Percentage Participation of each tract in the Participating Area, as set forth in Section 11 hereof, was calculated and determined, and any revision thereof shall be calculated and determined, by application of the foregoing formula in accordance with the following factors, definitions and procedure:

A. The fraction of the original hydrocarbons recoverable by primary methods of operation attributable to each lease in the Participating Area and in the Participating Area as a whole were determined as follows:

(1) The acre feet of productive sand in each of the four benches or intervals of the Gallegos Gallup Sand in each tract in the Participating Area was determined from net isopach maps constructed for both the gas zone and oil zone in each of the said respective four benches based upon electric log surveys made in accordance with acceptable geological and engineering practices and utilizing accurate survey data of the surface area of each tract in the participating area.

(2) Acre-feet figures for Benches 1, 2 and 3 were then combined and the hydrocarbon pore space calculated by the following formula:

HPS = (Gross Ac. Ft.) x (Thickness Correction Factor) x (Porosity) x (1-Sw) (7758)

Bench 4 was calculated separately using this formula also.

(3) It was determined, using the best engineering practices and utilizing all of the geological and engineering information available, that the factors used in calculating the HPS would be as follows:

Benches 1, 2 & 3	T.C.F.	=	0.19
	Por.	=	0.045
	1-Sw	=	0.59
Bench 4	T.C.F.	=	0.40
	Por.	=	0.086
	1-Sw	=	0.59

(4) The Oil Recovery Factor is 0.050; the original oil reserve recoverable by primary methods of operation was determined by using the results of (2) and (3) above in conjunction with the following formula:

$$\text{Recoverable Primary Oil Reserve} = \frac{\text{H.P.S. x Oil Recovery Factor}}{\text{F.V.F.}}$$

(5) The Gas Recovery Factor is 0.955878; the recoverable solution gas was determined by using the results of (2) and (3) above in conjunction with the following formula:

$$\text{Recoverable Solution Gas} = (S_1 - S_2)(\text{Orig. Oil in Place})(\text{Gas Recovery Factor}) + (S_2 - S_a)(\text{Recoverable Primary Oil Reserve})$$

(6) It was determined, using the best engineering practices and utilizing all of the geological and engineering

information available, that the factors used in calculating the scf would be as follows:

S_1 = 540 scf of gas in each bbl. of Orig. Oil in Place

S_2 = 180 scf of unrecovered gas in each bbl. of Orig. Oil in Place

S_a = 47 scf of unrecovered gas in each bbl. Stock Tank Oil Produced

(7) The recoverable free gas in the gas cap was determined by using the results of (2) and (3) above in conjunction with the following formula:

Recoverable Free Gas = HPS in bbls. x 5.6146 x gas factor

(with the gas factor = to 96.917).

(8) These gas reserves were then equated to the oil reserves by using the factor $\frac{0.13}{2.77}$; the sum of the total gas reserves and the total oil reserves is the original hydrocarbons recoverable by primary methods.

B. "Current Income", as used in the foregoing formula, was derived by determining the dollar value of all oil and gas produced from each tract in the Unit Area. The tract current income during the base period and the Participating Area current income during the base period were determined as follows:

(1) For the purposes of this agreement, the "base period" shall mean and refer to production of oil and gas during the fourth quarter of 1959 (October 1, 1959 through December 31, 1959); provided, however, that the "base period" for any well not having produced three months prior to October 1, 1959, shall

be the last three months of the first six months in which said well was produced. However, whenever a well is to be converted to an injection well before producing it for a sufficient period to qualify as to the base production period under the formula set forth herein, the production for the base period may be calculated at any rate up to the maximum allowable which may be agreed to by 65% of the working interest owners and approved by the Director and the Commissioner.

13. DEVELOPMENT OR OPERATION OF NON-PARTICIPATING LAND. Any party or parties hereto owning or controlling the working interest or a majority of the working interests in any unitized land having thereon a regular well location may, with the approval of the Supervisor as to Federal and Indian land and the Commissioner as to State land, and subject to the provisions of the Unit Operating Agreement, at such party's sole risk, cost and expense, drill a test well to test the Gallegos Gallup Sand Formation if such location is not within a participating area, or drill any well not mutually agreed to by all interested parties, unless within 90 days from receipt of notice from said party of his intention to drill the well the Unit Operator elects and commences to drill such well in like manner as other wells are drilled by the Unit Operator under this agreement.

If any well drilled, as aforesaid, by a working interest owner results in production such that the land upon which it is situated may properly be included in a participating area, such participating area shall be enlarged as provided in this agreement, and the party or parties paying the cost of drilling such well shall be reimbursed as provided in the Unit Operating Agreement for the cost of drilling such well, and the well shall thereafter be operated by Unit Operator in accordance with the terms of this agreement and the

Unit Operating Agreement.

If any well drilled, as aforesaid, by a working interest owner obtains production in quantities insufficient to justify the inclusion in a participating area of the land upon which such well is situated, such well may be operated and produced by the party drilling the same subject to the conservation requirements of this agreement. The royalties in amount or value of production from any such well shall be paid as specified in the underlying lease and agreements affected.

14. ROYALTY SETTLEMENT. The United States, the Indians, and the State of New Mexico and all royalty owners who, under existing contracts, are entitled to take in kind a share of the unitized substances produced from any tract, shall hereafter be entitled to take in kind their share of the unitized substances allocated to such tract, and Unit Operator, or in case of the operation of a well by a working interest owner as herein in special cases provided for, such working interest owner shall make deliveries of such royalty share taken in kind in conformity with the applicable contracts, laws and regulations. Settlement for royalty interests not taken in kind shall be made by working interest owners responsible therefor under existing contracts, laws and regulations on or before the last day of each month for unitized substances produced during the preceding calendar month; provided, however, that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any royalties due under their leases except that said royalties shall be computed in accordance with the terms of this agreement.

If gas obtained from lands not subject to this agreement is introduced into the unitized land for use in pressure maintenance, stimulation of production, or increasing ultimate recovery, which shall be in conformity with a plan first approved by the Supervisor, Commissioner and the Commission, a like amount of gas, less appropriate deductions for loss from any cause, may be withdrawn from the formation into which

the gas was introduced, royalty free as to dry gas, but not as to the products extracted therefrom; provided that such withdrawal shall be pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and the Commissioner; and, provided further, that such right of withdrawal shall terminate on the termination of this agreement. If liquefied petroleum gases obtained from lands or formations not subject to this agreement be injected into the unitized land for the purpose of increasing ultimate recovery, which shall be in conformance with a plan first approved by the Supervisor and Commissioner, part or all of such liquefied petroleum gases may be withdrawn royalty free pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and Commissioner.

Royalty due the United States and the Indians shall be computed as provided in the operating regulations and paid in value or delivered in kind as to all unitized substances on the basis of the amounts thereof allocated to unitized Federal and Indian land as provided herein at the rate specified in the respective Federal and Indian leases, or at such lower rate or rates as may be authorized by law or regulation; provided that for leases on which the royalty rate depends on the daily average production per well such average production shall be determined in accordance with the operating regulations as though the participating area were a single consolidated lease.

Royalty due on account of State lands shall be computed and paid on the basis of all unitized substances allocated to such lands.

15. RENTAL SETTLEMENT. Rental or minimum royalties due on leases committed hereto shall be paid by working interest owners responsible therefor under existing contracts, laws and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty in lieu thereof due under their leases. Rental or minimum royalty for lands of the United States

and the Indians subject to this agreement shall be paid at the rate specified in the respective leases from the United States and the Indians unless such rental or minimum royalty is waived, suspended, or reduced by law or by approval of the Secretary of the Interior (hereinafter called "Secretary") or his duly authorized representative.

Rentals on State of New Mexico lands subject to this agreement shall be paid at the rate specified in the respective leases, or may be reduced or suspended under the order of the Commissioner pursuant to applicable laws and regulations.

With respect to any lease on non-Federal and non-Indian land containing provisions which would terminate such lease unless drilling operations were within the time therein specified commenced upon the land covered thereby or rentals paid for the privilege of deferring such drilling operations, the rentals required thereby shall, notwithstanding any other provision of this agreement, be deemed to accrue and become payable during the term thereof as extended by this agreement and until the required drilling operations are commenced upon the land covered thereby or some portion of such land is included within the participating area.

16. CONSERVATION. Operations hereunder and production of unitized substances shall be conducted to provide for the most economical and efficient recovery of such substances as to prevent waste as defined by or pursuant to State or Federal law or regulation.

17. DRAINAGE. The Unit Operator shall take appropriate and adequate measures to prevent draining of unitized substances from unitized land by wells on land not subject to this agreement, or, with consent of the Director and Commissioner, pursuant to applicable regulations pay a fair and reasonable compensatory royalty as determined by the Supervisor and Commissioner.

18. LEASES AND CONTRACTS CONFORMED AND EXTENDED. The terms, conditions, and provisions of all leases, subleases, and other contracts

relating to exploration, drilling, development, or operation for oil or gas of lands committed to this agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect; and the parties hereto hereby consent that the Secretary as to Federal and Indian leases and the Commissioner as to State leases shall and each by his approval hereof, or by the approval hereof by his duly authorized representative, does hereby establish, alter, change or revoke the drilling, producing, rental, minimum royalty and royalty requirements of Federal, Indian, and State leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this agreement, and without limiting the generality of the foregoing, all leases, subleases, and contracts are particularly modified in accordance with the following:

(a) The development and operation of lands subject to this agreement under the terms hereof shall be deemed full performance of all obligations for development and operation with respect to each and every part or separately owned tract subject to this agreement, regardless of whether there is any development of any particular part or tract of the Unit Area, notwithstanding anything to the contrary in any lease, operating agreement, or other contract by and between the parties hereto, or their respective predecessors in interest, or any of them.

(b) Drilling and producing operations performed hereunder upon any tract of unitized land will be accepted and deemed to be performed upon and for the benefit of each and every tract of unitized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on the land therein embraced.

(c) Suspension of drilling or producing operations on all unitized lands pursuant to direction or consent of the Secretary (or his duly authorized representative) and the Commissioner shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every tract of unitized land.

(d) Each lease, sublease, or contract relating to the exploration, drilling, development or operation for oil or gas of lands committed to this agreement, which by its terms might expire prior to the termination of this agreement, is hereby extended beyond any such term so provided therein so that it shall be continued in full force and effect for and during the term of this agreement, as to the land committed so long as such lease remains subject hereto.

(e) The segregation of any Federal lease committed to this agreement is governed by the following provision in the fourth paragraph of Sec. 17(j) of the Act, as amended by the Act of September 2, 1960 (74 Stat. 781, 784): "Any (Federal) lease hereafter committed to any such (unit) plan embracing lands that are in part within and in part outside of the area covered by any such plan shall be segregated into separate leases as to the lands committed and the lands not committed as of the effective date of unitization: Provided, however, That any such lease as to the nonunitized portion shall continue in force and effect for the term thereof but for not less than two years from the date of such segregation and so long thereafter as oil or gas is produced in paying quantities."

(f) Any Indian lease having only a portion of its lands committed hereto shall be segregated as to the

portion committed and the portion not committed, and the provisions of such lease shall apply separately to such segregated portions commencing as of the effective date hereof.

(g) Any lease embracing lands of the State of New Mexico having only a portion of its lands commited hereto shall be segregated as to the portion committed and as to the portion not committed and the terms of such leases shall apply separately as to such segregated portions commencing as of the effective date hereof. Notwithstanding any of the provisions of this agreement to the contrary, any lease embracing lands of the State of New Mexico having only a portion of its lands committed hereto shall continue in full force and effect beyond the term provided therein as to all lands embraced in such lease, if unitized substances are discovered and are capable of being produced in paying quantities from some part of the lands embraced in such lease committed to this agreement or some part of the lands embraced in such State lease is included in the Participating Area at the expiration of the secondary term of such lease; or if, at the expiration of the secondary term, the lessee or the Unit Operator is then engaged in bona fide drilling or reworking operations on some part of the lands embraced therein, any such lease shall remain in full force and effect so long as such operations are being diligently prosecuted, and if they result in the production of unitized substances, said lease shall continue in full force and effect as to all of the lands embraced therein, so long thereafter as unitized substances are produced in paying quantities from any portion of said lands.

19. COVENANTS RUN WITH LAND. The covenants herein shall be construed to be covenants running with the land with respect to the interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee, or other successor in interest. No assignment or transfer of any working interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, photostatic or certified copy of the instrument of transfer; and no assignment or transfer of any royalty interest shall be binding upon the working interest owner responsible therefor until the first day of the calendar month after said working interest owner is furnished with the original, photostatic or certified copy of the instrument of transfer.

20. EFFECTIVE DATE AND TERM. This agreement shall become effective upon approval by the Director, Commissioner, and the Indian Commissioner, or their duly authorized representatives, as of the first day of the month following the date of approval by the Director and shall remain in effect so long as unitized substances can be produced from the unitized land in paying quantities, i.e. in this particular instance in quantities sufficient to pay for the cost of producing same, and, should production cease, so long thereafter as diligent operations are in progress for the restoration of production and so long thereafter as such unitized substances can be produced as aforesaid. This agreement shall remain in effect during any period of suspension approved by the Director and the Commissioner as provided for in Section 18(c) hereof.

This agreement may be terminated at any time by the working interest owners whose voting interests aggregate not less than 90%, subject to the approval of the Director and the Commissioner; notice

of any such approval shall be given by Unit Operator to all parties hereto.

21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION. The Director is hereby vested with authority to alter or modify from time to time in his discretion the quantity and rate of production under this agreement when such quantity and rate is not fixed pursuant to Federal or State law or does not conform to any state-wide voluntary conservation or allocation program, which is established, recognized, and generally adhered to by the majority of operators in such State, such authority being hereby limited to alteration or modification in the public interest, the purpose thereof and the public interest to be served thereby to be stated in the order of alteration or modification. Without regard to the foregoing, the Director is also hereby vested with authority to alter or modify from time to time in his discretion the rate of prospecting and development and the quantity and rate of production under this agreement when such alteration or modification is in the interest of attaining the conservation objectives stated in this agreement and is not in violation of any applicable Federal or State law. It is agreed, further, that no such alteration or modification shall be effective as to any land of the State of New Mexico as to the rate of prospecting and development in the absence of the specific written approval thereof by the Commissioner and as to the quantity and rate of production in the absence of specific written approval thereof by the Commission.

Powers in this section vested in the Director shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than 15 days from notice.

22. APPEARANCES. Unit Operator shall, after notice to other parties affected, have the right to appear for or on behalf of any and all interests affected hereby before the Department of the Interior and the Commission and to appeal from orders issued under

the regulations of said Department and/or Commission or to apply for relief from any of said regulations or in any proceedings relative to operations before the Department of the Interior, the Commission, or other legally constituted authority; provided, however, that any other interested party shall also have the right at his or its own expense to be heard in any such proceeding.

23. NOTICES. All notices, demands or statements required hereunder to be given or rendered to the parties hereto shall be deemed fully given if given in writing and personally delivered to the party or sent by postpaid registered or certified mail, addressed to such party or parties at their respective addresses set forth in connection with the signatures hereto or to the ratification or consent hereof or to such other address as any such party may have furnished in writing to party sending the notice, demand or statement.

24. NO WAIVER OF CERTAIN RIGHTS. Nothing in this agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right to defense as to the validity or invalidity of any law of the state wherein said unitized land is located, or of the United States or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

25. UNAVOIDABLE DELAY. All obligations under this agreement requiring the Unit Operator to commence or continue drilling or to operate on or to produce unitized substances from any of the lands covered by this agreement shall be suspended while, but only so long as, the Unit Operator, despite the exercise of due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, acts of God, Federal, State, or municipal law or agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

26. NONDISCRIMINATION. In the performance of work under this agreement, Unit Operator agrees to comply with the nondiscrimination provisions of Executive Order 10925 (26 F. R. 1977).

Unit Operator shall also comply with the terms and conditions of the Indian leases while engaged in operations thereon with respect to the employment of available Indian labor.

27. LOSS OF TITLE. In the event title to any tract of unitized land shall fail and the true owner cannot be induced to join in this Unit Agreement, such tract shall be automatically regarded as not committed hereto and there shall be such readjustment of future costs and benefits as may be required on account of the loss of such title. In the event of a dispute as to the title to any royalty, working interest or any other interest subject hereto, payment or delivery on account thereof may be withheld without liability for interest until the dispute is finally settled; provided that as to Federal land, Indian land, and State land or leases, no payments of funds due the United States, Indians, or the State of New Mexico should be withheld, but such funds of the United States and Indians shall be deposited as directed by the Supervisor, and such funds of the State shall be deposited as directed by the Commissioner, to be held as unearned money pending final settlement of the title dispute, and then applied as earned in accordance with the final settlement.

Unit Operator as such is relieved from any responsibility for any defect or failure of any title hereunder.

28. NON-JOINDER AND SUBSEQUENT JOINDER. If the owner of any substantial interest in a tract within the Unit Area fails or refuses to subscribe to this agreement, the owner of the working interest in that tract may withdraw said tract from this agreement by written notice to the Director, the Commissioner and the Unit Operator prior to the approval of this agreement by the Director. Any such tract effectively committed as to the working interest

and not so withdrawn shall be considered unitized, and any necessary adjustments of royalty occasioned by failure of the royalty and record owner to join will be for the account of the corresponding working interest owner. Any oil or gas interest in lands within the Unit Area not committed hereto prior to submission of this agreement for final approval may thereafter be committed hereto by the owner or owners thereof subscribing or consenting to this agreement and, if the interest is a working interest, by the owner of such interest also subscribing to the Unit Operating Agreement. After operations are commenced hereunder, the right of subsequent joinder, as provided in this section, by a working interest owner is subject to such requirements or approvals, if any, pertaining to such joinder, as may be provided for in the Unit Operating Agreement. After final approval hereof, joinder by a non-working interest owner must be consented to in writing by the working interest owner committed hereto and responsible for the payment of any benefits that may accrue hereunder in behalf of such non-working interest. Joinder by any owner of a non-working interest, at any time, must be accompanied by appropriate joinder by the owner of the corresponding working interest in order for the interest to be regarded as effectively committed hereto. Joinder to the Unit Agreement by a working interest owner, at any time, must be accompanied by appropriate joinder to the Unit Operating Agreement in order for the interest to be regarded as effectively committed to this Unit Agreement. Except as may otherwise herein be provided, subsequent joinders to this agreement shall be effective as of the first day of the month following the filing with the Supervisor and the Commissioner of duly executed counterparts of all or any papers necessary to establish effective commitment of any tract to this agreement unless objection to such joinder is duly made within 60 days by the Director or the Commissioner.

29. COUNTERPARTS. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all

parties, or may be ratified or consented to by separate instrument in writing specifically referring hereto and shall be binding upon all those parties who have executed such a counterpart, ratification, or consent hereto with the same force and effect as if all such parties had signed the same document and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above described Unit Area; provided, if this agreement has not been approved by the Director and the Commissioner prior to February 1, 1963, it shall thereupon terminate and be of no further force and effect.

30. **TAXES.** The working interest owners shall render and pay for their account and the account of the royalty owners all valid taxes on or measured by the unitized substances in and under or that may be produced, gathered and sold from the land subject to this contract after the effective date of this agreement, or upon the proceeds or net proceeds derived therefrom. The working interest owners on each tract shall and may charge the proper proportion of said taxes to the royalty owners having interests in said tract, and may currently retain and deduct sufficient of the unitized substances or derivative products, or net proceeds thereof from the allocated share of each royalty owner to secure reimbursement for the taxes so paid. No such taxes shall be charged to the United States, Indians, or the State of New Mexico or to any lessor who has a contract with his lessee which requires the lessee to pay such taxes.

31. CONFLICT OF SUPERVISION. Neither the Unit Operator nor the working interest owners or any of them shall be subject to any forfeiture, termination, or expiration of any rights hereunder or under any leases or contracts subject hereto, or to any penalty or liability on account of delay or failure in whole or in part to comply with any applicable provisions thereof to the extent that the said Unit Operator, working interest owners, or any of them are hindered,

delayed or prevented from complying therewith by reason of the failure of the Unit Operator to obtain, in the exercise of due diligence, the concurrence of proper representatives of the United States and proper representatives of the State of New Mexico in and about any matters or things concerning which it is required herein that such concurrence be obtained. The parties hereto, including the Commission, agree that all powers and authority vested in the Commission in and by any provisions of this contract are vested in the Commission and shall be exercised by it pursuant to the provisions of the laws of the State of New Mexico and subject in any case to appeal or judicial review as may now or hereafter be provided by the laws of the State of New Mexico.

32. NO PARTNERSHIP. It is expressly agreed that the relation of the parties hereto is that of independent contractors and nothing in this agreement contained, express or implied, or any operations conducted hereunder, shall create or be deemed to have created a partnership or association between the parties hereto or any of them.

33. BORDER AGREEMENTS. Subject to the approval of the Director and the Commissioner, the Unit Operator, with concurrence of 65% of the voting interest of the working interest owners may enter into a border-protection agreement or agreements with the working interest owners of adjacent lands along the exterior boundary of the Unit Area with respect to the operations in the border area for the maximum ultimate recovery, conservation purposes and proper protection of the parties and interests.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed as of the date first above written and have set opposite their respective names the date of execution and the address of each of the respective executing parties.

UNIT OPERATOR AND WORKING INTEREST OWNER

Appd as to form: Boyle

ATTEST:

SKELLY OIL COMPANY

_____ By _____

Assistant Secretary

_____

Address

Date of Signature:

_____ _____

WORKING INTEREST OWNERS

EL PASO NATURAL GAS PRODUCTS COMPANY

By _____

Attorney-In-Fact

_____

Address

ATTEST:

_____

_____

Secretary

Date of Signature:

_____

GULF OIL CORPORATION

By _____

Vice President

_____

Address

ATTEST:

_____

_____

Secretary

Date of Signature:

_____

WESTERN DEVELOPMENT CO. OF DELAWARE

By _____

President

_____

Address

ATTEST:

_____

_____

Secretary

Date of Signature:

_____

By _____
Vice President

_____
Address

ATTEST:

_____
Secretary

Date of Signature:

_____

By _____
Vice President

_____
Address

ATTEST:

_____
Secretary

Date of Signature:

_____

_____

_____

_____
Address

Date of Signature:

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_____

_____
Address

Date of Signature:

_____

_____

_____
Address

Date of Signature:

_____

OTHER PARTIES

The Navajo Tribe of Indians

By_____
Chairman, Navajo Tribal Council

_____
Address

DATE OF SIGNATURE:

_____

_____

_____
Address

DATE OF SIGNATURE:

_____

_____

_____
Address

DATE OF SIGNATURE:

_____

_____

_____
Address

ATTEST:

_____
Secretary

Date of Signature:

_____

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by_____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My commission expires:

_____
Notary Public

_____

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by_____ as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My commission expires:

_____
Notary Public

_____

STATE OF ARIZONA _____)
) SS:
COUNTY OF APACHE _____)

On this _____ day of _____, 19___, before me appeared _____, to me personally known, who being by me duly sworn, did say that he is the (Acting) Chairman of the Navajo Tribal Council, and that he did execute the within agreement in behalf of the Navajo Tribe of Indians by authority of its Council, and that he acknowledged the instrument to be the free act and deed of said Navajo Tribe.

_____
Notary Public in and for
Apache County, Arizona

My Commissions Expires:

_____

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public

STATE OF _____)
) SS:
COUNTY OF _____)

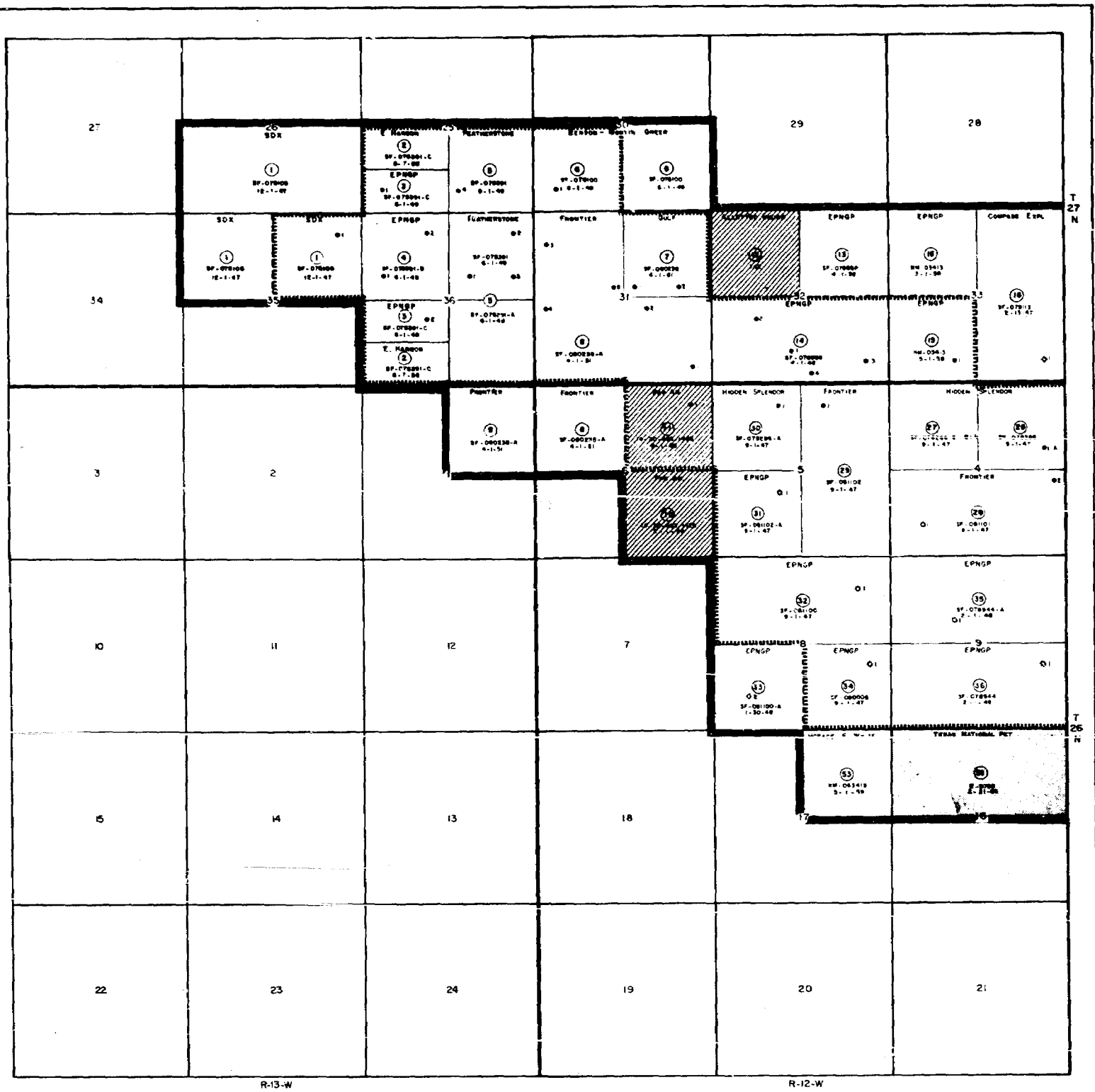
The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My Commission Expires:

_____

_____
Notary Public



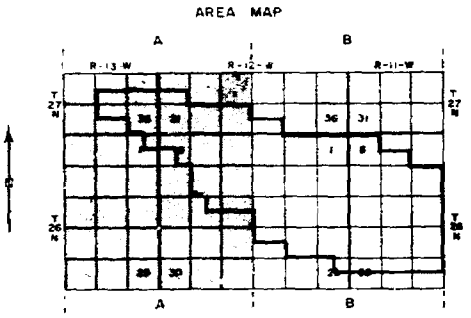
GALLEGOS GALLUP SAND UNIT
SAN JUAN NEW MEXICO
EXHIBIT "A"
AREA = A

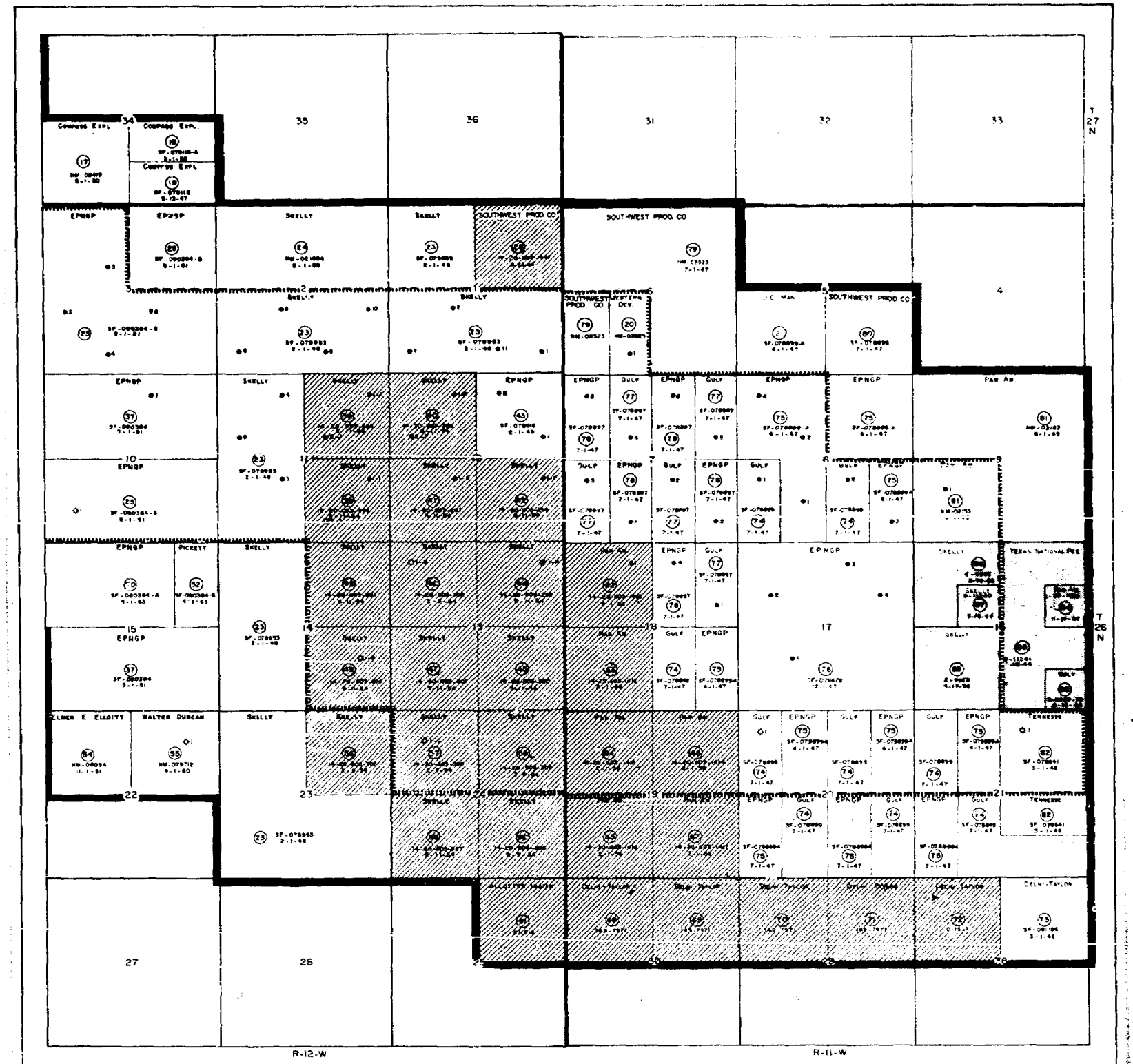
Legend

- UNIT AREA
- PARTICIPATING AREA
- FEDERAL LAND
- INDIAN LAND
- STATE OF NEW MEXICO LAND
- (3) TRACT NO.

SCALE
1000 0 1000 2000 3000
FEET

AREA MAP





GALLEGOS GALLUP SAND UNIT
SAN JUAN NEW MEXICO
EXHIBIT "A"
AREA = B

Legend

- UNIT AREA
- PARTICIPATING AREA
- FEDERAL LAND
- INDIAN LAND
- STATE OF NEW MEXICO LAND
- (3) TRACT NO.

SCALE
1000 0 1000 2000 3000
FEET

AREA MAP

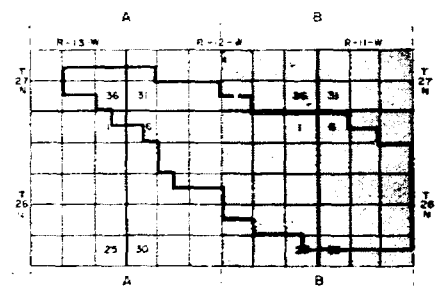


EXHIBIT "B"

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP
OF ALL LANDS WITHIN THE GALLEGOS GALLUP SAND UNIT
TOWNSHIPS 26 and 27 NORTH, RANGES 11, 12 AND 13 WEST, SAN JUAN COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest and Percentage
1	T27N-R13W Sec. 26: S/2 Sec. 35: N/2	640.00	SF-078105 12-1-47 H.B.P.	USA 12.5%	Mid-Continent Petroleum Corporation	None	Sunray Mid-Continent Oil Company All
2	T27N-R13W Sec. 25: N/2 SW/4 Sec. 36: S/2 SW/4	160.00	SF-078391-C 5-7-56	USA 12.5%	Ernest A. Hanson	Ralph G. Roberson and Nena J. Roberson 3.000000%	Ernest A. Hansen All
3	T27N-R13W Sec. 25: S/2 SW/4 Sec. 36: N/2 SW/4	160.00	SF-078391-C 6--1-49 H.B.P.	USA 12.5%	Ernest A. Hanson	None	El Paso Natural Gas Products Company 50.00% Ernest A. Hanson 50.00%
4	T27N-R13W Sec. 36: NW/4	160.00	SF-078391-B 6-1-49 H.B.P.	USA 12.5%	Ernest A. Hanson	None	El Paso Natural Gas Products Company 50.00% Ernest A. Hanson 50.00%
5	T27N-R13W Sec. 25: SE/4 Sec. 36: E/2	480.00	SF-078391 SF-078391-A 6-1-49 H.B.P.	USA 12.5%	Ralph G. Roberson, Jr.	Ralph G. Roberson, Jr. *3.000000% (Oil Only)	Olen F. Featherstone All

6	T27N-R12W Sec. 30: S/2	313.56	SF-078100 6-1-49 H.B.P.	USA 12.5%	Warren Petroleum Corporation	British American 50.000000% Warren 50.000000%	William H. Hudson 50.00% Benson-Montin-Greer Drilling Corp. 25.00% O. J. Lilly 25.00%
7	T27N-R12W Sec. 31: NE/4	160.00	SF-080238 4-1-51 H.B.P.	USA 12.5%	Gulf Oil Corporation	Tom Bolack 2.000000% J. C. Roberts 2.000000%	Gulf Oil Corporation 100.00%
8	T27N-R12W Sec. 31: W/2 and SE/4 T26N-R12W Sec. 6: NW/4	622.10	SF-080238-A 4-1-51 H.B.P.	USA 12.5%	Beulah Morgan	Tom Bolack 2.000000% J. C. Roberts 2.000000% Howard K. Hee and Aheong Chun Hee 0.312500% Henry Pui Chun and Patsy Chun 0.187500% Walter K. Togikowa and Mildred O. Togikawa 0.125000% Amy L. Fern 0.125000% Frank H. Gaudin 0.250000%	The Frontier Refining Company 50.00% Oklahoma Oil Company 50.00%
9	T26N-R13W Sec. 1: NE/4	160.08	SF-080238-A 4-1-51 H.B.P.	USA	The Oklahoma Oil Company Frontier Refining Company	Beulah Morgan and Luther S. Morgan 5.000000%	The Oklahoma Oil Company 50.00% Frontier Refining Co. 50.00%

13	T27N-R12W Sec. 32: NE/4	160.00	SF-078858-A 4-1-58 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company John F. Sullivan Edward Arcaro Shiprock Industries, Inc.	Paul C. Nelson and Margaret Nelson 0.750000%	John F. Sullivan 56.250000% Edward Arcaro 6.250000% Shiprock Industries 37.500000%
14	T27N-R12W Sec. 32: S/2	320.00	SF-078858 4-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company John F. Sullivan Edward Arcaro Shiprock Industries, Inc.	Louis M. Walker and Geraldine Walker 1.250000% A. L. Duff, Jr. 1.250000% Paul C. Nelson 0.750000% O. J. Lilly 0.500000% William T. Walker 1.000000% Rose M. Blount 0.250000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 6.250% Edward Arcaro 6.250% Shiprock Industries, Inc. 37.500%
15	T27N-R12W Sec. 33: W/2	320.00	NM-03413 5-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	Dorothy M. Rummel and G. T. Rummel 2.000000% Western Development Company of Delaware 1.250000% J. D. Hancock and Anna Marye Hancock 0.012239%	El Paso Natural Gas Products Company All

Tract No. 15 continued

C. E. Gardner
0.061033%
B. B. Robison
0.061033%
Alte B. Cervin
0.061033%
Clyde W. Morgan
0.061033%
W. Wilson Graham, Estate
0.061033%
L. H. Mannan
0.061033%
J. M. Somerville
0.024413%
M. W. George
0.024413%
Mrs. Lillian Duncan
0.024413%
Lawrence Albert Nelson
0.024413%
C. W. Austin, Jr.
0.061033%
Laurence Corbett Kelly
0.407705%
Dana Latham, Trustee
for the following:
Marquita Mosley Denny
Polly Carliss Mosley Royce
David Bruce Mosley
Sandra Mosley
0.244140%
F. S. Oldt
0.061033%

16	T27N-R12W Sec. 33: E/2	320.00	SF-079113 2-13-47	USA 12.5%	Dorothy M. Rummel	Dorothy M. Rummel 2.500000%	Compass Expleration Incorporated All	

Tract No. 16 continued

Western Development
Company of Delaware
1.25%
1.25% of 8/8
Divided as Follows:
B. B. Robinson
0.061034%
C. W. Morgan
0.061034%
W. Wilson Graham, Estate
0.061034%
Alto B. Cervin
0.061034%
F. S. Oldt
0.061034%
L. H. Mannan
0.061034%
Lillian Duncan
0.024414%
J. M. Somerville
0.024414%
M. W. George
0.024414%
L. L. Nelson
0.024414%
C. W. Austin, Jr.
0.061034%
Frank B. Hadlock,
Adah Hadlock and
Ann Hadlock
12.500000%
G. E. Gardner
0.061034%
J. D. Hancock, Sr.
0.664074%

17	T27N-R12W Sec. 34: SW/4 160.00	NM-03413 6-1-50	USA 12.5%	El Paso Natural Gas Products Company	A. W. Rutter 5.000000%	Compass Exploration Incorporated All
18	T27N-R12W Sec. 34: N/2 SE/4 80.00	SF-079113-A 3-1-58	USA 12.5%	Col. Norman M. Walker	Western Development Company of Delaware 1.250000%	Compass Exploration Incorporated All
19	T27N-R12W Sec. 34: S/2 SE/4 80.00	SF-079113 2-13-47	USA 12.5%	Dorothy M. Rummel	Western Development Company of Delaware 1.250000% P. G. Lake, Incorporated 3.250000%	Compass Exploration Incorporated All
20	T26N-R11W Sec. 6: E/2 SW/4 80.00	NM-03523	USA 12.5%	Sibyl Oneda Holloway	5.000000% of 8/8 Divided as follows: R. E. Beamon .1494950% Jack Capps .1276340% Midwest Oil Corporation .1223660% E. F. Kalb .0611830% E. R. Richardson .0152960% Lyle E. Carbaugh .0097890% L. C. Oldham, Jr. .0208020% Gladys Watford .0152960% Hugh G. Alexander, Jr. .0611840%	Western Development Company 93.750000% W. L. Lynch 6.250000%

Tract No. 20 continued

T. J. Ahern
.3356580%
Mary J. Wagner
.0223770%
Raybourne Thompson
.1174800%
J. P. Davis
.0447540%
First National Bank of
Fort Worth Trustee of
Eula M. Johnson Trust
.2408170%
Lillie Leona Rogers
.0200680%
Vera Jean Gibbard
.0200680%
Orville Curtis Rogers
.0200680%
V. A. Johnston
.0602040%
Texas National Petroleum
Company
.4816340%
L. C. Oldham, Jr.
Executer of E. W. Ingram
Estate
.0839140%
Robert Norman Dumble, Jr.
.0279710%
Wilbur E. Hess
.1208370%
Douglas E. Johnston
.0402790%
R. E. Beamon, III
.0671310%
Charles S. Alexander
.0805580%
Fendren Oil Company
.1223660%
A. W. Ashley
.0214140%

Tract No. 20 continued

Cannon B. McMahen
.0428290%
W. C. McMahon
.1070710%
James A. Williams
.0428290%
George R. Reese, Jr. (.0214140%)
Waters S. Davis, Jr.
.0611840%
Gladys D. Davis
.0305910%
South Texas Nat'l Bank
of Houston
Waters S. Davis, Jr.
Trust
.0305910%
Wilbur H. Frederking
.0402790%
L. A. Nerdan
.1223660%
Albert E. Fagan
.0795390%
M. E. Fagan
.0244740%
J. Doyle Smith
.0061190%
William Ray Kitchel
.0416670%
Alma Beamon Andersen
.0955820%
Rosser J. Coke
.1223700%
H. W. George
.0244730%
C. E. Gardner
.0611830%
B. B. Robinson
.0611830%
Clyde W. Morgan
.0611830%

Tract No. 20 continued							Mary Ruth Moseley Graham Ind. Executrix of the Estate of W. Wilson Graham .0611830% Alto B. Cervin .0611830% F. S. Oldt .0611830% Stanley Harris, Jr. .1223700% Harry C. Campbell .0183560% C. Randolph Snowden .0183560% Elva K. Dumas .1223700% Laurence Corbett Kelly .4773890% J. D. Hancock .000887% Grace K. Davant .0611830% Hortense Davant .0611830% James J. Johnston .0602045% Jerry J. Andrew .0602045% William T. Walker .1957860% John R. Scott .030592%		
21	T26N-R11W Sec. 5: SW/4	160.00	SF-078899A 7-1-47 H.B.P.	USA 12.5%	J. C. Man, Jr. 66.666666% Vinson Truck Robert E. Vinsen, Trustee 33.333334%	El Paso Natural Gas Products Company 6.750000% R. E. Beamon 0.149495% E. F. Kalb 0.061183%	J. C. Man, Jr. 66.666666% Vinsen Truck Robert E. Vinsen, Trustee 33.333334%	

Tract No. 21 continued

E. R. Richardson
0.015296%
Lyle E. Carbough
0.009789%
L. C. Oldham, Jr.
0.020802%
Gladys Watford
0.015296%
Hortense E. Devant
0.061183%
Grace K. Devant
0.061183%
Hugh G. Alexander, Jr.
0.061184%
T. J. Ahern
0.335658%
Mary J. Wagner
0.022377%
Raybourne Thompson
0.117480%
J. P. Davis
0.044754%
First National Bank of
Fort Worth Trustee
0.240817%
Lillie Leona Rogers
0.020068%
Vera Jean Gibbard
0.020068%
Orville Curtis Rogers
0.020068%
Jerry J. Andrew
.060204%
Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%

Tract No. 21 continued

L. C. Oldham Trustee of the
Estate of E. W. Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon III
0.067131%
Charles S. Alexander
0.080558%
Fendren Oil Company
0.122366%
A. W. Ashley
0.021414%
South Texas National
Bank Trustee for the Estate of
Waters S. Davis, Jr.
0.061184%
W. C. McMahon
0.107071%
James A. Williams
0.042829%
George R. Reese, Jr.
0.021414%
Gladys D. Pearson
0.030591%
South Texas National Bank
of Houston - Trustee
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%

Tract No. 21 continued

J. Doyle Smith
0.006119%
William Ray Kitchell
0.041667%
Alma Beamon Andersen
0.095582%
Hosser J. Coke
0.122370%
M. W. George
0,024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.061183%
Mary Ruth Mosley
Graham Executrix of
Estate of W. Wilson
Graham
0.061183%
Alte B. Cervin
0.061183%
William T. Walker
0.195786%
John R. Scott
0.030592%
Midwest Oil Corperation
0.122366%
F. S. Oldt
0.061183%
Stanley Harris, Jr.
0.122370%
Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%
Laurence Corbett Kelly
0.467170%
J. D. Hancock
0.011106%

	Tract No. 21 continued						P. G. Lake, Inc. 3.250000% Western Development Company of Delaware 2.500000%	
23	T26N-R12W Sec. 1: NW/4; S/2 Sec. 2: S/2 Sec. 11: W/2 Sec. 14: W/2 Sec. 23: W/2; SE/4	1919.46	SF-078953 2-1-48 H.B.P.	USA 12.5%	Skelly Oil Company	None		Skelly Oil Co. All
24	T26N-R12W Sec. 2: N/2	318.36	NM-021684 5-1-56	USA 12.5%	F. K. Andrews	F. K. Andrews 1.000000%		Skelly Oil Co. All
25	T26N-R12W Sec. 3: All Sec. 10: S/2	957.92	SF-080384-B 5-1-51 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company 50.00% J. Felix Hickman 50.00%	Edythe M. Clark 0.250000% Carolyn Clark Wiggins and Edythe M. Clark (Jeint) 0.250000% John F. Sullivan 1.000000% First National Bank of Albuquerque for J. Felix Hickman 3.500000%		El Paso Natural Gas Products Co. 50.00% First National Bank of Albuquerque for J. Felix Hickman 50.00%

26	T26N-R12W Sec. 4: NE/4	158.90	SF-078286 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D. Walker and Beeler L. Walker 2.000000% Harry B. Botts 0.339674% Hugh G. Alexander 0.169837% Jack Neveleff 0.339674% E. W. Ingram 0.169837% Alma Mae Anderson 0.245245% Mildred P. Moore 0.169837% E. F. Kalb 0.169837% The Texas National Petroleum Company 0.905570% R. E. Beamon 0.490489%	Hidden Splendor Mining Company
27	T26N-R12N Sec. 4: NW/4	159.02	SF-078286-B 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D.Walker and Wife 1.000000% David L. Mills 0.500000% Thomas F. Wheatley 0.250000% John S. Wold 0.250000% Mildred Payne Moore 0.169837% Harry B. Botts 0.339674%	Hidden Splendor Mining Company All

	Tract No. 27 continued					E. F. Kalb 0.169837% Jack Neveleff 0.339674% The Estate of E. W. Ingram, Deceased 0.169837% Texas National Petroleum Company 0.905570% Alma Mae Anderson 0.245245% R. E. Beamon 0.490489% Suspense 0.169837%	
28	T26N-R12W, Sec. 4: S/2	320.00	SF-081101 9-1-47 H.B.P.	USA 12.5%	Truman D. Walker	Peggy Chartier and F. E. Chartier 2.500000% Tom Bolock 2.000000% J. F. Fritts and Ruth C. Fritts 0.250000% A. L. Duff, Jr. 0.250000%	The Frontier Refining Co. All
29	T26N-R12W Sec. 5: E/2	319.12	SF-081102 9-1-47 H.B.P.	USA 12.5%	Truman D. Walker	James Graves and Mattie Lou Graves 1.500000% C. D. Thomas and Winnie Thomas 1.500000% Tom Bolack 2.000000%	The Frontier Refining Co. All

30	T26N-R12W Sec. 5:	NW/4	159.20	SF-078286-A 9-1-47 H.B.P.	USA 12.5%	Hidden Splendor Mining Company	Truman D. Walker 1.000000% David L. Mills 1.000000% Harry B. Botts 0.339674% Hugh G. Alexander 0.169837% Jack Neveleff 0.339674% E. W. Ingram 0.169837% Alma Mae Anderson 0.245245% Mildred P. Moore 0.169837% E. F. Kalb 0.169837% Texas National Petroleum Co. 0.905570% R. E. Beamon 0.490489%	Hidden Splendor Mining Company All
31	T26N-R12W Sec. 5:	SW/4	160.00	SF-[illegible]1102-A 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	James Graves and Mattie Lou Graves 1.500000% C. B. Thomas and Winnie Thomas 1.500000% Tom Bolack 2.000000%	El Paso Natural Gas Products Company All

32	T26N-R12W Sec. 8:	N/2	320.00	SF-081100 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%	S. Victor Day 1.500000% John F. Sullivan 2.000000% Rebecca Oien, Ind. and as trustee 1.500000%	El Paso Natural Gas Products Company 50.000000% John F. Sullivan 50.000000%
33	T26N-R12W Sec. 8:	SW/4	160.00	SF-081100-A 1-30-48	USA 12.5%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%	Paul C. Nelson and Margaret Nelson 2.000000% Rebecca Oien 1.500000% S. Victor Day 1.500000%	John F. Sullivan All
34	T26N-R12W Sec. 8:	SE/4	160.00	SF-080008 9-1-47 H.B.P.	USA 12.5%	El Paso Natural Gas Products Company	J. V. Fritts and Ruth C. Fritts 0.25000% A. L. Duff, Jr. 0.250000% Tom Bolack 2.000000% F. E. Chartier and Peggy Chartier 2.500000% The Frontier Refining Co. 20.625000%	El Paso Natural Gas Products Co. All
35	T26N-R12W Sec. 9:	N/2	320.00	SF-078944-A 2-1-48 H.B.P.	USA 12.5%	El Paso Natural Gas Company	J. C. Daum and Frances Daum 4.000000% John F. Sullivan 1.000000%	El Paso Natural Gas Products Company All

36	T26N-R12W Sec. 9:	S/2	320.00	SF-078944 2-1-48 H.B.P.	USA 12.5%	J. C. Daum	J. C. Daum and Frances Daum 5.000000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%
37	T26N-R12W Sec. 10: Sec. 15:	N/2 S/2	640.00	SF-080384 5-1-51 H.B.P.	USA 12.5%	J. Felix Hickman	J. Felix Hickman Merle Hickman 4.500000% Edythe M. Clark 0.250000% Ross L. Malone, Jr. 0.250000%	El Paso Natural Gas Products Company 50.00% John F. Sullivan 50.00%
43	T26N-R12W Sec. 12:	NE/4	160.00	SF-078918 2-1-48 H.B.P.	USA 12.5%	Delhi-Taylor Oil Corp. 50% El Paso Natural Gas Products Company 50%	C. H.Nye and Linda Nye 1.750000% Jay J. Harris and L. Cathren Harris 0.350000% Hazel Abraham 0.350000% Sara K. Ryer(Mrs.) 0.350000% J. L. Werntz 0.350000% Charles J. Hathcot 0.350000% W. A. Kernaghan and Bernice F. Kernaghan 1.000000%	El Paso Natural Gas Products Company 50.00% Delhi-Taylor Oil Corporation 50.00%

50	T26N-R12W Sec. 15: NW/4 & W/2 NE/4	240.00	SF-080384-A 4-1-63	USA 12.5%	El Paso Natural Gas Products Company J. Felix Hickman John C. Daum	Edythe M. Clark 0.250000% Alton H. Clark 0.250000% J. Felix Hickman and Merle Hickman 2.250000% John C. Daum 2.250000%	El Paso Natural Products Company 50.00% J. Felix Hickman 25.00% John C. Daum 25.00%
52	T26N-R12W Sec. 15: E/2 NE/4	80.00	SF-080384-B 4-1-63	USA 12.5%	El Paso Natural Gas Products Company J. Felix Hickman John C. Daum	Edythe & Alton Clark 0.500000% Felix and Merle Hickman 2.250000% J. C. Daum 2.250000%	James R. Pickett All
53	T26N-R12W Sec. 17: NE/4	160.00	NM-063419 5-1-59	USA 12.5%	Horace E. White	None	Horace E. White All
54	T26N-R12W Sec. 22: NW/4	160.00	NM-06094 11-1-51	USA 12.5%	Elmer E. Elliott	None	Elmer E. Elliott All
55	T26N-R12W Sec. 22: NE/4	160.00	NM-079712 9-1-60	USA 12.5%	Walter Duncan	None	Walter Duncan All

*73	T26N-R11W Sec. 28:	NE/4	160.00	SF-081186 3-1-48 H.B.P.	USA 12.5%	Elizabeth Storey	Richard H. Ernest 5.000000% *E. W. Mudge, Jr. 12.500000% Gas 17.500000% Oil Elizabeth Storey 1.000000%	Delhi-Taylor Oil Corporation All
74	T26N-R11W Sec. 8: Sec. 18: Sec. 20: Sec. 21:	W/2 SW/4, W/2 SE/4 W/2 SE/4 W/2 NW/4, E/2 SW/4 W/2 NE/4, E/2 SE/4 W/2 NW/4, E/2 SW/4, S/2 SE/4	800.00	SF-078899-A 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	Rosser J. Coke 0.001224% Harry C. Campbell 0.000184% P. G. Lake, Inc. 0.032500% T. J. Ahern 0.003357% W. C. McMahan 0.001071% Midwest Oil Corp. 0.001224% Raybourne Thompson 0.001175% Albert E. Fagan 0.000795%	Gulf Oil Corporation All

* Tract 73 - E. W. Mudge, Jr. Overriding Royalty Subject to Suspension and Conversion.
Elizabeth Storey Overriding Royalty to continue until $25.00 per acre is received.

Tract No. 74 continued

L. A. Nordan
0.001224%
Lillie Rogers
0.000201%
Mary J. Wagner
0.000224%
J. P. Davis
0.000448%
Charles S. Alexander
0.000403%
Wilbur E. Hess
0.001611%
Douglas E. Johnston
0.000403%
Wilbur H. Frederking
0.000403%
E. F. Kalb
0.000612%
E. R. Richardson
0.000153%
L. C. Oldham, Jr.
0.000208%
Lyle E. Carbaugh
0.000098%
Gladys Watford
0.000153%
Hugh G. Alexander, Jr.
0.000612%
Fondren Oil Company
0.001224%
R. E. Beamon III
0.000671%
George R. Reese, Jr.
0.000214%
A. W. Ashley
0.000214%
James A. Williams
0.000428%

Tract No. 74 Continued

Waters S. Davis, Jr.
0.000612%
Gladys D. Davis
0.000306%
M. E. Fagan
0.000245%
William Ray Kitchel
0.000417%
Elva K. Dumas
0.001224%
C. E. Gardner
0.000612%
B. B. Robinson
0.000612%
Clyde W. Morgan
0.000612%
Alto B. Cervin
0.000612%
F. S. Oldt
0.000612%
Stanley Harris, Jr.
0.001224%
M. W. George
0.000245%
Laurence Corbett Kelly
0.004671%
Alma Beamon Anderson
0.000957%
Texas National
Petroleum Company
0.004817%
First National Bank of
Fort Worth, Trustee for
Eula Mae Johnston
0.002408%
V. A. Johnston
0.000602%
O. C. Rogers
0.000201%

Tract No.74 Continued

Vera Jean Gibbard
0.000201%
R. E. Beamon
0.001490%
Robert Norman Dumble, Jr.
0.000280%
E. W. Ingram
0.000839%
Jerry W. Andrew
0.000602%
James J. Johnston
0.000602%
Mary Ruth Graham
0.000612%
J. Doyle Smith
0.000061%
C. Randolph Snowden
0.000184%
William T. Walker
0.001958%
Texas National Bank of
Houston Atty-in-Fact
For Walter S. Davis III,
R. H. Davis, J. S. Davis,
Pearson O. Porter , Jr.
0.000306%
J. D. Hancock
0.000108%
John R. Scott
0.000306%
Ralph A. Johnston
0.001704%
Grace K. Davant
0.000612%
Hortense E. Davant
0.000612%

75	T26N-R11W Sec. 8: N/2, E/2 SW/4, E/2 SE/4 Sec. 18: E/2 SE/4 Sec. 20: E/2 NW/4, E/2 NE/4, W/2 SW/4, W/2 SE/4, Sec. 21: E/2 NW/4, W/2 SW/4	1040.00	SF-078899-A 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware 50.000000% El Paso Natural Gas Products Company 50.000000%	R. E. Beamon 0.149495% E. F. Kalb 0.061183% E.R. Richardson 0.015296% Lyle E. Carbough 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296% Hortense E. Devant 0.061183% Grace K. Devant 0.061183% Hugh G. Alexander, Jr. 0.061184% T. J. Ahern 0.335658% Mary J. Wagner 0.022377% Raybourne Thompson 0.117480% J. P. Davis 0.044754% First National Bank of Fort Worth Trustee 0.240817% Lillie Leona Rogers 0.020068% Vera Jean Gibbard 0.020068% Orville Curtis Rogers 0.020068% Jerry J. Andrew .060204%	El Paso Natural Gas Products Company 50% Western Development Company 50%

Tract No.75 Continued

Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%
L. C. Oldham Trustee of the
Estate of E. W. Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E.Johnston
0.040279%
R. E. Beamon III
0.067131%
Charles S.Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
South Texas National
Bank Trustee for the estate of
Waters S. Davis, Jr.
0.061184%
W. C. McMahon
0.107071%
James A. Williams
0.042829%
George R. Reese, Jr.
0.021414%

Gladys D. Pearson
0.030591%

Tract No. 75 Continued

South Texas National Bank
of Houston - Trustee
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchell
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W.Morgan
0.061183%
Mary Ruth Mosley
Graham Executrix of
Estate of W. Wilson
Graham
0.061183%
Alto B. Cervin
0.061183%
William T. Walker
0.195786%

	Tract No. 75 Continued						John R. Scott 0.030592% Midwest Oil Corporation 0.122366% F. S. Oldt 0.061183% Stanley Harris, Jr. 0.122370% Harry C.Campbell 0.018356% C. Randolph Snowden 0.018356% Elva K. Dumas 0.122370% Laurence Corbett Kelly 0.467170% J. D. Hancock 0.011106% P. G. Lake, Inc. 3.250000% Western Development Company of Delaware 2.500000%	
76	T26N-R11W Sec. 17: All	640.00	SF-079679 12-1-47 H.B.P.	USA 12.5%	Delhi-Taylor Oil Corporation 50% El Paso Natural Gas Products Company 50%	Martin A. Pierce and Beverly Pierce 1.750000% Charles J. Finklea 0.175000% W. A. Kernaghan and Bernice F. Kernaghan 1.000000%	El Paso Natural Gas Products Company 50.000000% Delhi-Taylor Oil Corp. 50.000000%	
77	T26N-R11W Sec. 7: E/2 NW/4 E/2 NE/4, W/2 SW/4, W/2 SE/4 Sec. 18: E/2 NE/4	398.75	SF-078898 7-1-47 H.B.P.	USA 12.5%	Western Development Company of Delaware	Rosser J. Coke 0.001224% Harry C. Campbell 0.000184% P. G. Lake, Inc. 0.032500%	Gulf Oil Corp. All	

Tract No. 77 Continued

T. J. Ahern
0.003357%
W. C. McMahan
0.001071%
Midwest Oil Corporation
0.001224%
Raybourne Thompson
0.001175%
C. Randolph Snowden
0.000184%
Albert E. Fagan
0.000795%
L. A. Nordan
0.001224%
Lillie Rogers
0.000201%
Mary J. Wagner
0.000224%
J. P. Davis
0.000448%
Charles S. Alexander
0.000403%
Wilbur E. Hess
0.001611%
Douglas E. Johnston
0.000403%
Wilbur H. Frederking
0.000403%
E. F. Kalb
0.000612%
E. R. Richardson
0.000153%
L. C. Oldham,Jr.
0.000208%
Lyle E. Carbaugh
0.000098%
Gladys Watford
0.000153%

Tract No. 77 Continued

Hugh G. Alexander, Jr.
0.000612%
Fondren Oil Company
0.001224%
R. E. Beamon III
0.000671%
George R. Reese,Jr.
0.000214%
A. W. Ashley
0.000214%
James A. Williams
0.000428%
Waters S. Davis, Jr.
0.000612%
Gladys D. Davis
0.000306%
M. E. Fagan
0.000245%
William Ray Kitchell
0.000417%
Elva K. Dumas
0.001224%
C. E. Gardner
0.000612%
B. B. Robinson
0.000612%
Clyde W. Morgan
0.000612%
Alto B. Cervin
0.000612%
F. S. Oldt
0.000612%
Stanley Harris, Jr.
0.001224%
M. W. George
0.000245%

Tract No. 77 Continued

Laurence Corbett Kelly
0.004773%
Alma Beamon Anderson
0.000955%
Texas National Petroleum
Company
0.004817%
First National Bank of
Fort Worth Trust for
Eula Mae Johnston
0.002408%
V. A. Johnston
0.000602%
O. C. Rogers
0.000201%
Vera Jean Gibbard
0.000201%
R. E. Beamon
0.001492%
Robert Norman Dumble, Jr.
0.000280%
E. W. Ingram
0.000839%
Jerry J. Andrew
0.000602%
James J. Johnston
0.000602%
Mary Ruth Graham (0.000602%)
J. Doyle Smith
0.000061%
William T. Walker
0.001958%
Texas National Bank
of Houston Atty-in-Fact
for Walter S. Davis III,
R. H. Davis, J. S. Davis,
Pearson O. Porter, Jr.
0.000306%

Tract No. 77 Continued

J. D. Hancock
0.000006%
John R. Scott
0.000306%
Ralph A. Johnston
0.001704%
Grace K. Davant
0.000612%
Hortense E. Davant
0.000612%

78	T26N-R11W Sec. 7: W/2 NE/4, W/2 NW/4, Lots 1 & 2 E/2 SW/4, E/2 SE/4 Sec. 18: W/2 NE/4	398.57	SF-078897-A 7-1-47 H.B.P.	USA 12.5%	Western Development Company 50.000000% El Paso Natural Gas Products Company 50.000000%	R. E. Beamon 0.149495% E. F. Kalb 0.061183% E. R. Richardson 0.015296% Lyle E. Carbough 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296% Hortense E. Davant 0.061183% Hugh G. Alexander, Jr. 0.061184% T. J. Ahern 0.335658% Mary J. Wagner 0.022377% Midwest Oil Corporation 0.122366% Grace K. Davant 0.061183% Raybourne Thompson 0.117480% J. P. Davis 0.044754% 1st Nat'l Bank of Fort Worth, Trustee 0.240817%	El Paso Natural Gas Products Company 50.000000% Western Development Company of Delaware 50.000000%

Tract No. 78 Continued

George R. Reese, Jr.
0.021414%

Gladys D. Pearson
0.030591%
So. Texas National Bank
of Houston - Trustee
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
William T. Walker
0.195786%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchell
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.061183%
Mary Ruth Mosley Graham
Executrix of Estate of
W. Wilson Graham
0.061183%

Tract No. 78 Continued

Lillie Leona Rogers
0.020068%
Vera Jean Gibbard
0.020068%
Orville Curtis Rogers
0.020068%
Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
Jerry J. Andrew
0.060204%
James J. Johnston
0.060205%
Texas National Petroleum
Company
0.481634%
L. C. Oldham Trustee
Estate of E. W. Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon, III
0.067131%
Charles S. Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
South Texas National
Bank Trustee for
Waters S. Davis, Jr.
0.061184%
W. C. McMahon
0.107071%
James A. Williams
0.042829%

Tract No. 78 Continued

Alto B. Cervin
0.061183%
F. S. Oldt
0.061183%
Stanley Harris, Jr.
0.122370%
Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%

Laurence Corbett Kelly
0.477389%
J. D. Hancock
0.031479%
P. G. Lake, Inc.
3.250000%
Western Development Company
of Delaware
2.500000%

79 T26N-R11W Sec. 6:	N/2 SE/4 W/2 SW/4	557.68	NM-03523 7-1-47 H.B.P.	USA 12.5%	Sibyl Oneda Holloway	12.5% of 8/8 Divided as follows: Western Development Company of Delaware 15/16 W. L.Lynch 1/16 5.000000% of 8/8 Divided as Follows: R. E. Beamon .1494950% Jack Capps .1276340% Midwest Oil Corporation .1223660% E. F. Kalb .0611830%	Southwest Production Company All

Tract No. 79 Continued

William Ray Kitchel
.0416670%
Alma Beamon Anderson
.0955820%
Rosser J. Coke
.1223700%
M. W. George
.0244730%
C. E. Gardner
.0611830%
B. B. Robinson
.0611830%
Clyde W. Morgan
.0611830%
Mary Ruth Moseley Graham,
Ind. Executrix of
Estate of W. Wilson Graham
.0611830%
Alto B. Cervin
.0611830%
F. S. Oldt
.0611830%
Stanley Harris, Jr.
.1223700%
Harry C. Campbell
.0183560%
C. Randolph Snowden
.0183560%
Elva K. Dumas
.1223700%
Laurence Corbett Kelly
.4773890%
J. D. Hancock
.0006887%
Grace K. Davant
.0611830%
Hortense Davant
.0611830%
James J. Johnston
.0602045%
Jerry J. Andrew
.0602045%

Tract No. 79 Continued

William T. Walker
.1957860%
John R. Scott
.030592%
Wilbur E. Hess
.1208370%
Douglas E. Johnston
.0402790%
R. E. Beamon, III
.0671310%
Charles S. Alexander
.0805580%
Fondren Oil Company
.1223660%
A. W. Ashley
.0214140%
Cannon B. McMahon
.0428290%
W. C. McMahon
.1070710%
James A. Williams
.0428290%
George R. Reese, Jr.
.0214140%
Waters S. Davis, Jr.
.0611840%
Gladys D. Davis
.0305910%
So. Texas Nat'l Bank
of Houston, Trustee
of the Waters S. Davis, Jr.
Trust
.0305910%
Wilbur H. Frederking
.0402790%
L. A. Nordan
.1223660%
Albert E. Fagan
.0795390%
M. E. Fagan
.0244740%
J. Doyle Smith
.0061190%

Tract No. 79 Continued

E. R. Richardson
.0152960%
Lyle E. Carbaugh
.0097890%
L. C. Oldham, Jr.
.0208020%
Gladys Watford
.0152960%
Hugh G. Alexander, Jr.
.0611840%
T. J. Ahern
.3356580%
Mary J. Wagner
.0223770%
Raybourne Thompson
.1174800%
J. P. Davis
.0447540%
First National Bank
of Ft. Worth Trustee
of Eula M. Johnson Trust
.2408170%
Lillie Leona Rogers
.0200680%
Vera Jean Gibbard
.0200680%
Orville Curtis Rogers
.0200680%
V. A. Johnston
.0602040%
Texas National Petroleum
Company
.4816340%
Estate of E. W. Ingram
L. C. Oldham, Jr.
Executor
.0839140%
Robert Norman Dumble, Jr.
.0279710%

80	T26N-R11W Sec. 5: SE/4	160.00	SF-078899 7-1-47 H.B.P.	USA 12.5%	Sibyl Oneda Holloway	Western Development Company of Delaware 9.250000% 5.000000% of 8/8 Divided as follows: R. E.Beamon 0.149495% E. F. Kalb 0.061183% E. R. Richardson 0.015296% Lyle E. Carbough 0.009789% L. C. Oldham, Jr. 0.020802% Gladys Watford 0.015296% Hortense E. Davant 0.061183% Grace K. Davant 0.061118% Jerry J. Andrew 0.060204% Hugh G. Alexander, Jr. 0.061184% T. J. Ahern 0.335658% Mary J. Wagner 0.022377% Raybourne Thompson 0.117480% J. P. Davis 0.044754% 1st Nat'l Bank of Fort Worth Trustee 0.240817% Lillie Leona Rogers 0.020068% Vera Jean Gibbard 0.020068% Orville Curtis Rogers 0.020068%	Southwest Production Company All

Tract No. 80 Continued

Ralph A. Johnston
0.170463%
V. A. Johnston
0.060204%
James J. Johnson
0.060205%
Texas National Petroleum
Company
0.481634%
L. C. Oldham Trustee
Estate of E. W. Ingram
0.083914%
Robert Norman Dumble, Jr.
0.027971%
Wilbur E. Hess
0.120837%
Douglas E. Johnston
0.040279%
R. E. Beamon, III
0.067131%
Charles S. Alexander
0.080558%
Fondren Oil Company
0.122366%
A. W. Ashley
0.021414%
South Texas National
Bank Trustee for
Waters S. Davis, Jr.
0.042829%
W. C. McMahon
0.107071%
James A. Williams
0.042829%
William T. Walker
0.195786
George R. Reese,Jr.
0.021414%
Waters S. Davis, Jr.
0.061184%
Gladys D. Pearson
0.030591%

Tract No. 80 Continued

South Texas National
Bank of Houston -
Trustee
0.030591%
Wilbur H. Frederking
0.040279%
L. A. Nordan
0.122366%
Albert E. Fagan
0.079539%
M. E. Fagan
0.024474%
J. Doyle Smith
0.006119%
William Ray Kitchell
0.041667%
Alma Beamon Anderson
0.095582%
Rosser J. Coke
0.122370%
M. W. George
0.024473%
C. E. Gardner
0.061183%
B. B. Robinson
0.061183%
Clyde W. Morgan
0.061183%
Mary Ruth Moseley Graham
Executrix of Estate of
W. Wilson Graham
0.061183%
Alto B. Cervin
0.061183%
John R. Scott
0.030592%
Midwest Oil Corporation
0.122366%
F. S. Oldt
0.061183%
Stanley Harris, Jr.
0.122370%

Tract No. 80 Continued

Harry C. Campbell
0.018356%
C. Randolph Snowden
0.018356%
Elva K. Dumas
0.122370%
Laurence Corbett Kelly
0.467170%
J. D. Hancock
0.011106%
P. G. Lake, Inc.
3.250000%

81	T26N-R11W Sec. 9: All	640.00	NM-03153 6-1-49 H.B.P.	USA 12.5%	Pan American Petroleum Corporation	O. H. Randel 1.000000% Ernest A. Hanson 1.000000% Olen F. Featherstone 1.000000%	Pan American Petroleum Corporation All	
82	T26N-R11W Sec. 21: NE/4; N/2 SE/4	240.00	SF-078641 5-1-48 H.B.P.	USA 12.5%	Walter Berger	Brookhaven Oil Co. 2.183400% Dacresa Corporation 2.816600%	Tennessee Oil & Gas Company All	

Forty-Eight (48) Federal Tracts Containing 16,922.72 acres or 73.5850% of Unit Area

10	T26N-R12W Sec. 6:	SE/4	160.00	Tribal No. 14-20-603-1426 2-1—56	Total Basic Royalty 12.5% Divided as follows: Eth-ne-pah, or Mrs. River Jim 3.1250% E-nus-pah, or Mrs. Je-en-bega Biddoni 3.1250% Nah-ti—eth-da-yah, or Jim Harvey 3.1250% Ida Meyer 3.1250%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation 100.00%
11	T26N-R12W Sec. 6: S/2 NE/4	Lot 1 and 2,	159.43	Tribal No. 14-20-603-1425 2-1-56 H.B.P.	Est. of Es-ska-eth-not-tah 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation 100.00%
12	T27N-R12W Sec. [illegible]	NW/4	160.00	All otment No. 742 SF-011653	E-nus-pah or Mrs. Je-en-bega Biddoni or Annie Scott 100%	None	None	None

22	T26N-R12W Sec. 1:	NE/4	159.82	14-20-603-1447 5-22-56	Total Basic Royalty 12.5% Divided as Follows: Heirs of Keh Yil des bah Hasten Yazzie Pete 7/28 Al so da or Tso des bah Pete 3/28 Da nos bah or Rachel Pete 3/28 Joe Pete or Nah tah holly or Ta ho leth 3/28 Wood Pete or Bert Fuller or Ah uska tah wot 3/28 Wilfred Pete or Ah uska ye ne wot or Ke yil nit wood Pete 3/28 Jennie Pete or I ni gee bah or Al naji bah Pete 3/28 Ah uska ye da wood or wod yazzie Pete or John Shorty Pete 3/28	Western Development Co.	Western Development Company of Delaware 8.750000% Wilson Oil Company 8.750000%	Southwest Production Company All

38	T26N-R12W Sec. 11:	NE/4	160.00	Tribal No. 14-20-603-294 5-11-54 H.B.P.	Ah-deth-chee 12.5%	Skelly Oil Company	None	Skelly Oil Company All
39	T26N-R12W Sec. 11:	SE/4	160.00	Tribal No. 14-20-603-295 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Lockie (Blackie) Mable Blackie 6.250% Uska-nah-no-tah Blackie or Ernest Blackie 6.250%	Skelly Oil Company	None	Skelly Oil Company All
40	T26N-R12W Sec. 12:	NW/4	160.00	Tribal No. 14-20-603-296 5-11-54 H.B.P.	Es-ska-eth-not-tah 12.5%	Skelly Oil Company	None	Skelly Oil Company All
41	T26N-R12W Sec. 12:	SW/4	160.00	Tribal No. 14-20-603-297 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Jo-hostein-nez E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nebah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-di or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) (1/6) Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All

42	T26N-R12W Sec. 12:	SE/4	160.00	Tribal No. 14-20-603-298 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Ka-ha-ah-pah E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-mun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) 1/6 Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All
44	T26N-R12W Sec. 13:	NE/4	160.00	Tribal No. 14-20-603-299 5-11-54 H.B.P.	Heir of Eska-e-hole-wood Jack Frost or Larrie Ni Pahe or Larrie Napane 12.5%	Skelly Oil Company	None	Skelly Oil Company All
45	T26N-R12W Sec. 13:	SE/4	160.00	Tribal No. 14-20-603-300 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Hoska-non-e-pah Ah-deth-chee 14/56 Es-ska-eth-not-tah 6/56 Nah-ti-yah-ne-ah 6/56 Nah-die-ge-da-ga or Rastus Blackie 6/56 Joe Blackie 6/56 Glen-no-pah 6/56 Da-naz-bah 3/56 Da-naz-bah-be-Dazzie 3/56 Uska-nah-no-tah or Earnest Blackie 3/56 Mabel Blackie 3/56	Skelly Oil Company	None	Skelly Oil Company All

46	T26N-R12W Sec. 13: NW/4	160.00	Tribal No. 14-20-603-302 2-9-54 H.B.P.	E-nus-pah 12.5%	Skelly Oil Company	None	Skelly Oil Company All
47	T26N-R12W Sec. 13: SW/4	160.00	Tribal No. 14-20-603-301 5-11-54	Nah-ti-yah-ne-ah 12.5%	Skelly Oil Company	None	Skelly Oil Company
48	T26N-R12W Sec. 14: NE/4	160.00	Tribal No. 14-20-603-303 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Eska-no-ah E-nes-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-Pah (Marjorie Nelson) (1/6) Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company

49	T26N-R12W Sec. 14: SE/4	160.00	Tribal No. 14-20-603-304 5-11-54 H.B.P.	Total Basic Royalty 12.5% Divided As Follows: Heirs of Eth-ah-nop-pah E-nos-pah (Evelyn Platero) 1/6 Na-glee-ya-nee-bah or (Mary Nelson) 1/6 Nah-glee-ha-nun-ha-pah or (Rilla Nelson) 1/6 Hoska-ah-na-da or John Yazzie or Timothy Na pahe or Timothy Kenneth 1/6 Yith-Nip-pah (Marjorie Nelson) (1/6) Jack Frost or Larrie Napane 1/6	Skelly Oil Company	None	Skelly Oil Company All
56	T26N-R12W Sec. 23: NE/4	160.00	Tribal No. 14-20-603-305 2-9-54	Heir of Ah-de-yazza Es-ske-nele-wood or Esitty Chee or Red Silversmith 12.5%	Skelly Oil Company	None	Skelly Oil Company All
57	T26N-R12W Sec. 24: NW/4	160.00	Tribal No. 14-20-603-306 2-9-54 H.B.P.	Hod-des-pah 12.5%	Skelly Oil Company	None	Skelly Oil Company All
58	T26N-R12W Sec. 24: SW/4	160.00	Tribal No. 14-20-603-307 5-11-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Hoska-ge-di-ele-wood El-so-des-pah or Mrs. Amos John 24/96 Nah-tah-eth-day-yah or Sweetie Nockie Yazzie 8/96	Skelly Oil Company	None	Skelly Oil Company All

Tract No. 58 Continued				Benjamin Harris, Jr. 8/96 Santo or Becente or Santo Ray 2/96 Kah-nuz-bah or Eva Marie Ray 3/96 Hoska-ge-nele-wood or Tony Ray 3/96 Eska-nah-ho-galth Harris or Fred Harris 8/96 Ushka-tah-tollywood Harris or Tyler H. Harris 8/96 Charlie Harris 8/96 Ilth-nee-pah-Harris 8/96 Eshkathl-le-wolth Harris or Ben H. Harris 8/96 E-tah-nip-bah-Harris or Della Harris 8/96			
59 T26N-R12W Sec. 24: NE/4	160.00	Tribal No. 14-20-603-309 2-9-54	Total Basic Royalty 12.5% Divided as Follows: Heirs of Es-Sun-ble-Clun Hosteen-Stoi Begay or Haska-ya-dah-wood 1/5 Es-ka-nele-wood or Esitty-Chee or Red Silversmith 1/5 E-tah-nele-wood or Nocki Yazzie 1/5 Ha-daz-bah or Annie Costeanna 1/5 Sweetie Nocki Yazzie or Nah-tah-eth-day--yah 1/5	Skelly Oil Company	None	Skelly Oil Company All
60 T26N-R12W Sec. 24: SE/4	160.00	Tribal No. 14-20-603-308 2-9-54	Es-ska-nele-wood 12.5%	Skelly Oil Company	None	Skelly Oil Company All

61	T26N-R12W Sec. 25: NE/4	160.00	Allotment No. 011516	Heirs of Nim Pah or Lame Woman Eska nele wood or Esitty Chee or Red Silversmith or Haska ya ye wolth 4/20 Etah nele wood or Nocki Yazzie 4/20 Ha duz bah or Annie Costeanna 4/20 Sweetie Nocki Yazzie or Nah tah eth day yah 4/20 Minnie Joe 1/20 Jim Joe 1/20 Joe Benally 1/20 Tom Joe 1/20	None	None	None
62	T26N-R11W Sec. 18: Lots 1 and 2 E/2 NW/4	158.91	Tribal No. 14-20-603-1412 2-1-56 H.B.P.	Uska-Yah-E-Wood (Herbert Jackson)	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
63	T26N-R11W Sec. 18: Lots 3 and 4, E/2 SW/4	159.05	Tribal No. 14-20-603-1413 2-1--56	Na-glee-ya-nee-bah (Mrs. John Platero)	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
64	T26N-R11W Sec. 19: Lots 1 and 2 E/2 NW/4	159.13	Tribal No. 14-20-603-1415 2-1-56	Total Basic Royalty 12.5% Divided as Follows: (Est. of Tahez pa Wero) Tom Taylor 3.125000% Elsie Taylor or Glen as bah (a Minor) 4.687500% Paul Taylor (a Minor) 4.687500%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All

65	T26N R11W Sec. 19: Lots 3 and 4 E/2 SW/4	159.19	Tribal No. 14-20-603-1416 2-1-56	Nah-tah-eth-day-yah (Sweetie Nocki Yazzie) 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
66	T26N-R11W Sec. 19: NE/4	160.00	Tribal No. 14-20-603-1414 2-1-56	Al-so-e-pah-wero 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
67	T26N-R11W Sec. 19: SE/4	160.00	Tribal No. 14-20-603-1417 2-1-56	John Wero 6.250000% Al-so-e-pah-Wero 6.250000%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
68	T26N-R11W Sec. 30: NW/4	159.26	Allotment No. 661 I-149-Ind.-7971 12-22-49 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Et da yazza Es ka nele wood or Esitty Chee or Red Silversmith or Haska ya ye wolth 4/20 Etah nele wood or Nocki Yazzie 4/20 Ha daz bah or Annie Costeanna 4/20 Sweetie Nocki Yazzie or Nah tah eth day yah 4/20 Minnie Joe 1/20 Jim Joe 1/20 Joe Benally 1/20 Tom Joe 1/20	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%

69	T26N-R11W Sec. 30: NE/4	160.00	Allotment No. 011539 I-149-Ind-7971 12-22-49 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Sundie Nocki Yazzie or Na Dah Is Not Da Ya Minnie Joe 1/4 Jim Joe 1/4 Joe Benally 1/4 Tom Joe 1/4	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge,Jr. 15.00%
70	T26N-R11W Sec. 29: NW/4	160.00	Allotment No. 672 I-149-Ind-7971 12-22-49 H.B.P.	Nah das este or Jack Bonnie 12.5%	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%
71	T26N-R11W Sec. 29: NE/4	160.00	Allotment No. 669 I-149-Ind-7971 12-22-49 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Hon-nah-pah Mrs. Harold Begay or Na glin yealth dez bah Virginia Begay or Virginia Jack 18/64 Louise Benally 4/64 Henry Jack, Jr. 7/64 Vivian E. Jack 7/64 Harry Jack 18/64 Edna Platero Daws 4/64 Betty Woods 2/64 Harris Woods 2/64 Lorena Woods 2/64	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%

72	T26N-R11W Sec. 28: NW/4	160.00	Allotment No. 011531 I-149-Ind-7971 H.B.P.	Total Basic Royalty 12.5% Divided as Follows: Heirs of Mario Leta Ha na bah or Asthon Sugar 3520/14080 Kith ke des pah or Mrs. Bekie Begay 1320/14080 Sport Eaton or Sport Smith 1320/14080 William Eaton 1320/14080 Bil-ah-gee-bah or Betty Howe or Gebah Begay Ith ke nip pah or Dorothy Howe 660/14080 Hoska ilth or Jerome Howe 660/14080 Ye de bah or Mrs. John Blue-Eyes 440/14080 Carl Hogue or Hoska ith le ya 440/14080 Charles or Charles Hogue or Ni hi ya 440/14080 Everett Howell or Everett Benally 440/14080 Betty Billy 440/14080	Delhi Oil Corporation E. W. Mudge, Jr.	None	Delhi Oil Corporation 85.00% E. W. Mudge, Jr. 15.00%

Tract No. 72 continued

Mary H. Manuelito
440/14080
Margaret Eaton or
Nah glee dez pah
165/14080
Mabel Warito Eaton
165/14080
Ruth Eaton
99/14080
Jimmie Eaton
99/14080
Billie Eaton
99/14080
Wilson Eaton
99/14080
Cecil Eaton
99/14080
Priscilla Eaton
99/14080
Leraine May Eaton
99/14080
Albert Eaton
99/14080
Fred Eaton
99/14080
George Eaton
99/14080
Bessie White or
Dez Bah or
Myra Jennie Blackie or
Bessie White or
Mrs. Dick Jimmie
330/14080

Tract No. 72 continued

Emma Smith Kenneth or
Kah yil nih nih bah or
Ka yelth ni bah or
Mrs. John Yazzie
90/14080
Kenneth Smith or
Haska yil has wudt
90/14080
Wilbert Smith or
Haska yee chih has wudt
90/14080
Richard Smith or
Haska yee chih des wudt
90/14080
Lee Smith
90/14080
Robert Smith
90/14080
Walter Smith
90/14080
Harrison Smith
90/14080
Jerome Smith
90/14080
Irma Smith
90/14080
Annie Smith
Zonnie Yazzie
90/14080

Thirty-Two (32) Tracts Navajo Indian Land Containing 5,114.79 acres or 22.2406% of Unit Area

51	T26N-R12W Sec. 16: N/2	320.00	E-9790 2-1-56	State of New Mexico 12.5%	Texas National Petroleum Company	None	Texas National Petroleum Company 100%	
83	T26N-R11W Sec. 16: SE/4 SE/4	40.00	B-11680-79 12-18-44	State of New Mexico 12.5%	Gulf Oil Corporation	Harold Kogan Matilda Kogan 5.000000%	Gulf Oil Corporation All	
84	T26N-R11W Sec. 16: SE/4 NE/4	40.00	OG-1530 11-19-57	State of New Mexico 12.5%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All	
85	T26N-R11W Sec. 16: N/2 NE/4 SW/4 NE/4, N/2 SE/4, SW/4 SE/4	240.00	B-11241 5-16-44	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 12.5%	Texas National Petroleum Company All	
86	T26N-R11W Sec. 16: N/2 NW/4 SW/4 NW/4	120.00	E-9895 3-30-56 H.B.P.	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 6.25%	Skelly Oil Company All	
87	T26N-R11W Sec. 16: SE/4 NW/4	40.00	B-11240 5-16-44	State of New Mexico 12.5%	Monsanto Chemical Company	Monsanto Chemical Company 6.25%	Skelly Oil Company All	

88	T26N-R11W Sec. 16: SW/4	160.00	E-9989 4-17-56	State of New Mexico 12.5%	Monsanto Chemical Company		Monsanto Chemical Company 6.25%	Skelly Oil Company All

Seven (7) State of New Mexico Tracts containing 960.00 acres or 4.1744% of Unit Area

Galleges Gallup Sand Unit Area Totals:	48 Federal Tracts	16,922.72 Acres	73.5850%
	32 Tracts Navajo Indian Land	5,114.79 Acres	22.2406%
	7 State of New Mexico Tracts	960.00 Acres	4.1744%
		22,997.51	100.0000%

EXHIBIT "C"
SCHEDULE OF TRACT PERCENTAGE PARTICIPATION
GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
	Federal Lands		
1	T27N-R13W: Sec. 35; NE/4	SF-078105 12-1-47 H.B.P.	0.565848
2	T27N-R13W: Sec. 25; N/2 SW/4 Sec. 36; N/2 SW/4	SF-078391-C 5-7-56	0.047866
3	T27N-R13W: Sec. 25; S/2 SW/4 Sec. 36; S/2 SW/4	SF-078391-C 6-1-49 H.B.P.	1.230441
4	T27N-R13W: Sec. 36; NW/4	SF-078391-B 6-1-49 H.B.P.	1.061112
5	T27N-R13W: Sec. 25; SE/4 Sec. 36; E/2	SF-078391 SF-078391-A 6-1-49 H.B.P.	2.065609
6	T27N-R12W: Sec. 30; SW/4	SF-078392 6-1-49 H.B.P.	0.088606
7	T27N-R12W: Sec. 31; NE/4	SF-080238 4-1-51 H.B.P.	0.961277
8	T27N-R12W: Sec. 31; W/2; SE/4	SF-080238-A 4-1-51 H.B.P.	3.716558
14	T27N-R12W: Sec. 32; S/2	SF-078858 4-1-48 H.B.P.	1.787274
15	T27N-R12W: Sec. 33; SW/4	NM-03413 5-1-48 H.B.P.	0.403233
20	T26N-R11W: Sec. 6; E/2 SW/4	NM-03523 7-1-47 H.B.P.	0.830226

23	T26N-R12W: Sec. 1; S/2 Sec. 2; S/2 Sec. 11; W/2	SF-078953 2-1-48 H.B.P.	10.382334
25	T26N-R12W: Sec. 3; W/2, SE/4 Sec. 10; S/2	SF-080384-B 5-1-51 H.B.P.	7.035002
26	T26N-R12W: Sec. 4; NE/4	SF-078286 9-1-47 H.B.P.	1.510793
27	T26N-R12W: Sec. 4; NW/4	SF-078286-B 9-1-47 H.B.P.	1.948137
28	T26N-R12W: Sec. 4; S/2	SF-081101 9-1-47 H.B.P.	2.906562
29	T26N-R12W: Sec. 5; E/2	SF-081102 9-1-47 H.B.P.	2.364340
30	T26N-R12W: Sec. 5; NW/4	SF-078286-A 9-1-47 H.B.P.	1.311849
31	T26N-R12W: Sec. 5; SW/4	SF-081102-A 9-1-47 H.B.P.	0.530698
32	T26N-R12W: Sec. 8; N/2	SF-081100 9-1-47 H.B.P.	0.699689
34	T26N-R12W: Sec. 8; SE/4	SF-080008 9-1-47 H.B.P.	0.342296
35	T26N-R12W: Sec. 9; N/2	SF-078944-A 2-1-48 H.B.P.	2.023673
36	T26N-R12W: Sec. 9; S/2	SF-078944 2-1-48 H.B.P.	1.234183
37	T26N-R12W: Sec. 10; N/2	SF-080384 5-1-54 H.B.P.	3.050813

43	T26N-R12W: Sec. 12; NE/4	SF-078918 2-1-48 H.B.P.	1.601038
74	T26N-R11W: Sec. 8; W/2 SW/4 W/2 SE/4 Sec. 18; W/2 SE/4 Sec. 20; W/2 NE/4 W/2 NW/4 Sec. 21; W/2 NW/4	AF-078899-A 7-1-47 H.B.P.	3.607356
75	T26N-R11W: Sec. 8; NW/4 E/2 SW/4 E/2 SE/4 Sec. 18; E/2 SE/4 Sec. 20; E/2 NW/4 E/2 NE/4 Sec. 21; E/2 NW/4	SF-078899 4-1-47 H.B.P.	4.419875
76	T26N-R11W: Sec. 17; All	SF-079679 12-1-47 H.B.P.	5.729711
77	T26N-R11W: Sec. 7; E/2 NW/4, E/2 NE/4 W/2 SW/4, W/2 SE/4 Sec. 18; E/2 NE/4	SF-078897 7-1-47 H.B.P.	5.532881
78	T26N-R11W: Sec. 7; W/2 NW/4, W/2 NE/4 E/2 SW/4, E/2 SE/4 Sec. 18; W/2 NE/4	SF-078897 7-1-47 H.B.P.	3.776975
79	T26N-R11W: Sec. 6; W/2 SW/4	SF-078899 7-1-47 H.B.P.	0.348251
81	T26N-R11W: Sec. 9; SW/4	~~NM~~ 03153 6-1-49 H.B.P.	1.613107
82	T26N-R11W: Sec. 21; NE/4	SF-078641 5-1-48 H.B.P.	1.371624

Indian Allotted Lands

Tract Number	Description	Navajo Allotted Contract No. and Date	Percentage Participation
11	T26N-R12W: Sec. 6; Lot 1 and 2, S/2 NE/4	14-20-603-1425 2-1-56 H.B.P.	0.489339
38	T26N-R12W: Sec. 11; NE/4	14-20-603-294 5-11-54 H.B.P.	1.812588

39	T26N-R12W: Sec. 11; SE/4	14-20-603-295 5-11-54 H.B.P.	2.115935
40	T26N-R12W: Sec. 12; NW/4	14-20-603-296 5-11-54 H.B.P.	2.220132
41	T26N-R12W: Sec. 12; SW/4	14-20-603-297 5-11-54 H.B.P.	1.925079
42	T26N-R12W: Sec. 12; SE/4	14-20-603-298 5-11-54 H.B.P.	1.934029
44	T26N-R12W: Sec. 13; NE/4	14-20-603-299 5-11-54 H.B.P.	1.306753
45	T26N-R12W: Sec. 13; SE/4	14-20-603-300 5-11-54	0.886892
46	T26N-R12W: Sec. 13; NW/4	14-20-603-302 2-9-54 H.B.P.	1.290739
47	T26N-R12W: Sec. 13; SW/4	14-20-603-301 5-11-54	0.778814
48	T26N-R12W: Sec. 14; NE/4	14-20-603-303 5-11-54	0.741548
49	T26N-R12W: Sec. 14; SE/4	14-20-603-304 5-11-54	0.806341
57	T26N-R12W: Sec. 24; NW/4	14-20-603-306 2-9-54 H.B.P.	0.818621
59	T26N-R12W: Sec. 24; NE/4	14-20-603-309	0.593169
62	T26N-R11W: Sec. 18; NW/4	14-20-603-1412 2-1-56 H.B.P.	1.357577
63	T26N-R11W: Sec. 18; SW/4	14-20-603-1413 2-1-56	0.884871

64	T26N-R11W: Sec. 19; NW/4	14-20-603-1415 2-1-56	0.670818
66	T26N-R11W: Sec. 19; NE/4	14-20-603-1414 2-1-56	0.778600

State of New Mexico Lands

Tract Number	Description	Serial No. and Date of Lease or Application	Percentage Participation
86	T26N-R11W: Sec. 16; N/2 NW/4 SW/4 NW/4	E-9895 3-30-56 H.B.P.	1.024507
87	T26N-R11W: Sec. 16; SE/4 NW/4	B-11240 5-16-44	0.311212
88	T26N-R11W: Sec. 16; SW/4	E-9989 4-17-56	1.153199

UNIT OPERATING AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

GALLEGOS GALLUP SAND UNIT AREA

COUNTY OF SAN JUAN

STATE OF NEW MEXICO

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UNIT OPERATING AGREEMENT

FOR THE DEVELOPMENT AND OPERATION

OF THE

GALLEGOS GALLUP SAND UNIT AREA

COUNTY OF SAN JUAN

STATE OF NEW MEXICO

THIS AGREEMENT, made and entered into as of February 1, 1962, by and between the parties who execute or ratify this agreement,

W I T N E S S E T H:

WHEREAS, the parties hereto as Working Interest Owners have executed as of the date hereof that certain Unit Agreement for the development and operation of the Gallegos Gallup Sand Unit Area, hereinafter referred to as "Unit Agreement" and which, among other things, provides for a separate agreement to be made and entered into by and between Working Interest Owners pertaining to the development and operation of the Unit Area therein defined.

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, it is agreed as follows:

SECTION I

CONFIRMATION OF UNIT AGREEMENT

1.1 UNIT AGREEMENT CONFIRMED. The aforesaid Unit Agreement and all exhibits attached thereto are hereby confirmed and made a part of this agreement and all terms used in this agreement shall have the same meaning as indicated in the Unit Agreement unless otherwise defined herein or clearly indicated by the context. Also, all land committed to the Unit Agreement shall constitute land referred to herein as "Unitized Lands" or "lands subject to this agreement".

1.2 DEFINITIONS.

1.2.1 A "Working Interest" is an interest committed hereto which is obligated to bear or share, either in cash or out of production (other than by permitting the use of Unitized Substances

for development, production, pressure maintenance, or secondary recovery purposes), a portion of all costs and expenses of drilling, developing, producing and operating the Unitized Lands under this agreement and the Unit Agreement.

1.2.2 A "Working Interest Owner" is the owner of a working interest and is sometimes referred to herein simply as an "owner" or a "party hereto". The owner of unleased oil and gas rights in the Unitized Lands shall be considered a Working Interest Owner with respect to seven-eighths (7/8) of the Unitized Substances allocated to such unleased oil and gas rights and as a Royalty Owner with respect to the remaining one-eighth (1/8) of such Unitized Substances.

1.2.3 A "Royalty Owner" is any party hereto who owns a right to or interest in any portion of the Unitized Substances or proceeds thereof other than a "Working Interest Owner".

1.2.4 "Unitized Substances" shall mean all oil and gas (which includes gaseous substances, condensate, distillate and all associated and constituent liquid or liquefiable hydrocarbons) within or produced from the Gallegos Gallup Sand in the lands subject to this agreement.

1.2.5 The "Participating Interest" of each Working Interest Owner at any time shall mean the sum of the percentages obtained by multiplying such Working Interest Owner's fractional Working Interest in each tract in the then existing participating area by the tract participation of such tract as set out on Exhibit "C".

SECTION II

MANAGEMENT AND CONTROL

2.1 OVER-ALL SUPERVISION BY WORKING INTEREST OWNERS. Working Interest Owners shall exercise over-all supervision and control of all matters pertaining to the development and operation of the Unitized Lands pursuant to this agreement and the Unit Agreement. In the exercise of such power each Working Interest Owner shall act solely in its own behalf in the capacity of an individual owner and not on behalf of the owners as an entirety.

2.2 PARTICULAR POWERS AND DUTIES OF WORKING INTEREST OWNERS. The matters to be passed upon and decided by Working Interest Owners in accordance with Section III hereof shall include, but not be limited to, the following:

(a) The kind, character and method of operation, including any type of pressure maintenance or secondary recovery program to be employed;

(b) Except where otherwise provided herein or in the Unit Agreement, the drilling of any well within the Unit Area

either for production of Unitized Substances, for use as an injection well or for other purposes;

(c) The recompletion, abandonment, or change of status of any well in the Unit Area or use of any such well for injection or other purposes;

(d) The making of an expenditure of more than $10,000 exclusive of expenditures for drilling wells and all expenditures expressly authorized as part of some other expenditure; however, whether the expenditure involved be more or less than $10,000 prior approval of the Working Interest Owners must be secured for the following: The recompletion, or change of status of any well in the Participating Area or use of any such well for injection or other purposes; provided that in case of blowout, explosion, fire, flood or other sudden emergency, Unit Operator may take steps and incur such expenses as in its opinion are required to deal with the emergency and to safeguard life or property, but that Unit Operator shall, as promptly as possible, report the emergency to the owners.

(e) The adoption or submission of any operating and development plan to the Supervisor, Commissioner and the Commission or any regulatory body;

(f) The taking over of wells, property, and equipment as provided for in Section V hereof;

(g) The designating of a representative to appear before any court in matters pertaining to unit operations; provided, however, that the authorization by Working Interest Owners of the designation of any such representatives shall not prevent any Working Interest Owner from appearing in person or from designating another representative in its own behalf;

(h) The making of proper audits of the accounts of Unit Operator pertaining to operations hereunder; provided that such audits shall:

(1) Not be conducted more than once each year or upon the resignation or removal of Unit Operator; and shall

(2) Be made at the expense of all Working Interest Owners other than the Working Interest Owner designated as Unit Operator; and

(3) Be upon not less than thirty (30) days' written notice to Unit Operator;

(i) The subsequent joinder of any Working Interest Owner or Royalty Owner in this agreement or in the Unit Agreement as provided for in the Unit Agreement, and the determination and revision of the percentage

participation to be assigned to any tract committed to this agreement and the Unit Agreement after the effective date thereof, as provided in the Unit Agreement;

(j) The preparation of any revision of Exhibit "C" to the Unit Agreement;

(k) The taking of periodic inventory under the terms of Exhibit "D" hereof;

(l) Any direct charges to the joint account for services by consultants or Unit Operator's technical personnel not covered by the overhead charges provided by Exhibit "D" hereof;

(m) The appointment or designation of the purposes of committees or subcommittees necessary for the study of any problem in connection with unit operations;

(n) The removal of Unit Operator and the selection of a successor;

(o) The enlargement or contraction of the Unit Area and the enlargement of the Participating Area;

(p) The adjustment and readjustment of investments;

(q) Selling or otherwise disposing of any major item of surplus equipment, the current list price of any equipment similar thereto being $1500 or more;

(r) The termination of the Unit Agreement.

2.3 APPROVED ACTION BINDING ON ALL PARTIES. Any action, determination or decision which has been approved by the Working Interest Owners pursuant to Section III shall be binding upon each and every Working Interest Owner, even though any such owner has not voted or has voted to the contrary.

2.4 RESERVATION OF RIGHTS BY OWNERS. Working Interest Owners severally reserve to themselves all their rights, powers and privileges except as expressly provided in this agreement and the Unit Agreement.

2.5 SPECIFIC RIGHTS OF OWNERS. Each Working Interest Owner shall have, among others, the following specific rights and privileges:

(a) Access to the Unit Area at all reasonable times to inspect the operations hereunder and all wells and records and data pertaining thereto;

(b) The right to receive from the Unit Operator upon written request copies of all reports to any governmental agency, reports of crude oil runs and stocks, inventory reports and all other data pertaining to unit operations. The cost of gathering and furnishing data not ordinarily furnished by Unit Operator to all Working Interest Owners shall be charged solely to Working Interest Owners requesting the same.

2.6 UNIT OPERATOR. SKELLY OIL COMPANY is hereby designated as the initial Unit Operator. Subject to the provisions of this agreement, and to the orders, directions and limitations rightfully given or imposed by Working Interest Owners, Unit Operator shall have the exclusive right and be obligated to develop and operate the Unitized Lands for the production of Unitized Substances.

2.7 POWERS AND DUTIES OF UNIT OPERATOR. To the extent necessary or convenient for the conduct of operations hereunder, and subject to the limitations herein contained, Working Interest Owners hereby delegate to Unit Operator all rights, powers and privileges granted to or conferred upon them by virtue of any contract or lease covering any land in the Unit Area or by virtue of the Unit Agreement. Unit Operator shall in the conduct of operations hereunder:

(a) Conduct all operations in a good and workmanlike manner and, in the absence of specific instructions from Working Interest Owners, shall have the right and duty to conduct such operations in the same manner as would a prudent operator under the same or similar circumstances. Unit Operator shall freely consult with Working Interest Owners and keep them advised of all matters arising in connection with such operations which Unit Operator, in the exercise of its best judgment, considers important. Unit Operator shall not be liable to Working Interest Owners for damages unless such damages result from the gross negligence or willful misconduct of Unit Operator.

(b) Endeavor to keep the lands and leases in the Unit Area free from all liens and encumbrances occasioned by its operations hereunder, except the lien of Unit Operator granted hereunder.

(c) Determine the number of employees used by Unit Operator in conducting operations hereunder, the selection of such employees, the hours of labor

and the compensation for services to be paid any and all such employees. Such employees shall be the employees of Unit Operator.

(d) Keep true and correct books, accounts and records of its operations hereunder.

(e) Furnish to each Working Interest Owner periodic reports of the development and operation of the Unit Area.

(f) Make all reports to governmental authorities that it has the duty to make as Unit Operator.

(g) Furnish to each Working Interest Owner, upon written request, a copy of the log of and copies of engineering and geological data pertaining to wells drilled by Unit Operator for the joint account.

(h) Settle any single damage claim not involving an expenditure in excess of $2,000.00, provided such payment is a complete settlement of such claim.

(i) Take such steps and incur such expenses as are required in case of an emergency as provided in Subsection 2.2 (d) hereof.

SECTION III

EXERCISE OF SUPERVISION BY WORKING INTEREST OWNERS

3.1 DESIGNATION OF REPRESENTATIVES. Each Working Interest Owner shall designate in writing the name and address of a representative who will be authorized to act for such Working Interest Owner in all matters arising under this agreement or the Unit Agreement. Each Working Interest Owner may likewise designate an alternate to act for it in the absence of its designated representative. Such representative or alternate may be changed from time to time by notice in writing to the Unit Operator.

3.2 MEETINGS. All meetings of Working Interest Owners for the purpose of considering and acting upon any matter pertaining to the development and operation of the Unit Area which requires the consent and approval of such Owners shall be called by Unit Operator upon its own motion or at the request of one or more Working Interest Owners having a total participating interest of not less than 10 per cent. No meeting shall be called on less than 14 days' advance written

or telegraphic notice, with agenda for the meeting included. The Working Interest Owners attending such meeting shall not be prevented from amending items included in the agenda or from deciding such amended items or from deciding other items presented at such meeting. The representative of the Unit Operator shall be Chairman of each meeting.

3.3 VOTING PROCEDURE. The Working Interest Owners shall act upon and determine all matters requiring their consent as follows:

(a) In voting on any matter each Working Interest Owner shall have a voting interest equal to his or its Participating Interest, determined in accordance with Section IV of this agreement.

(b) Except as otherwise specifically provided, the consent and approval of the Working Interest Owners under the provisions of the Unit Agreement and this agreement shall be deemed to have been given if given by an affirmative vote of at least three (3) Working Interest Owners owning at least 65% of the Participating Interests; provided, however, that if any Working Interest Owner owns a Participating Interest of 35% or more, its vote or failure to vote shall not serve to disapprove any matter approved by vote of 80% or more of the remaining Participating Interests. Provided, further, it is specifically agreed that any revision or amendment of the overhead rates or any other provision in the Accounting Procedure attached hereto as Exhibit "D", or the approval of any project involving a total expenditure in excess of $150,000, or the approval of the drilling of any well outside the Participating Area pursuant to Subsection 8.5, shall require an affirmative vote of at least 80% of the Participating Interests, except that should one Working Interest Owner own more than 20% voting interest its vote or failure to vote shall not serve to disapprove a matter unless supported by the vote of one or more other Working Interest Owners.

(c) Any Working Interest Owner not represented at a meeting may vote on any item included in the agenda of the meeting by letter or telegram addressed to the Chairman of the meeting provided such vote is received prior to the submission of such item to vote. Such vote shall not be counted with respect to any item on the agenda which is amended at the meeting.

(d) Working Interest Owners may decide any matter by vote taken by letter or telegram, provided no meeting on the matter is called as provided in Subsection 3.2 within 10 days after such proposal

is dispatched to the Working Interest Owners. Unit Operator will give prompt notice of the results of such voting to all Working Interest Owners.

SECTION IV

BASIS OF PARTICIPATION

4.1 PARTICIPATING INTERESTS. The "Participating Interest" of each Working Interest Owner hereunder is equal to the sum total of the percentage participations assigned to tracts in the Participating Area in which such Working Interest Owner owns an interest; provided that if the working interests in any such tract are owned in undivided interests by two or more Working Interest Owners, the percentage participation assigned to such tract shall be divided among such owners in proportion to their undivided interests; and, provided further that, if the working interests in any tract are divided with respect to separate parcels of such tract and owned severally by different parties, the percentage participation assigned to such tract shall, in the absence of a recordable instrument among all such parties fixing the division of ownership, be divided among such parcels in proportion to the number of surface acres in each.

4.2 PERCENTAGE PARTICIPATIONS OF TRACTS. The percentage participation assigned to each tract in the initial Participating Area is set forth in Exhibit "C" of the Unit Agreement subject to revision in the event less than all tracts within the initial Participating Area are committed to this agreement and to the Unit Agreement, all in accordance with the provisions of Section 11 of the Unit Agreement. The percentage participation shall also be revised in the event the Participating Area is revised as provided in Section 11 of the Unit Agreement and in accordance with the formula and procedures set forth in Section 12 of the Unit Agreement. Said percentage participations as fixed and determined pursuant to the Unit Agreement shall govern the Participating Interests of the Working Interest Owners hereunder.

4.3 APPORTIONMENT OF COSTS AND BENEFITS. Except as herein otherwise expressly provided, all costs, expenses and liabilities accruing or resulting from exploration, development, operation and maintenance of the Unitized Lands shall be borne by the Working Interest Owners in proportion to their respective Participating Interests (as set out in Exhibit "C") at the time such costs, expenses and liabilities are incurred and all Unitized Substances produced hereunder and other benefits accruing hereunder shall be owned and shared by the Working Interest Owners in proportion to their respective Participating Interests (as set out in Exhibit "C") at the time such production is obtained and benefits accrue.

SECTION V

INITIAL ADJUSTMENT OF INVESTMENTS

5.1 EQUIPMENT AND FACILITIES NOT FIXTURES ATTACHED TO REALTY. Each of the parties hereto has heretofore placed and used on its tract or tracts committed to the Unit Agreement and this agreement, various well and lease equipment and other property, equipment and facilities. It is also recognized that additional equipment and facilities may hereafter be placed and used upon the Unitized Lands as now or hereafter constituted. Each of the parties hereto considers any and all such equipment to be personal property and not fixtures attached to realty. Accordingly, said well and lease equipment and personal property is hereby severed from the mineral estates affected by said agreements, and it is agreed that any and all such equipment and personal property shall be and remain personal property for all purposes. The provisions of this Section V and also the provisions of Section VI constitute a separate agreement and understanding with respect to any and all lease and operating equipment or other personal property heretofore or hereafter placed in or on the land in the Unit Area and, to the extent necessary to accomplish such separate agreement, such lease and operating equipment is taken over separate and apart from the

unitization of the working interests and production effected by the Unit Agreement and this agreement.

5.2 PERSONAL PROPERTY TAKEN OVER. Upon the effective date hereof, Working Interest Owners shall deliver to Unit Operator possession of:

(a) All wells completed in the Gallegos Gallup Sand Formation (sometimes called "Unitized Formation") within the initial participating area, together with the casing in said wells;

(b) The tubing in each such well, together with the wellhead connections thereon, and all other lease and operating equipment used in the operation of such wells which Working Interest Owners determine is necessary or desirable for conducting unit operations; and

(c) A copy of all production and well records pertaining to such wells.

5.3 INVENTORY AND EVALUATION OF PERSONAL PROPERTY. Working Interest Owners shall, at unit expense, inventory and evaluate in accordance with the provisions of Exhibit "D" the personal property so taken over. Such inventory shall be limited to controllable material as defined by the "Material Classification Manual", 1960 Print, prepared by the Petroleum Accountants Society of Oklahoma; provided, however, that for adjustment purposes only, sucker rods will be treated the same as controllable equipment. Whereas all casing shall be included in full detail in the inventory, the value of the casing for adjustment purposes shall be zero. Noncontrollable items which are omitted from the inventory shall nevertheless be taken over by the unit if in use on the property. The material and equipment inventoried shall be valued on the price basis prescribed for material in Paragraph 2 of Article III of Accounting Procedure attached hereto as Exhibit "D", the applicable conditions to be indicated on the inventory; provided, however, that material and equipment not classified to be in condition A, B, or C as specified in Paragraph 2 of Article III of Exhibit "D" shall not be taken over by Unit Operator except by special agreement with the owners of said equipment as authorized

by the Working Interest Owners.

5.4 INVESTMENT ADJUSTMENT. Upon approval by Working Interest Owners of such inventory and evaluation, each Working Interest Owner shall be credited with the value of its interest in all personal property (exclusive of the casing in wells) so taken over by Unit Operator under Subsection 5.2 (b) and charged with an amount equal to that obtained by multiplying the total value of all such personal property (exclusive of the casing in wells) so taken over by Unit Operator under said Subsection 5.2 (b) by such Working Interest Owner's Participating Interest as determined in accordance with Section IV hereof. If the charge against any Working Interest Owner is greater than the amount credited to such Working Interest Owner, the resulting net charge shall be paid and in all other respects be treated as any other item of unit expense chargeable against such Working Interest Owner. If the credit to any Working Interest Owner is greater than the amount charged against such Working Interest Owner, the resulting net credit shall be paid to such Working Interest Owner by Unit Operator out of funds received by it in settlement of the net charges described above.

5.5 GENERAL FACILITIES. The acquisition of warehouses, warehouse stocks, lease houses, camps, facility systems and office buildings necessary for operations hereunder shall be by negotiation by and between the owners thereof and Unit Operator, subject to the approval of Working Interest Owners. There shall be no adjustment for lease roads or non-controllable appurtenances thereto.

5.6 OWNERSHIP OF PERSONAL PROPERTY AND FACILITIES. Each Working Interest Owner, individually, shall by virtue hereof own an undivided interest in all personal property and facilities taken over or otherwise acquired by Unit Operator pursuant to this agreement equal to its Participating Interests as set out in Exhibit "C". Personal property and facilities not taken over by Unit Operator shall be reclaimed by the original owner thereof and shall be removed from the Unit Area

within a reasonable time after the owners of such property are advised in writing that the property shall not be retained by Unit Operator for operations hereunder, unless said property and facilities not retained are necessary for use by the owners thereof in the operation or development of horizons not unitized under the Unit Agreement and this agreement.

SECTION VI

INVESTMENT ADJUSTMENT ON ENLARGEMENT OF PARTICIPATING AREA

6.1 ADJUSTMENT ON ENLARGEMENT OF PARTICIPATING AREA. On enlargement of the Participating Area as provided in the Unit Agreement, there shall be investment adjustments between the Working Interest Owners in the enlarged Participating Area who are parties hereto and the Working Interest Owners in the former Participating Area who are parties hereto to the end that costs and investments within the enlarged Participating Area shall be paid for by the Working Interest Owners in the enlarged Participating Area in proportion to their respective Participating Interests in the enlarged Participating Area, and also to the end that the parties who have previously paid said costs shall be reimbursed, all in the manner as set forth in Section V hereof pertaining to the initial adjustment of investments, except that a separate adjustment for intangibles shall also be made as provided in Subsection 6.2 hereof.

6.2 SEPARATE ADJUSTMENT FOR INTANGIBLE COSTS ON ENLARGEMENT OF PARTICIPATING AREA. The Working Interest Owners in the Participating Area before its enlargement shall receive credit for the intangible cost of drilling, completing and equipping all wells drilled subsequent to the effective date hereof which are capable of producing Unitized Substances within the said enlarged Participating Area or which are utilized or to be utilized as injection wells or for other purposes within the enlarged Participating Area, including all intangible costs incurred subsequent to the effective date of this agreement incident to recompleting and converting wells to injection wells and intangible costs incident to the

construction of pressure maintenance and other facilities necessary to the operation of the Unitized Land. No credit shall be given for intangibles in the area to be admitted to the enlarged Participating Area and no credit shall be given for the previous cost of operating any wells or for the intangible cost of repairing or maintaining other property, nor shall there be any debit for and on account of production taken from wells prior to the effective date of the enlargement of the Participating Area. The sum total of said credit shall be apportioned to the enlarged Participating Area, and a separate cash adjustment of intangibles shall be made among Working Interest Owners through the Unit Operator to the end that the costs of said intangibles shall be paid by the Working Interest Owners in the enlarged Participating Area in proportion to their Participating Interests.

SECTION VII

DEVELOPMENT AND OPERATING COSTS

7.1 BASIS OF CHARGE TO WORKING INTEREST OWNERS. Unit Operator initially shall pay and discharge all costs and expenses incurred in the development and operation of the Unit Area. Working Interest Owners shall reimburse Unit Operator for all such costs and expenses in proportion to their respective Participating Interests computed in accordance with Section IV hereof. All charges, credits, and accounting for costs and expenses shall be in accordance with Exhibit "D" hereof. The term "Operator" as used in Exhibit "D" shall be deemed to refer to the Unit Operator, and the term "Non-Operators" as used in Exhibit "D" shall be deemed to refer to the Working Interest Owners other than Unit Operator.

7.2 BUDGETS. Before or as soon as practical after the effective date hereof, Unit Operator shall prepare a budget of estimated costs and expenses for the remainder of the calendar year and on or before the first day of each November thereafter shall prepare a budget of estimated costs and expenses for the ensuing calendar year. Such budgets shall set forth the estimated costs and expenses by quarterly periods. Unless

specified in the budget, it shall be presumed for the purpose of advance billings that the estimated costs and expenses for each month of a quarterly period shall be one-third (1/3) of the estimate for the quarterly period. Budgets so prepared shall be estimates only and shall be subject to adjustment and correction by Working Interest Owners and Unit Operator from time to time whenever it shall appear that an adjustment or correction is proper. A copy of each budget and adjusted budget shall be promptly furnished each Working Interest Owner. Approval of each such budget shall not constitute approval for expenditure of any item contained therein.

7.3 ADVANCE BILLINGS. Unit Operator shall have the right at its option to require Working Interest Owners to advance their respective proportions of such costs and expenses by submitting to Working Interest Owners, on or before the 15th day of any month, an itemized estimate of such costs and expenses for the succeeding month with a request for payment in advance. Within 15 days thereafter, each Working Interest Owner shall pay to Unit Operator its proportionate part of such estimate. Adjustment between estimates and the actual costs shall be made by Unit Operator at the close of each calendar month, and the accounts of the Working Interest Owners shall be adjusted accordingly.

7.4 COMMINGLING OF FUNDS. No funds received by Unit Operator under this agreement need be segregated by Unit Operator or maintained by it as a joint fund, but may be commingled with its own funds.

7.5 LIEN OF UNIT OPERATOR. Each Working Interest Owner grants to Unit Operator a lien upon such Working Interest Owner's leasehold and other mineral interests in each tract, its interest in all jointly owned materials, equipment, and other property and its interest in all Unitized Substances, as security for payment for the costs and expenses chargeable to it, together with interest thereon at the rate of 6% per annum. Unit Operator shall have the right to bring any action at law or in equity to enforce collection of such indebtedness with or without foreclosure of

such lien. In addition, upon default by any Working Interest Owner in the payment of costs and expenses chargeable to it, Unit Operator shall have the right to collect and receive from the purchaser or purchasers the proceeds of such Working Interest Owner's share of Unitized Substances up to the amount owing by such Working Interest Owner plus interest, as aforesaid, until paid. Each such purchaser shall be entitled to rely upon Unit Operator's statement concerning the existence and amount of any such default.

SECTION VIII

INDIVIDUAL AND UNIT OPERATIONS

8.1 RIGHT TO OPERATE IN NON-UNITIZED FORMATIONS. Any Working Interest Owner now having, or hereafter acquiring, the right to drill for and produce oil, gas or other minerals, other than Unitized Substances, within the Unit Area, shall have the full right to do so notwithstanding this agreement. In exercising said right, however, such Working Interest Owner shall exercise every reasonable precaution to prevent unreasonable interference with operations hereunder. If any Working Interest Owner drills any well into or through the Unitized Formation, the Unitized Formation shall be cased or otherwise protected in such a manner that the Unitized Formation and the production of Unitized Substances shall not be adversely affected.

8.2 DUAL COMPLETIONS. Except for those wells taken over by the Unit which are dually completed on the effective date of this agreement, no other Unit wells may subsequently be dually completed unless and until the approval of the Working Interest Owners is obtained and such completion is made in accordance with the methods prescribed by the Working Interest Owners. Dually completed wells will be handled as follows:

(a) A lessee who contributes a well producing from more than one formation shall be obligated to segregate such formations prior to the well being taken over by the Unit in a manner satisfactory to the Working Interest Owners, the cost of such work to be borne by the lessee contributing such well. If such formations are not segregated prior

to the effective date, then such work shall be done by the Unit Operator as directed by the Working Interest Owners at the expense of the lessee contributing such well.

(b) Any lessee who wishes to recondition, redrill or workover any dual well taken over by the Unit under this agreement for the production of oil or gas from any formation other than the Gallegos Gallup Sand, shall submit its plan to the Working Interest Owners for approval, and upon such approval said work shall be performed under the supervision of the Unit Operator at lessee's own risk, cost and expense. The productive capacity or injectivity of the Gallegos Gallup Sand in any such well prior to such reconditioning, redrilling or reworking shall be ascertained by the Unit Operator prior to the commencement of such work, and the respective lessee so advised in writing. Said lessee shall use all reasonable, practicable and customary methods in order to so restore the productivity or injectivity of the unitized Gallegos Gallup Sand to the satisfaction of the Working Interest Owners, including the drilling of a replacement well if the hole is lost.

(c) Should the Unit Operator at the direction of the Working Interest Owners do remedial work on the Gallegos Gallup Sand in any dually completed well, and the cost of such work, in the opinion of the Working Interest Owners, is in excess of what it would have been had the formation other than the Gallegos Gallup Sand not been producing in such well, the additional cost of such work shall be chargeable to the lessee owning such other formation in such well and such lessee shall be liable for such additional cost upon notification of the amount thereof by the Unit Operator. The words "additional cost" as used above shall mean the difference between the normal charges incurred in working over, reconditioning or redrilling a dually completed well and the normal charges for doing the same work on a well which is not dually completed.

(d) When and if the Working Interest Owners determine that the operation of a well which has been dually completed is interfering with the efficiency of the unit plan of operation, Unit Operator shall advise the lessee operating such formation other than the Gallegos Gallup Sand that such formation must be shut off or reworked by lessee under the direction of the Unit Operator and to the satisfaction of the Working Interest Owners. The work shall be done at the sole risk, cost and expense of said lessee. If said lessee shall fail or refuse to perform said work as directed by Unit Operator, then said work shall be performed by Unit Operator at the sole risk, cost and expense of said lessee. Said lessee and Unit Operator may agree upon the amount of such costs, but if they fail to agree, then the work shall be done by a contractor selected on the basis of competitive bids.

8.3 BALANCING OF PRODUCTION. Unit Operator shall make a proper and timely gauge of all lease and other tanks within the initial participating area in order to ascertain the amount of merchantable oil in such tanks, above the pipe line connections, as of 7:00 A.M. on the effective date hereof. All Unitized Substances which are a part of the prior allowable of the well or wells from which the same were produced shall be and remain the property of the Working Interest Owners entitled thereto the same as if the Unit had not been formed; and such Working Interest Owners shall promptly remove same from the participating area. Any such Unitized Substances not so removed may be sold by the Unit Operator for the account of such Working Interest Owners, subject to the payment of all royalty to Royalty Owners under the terms and provisions of the applicable lease or leases and other contracts. All such Unitized Substances which are in excess of the prior allowable of the well or wells from which the same were produced shall be regarded and treated the same as Unitized Substances produced after the effective date hereof. If, as of the effective date hereof, any tract is overproduced with respect to the allowable of the well or wells on that tract and the amount of such overproduction has been sold or otherwise disposed of, such overproduction shall be regarded and included as a part of the Unitized Substances produced after the effective date hereof and the amount thereof charged to such tract as having been delivered to the persons entitled to Unitized Substances allocated to such tract.

8.4 DRILLING WITHIN PARTICIPATING AREA. All wells drilled after the effective date of this agreement within the boundaries of the Participating Area to the Gallegos Gallup Sand including injection wells, reworking operations, and recompleting wells and converting wells to injection wells, shall be drilled by Unit Operator for the joint account, at joint risk and expense, and upon authorization of the Working Interest Owners pursuant to Section III.

8.5 WELLS OUTSIDE OF PARTICIPATING AREA. The Unit Operator may drill any well within the Unit Area but outside the boundaries of an established Participating Area with the object of completing the same in the Gallegos Gallup Sand, which well is herein referred to as an "extension well", for the joint account and at joint risk and expense, upon authorization of the Working Interest Owners obtained pursuant to Section III. Such "extension wells" may also be drilled as provided by Subsection 8.6.

8.6 EXTENSION WELLS BY LEASE OWNER. In addition to the method provided in Subsection 8.5 hereof, "extension wells" may be drilled by a single party on his or its own lease as provided in Section 13 of the Unit Agreement, unless the Working Interest Owners within the Participating Area elect to drill the same as provided in Subsection 8.5 hereof. In the event there is more than one party having an interest in the lease on which the well is desired to be drilled, the same may be drilled on the authority of the majority in interest of the parties in and to said tract. Such wells may be drilled by the Unit Operator for the account of the parties financing same. If any party or parties hereto elect to drill a well or wells in accordance with the provisions of Section 13 of the Unit Agreement, the basis of contribution to the cost thereof and the final adjustment or disposition of such costs shall be by separate agreement between the parties financing said well.

8.7 PAYING WELLS - DRY HOLES - MARGINAL WELLS. In the event any well drilled under the provisions of this Section VIII encounters production in quantities sufficient to justify the same being included in the Participating Area, there shall be an investment adjustment between the owners of the working interests affected in accordance with the provisions of Section VI hereof. In the event any such well is a dry hole, it shall be plugged and abandoned at the sole risk, cost and expense of the parties responsible for the drilling of the well. If any such well obtains production in insufficient quantities to justify the inclusion of the lands on which the well is located in the Participating Area, the same shall be

operated for the account of and the production shall be owned by the parties who participated in the cost of drilling the well in accordance with Section 13 of the Unit Agreement.

8.8 REQUIRED WELLS. In the event that Unit Operator is required to drill an extension well upon any regular well spacing unit outside of the boundaries of the Participating Area or any development well within the Participating Area by Government order (including any Federal or State agency), or demand, whether such order or demand is initiated by the Government independent of consideration of any plan of development, or is issued as a required authorization of a plan of development, the cost of drilling and completing said well, if a producer, and of plugging and abandoning the well, if a dry hole, shall be borne by all of the Working Interest Owners in said Participating Area in proportion to their interests therein, except as otherwise may be provided by separate agreement.

Notwithstanding anything in this Subsection 8.8 to the contrary, in the event the Working Interest Owners do not elect, pursuant to Section III, to drill said required well, same shall not be drilled if either of the following alternatives is available:

(a) If compensatory royalties may be paid in lieu of drilling the well and payment of same receives approval of the Working Interest Owners pursuant to Section III, Unit Operator shall pay such compensatory royalty for the joint account of the Working Interest Owners; or

(b) If the drilling of the well may be avoided without penalty by contraction of the Unit Area, Unit Operator shall make reasonable effort to effect such contraction with the approval of the Director, Commissioner and the Commission.

8.9 CHARGES FOR DRILLING WELLS. All wells drilled for the joint account shall be drilled at rates comparable to competitive contract rates by properly qualified contractors; provided, however, Unit Operator, if it so desires, may employ its own tools and equipment in the drilling of wells but, in such event, the charge therefor shall not exceed the prevailing rate in the area and such work shall be performed by Unit Operator under the

same terms and conditions as are customary and usual in the area in contracts of independent contractors who are doing work of a similar nature.

8.10 ABANDONMENT OF WELLS. If Working Interest Owners decide to permanently abandon any well within the Unit Area prior to termination of the Unit Agreement, Unit Operator shall give written notice of such fact to the Working Interest Owners of the tract on which such well is located and said Working Interest Owners shall have the right and option for a period of 90 days after receipt of such notice to notify Unit Operator of their election to take over and own said well and to deepen or to plug back said well to a formation other than to the Unitized Formation. Within 30 days after said Working Interest Owners have so notified Unit Operator of their desire to take over such well and the salvage value has been determined, they shall pay to Unit Operator, for credit to the joint account of the Working Interest Owners, the amount as estimated and fixed by Working Interest Owners to be the net salvage value of the casing and equipment in and on said well. At the same time the Working Interest Owners taking over the well shall agree by letter addressed to Unit Operator to seal off effectively and to protect the Unitized Formation, and at such time as the well is ready for abandonment to plug and abandon the well in a workmanlike manner in accordance with applicable laws. In the event the Working Interest Owners of a tract do not elect to take over a well located thereon which is proposed for abandonment, Unit Operator shall plug and abandon the well in accordance with applicable laws.

SECTION IX

USE AND SALE OF UNITIZED SUBSTANCES

9.1 USE OF UNITIZED SUBSTANCES FOR UNIT OPERATIONS. Unit Operator shall have the right to use any one or more Unitized Substances produced from the Unitized Lands for all drilling operations, for pumping, transporting, handling and treating Unitized Substances; for injection, pressure maintenance and secondary recovery programs as may be authorized and approved by the Working Interest Owners; for fuel in camps and houses of

employees serving the Unitized Lands, and for all other operations hereunder.

9.2 UNITIZED SUBSTANCES SHALL BE TAKEN IN KIND. Each Working Interest Owner shall take in kind its share of each Unitized Substance excluding the Unitized Substances used by Unit Operator under Subsection 9.1 hereof or unavoidably lost. In the event any party hereto shall fail to take in kind or to separately dispose of its share of Unitized Substances, when and if produced, Unit Operator (or any Working Interest Owner if Unit Operator fails to exercise the right) shall have the right to sell or to purchase the same on a day-to-day basis at the prevailing market price in the area, if obtainable; otherwise, at that price which is both obtainable and reasonable and the account of such party shall be credited therewith as having received same. Any cost incurred by Unit Operator in making any such sale shall be borne by the party whose share is sold. Any such sale or purchase by Unit Operator or any Working Interest Owner, as the case may be, shall be subject always to the right of the owner of such Unitized Substances to exercise at any time the right to take in kind or to separately dispose of its share of production not previously delivered to a purchaser pursuant hereto.

9.3 DELIVERY IN KIND TO ROYALTY OWNERS. Unit Operator is hereby authorized to deliver in kind to Royalty Owners the amounts of the Unitized Substances to which they are entitled under the provisions of Sections 11 and 12 of the Unit Agreement and to deduct such amounts from the share of each Working Interest Owner responsible therefor. Settlement for royalty interest not taken in kind shall be made by the Working Interest Owners in each tract responsible therefor under existing contracts, laws, and regulations on the basis of the amounts of Unitized Substances allocated to such tract. If any of said tracts are burdened with overriding royalties, payments out of production or any other charges in addition to the usual royalty, the Working Interest Owners committing such tract shall bear and assume the same out of Unitized Substances allocated thereto.

SECTION X

RENTALS AND COMPENSATORY ROYALTIES

10.1 RENTALS. The Working Interest Owners in each tract shall pay all rentals, minimum royalties, advance rentals or delay rentals due under the lease thereon and shall concurrently submit to the Unit Operator the evidence of payment. If the Working Interest Owners in any tract determine not to pay any such rental, they shall notify Unit Operator at least 60 days before the due date and they shall thereupon assign to all other Working Interest Owners in the Unit Area proportionable to their interest on a surface acreage basis all of their right, title and interest under said lease; provided, however, all such assignments shall be subject to all obligations with respect to reassignments, if any, of the parties making such assignments theretofore created in favor of parties who are not parties to this agreement. In the event of failure of any Working Interest Owner to make proper payment of any delay rental through mistake or oversight where such rental is required to continue the lease in force, there shall be no money liability on the part of the party failing to pay such rental, but such party shall make a bona fide effort to secure a new lease covering the same interest and commit such lease to the Unit Agreement and, in the event of failure to secure the new lease within a reasonable time, the interest of the parties hereto shall be revised, if required, so that the party failing to pay any such rental shall not be credited with the ownership of any lease on which rental was required but was not paid. The Unit Operator shall incur no liability for failure to pay any rental due under the terms of any lease committed to said Unit Agreement; however, in the event any rentals are paid by Unit Operator, the same shall be charged and billed to the party responsible for payment of same. In the event of loss of title to a lease for failure to pay rental, all losses occasioned thereby shall be that of the Working Interest Owners who should have paid the same.

10.2 COMPENSATORY ROYALTIES. Where the Working Interest Owners determine to pay compensatory royalty in lieu of drilling a demanded well such compensatory royalties shall be paid by Unit Operator and charged to the joint account.

SECTION XI

TITLES

11.1 INDEMNITY. Each Working Interest Owner represents that it is the owner of the respective working interests set forth opposite its name in Exhibit "B" of the Unit Agreement and hereby indemnifies and holds the other Working Interest Owners harmless from any loss due to failure, in whole or in part, of its title to any such interest, except failure of title arising out of operations hereunder; provided however, that such indemnity shall be limited to an amount equal to the net value that had been received from the sale of Unitized Substances attributed hereunder to the interest as to which title failed. Each failure of title will be effective, insofar as this agreement is concerned, as of the first day of the calendar month in which such failure is finally determined and there shall be no retroactive adjustment of development and operating expenses, Unitized Substances or the proceeds therefrom as a result of title failure.

11.2 FAILURE BECAUSE OF UNIT OPERATIONS. The failure of title to any working interest in any tract by reason of unit operations, including nonproduction from such tract, shall constitute a joint loss.

SECTION XII

LIABILITY, CLAIMS AND SUITS

12.1 INDIVIDUAL LIABILITY. The duties, obligations and liabilities of Working Interest Owners shall be several and not joint or collective; and nothing contained herein shall ever be construed as creating a partnership of any kind, joint venture, or an association or trust between or among the Working Interest Owners.

12.2 SETTLEMENTS. In the event claim is made against any Working Interest Owner or any Working Interest Owner is sued on account of

any matter or thing arising from the development and operation of the Unit Area and over which such Working Interest Owner individually has no control because of the rights, powers, and duties granted by this agreement and the Unit Agreement, said Working Interest Owner shall immediately notify the Unit Operator of such claim or suit. Unit Operator, on behalf of Working Interest Owners, shall assume and take over the further handling of such claim or suit and all costs and expenses of handling, settling, or otherwise discharging such claim or suit shall be borne by Working Interest Owners as any other cost or expense of operating the Unitized Lands.

SECTION XIII

WITHDRAWAL OF WORKING INTEREST OWNER

13.1 WITHDRAWAL. If any Working Interest Owner so desires, it may withdraw from this agreement by conveying, assigning, and transferring, without warranty of title either express or implied, to the other Working Interest Owners who do not desire to withdraw herefrom all of the former's rights, title and interest in and to its lease or leases or other operating rights in the Unit Area insofar as said lease, leases or rights pertain to the unitized formation, together with the withdrawing Working Interest Owner's interest in all wells, pipe lines, casing, injection equipment, facilities and other personal property used in conjunction with the development and operation of the Unit Area; provided, however, that such transfer, assignment or conveyance shall not relieve said Working Interest Owner from any obligation or liability incurred prior to the date of the execution and delivery thereof. The interest so transferred, assigned and conveyed shall be taken and owned by the other Working Interest Owners in proportion to their respective Participating Interest. After the execution and delivery of such transfer, assignment or conveyance, the withdrawing Working Interest Owner shall be relieved from all further obligations and liability hereunder and under said Unit Agreement. Thereupon, the right of such Working Interest Owner to any benefits subsequently accruing hereunder and under said Unit Agreement shall cease; provided, that upon delivery of said transfer,

assignment or conveyance, the assignees (in the ratio of the respective interests so acquired) shall pay to the assignor for its interest in all jointly owned equipment, casing and other personal property the fair net salvage value thereof, less its proportionate share of the costs of terminating the Unit as same are determined and fixed by Working Interest Owners.

SECTION XIV

MISCELLANEOUS

14.1 AD VALOREM TAXES. Unit Operator shall make and file for ad valorem tax purposes all necessary renditions and returns with the proper taxing authorities or governmental subdivisions covering all real and personal property of each Working Interest Owner within the Unit Area and used in connection with the development and operation of the Unit Area. Any Working Interest Owner dissatisfied with any proposed rendition or assessment of its interest in real or personal property shall have the right, at its own expense, to protest and resist the same. All such ad valorem taxes due and payable on account of real and personal property of each Working Interest Owner located within the Unit Area and used in connection with unit operations shall be paid by Unit Operator for the joint account in the same manner as other costs and expenses of unit operations; provided, however, that the account of any Working Interest Owner owning less than a seven-eighths (7/8) working interest covered by this agreement shall be charged only for its proportion of the ad valorem taxes levied on the full working interest adjusted so as to reflect a credit for such taxes levied on values assigned to outstanding excess royalties, overriding royalties, and production payments, burdening such working interest.

PAYMENT OF AD VALOREM TAXES TO AVOID TITLE FAILURE. In order to avoid title failures which might incidentally cause the title to a working interest or royalty interest to fail, the owners of (1) the surface rights to lands lying within the Unit Area, (2) severed mineral or royalty interests in said lands, and (3) improvements located on said lands not utilized for

Unit operations shall individually be responsible for the rendition and assessment, for ad valorem tax purposes, of all such property, and for the payment of such taxes, except as otherwise provided in any contract or agreement between such owners and a Working Interest Owner or Owners. If any ad valorem taxes are not paid by such owner responsible therefor when due, Unit Operator may, at any time prior to tax sale, pay the same, redeem such property, and discharge such tax liens as may arise through nonpayment. In the event Unit Operator makes any such payment or redeems any such property from tax sale, Unit Operator shall be reimbursed therefor by the Working Interest Owners in proportion to their respective Unit Participation and Unit Operator shall withhold from any proceeds derived from the sale of Unitized Substances otherwise due to said delinquent taxpayer or taxpayers an amount sufficient to defray the costs of such payment or redemption, such withholding to be distributed among the Working Interest Owners in proportion to their respective contributions toward such payment or redemption. Such withholding shall be without prejudice to any other remedy, either at law or in equity, which may be available for exercise by the Unit Operator or by the Working Interest Owners.

14.2 INSURANCE. As to all operations hereunder, Unit Operator shall carry for the benefit and protection of the parties hereto the following insurance:

(1) Workmen's Compensation and Employer's Liability insurance in compliance with the laws of the State of New Mexico.

(2) General Public Liability insurance with limits of not less than $100,000 per person and $300,000 per accident; and property damage insurance with limits of not less than $100,000 for each accident and $250,000 aggregate.

(3) Automobile Public Liability insurance with limits of not less than $100,000 per person and $300,000 per accident; and

(4) Automobile Property Damage insurance with limits of not less than $50,000 per accident.

The premium costs for the coverage enumerated in Sections 1 and 2 above will be charged to the joint account. Premium costs for the risks enumerated in Sections 3 and 4 above will not be charged directly to the joint account, but shall be included in the flat rate charges to be assessed for the use of automotive equipmentfurnished by Unit Operator. Operator will not provide any other kind of insurance coverage for operations hereunder except with the mutual consent of such of the parties hereto as may be affected thereby.

14.3 INTERNAL REVENUE PROVISION. Each of the parties hereto elects under the authority of Section 761(a) of the Internal Revenue Code of 1954, to be excluded from the application of all of the provisions of Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code of 1954. If the income tax laws of the state or states in which the property covered hereby is located contain, or may hereafter contain, provisions similar to those contained in the Subchapter of the Internal Revenue Code of 1954 above referred to under which a similar election is permitted, each of the parties agrees that such election shall be exercised. Each party authorizes and directs Unit Operator to execute such an election or elections on its behalf and to file the election with the proper governmental office or agency. If requested by the Unit Operator so to do, each party agrees to execute and join in such an election.

14.4 FORCE MAJEURE. In the event any party hereto is rendered unable, wholly or in part, by force majeure to carry out its obligations under this contract other than the obligation to make payment of amounts due hereunder, it is agreed that upon such party's giving notice and reasonably full particulars of force majeure in writing or by telegraph to the other parties hereto within a reasonable time after the occurrence of the cause relied upon, then the obligations of the party giving the notice, so far as they are affected by force majeure, shall be suspended during the continuance

of any liability so caused, but for no longer period; and the cause of the force majeure shall, so far as possible, be remedied with all reasonable dispatch. The term "force majeure" as employed herein shall mean any cause not reasonably within the control of the party claiming suspension.

14.5 NOTICES. All notices required hereunder shall be in writing and shall be deemed to have been properly served when sent by mail or telegram to the address of the representative of each Working Interest Owner as furnished to Unit Operator in accordance with Section III hereof.

SECTION XV

EFFECTIVE DATE AND TERM

15.1 SAME AS UNIT AGREEMENT. Subject to the provisions of Subsection 15.2, this agreement shall be binding on all parties who execute it regardless of the joinder or non-joinder of any other party; provided, however, this agreement shall not become effective until the effective date of the Unit Agreement and the term hereof shall be the same as the term of said Unit Agreement and thereafter until all unit wells have been abandoned and plugged or turned over to Working Interest Owners in accordance with Section XVI hereof, and all personal and real property acquired for the joint account of the Working Interest Owners has been disposed of by Unit Operator in accordance with instructions of Working Interest Owners.

15.2 EXECUTION. Unit Operator shall, prior to the final submission of the Unit Agreement to the Director, Commissioner and the Indian Commissioner (or their duly authorized representatives) for final approval, submit to the Working Interest Owners a report as to the number and the percentage in interest of the Working Interest Owners and Royalty Owners who have executed the Unit Agreement. The Working Interest Owners shall determine by the affirmative vote of parties owning Participating Interests of at least 75 per cent,

determined on the basis of the percentage participations set forth in Exhibit "C" of the Unit Agreement, whether or not submission of the Unit Agreement to the Director, Commissioner and the Indian Commissioner for final approval is justified. If an affirmative vote is obtained, all parties who have joined herein shall be bound hereby and shall remain a party hereto regardless of the joinder or non-joinder of any other owner who might be entitled to join herein, but in the event of a negative vote, no party hereto shall thereafter be bound by the terms of either the Unit Agreement or this agreement.

SECTION XVI

ABANDONMENT OF OPERATIONS

16.1 TERMINATION. Upon termination of the Unit Agreement the following will occur:

(a) Possession of all oil and gas rights in and to the separate tracts in the Unit Area shall revert to the Working Interest Owners thereof;

(b) Working Interest Owners of any such tract desiring to take over and continue to operate a well or wells located thereon may do so by paying Unit Operator, for the credit of the joint account, the net salvage value of the casing and equipment in and on the well and by agreeing to properly plug the well at such time as it is abandoned.

(c) With respect to all wells not taken over by Working Interest Owners, Unit Operator shall, at the joint expense of Working Interest Owners, salvage as much of the casing and equipment in or on such wells as can economically and reasonably be salvaged and shall cause the same to be properly plugged and abandoned.

(d) Working Interest Owners shall share the cost of salvaging, liquidation, or distribution of assets and properties used in the development and operation of the Unit Area in proportion to their respective Participating Interests.

SECTION XVII

SUBSEQUENT JOINDER

17.1 SUBSEQUENT COMMITMENTS OF INTEREST TO UNIT. After the effective date of this agreement, the commitment hereto of any interest in any Tract within the Unit Area, as same is depicted on Exhibit A and described in Exhibit B attached to said Unit Agreement, shall be upon such terms and conditions as may be negotiated by Working Interest Owners and the owner of such interests, and approved by Working Interest Owners in accordance with the voting procedure set out in Section 3.3 hereof.

SECTION XVIII

COUNTERPART EXECUTION

18.1 EXECUTION BY SEPARATE COUNTERPARTS OR RATIFICATIONS. This agreement may be executed in any number of counterparts and each counterpart so executed shall have the same force and effect as an original instrument and as if all of the parties to the aggregate counterparts had signed the same instrument or may be ratified by a separate instrument in writing referring to this agreement. Each such ratification shall have the force and effect of an executed counterpart and of adopting by reference all provisions hereof.

SECTION XIX

SUCCESSORS AND ASSIGNS

19.1 SUCCESSORS AND ASSIGNS. The terms and provisions hereof shall be covenants running with the lands and unitized leases covered hereby and shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, this agreement is executed as of the date first above written.

UNIT OPERATOR AND WORKING INTEREST OWNER

Appd as to form Seelye

SKELLY OIL COMPANY

By L. L. Blackshire
Vice President

P. O. Box 1650 - Tulsa, Oklahoma
Address

ATTEST:

R. Kendall Shaw
Assistant Secretary

SECTION XVII

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UNIT OPERATOR AND WORKING INTEREST OWNER

Appd as to form

SKELLY OIL COMPANY

By_____
Vice President

ATTEST:

_____
Address

_____
Assistant Secretary

_____

WORKING INTEREST OWNERS

EL PASO NATURAL GAS PRODUCTS COMPANY

By _____
Attorney-In-Fact

Address P. O. BOX 1161
EL PASO, TEXAS

~~ATTEST~~:

~~Secretary~~

Date of Signature:
MAR 1 4 1962

GULF OIL CORPORATION

By _____
~~Vice President~~ C. D. BORLAND
ATTORNEY-IN-FACT

APPROVED AS TO FORM
LAW DEPT.

Address GULF OIL CORPORATION
P. O. BOX 2097
DENVER, COLORADO

ATTEST:
_____
Asst. Secretary

Date of Signature:
April 6, 1962

WESTERN DEVELOPMENT COMPANY OF DELAWARE

By _____
President

825 Petroleum Club Building
Address
Denver 2, Colorado

ATTEST:
_____
Secretary

Date of Signature:
March 16, 1962

By _____
Vice President

Address

ATTEST:

_____
Secretary

Date of Signature:

_____

By_____

_____

Address

_____

ATTEST:

_____

Secretary

Date of Signature:

_____

_____

_____

Address

Date of Signature:

_____

_____

_____

Address

Date of Signature:

_____

_____

STATE OF [illegible] }
COUNTY OF [illegible] } SS:

The foregoing instrument was acknowledged before me this [illegible] day of [illegible], 19[illegible], by [illegible] as [illegible] President and [illegible] as ~~Secretary~~ of [illegible], a corporation.

Witness my hand and official seal

My Commission Expires:
[illegible]

[illegible]
Notary Public

STATE OF TEXAS }
}
COUNTY OF EL PASO }

The foregoing instrument was acknowledged before me this 14th day of March, 1962, by W. T. HOLLIS, as Attorney-in-Fact on behalf of EL PASO NATURAL GAS PRODUCTS COMPANY.

My commission expires:
MARY T. SAXON
Notary Public in and for El Paso County, Texas
~~My Commission Expires June 1, 1963~~

Mary T. Saxon
Notary Public in and for El Paso County, Texas

STATE OF [illegible] }
COUNTY OF DENVER } SS.

Indiana, Michigan, [illegible], Tennessee, Utah, Wyoming

On this 6th day of April, 1962, before me appeared C. D. Borland, to me personally known, who, being by me duly sworn, did say that he is the Attorney in Fact of Gulf Oil Corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said C.D.Borland acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and official seal the day and year above written.

Vivien Catling Tate
Vivien Catling Tate Notary Public

My commission expires October 5, 1965

Witness my hand and official seal

My Commission Expires:

[illegible]
Notary Public

STATE OF COLORADO }
}
COUNTY OF DENVER } SS:

The foregoing instrument was acknowledged before me this 16 day of March, 1962, by W. B. MACEY as [illegible] President and ZANE E. HENDERSON as Secretary of WESTERN DEVELOPMENT COMPANY OF DELAWARE, a corporation.

Witness my hand and official seal

My Commission Expires:
Nov. 25, 1964

Lilian L. Jenkins
Notary Public

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____, as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My commission expires:

_____
Notary Public

_____

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____, as _____ President and _____ as Secretary of _____ _____, a corporation.

Witness my hand and official seal

My commission expires:

_____
Notary Public

_____

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My commission expires:

_____
Notary Public

_____

STATE OF_____)
) SS:
COUNTY OF_____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19___, by _____.

Witness my hand and official seal

My commission expires:

_____
Notary Public

_____

EXHIBIT "D"

Attached to and made a part of Unit Operating Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, County of San Juan, State of New Mexico

ACCOUNTING PROCEDURE

(UNIT AND JOINT LEASE OPERATIONS)

I. GENERAL PROVISIONS

1. Definitions

"Joint property" as herein used shall be construed to mean the subject area covered by the agreement to which this "Accounting Procedure" is attached.

"Operator" as herein used shall be construed to mean the party designated to conduct the development and operation of the subject area for the joint account of the parties hereto.

"Non-Operator" as herein used shall be construed to mean any one or more of the non-operating parties.

2. Statements and Billings

Operator shall bill Non-Operator on or before the last day of each month for its proportionate share of costs and expenditures during the preceding month. Such bills will be accompanied by statements, reflecting the total costs and charges as set forth under Subparagraph .....A..... below:

A. Statement in detail of all charges and credits to the joint account.

B. Statement of all charges and credits to the joint account, summarized by appropriate classifications indicative of the nature thereof.

C. Statements as follows:

(1) Detailed statement of material ordinarily considered controllable by operators of oil and gas properties;

(2) Statement of ordinary charges and credits to the joint account summarized by appropriate classifications indicative of the nature thereof; and

(3) Detailed statement of any other charges and credits.

3. Payments by Non-Operator

Each party shall pay its proportion of all such bills within fifteen (15) days after receipt thereof. If payment is not made within such time, the unpaid balance shall bear interest at the rate of six per cent (6%) per annum until paid.

4. Adjustments

Payment of any such bills shall not prejudice the right of Non-Operator to protest or question the correctness thereof. Subject to the exception noted in Paragraph 5 of this section I, all statements rendered to Non-Operator by Operator during any calendar year shall conclusively be presumed to be true and correct after twenty-four (24) months following the end of any such calendar year, unless within the said twenty-four (24) month period Non-Operator takes written exception thereto and makes claim on Operator for adjustment. Failure on the part of Non-Operator to make claim on Operator for adjustment within such period shall establish the correctness thereof and preclude the filing of exceptions thereto or making of claims for adjustment thereon. The provisions of this paragraph shall not prevent adjustments resulting from physical inventory of property as provided for in Section VI, Inventories, hereof.

5. Audits

A Non-Operator, upon notice in writing to Operator and all other Non-Operators, shall have the right to audit Operator's accounts and records relating to the accounting hereunder for any calendar year within the twenty-four (24) month period following the end of such calendar year, provided, however, that Non-Operator must take written exception to and make claim upon the Operator for all discrepancies disclosed by said audit within said twenty-four (24) month period. Where there are two or more Non-Operators, the Non-Operators shall make every reasonable effort to conduct joint or simultaneous audits in a manner which will result in a minimum of inconvenience to the Operator.

II. DEVELOPMENT AND OPERATING CHARGES

Subject to limitations hereinafter prescribed, Operator shall charge the joint account with the following items:

1. Rentals and Royalties

Delay or other rentals, when such rentals are paid by Operator for the joint account; royalties, when not paid directly to royalty owners by the purchaser of the oil, gas, casinghead gas, or other products.

2. Labor

A. Salaries and wages of Operator's employees directly engaged on the joint property in the development, maintenance, and operation thereof, including salaries or wages paid to geologists and other employees who are temporarily assigned to and directly employed on a drilling well.

B. Operator's cost of holiday, vacation, sickness and disability benefits, and other customary allowances applicable to the salaries and wages chargeable under Subparagraph 2 A and Paragraph 11 of this Section II. Costs under this Subparagraph 2 B may be charged on a "when and as paid basis" or by "percentage assessment" on the amount of salaries and wages chargeable under Subparagraph 2 A and Paragraph 11 of this Section II. If percentage assessment is used, the rate shall be based on the Operator's cost experience.

C. Costs of expenditures or contributions made pursuant to assessments imposed by governmental authority which are applicable to Operator's labor cost of salaries and wages as provided under Subparagraphs 2 A, 2 B, and Paragraph 11 of this Section II.

3. Employee Benefits

Operator's current cost of established plans for employees' group life insurance, hospitalization, pension, retirement, stock purchase, thrift, bonus, and other benefit plans of a like nature, applicable to Operator's labor cost, provided that the total of such charges shall not exceed ten per cent (10%) of Operator's labor costs as provided in Subparagraphs A and B of Paragraph 2 of this Section II and in Paragraph 11 of this Section II.

4. Material

Material, equipment, and supplies purchased or furnished by Operator for use of the joint property. So far as it is reasonably practical and consistent with efficient and economical operation, only such material shall be purchased for or transferred to the joint property as may be required for immediate use; and the accumulation of surplus stocks shall be avoided.

5. Transportation

Transportation of employees, equipment, material, and supplies necessary for the development, maintenance, and operation of the joint property subject to the following limitations:

A. If material is moved to the joint property from vendor's or from the Operator's warehouse or other properties, no charge shall be made to the joint account for a distance greater than the distance from the nearest reliable supply store or railway receiving point where such material is available, except by special agreement with Non-Operator.

B. If tubular material is moved to Operator's warehouse or other storage point, no charge shall be made to the joint account for a distance greater than the distance from the nearest reliable supply store or railway receiving point, except by special agreement with Non-Operator. No charge shall be made to the joint account for moving material to other properties belonging to Operator, except by special agreement with Non-Operator.

6. Service

A. Outside Services:
The cost of contract services and utilities procured from outside sources.

B. Use of Operator's Equipment and Facilities:
Use of and service by Operator's exclusively owned equipment and facilities as provided in Paragraph 5 of Section III entitled "Operator's Exclusively Owned Facilities."

7. Damages and Losses to Joint Property and Equipment

All costs or expenses necessary to replace or repair damages or losses incurred by fire, flood, storm, theft, accident, or any other cause not controllable by Operator through the exercise of reasonable diligence. Operator shall furnish Non-Operator written notice of damages or losses incurred as soon as practicable after report of the same has been received by Operator.

8. Litigation Expense

All costs and expenses of litigation, or legal services otherwise necessary or expedient for the protection of the joint interests, including attorneys' fees and expenses as hereinafter provided, together with all judgments obtained against the parties or any of them on account of the joint operations under this agreement, and actual expenses incurred by any party or parties hereto in securing evidence for the purpose of defending against any action or claim prosecuted or urged against the joint account or the subject matter of this agreement.

A. If a majority of the interests hereunder shall so agree, actions or claims affecting the joint interests hereunder may be handled by the legal staff of one or more of the parties hereto; and a charge commensurate with cost of providing and furnishing such services rendered may be made against the joint account; but no such charge shall be made until approved by the legal departments of or attorneys for the respective parties hereto.

B. Fees and expenses of outside attorneys shall not be charged to the joint account unless authorized by the majority of the interests hereunder.

9. Taxes

All taxes of every kind and nature assessed or levied upon or in connection with the properties which are the subject of this agreement, the production therefrom or the operation thereof, and which taxes have been paid by the Operator for the benefit of the parties hereto.

10. Insurance and Claims

A. Premiums paid for insurance required to be carried for the benefit of the joint account, together with all expenditures incurred and paid in settlement of any and all losses, claims, damages, judgments, and other expenses, including legal services, not recovered from insurance carrier.

B. If no insurance is required to be carried, all actual expenditures incurred and paid by Operator in settlement of any and all losses, claims, damages, judgments, and any other expenses, including legal services, shall be charged to the joint account.

11. District and Camp Expense (Field Supervision and Camp Expense)

A pro rata portion of the salaries and expenses of Operator's production superintendent and other employees serving the joint property and other properties of the Operator in the same operating area, whose time is not allocated directly to the properties, and a pro rata portion of the cost of maintaining and operating a production office known as Operator's District Production office located at or near Hobbs, New Mexico (or a comparable office if location changed), and necessary suboffices (if any), maintained for the convenience of the above-described office, and all necessary camps, including housing facilities for employees if required, used in the conduct of the operations on the joint property and other properties operated in the same locality. The expense of, less any revenue from, these facilities should be inclusive of depreciation or a fair monthly rental in lieu of depreciation on the investment. Such charges shall be apportioned to all properties served on some equitable basis consistent with Operator's accounting practice.

One (1) drilling well equivalent to four (4) producing wells.

12. Administrative Overhead

Operator shall have the right to assess against the joint property covered hereby the following management and administrative overhead charges, which shall be in lieu of all expenses of all offices of the Operator not covered by Section II, Paragraph 11, above, including salaries and expenses of personnel assigned to such offices, except that salaries of geologists and other employees of Operator who are temporarily assigned to and directly serving on the joint property will be charged as provided in Section II, Paragraph 2, above. Salaries and expenses of other technical employees assigned to such offices will be considered as covered by overhead charges in this paragraph unless charges for such salaries and expenses are agreed upon between Operator and Non-Operator as a direct charge to the joint property.

WELL BASIS (Rate Per Well Per Month)

Well Depth	DRILLING WELL RATE	PRODUCING WELL RATE (Use Completion Depth)		
	Each Well	First Five	Next Five	All Wells Over Ten
Unitized Formation	$200.00	$50.00	$40.00	$30.00

A. Overhead charges for drilling wells shall begin on the date each well is spudded and terminate when it is on production or is plugged, as the case may be, except that no charge shall be made during the suspension of drilling operations for fifteen (15) or more consecutive days.

B. In connection with overhead charges, the status of wells shall be as follows:
(1) Injection wells for recovery operations, such as for repressure or water flood, shall be included in the overhead schedule the same as producing oil wells.
(2) Water supply wells utilized for water flooding operations shall be included in the overhead schedule the same as producing oil wells.
(3) Producing gas wells shall be included in the overhead schedule the same as producing oil wells.

(4) Wells permanently shut down but on which plugging operations are deferred shall be dropped from the overhead schedule at the time the shutdown is effected. When such wells are plugged, overhead shall be charged at the producing well rate during the time required for the plugging operation.

(5) Wells being plugged back, drilled deeper, or converted to a source or input well shall be included in the overhead schedule the same as drilling wells.

(6) Temporarily shut-down wells (other than by governmental regulatory body) which are not produced or worked upon for a period of a full calendar month shall not be included in the overhead schedule; however, wells shut in by governmental regulatory body shall be included in the overhead schedule only in the event the allowable production is transferred to other wells on the same property. In the event of a unit allowable, all wells capable of producing will be counted in determining the overhead charge.

(7) Wells completed in dual or multiple horizons shall be considered as two wells in the producing overhead schedule.

(8) Lease salt water disposal wells shall not be included in the overhead schedule unless such wells are used in a secondary recovery program on the joint property.

C. The above overhead schedule for producing wells shall be applied to the total number of wells operated under the Operating Agreement to which this accounting procedure is attached, irrespective of individual leases.

D. It is specifically understood that the above overhead rates apply only to drilling and producing operations and are not intended to cover the construction or operation of additional facilities such as, but not limited to, gasoline plants, compressor plants, repressuring projects, salt water disposal facilities, and similar installations. If at any time any or all of these become necessary to the operation, a separate agreement will be reached relative to an overhead charge and allocation of district expense.

E. The above specific overhead rates may be amended from time to time by agreement between Operator and Non-Operator if, in practice, they are found to be insufficient or excessive.

13. Operator's Fully Owned Warehouse Operating and Maintenance Expense

(Describe fully the agreed procedure to be followed by the Operator.)

No charge, either direct or indirect, will be made to the joint account for operating and maintenance expense of Operator's fully owned warehouse.

14. Other Expenditures

Any expenditure, other than expenditures which are covered and dealt with by the foregoing provisions of this Section II, incurred by the Operator for the necessary and proper development, maintenance, and operation of the joint property.

III. BASIS OF CHARGES TO JOINT ACCOUNT

1. Purchases

Material and equipment purchased and service procured shall be charged at price paid by Operator after deduction of all discounts actually received.

2. Material Furnished by Operator

Material required for operations shall be purchased for direct charge to joint account whenever practicable, except that Operator may furnish such material from Operator's stocks under the following conditions:

A. New Material (Condition "A")

(1) New material transferred from Operator's warehouse or other properties shall be priced f.o.b. the nearest reputable supply store or railway receiving point, where such material is available, at current replacement cost of the same kind of material. This will include material such as tanks, pumping units, sucker rods, engines, and other major equipment. Tubular goods, two-inch (2") and over, shall be priced on carload basis effective at date of transfer and f.o.b. railway receiving point nearest the joint account operation, regardless of quantity transferred.

(2) Other material shall be priced on basis of a reputable supply company's preferential price list effective at date of transfer and f.o.b. the store or railway receiving point nearest the joint account operation where such material is available.

(3) Cash discount shall not be allowed.

B. Used Material (Condition "B" and "C")

(1) Material which is in sound and serviceable condition and is suitable for reuse without reconditioning shall be classed as Condition "B" and priced at seventy-five per cent (75%) of new price.

(2) Material which cannot be classified as Condition "B" but which,

(a) After reconditioning will be further serviceable for original function as good secondhand material (Condition "B"), or

(b) Is serviceable for original function but substantially not suitable for reconditioning,

shall be classed as Condition "C" and priced at fifty per cent (50%) of new price.

(3) Material which cannot be classified as Condition "B" or Condition "C" shall be priced at a value commensurate with its use.

(4) Tanks, buildings, and other equipment involving erection costs shall be charged at applicable percentage of knocked-down new price.

3. Premium Prices

Whenever materials and equipment are not readily obtainable at the customary supply point and at prices specified in Paragraphs 1 and 2 of this Section III because of national emergencies, strikes or other unusual causes over which the Operator has no control, the Operator may charge the joint account for the required materials on the basis of the Operator's direct cost and expense incurred in procuring such materials, in making it suitable for use, and in moving it to the location, provided, however, that notice in writing is furnished to Non-Operator of the proposed charge prior to billing the Non-Operator for the material and/or equipment acquired pursuant to this provision, whereupon Non-Operator shall have the right, by so electing and notifying Operator within 10 days after receiving notice from the Operator, to furnish in kind, or in tonnage as the parties may agree, at the location, nearest railway receiving point, or Operator's storage point within a comparable distance, all or part of his share of material and/or equipment suitable for use and acceptable to the Operator. Transportation costs on any such material furnished by Non-Operator, at any point other than at the location, shall be borne by such Non-Operator. If, pursuant to the provisions of this paragraph, any Non-Operator furnishes material and/or equipment in kind, the Operator shall make appropriate credits therefor to the account of said Non-Operator.

4. Warranty of Material Furnished by Operator

Operator does not warrant the material furnished beyond or back of the dealer's or manufacturer's guaranty; and in case of defective material, credit shall not be passed until adjustment has been received by Operator from the manufacturers or their agents.

5. Operator's Exclusively Owned Facilities

The following rates shall apply to service rendered to the joint account by facilities owned exclusively by Operator:

A. Water, fuel, power, compressor and other auxiliary services at rates commensurate with cost of providing and furnishing such service to the joint account but not exceeding rates currently prevailing in the field where the joint property is located.

B. Automotive equipment at rates commensurate with cost of ownership and operation. Such rates should generally be in line with the schedule of rates adopted by the Petroleum Motor Transport Association, or some other recognized organization, as recommended uniform charges against joint account operations and revised from time to time. Automotive rates shall include cost of oil, gas, repairs, insurance, and other operating expense and depreciation; and charges shall be based on use in actual service on, or in connection with, the joint account operations. Truck and tractor rates may include wages and expenses of driver.

C. A fair rate shall be charged for the use of drilling and cleaning-out tools and any other items of Operator's fully owned machinery or equipment which shall be ample to cover maintenance, repairs, depreciation, and the service furnished the joint property; provided that such charges shall not exceed those currently prevailing in the field where the joint property is located. Pulling units shall be charged at hourly rates commensurate with the cost of ownership and operation, which shall include repairs and maintenance, operating supplies, insurance, depreciation, and taxes. Pulling unit rates may include wages and expenses of the operator.

D. A fair rate shall be charged for laboratory services performed by Operator for the benefit of the joint account, such as gas, water, core, and any other analyses and tests; provided such charges shall not exceed those currently prevailing if performed by outside service laboratories.

E. Whenever requested, Operator shall inform Non-Operator in advance of the rates it proposes to charge.

F. Rates shall be revised and adjusted from time to time when found to be either excessive or insufficient.

IV. DISPOSAL OF LEASE EQUIPMENT AND MATERIAL

The Operator shall be under no obligation to purchase interest of Non-Operator in surplus new or secondhand material. The disposition of major items of surplus material, such as derricks, tanks, engines, pumping units, and tubular goods, shall be subject to mutual determination by the parties hereto; provided Operator shall have the right to dispose of normal accumulations of junk and scrap material either by transfer or sale from the joint property.

1. Material Purchased by the Operator or Non-Operator

Material purchased by either the Operator or Non-Operator shall be credited by the Operator to the joint account for the month in which the material is removed by the purchaser.

2. Division in Kind

Division of material in kind, if made between Operator and Non-Operator, shall be in proportion to their respective interests in such material. Each party will thereupon be charged individually with the value of the material received or receivable by each party, and corresponding credits will be made by the Operator to the joint account. Such credits shall appear in the monthly statement of operations.

3. Sales to Outsiders

Sales to outsiders of material from the joint property shall be credited by Operator to the joint account at the net amount collected by Operator from vendee. Any claims by vendee for defective material or otherwise shall be charged back to the joint account if and when paid by Operator.

V. BASIS OF PRICING MATERIAL TRANSFERRED FROM JOINT ACCOUNT

Material purchased by either Operator or Non-Operator or divided in kind, unless otherwise agreed, shall be valued on the following basis:

1. New Price Defined

New price as used in the following paragraphs shall have the same meaning and application as that used above in Section III, "Basis of Charges to Joint Account."

2. New Material

New material (Condition "A"), being new material procured for the joint account but never used thereon, at one hundred per cent (100%) of current new price (plus sales tax if any).

3. Good Used Material

Good used material (Condition "B"), being used material in sound and serviceable condition, suitable for reuse without reconditioning:

A. At seventy-five per cent (75%) of current new price if material was charged to joint account as new, or

B. At sixty-five per cent (65%) of current new price if material was originally charged to the joint property as secondhand at seventy-five per cent (75%) of new price.

4. Other Used Material

Used material (Condition "C"), at fifty per cent (50%) of current new price, being used material which:

A. After reconditioning will be further serviceable for original function as good secondhand material (Condition "B"), or

B. Is serviceable for original function but substantially not suitable for reconditioning.

5. Bad-Order Material

Material and equipment (Condition "D"), which is no longer usable for its original purpose without excessive repair cost but is further usable for some other purpose, shall be priced on a basis comparable with that of items normally used for that purpose.

6. Junk

Junk (Condition "E"), being obsolete and scrap material, at prevailing prices.

7. Temporarily Used Material

When the use of material is temporary and its service to the joint account does not justify the reduction in price as provided in Paragraph 3 B, above, such material shall be priced on a basis that will leave a net charge to the joint account consistent with the value of the service rendered.

VI. INVENTORIES

1. Periodic Inventories, Notice and Representation

At reasonable intervals, inventories shall be taken by Operator of the joint account material, which shall include all such material as is ordinarily considered controllable by operators of oil and gas properties.

Written notice of intention to take inventory shall be given by Operator at least thirty (30) days before any inventory is to begin so that Non-Operator may be represented when any inventory is taken.

Failure of Non-Operator to be represented at an inventory shall bind Non-Operator to accept the inventory taken by Operator, who shall in that event furnish Non-Operator with a copy thereof.

2. Reconciliation and Adjustment of Inventories

Reconciliation of inventory with charges to the joint account shall be made by each party at interest, and a list of overages and shortages shall be jointly determined by Operator and Non-Operator.

Inventory adjustments shall be made by Operator with the joint account for overages and shortages, but Operator shall be held accountable to Non-Operator only for shortages due to lack of reasonable diligence.

3. Special Inventories

Special inventories may be taken, at the expense of the purchaser, whenever there is any sale or change of interest in the joint property; and it shall be the duty of the party selling to notify all other parties hereto as quickly as possible after the transfer of interest takes place. In such cases, both the seller and the purchaser shall be represented and shall be governed by the inventory so taken.