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RECEIVED
OCT 4 2005
OIL CONSERVATION
DIVISION

September 14, 2005

Attention: Armando A. Lopez
Bureau of Land Management
2909 West Second Street
Roswell, NM 88201

Attention: Pete Martinez
Commissioner of Public Lands
Oil, Gas and Mineral Division
New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148

Attention: Roy Johnson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87503

Re: Revision of the Summary of Ownership of the
Cat Head Mesa Unit Area, Socorro County

Gentlemen:

Enclosed is a copy of the August 1, 2005 Third Revision of Exhibit B,
Schedule of Ownership of the Cat Head Mesa Unit Area, Socorro County,
BLM No. NMNM 106852X corrected to show that the expiration date of
Tract No. 15, Lease No. NM 97648 is 9-30-06 not 9-30-05 as was incorrectly
shown on the copy that I mailed to you September 6, 2005.

Very truly yours,

Primero Operating, Inc.

By: Ben Donegan
Ben Donegan, Agent

BD/mn
Encl.

EXHIBIT B

SCHEDULE OF OWNERSHIP
CAT HEAD MESA UNIT AGREEMENT
Socorro County, New Mexico

Tract No.	Description	Acres	Lease No. and Expiration Date	Basic Royalty	Lessee of Record	Overriding Royalty	Working Interest
<u>FEDERAL LANDS</u>							
1	T. 4 S., R. 8 E. Sec. 3: Lots 1-4, S2, S2N2 (All) Sec. 10: All Sec. 11: All Sec. 14: S2N2, S2	2,400.76	NM 91532 8-31-03	12.5%	*	**5.075892%	***
2	T. 4 S., R. 8 E. Sec. 12: All Sec. 13: All Sec. 23: E2 Sec. 24: All	2,240.00	NM 91533 8-31-03	12.5%	*	**5.075892%	***
3	T. 4 S., R. 9 E. Sec. 4: Lots 1-4, S2, S2N2 (All) Sec. 5: Lots 1-4, S2, S2N2 (All) Sec. 8: N2, W2SW, S2SE Sec. 9: All	2,406.76	NM 91534 8-31-03	12.5%	*	**5.075892%	***
4	T. 4 S., R. 9 E. Sec. 6: Lots 1-7, S2NE, SENW, SE, E2SW (All) Sec. 7: Lots 1-4, E2, E2W2 (All) Sec. 17: E2, W2W2 Sec. 18: Lots 1-4, E2, E2W2 (All)	2,388.27	NM 91535 8-31-03	12.5%	*	**5.075892%	***
5	T. 4 S., R. 9 E. Sec. 10: All Sec. 13: W2, W2SE Sec. 14: All Sec. 15: All	2,320.00	NM 91536 8-31-03	12.5%	*	**5.075892%	***

Cat Head Mesa Unit

Tract No.	Description	Acres	Lease No. and Expiration Date	Basic Royalty	Lessee of Record	Overriding Royalty	Working Interest
6	T. 4 S., R. 9 E. Sec. 19: Lots 1-4, E2, E2W2, (All) Sec. 20: N2NE, W2NW, S2 Sec. 21: All Sec. 22: All	2,395.88	NM 91537 8-31-03	12.5%	*	**5.075892%	***
7	T. 4 S., R. 9 E. Sec. 23: All Sec. 24: W2E2, W2, SESE Sec. 25: All Sec. 26: All	2,440.00	NM 91538 8-31-03	12.5%	*	**5.075892%	***
8	T. 4 S., R. 9 E. Sec. 27: All Sec. 33: All Sec. 34: N2, N2S2, S2SW Sec. 35: All	2,480.00	NM 91539 8-31-03	12.5%	*	**5.075892%	***
9	T. 4 S., R. 9 E. Sec. 28: All Sec. 29: All Sec. 30: Lots 1-4, E2, E2W2 (All) Sec. 31: Lots 1-4, E2, E2W2 (All)	2,551.84	NM 91540 8-31-03	12.5%	*	**5.075892%	***
10	T. 3 S., R. 9 E. Sec. 31: Lots 1-4, E2, E2W2 (All) T. 4 S., R. 9 E. Sec. 3: Lots 1-4, S2N2, N2S2 Sec. 11: All	1,756.28	NM 91587 9-30-03	12.5%	*	**5.075892%	***
11	T. 3 S., R. 8 E. Sec. 35: S2	320.00	NM 93025 3-31-04	12.5%	*	**5.075892%	***
12	T. 3 S., T. 9 E. Sec. 33: S2	320.00	NM 93026 4-30-04	12.5%	*	**5.075892%	***
13	T. 4 S., R. 8 E. Sec. 15: S2NE, SE	240.00	NM 93028 4-30-04	12.5%	*	**5.075892%	***

Cat Head Mesa Unit

<u>Tract No.</u>	<u>Description</u>	<u>Acres</u>	<u>Lease No. and Expiration Date</u>	<u>Basic Royalty</u>	<u>Lessee of Record</u>	<u>Overriding Royalty</u>	<u>Working Interest</u>
14	<u>T. 4 S., R. 9 E.</u> Sec. 12: W2	320.00	NM 93029 3-31-04	12.5%	*	**5.075892%	***
15	<u>T. 5 S., R. 9 E.</u> Sec. 3: S2, S2NW Sec. 4: SE, S2NE Sec. 9: E2 Sec. 10: All Sec. 11: N2	1,920.00	NM 97648 9-30-06	12.5%	*	**5.075892%	***
<u>STATE LANDS</u>							
16	<u>T. 3 S., R. 8 E.</u> Sec. 36: S2	320.00	LH 4434 6-1-03	12.5%	*	**5.075892%	***
17	<u>T. 3 S., R. 9 E.</u> Sec. 32: S2	320.00	LH 4437 6-1-03	12.5%	*	**5.075892%	***
18	<u>T. 4 S., R. 8 E.</u> Sec. 1: Lots 1-4, S2, S2N2 (All)	640.24	LH 4439 6-1-03	12.5%	*	**5.075892%	***
19	<u>T. 4 S., R. 8 E.</u> Sec. 2: Lots 1-4, S2, S2N2 (All)	640.52	LH 4440 6-1-03	12.5%	*	**5.075892%	***
20	<u>T. 4 S., R. 8 E.</u> Sec. 25: All	640.00	LH 4442 6-1-03	12.5%	*	**5.075892%	***
21	<u>T. 4 S., R. 8 E.</u> Sec. 36: E2	320.00	LH 4446 6-1-03	12.5%	*	**5.075892%	***
22	<u>T. 4 S., R. 9 E.</u> Sec. 2: Lots 1-4, S2, S2N2 (All)	640.60	LH 4447 6-1-03	12.5%	*	**5.075892%	***
23	<u>T. 4 S., R. 9 E.</u> Sec. 16: All	640.00	LH 4448 6-1-03	12.5%	*	**5.075892%	***
24	<u>T. 4 S., R. 9 E.</u> Sec. 17: E2W2	160.00	LH 4449 6-1-03	12.5%	*	**5.075892%	***

Tract No.	Description	Acres	Lease No. and Expiration Date	Basic Royalty	Lessee of Record	Overriding Royalty	Working Interest
25	T. 4 S., R. 9 E. Sec. 32: All	640.00	LH 4450 6-1-03	12.5%	*	**5.075892%	***
26	T. 4 S., R. 9 E. Sec. 34: S2SE	80.00	LH 4451 6-1-03	12.5%	*	**5.075892%	***
27	T. 4 S., R. 9 E. Sec. 36: All	640.00	LH 4552 6-1-03	12.5%	*	**5.075892%	***
28	T. 5 S., R. 8 E. Sec. 1: Lots 1,2, SE, S2NE	283.42	LH 4453 6-1-03	12.5%	*	**5.075892%	***
29	T. 5 S., R. 9 E. Sec. 2: Lots 1-4, S2, S2N2 (All)	567.60	LH 4460 6-1-03	12.5%	*	**5.075892%	***
<u>PATENTED LANDS</u>							
30	T. 4 S., R. 8 E. Sec. 14: N2N2 Sec. 15: N2NE T. 5 S., R. 9 E. Sec. 3: Lots 1-4, S2NE Sec. 4: Lots 1-4, S2NW, SW Sec. 5: Lots 1-4, S2, S2N2 (All) Sec. 6: Lots 1-7, SENW, E2SW, S2NE, SE (All) Sec. 7: Lots 1-4, E2, E2W2 (All) Sec. 8: All Sec. 9: W2	3,466.87	Harvey Mineral Trust 10-16-05	12.5%	*	**5.075892%	***
31	T. 4 S., R. 9 E. Sec. 3: S2S2 Sec. 8: N2SE, E2SW Sec. 13: E2E2, W2NE Sec. 20: S2NE, E2NW Sec. 24: E2NE, NESE	840.00	11-20-05	****12.5%	*	**5.075892%	***

*The Lessee of Record of all 31 Tracts in the unit area is Inter-American Corporation.

**Ownership of the 5.075892% overriding royalty interest of all 31 Tracts in the unit area is as follows:

Bowerman Energy Company	0.065965	JHJ Exploration, Ltd.	0.671306
Bright & Company	0.060908	JMA Exploration, Ltd.	0.070963
Ben and Ruby Donegan	0.750000	MJR Investment Corporation	0.064851
E. S. Mayer & Sons, Ltd.	0.070963	Stephen D. & Nancy J. Nolan	0.250000
Frizzell Exploration Company II	0.895076	Saxon Oil Company	0.047314
Robert D. and Frances E. Gunn	0.671306	The Rudman Partnership	0.156120
Nelson Bunker Hunt	0.250000	The Rudman Partnership	0.075892+
Integras Resources, Inc.	0.250000	Tejon Exploration Company	0.070963
Jacobs Exploration, Ltd.	0.171510	Tucker-Scully Interests, Ltd.	0.223769
		Warren, Inc.	0.258986

+The Rudman Partnership 0.075892% overriding royalty interest is payable out of the Benson-Montin-Greer Drilling Corporation (0.008483%), CO2 Norway AS. (0.000689%), David L. Coleman (0.000689%), Element Markets, Inc. (0.000689%), GHG Partners, LLC (0.002069%), Max Alan Hale (0.000690%), Inter-American Corporation (0.012634%), MJR Investment Corporation (0.011847%), Paisano Partners LP. (0.001401%), Reliant Processing, Ltd. (0.005923%), Slash Four Enterprises, Inc. (0.001402%), Tejon Exploration Company (0.021818%) and Warren, Inc. (0.007558%) working interests.

***Ownership of the 100.0% working interest of all 31 Tracts in the unit area is as follows:

Benson-Montin-Greer Drilling Corporation	11.177673
CO2 Norway AS.	1.000000
David L. Coleman	1.000000
Element Markets, Inc.	1.000000
Bill Fenn	5.187037
GHG Partners, LLC.	3.000000
Max Alan Hale	1.000000
Inter-American Corporation	18.321925
JMA Oil Properties, Ltd.	2.515268
MJR Investment Corporation	10.000000
Paisano Partners LP.	1.846756
Reliant Processing, Ltd.	5.000000
Slash Four Enterprises, Inc.	1.846756
Tejon Exploration Company	27.104585
Warren, Inc.	10.000000

****The per cent ownership of the 12.5% Basic Royalty of Tract No. 31 is as follows:

Knollene Lovelace McDaniel	17.240830
Roe Lovelace	25.000002
Judith Ann Lovelace	4.740834
Carole Lynn Lovelace Hutchison	1.580278
Noel Holt Lovelace	1.580278
Dru Wynn Lovelace King	1.580278
Joan Collinson Deming	15.518335
Jean Collinson Suggs	15.518335
Carl L. Johnson	8.620415
Gary M. Lovelace	8.620415

SUMMARY

	<u>Acres</u>	<u>Per Cent of Unit Area</u>
Federal Lands	26,499.79	70.97
State Lands	6,532.38	17.50
Patented Lands	4,306.87	11.53
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Totals	37,339.04	100.00