

AGREEMENT

This Agreement is entered into by the undersigned effective as of October 1, 2003 ("the Effective Date"). In consideration of the provisions of this Agreement, and in order to induce Devon Energy Production Company, L.P. ("Devon") to drill the well described below, the undersigned (whether one or more) agrees as follows:

1. Recitals. Reference is made to the following facts:

(a) The undersigned owns, or holds a mortgage lien on, an overriding royalty interest, oil and gas leasehold interest, working interest, or other interest, in oil, gas or other hydrocarbon substances that may be produced from a portion of the Morrow formation underlying the following land in Eddy County, New Mexico ("the Land"):

Township 23 South, Range 27 East, N.M.P.M.
Section 6: Lots 1 & 2, S2NE4, SE4

Any of said interests shall be referred to as an "Interest". The Morrow formation underlying the Land shall be referred to as "the Morrow formation".

(b) The ownership of Interests in the Morrow formation is not uniform. There are three distinct zones of uniform ownership in the Morrow formation (collectively "Zones", and individually a "Zone") as follows: from the top of the Morrow formation down to 11,761 feet subsurface ("Zone A"), from 11,761 feet subsurface down to 11,766 feet subsurface ("Zone B"), and from 11,766 feet subsurface down to the base of the Morrow formation ("Zone C"). The ownership of Interests in each Zone is different from the ownership of Interests in the other Zones.

(c) Devon, as operator, desires to drill a well on the Land in search of oil, gas or other hydrocarbon substances to be produced from the Morrow formation. However, due to the fact that the ownership of Interests in the Morrow formation is not uniform, and due to the fact that any well completed in the Morrow formation may produce from more than one Zone, Devon is unwilling to drill such a well unless all of the owners of Interests in the Morrow formation agree to share production from anywhere in the Morrow formation on an equitable basis.

(d) It is anticipated that the top of the Morrow formation will be found at a depth of 11,366 feet subsurface, and that the bottom of the Morrow formation will be found at a depth of 11,883 feet subsurface. Based upon these assumptions, Zone A is 395 feet thick, Zone B is 5 feet thick, Zone C is 117 feet thick, and the Morrow formation is 517 feet thick.

(e) The ownership of Interests in Lots 1 & 2 and the S2NE4 of said Section 6 is different from the ownership of Interests in the SE4 of said Section 6. Lots 1 & 2 and the S2NE4 of said Section 6 contain 159.49 acres, and the SE4 of said Section 6 contains 160 acres.

2. Sharing of Production from the Morrow Formation. The undersigned agrees that Zone A comprises 76.402321% (395/517) of the Morrow formation, Zone B comprises 0.967118% (5/517) of the Morrow formation, and Zone C comprises 22.630561% (117/517) of the Morrow formation. The undersigned further agrees that all oil, gas and other hydrocarbon substances produced from the Morrow formation shall be allocated to the Zones in the following manner, regardless of which Zone or Zones such substances may be produced from:

Zone A 0.76402321
Zone B 0.00967118
Zone C 0.22630561

OIL CONSERVATION DIVISION

CASE NUMBER 13132 (Reopened)
EXHIBIT NUMBER A

Subject to the additional allocation set forth below in Paragraph 3, the production allocated to a Zone shall be shared by the owners of Interests in that Zone in accordance with their respective Interests in that Zone.

3. Pooling. The undersigned agrees that Devon may pool the Interests in Lots 1 & 2 and the S2NE4 of said Section 6 with the Interests in the SE4 of said Section 6 in order to form a well spacing and proration unit in accordance with the rules of the New Mexico Oil Conservation Division, for the purpose of producing oil, gas and other hydrocarbon substances from the Morrow formation. The undersigned further agrees that all oil, gas and other hydrocarbon substances produced from the Morrow formation shall be allocated to the following tracts in the following manner, regardless of which tract such substances may be produced from:

Lots 1 & 2, S2NE4 0.4992
SE4 0.5008

Subject to the additional allocation set forth above in Paragraph 2, the production allocated to each such tract shall be shared by the owners of Interests in that tract in accordance with their respective Interests in that tract.

4. Operating Agreement. With respect to Interests which are working interests in the Morrow formation, the provisions of this Agreement shall be subject to the provisions of any operating agreement among the owners of such working interests. In the event of any difference or inconsistency between the provisions of this Agreement and the provisions of any such operating agreement, the provisions of such operating agreement shall control.

5. No Obligation to Drill Well. Devon shall have no obligation to drill the well described above in Paragraph 1(c) or any other well. However, if Devon does not commence operations for the drilling of a well on the Land within 1 year from the Effective Date, this Agreement shall automatically terminate and be of no further force or effect.

6. Counterparts. For convenience, this Agreement may be executed in separate or multiple counterparts by the various owners of Interests in the Morrow formation, and the holders of mortgage liens covering any such Interests. However, this Agreement shall not be effective unless and until all owners of Interests in the Morrow formation (other than lessors' royalty), and all holders of mortgage liens covering any such Interests, have executed a counterpart of this Agreement.

7. Successors and Assigns. The provisions of this Agreement shall run with the land, and shall be binding upon, and shall inure to the benefit of, the undersigned and the heirs, devisees, successors and assigns of the undersigned.

8. New Mexico Law. The provisions of this Agreement shall be governed by, and shall be construed, interpreted and enforced in accordance with, the laws of the State of New Mexico.

9. Amendment. This Agreement may be amended or modified only by a writing (or by counterparts of a writing) signed by all owners of Interests in the Morrow formation (other than lessors' royalty), and all holders of mortgage liens covering any such Interests.

EXECUTED this _____ day of _____, 2003, but effective as of the date first above written.

Mobil Producing Texas & New Mexico Inc.

Magnum Hunter Production, Inc.

By: _____

C. T. Howell

Agent and Attorney In Fact

By: _____

Devon Energy Production Company, L.P.

Richard D. Steed, Executor of the
Estate of S.D. Steed, deceased.

By: D.D. DeCarlo

D.D. DeCarlo
Vice President

By: _____

Wallace H. Scott, Jr

Wainoco Oil & Gas Company

By: _____

By: _____

Citation 1987-II Investment Limited Partnership

By: _____

STATE OF OKLAHOMA)
) SS
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me this 21st day of October, 2003, by D. D. DeCarlo, Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the partnership.

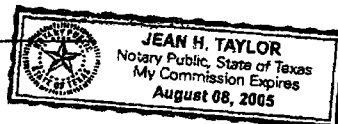


Margaret A. Blair
Notary Public

STATE OF Texas)
) SS
COUNTY OF Harri)

The foregoing instrument was acknowledged before me this 11th day of November, 2003, by C. T. Howell, President of a New Jersey Corporation on behalf of said corporation. agent & attorney in fact

My Commission Expires:



Jean H. Taylor
Notary Public

Devon Energy Production Company, L.P.

Richard D. Steed, Executor of the
Estate of S.D. Steed, deceased.

By: _____

D.D. DeCarlo
Vice President

By: _____

Wallace H. Scott, Jr

Wainoco Oil & Gas Company

By: _____

Citation 1987-II Investment Limited Partnership

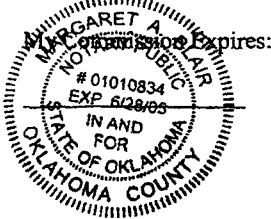
By: _____

STATE OF OKLAHOMA)

) SS

COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me this 21st day of October, 2003, by D. D. DeCarlo, Vice President of Devon Energy Production Company, L.P., an Oklahoma limited partnership, on behalf of the partnership.



Margaret A. Blair
Notary Public

STATE OF)

) SS

COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 2003, by _____, _____ President of _____, on behalf of said corporation.

My Commission Expires:

Notary Public

STATE OF TEXAS)
) SS
COUNTY OF TRAVIS)

The foregoing instrument was acknowledged before me this 23rd day of October, 2003, by Wallace H. Scott, Jr., an individual.

My Commission Expires:



Notary Public

Linda Gorzycki

STATE OF)
) SS
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____, 2003, by _____ of _____, an _____ partnership, on behalf of the partnership.

My Commission Expires:

Notary Public

Devon Energy Production Company, L.P.

By: [Signature]
D.D. DeCarlo
Vice President

Richard D. Steed, Executor of the
Estate of S.D. Steed, deceased.

By: [Signature]
Richard D. Steed, Executor

Wallace H. Scott, Jr

Wainoco Oil & Gas Company

By: _____

By: _____

Citation 1987-II Investment Limited Partnership

By: _____

STATE OF OKLAHOMA)
) SS
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me this 21st day of October, 2003, by D. D. DeCarlo, Vice President of Devon Energy Production Company, an Oklahoma limited partnership, on behalf of the partnership.



[Signature]
Margaret A. Blaw
Notary Public

STATE OF)
) SS
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____, 2003, by _____, _____ President of _____, on behalf of said corporation.

My Commission Expires:

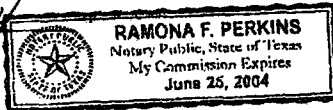
Notary Public

STATE OF Texas)
COUNTY OF Tarrant) SS

The foregoing instrument was acknowledged before me this 29th day of October, 2003, by Richard D. Sted, an individual.

My Commission Expires:

6-25-04



Ramona Perkins
Notary Public

STATE OF _____)
COUNTY OF _____) SS

The foregoing instrument was acknowledged before me this _____ day of _____, 2003, by _____, _____ of _____, an _____ partnership, on behalf of the partnership.

My Commission Expires:

Notary Public