A.A.P.L. FORM 610 - 1989

MODEL FORM OPERATING AGREEMENT

OPERATING AGREEMENT

DATED

October 28 . 2013 .		
OPERATOR Chevron MidContinent, LP		
CONTRACT AREA Section 17. Township 24 South, Range 34 East, NMPM		•
COUNTY OR PARISH OF Lea , STATE OF New Mexico	Formatted: Strikethrough	

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A A P.L. NO 610 - 1989

Submitted by: CHEVRON U.S.A. INC
Case No. 15,058

Hearing Date: October 31, 2013

EXHIBIT "A"

Attached to and made a part of that certain Joint Operating Agreement dated October 28, 2013 by and among Chevron Midcontinent, LP, as Operator, and Regeneration Energy Corp. and The Allar Company, as Non-Operators.

I. CONTRACT AREA

• All of Section 17, T24S, R34E, Lea County, New Mexico

II. NAME, WORKING INTEREST PERCENTAGES, AND ADDRESSES OF THE PARTIES FOR NOTICE PURPOSES

- Chevron Midcontinent, LP = 75% Working Interest
 - o 1400 Smith Street, Houston, Texas 77002
- The Allar Company = 12.50% Working Interest
 - o PO Box 1567, Graham, Texas 76450
- Regeneration Energy, Corp. = 12.50% Working Interest
 - o PO Box 210, Artesia, NM 88211-0210

III. OIL AND GAS LEASE SUBJECT TO AGREEMENT

- Federal Lease Number NM113418
- Lease Date March 1, 2005
- Lessor United States of America
- Lessee The Allar Company