



August 29, 2007

To: Working Interest Owners

Re: Proposed Quail Queen Unit  
Covering well interests (840 acres) in parts of  
Sections 11, 13 & 14, T19S-R34E  
Lea County, New Mexico

Dear Working Interest Owner:

Chesapeake Exploration, L.L.C., (Chesapeake) is the operator of a majority of the active leases in the Quail Field in Lea County, New Mexico. As an experienced waterflood operator, currently operating 11 waterflood units in five states, including four in New Mexico, Chesapeake is proposing the formation of the Quail Queen Unit for implementing a secondary recovery project, with Chesapeake as operator.

Acreage in which you have a working interest is located within the proposed unit boundary. The Unit Agreement and Unit Operating Agreement are enclosed for your perusal and notification. Exhibit A of the Unit Agreement reflects a map, outlining the unit boundary, along with the proposed tracts. Exhibit B, identifies your working interest in each tract. Exhibit C lists the tract participations. Exhibit D of the Unit Operating Agreement lists your interest in the proposed unit. All interests are subject to title verification.

It is Chesapeake's proposal to waterflood the Queen "B" & "C" Formation the proposed unitized interval being 5,033' - 5,394'.

Chesapeake anticipates the unit to perform similarly to nearby analogous waterfloods in the area with a secondary-to-primary ratio of .9 to 1. Should performance prove that expectation reasonable, the proposed unit may produce an additional seven hundred thousand (700,000) barrels of secondary oil.

Total development costs required to complete secondary operations are estimated to be \$5,000,000.

A successful waterflood injection program requires the cooperation and approval of the various working interest owners. We urge you to review the enclosed information and, if you have any questions concerning the implementation and development of this unit, contact Greg Adams, Senior Reservoir Engineer, in Oklahoma City, (405) 767-4398.

Chesapeake has put together an aggressive schedule for unitization. Plans are to make Application to the New Mexico Oil Conservation Division in September, 2007 with a hearing set for October, 2007 asking for a unit effective date of December 1, 2007. Please sign and return the extra pages of the following in the self-addressed envelope as soon as possible.

- Signature page to both Unit Agreement and Unit Operating Agreement (Ratification and Joinder of Unit Agreement and Unit Operating Agreement) Please execute four copies and acknowledge.
- Election Ballot - Indicate your election choice, sign and return 1 copy.

Chesapeake actively pursues opportunities to increase our reserve base through the acquisition of oil and gas properties. Should you wish to sell or exchange your interest in the captioned property or other properties, please contact the undersigned at Chesapeake Exploration, L.L.C., P.O. Box 18496, Oklahoma City, OK 73154-0496, (405) 810-2727.

Best Regards,

Chesapeake Exploration, L.L.C.,

Terry Frohnapfel, CPL  
Sr. Landman

Enclosures: Unit Agreement with Attachments  
Unit Operating Agreement with Attachments  
Ratification Signature Page (Please return 4 copies)  
Election Ballot  
Feasibility Study

Quail Queen Unit  
Vote Tabulation

**Votes / Working Interest Owners**

Number	Percent	
17	100.0	Total working interest owners in proposed unit.
12	<b>95.8</b>	Voting percentage of working interest owners approving the Unit Agreement / Unit Operating Agreement.
5	4.2	Did not respond.

**Votes / Mineral Interest Owners**

Number	Percent	
1	100.0	Total mineral interest owners in proposed unit.
1	<b>100.0</b>	Voting percentage of mineral interest owners granting preliminary approval.

**Overriding Royalty Interest Owners**

Number	Percent	
8	100.0	Total overriding interest owners in proposed unit.
2	4.6	Total number with an approval response.
6	95.4	Did not respond.

(Notice was sent, although Overriding Royalty Interest Owners do not have a voting percentage)

# Exhibit "D"

## QUAIL QUEEN UNIT WIO Unit Participation BASED ON TPF'S

Tracts Unit Participation Fraction Working Interest Owner	Total of All Tract's TPF 1.0000	
	UNIT WI	UNIT NRI
Chesapeake Exploration LP	0.88926063	0.70642158
Roy G. & Opal Barton Revocable Trust, Roy G. Barton Jr., aka George Barton Trust	0.00321336	0.00250642
Pintail Production Company, Inc.	0.02570688	0.02005137
New Mexico Western Mineral, Inc.	0.00642672	0.00501284
Read & Stevens, Inc.	0.00694732	0.00542611
Joe M. & Nancy Wigley	0.00022952	0.00017903
Randall R. Fort	0.00011476	0.00008951
Tommy L. Fort	0.00011476	0.00008951
William D. Bradshaw	0.00022952	0.00017903
CLM Production Company	0.00022952	0.00017903
Patricia L. Pruitt	0.00022952	0.00017903
Laura K. Read	0.00022952	0.00017903
Pride Energy Company	0.01426171	0.01188476
First Century Oil Inc.	0.00365079	0.00285275
Fisco Inc.	0.00365079	0.00285275
Gene A. Snow Operating	0.00182572	0.00142683
All Tex Royalty Ltd	0.04367894	0.03275921
	1.00000000	0.79226879

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

In consideration of the execution of the Unit Agreement for the development and operation of the Quail Queen Waterflood Unit Area, County of Lea, State of New Mexico, dated August 1, 2007, in form approved by the Bureau of Land Management and Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement, if the undersigned is a working interest owner, as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests and royalties within the said unit presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 29<sup>th</sup> day of August 2007.

WITNESS:

Chesapeake Exploration, L.L.C., an  
Oklahoma limited liability company

By: Henry J. Hood  
Title: Senior Vice President-Land and  
Legal & General Counsel

Address: Chesapeake Exploration, L.L.C.,  
P O Box 18496  
Oklahoma City, OK 73154-0896

STATE OF Oklahoma

COUNTY OF Oklahoma

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of August, 2007, by (name) Henry J. Hood,  
(office or capacity) Sr. V.P. Land and Legal, of (name of company) Chesapeake Exploration, L.L.C.

WITNESS my hand and official seal.

Notary Public

My Commission expires: 11/01/09



**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 10th day of Sept 2007.

WITNESS:

Roy G. Barton Jr  
Roy G. Barton Jr Trustee By: Opal Barton  
Title: \_\_\_\_\_

Address: Roy G. Barton & Opal Barton REV. TRUST  
1919 N. Turner Street  
Hobbs, NM 88240-2712

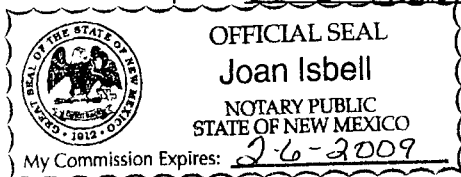
STATE OF New Mexico  
COUNTY OF Lea

The foregoing instrument was acknowledged before me this 10th day of SEPT., 2007, by (name) Roy G. Barton Jr.,  
(office or capacity) Trustee, of (name of company) \_\_\_\_\_.

WITNESS my hand and official seal.

Joan Isbell  
Notary Public

My Commission expires: 2-6-2009



**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 14th day of September 2007.

WITNESS:

New Mexico Western Minerals, Inc.

*Robert H. Bean*  
Sec / Treas

*Doralea S. Bean*  
By: Doralea S. Bean  
Title: President

Address: New Mexico Western Minerals, Inc.  
P. O. Box 1738  
Roswell, NM 88202-1738

STATE OF NEW MEXICO

COUNTY OF CHAVES

The foregoing instrument was acknowledged before me this 14th day of September, 2007, by (name) Doralea S. Bean,  
(office or capacity) President, of (name of company) New Mexico Western Minerals, Inc.

WITNESS my hand and official seal.

*Linda D. Johnson*  
Notary Public

My Commission expires: Sept. 1, 2008

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 21 day of September 2007.

WITNESS:

Read & Stevens, Inc.,

[Signature]

By: [Signature]  
Title: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Address: Read & Stevens, Inc.,  
P O Box 1518  
Roswell, NM 88202

STATE OF New Mexico

COUNTY OF Chaves

The foregoing instrument was acknowledged before me this 21st day of September, 2007, by (name) John C. Maxey,  
(office or capacity) President, of (name of company) Read & Stevens, Inc.

WITNESS my hand and official seal.

[Signature]  
Notary Public

My Commission expires: 6/13/2008



**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

*as Read Stevens, Inc. & be on the same terms & conditions*  
EXECUTED this 5<sup>th</sup> day of Oct 2007.

WITNESS:

Joe M. Wigley  
Joe M. Wigley

Nancy Wigley  
By: Nancy Wigley  
Title: [REDACTED]

Address: Joe M. & Nancy Wigley  
1502 N. Missouri  
Roswell, NM 88201

STATE OF

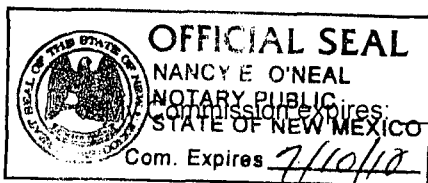
New Mexico

COUNTY OF

Chaves

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of October, 2007, by (name) Joe & Nancy Wigley  
(office or capacity) N/A, of (name of company) N/A

WITNESS my hand and official seal.



Nancy E. O'Neal  
Notary Public

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

In consideration of the execution of the Unit Agreement for the development and operation of the Quail Queen Waterflood Unit Area, County of Lea, State of New Mexico, dated August 1, 2007, in form approved by the Bureau of Land Management and Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement, if the undersigned is a working interest owner, as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 21<sup>st</sup> day of September 2007.

WITNESS:

*Marathy Pamer*

*Randall R. Fort*  
By: Randall R. Fort  
Title:

Address:

Randall R. Fort  
P O Box 13693  
Albuquerque, NM 87192

STATE OF New Mexico

COUNTY OF Santa Fe

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of September, 2007, by (name) RANDALL R. FORT  
(office or capacity) \_\_\_\_\_, of (name of company) \_\_\_\_\_.

WITNESS my hand and official seal.

*Marathy Pamer*  
Notary Public

My Commission expires: 6/22/08

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 25<sup>th</sup> day of September 2007.

WITNESS:

Tommy L. Fort

Jennifer A. Sugier Tommy L. Fort  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:

Tommy L. Fort  
P O Box 5356  
Midland, TX 79704-5356

STATE OF Texas

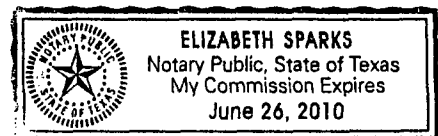
COUNTY OF Midland

The foregoing instrument was acknowledged before me this 25<sup>th</sup> day of September, 2007, by (name) Tommy Fort  
(office or capacity) \_\_\_\_\_, of (name of company) \_\_\_\_\_

WITNESS my hand and official seal.

Elizabeth Sparks  
Notary Public

My Commission expires: June 26, 2010



**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

In consideration of the execution of the Unit Agreement for the development and operation of the Quail Queen Waterflood Unit Area, County of Lea, State of New Mexico, dated August 1, 2007, in form approved by the Bureau of Land Management and Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement, if the undersigned is a working interest owner, as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 13 day of October 2007.

WITNESS:

CLM Production

Joel L Mapey  
VP  
By: [Signature]  
Title: President  
Owner # [Redacted]

Address:

CLM Production  
P O Box 881  
Roswell, NM 88201

STATE OF New Mexico

COUNTY OF Chaves

The foregoing instrument was acknowledged before me this, 13<sup>th</sup> day of October, 2007, by (name) John C. Mapey, (office or capacity) President, of (name of company) CLM Production.

WITNESS my hand and official seal.

[Signature]  
Notary Public

My Commission expires: 1-31-2008

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

In consideration of the execution of the Unit Agreement for the development and operation of the Quail Queen Waterflood Unit Area, County of Lea, State of New Mexico, dated August 1, 2007, in form approved by the Bureau of Land Management and Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement, if the undersigned is a working interest owner, as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 11<sup>th</sup> day of September 2007.

WITNESS:

*R. Watson*

*Laura K. Read*

By: Laura K. Read  
Title:

[REDACTED]

Address: Laura K. Read  
P O Box 1518  
Roswell, NM 88202-1518

STATE OF New Mexico

COUNTY OF Chaves

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of September, 2007, by (name) Laura K. Read,  
(office or capacity) \_\_\_\_\_, of (name of company) \_\_\_\_\_.

WITNESS my hand and official seal.

*Judy Sedillo*  
Notary Public

My Commission expires: 6/13/2008

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

In consideration of the execution of the Unit Agreement for the development and operation of the Quail Queen Waterflood Unit Area, County of Lea, State of New Mexico, dated August 1, 2007, in form approved by the Bureau of Land Management and Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement, if the undersigned is a working interest owner, as though the undersigned had executed the original instrument.

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 11<sup>th</sup> day of September 2007.

WITNESS:

First Century Oil, Inc.,

By: [Signature]

[Signature]

By:  
Title:

[Redacted]

[Redacted]

Address:

First Century Oil, Inc.,  
P O Box 1518  
Roswell, NM 88201

STATE OF New Mexico

COUNTY OF Chaves

The foregoing instrument was acknowledged before me this 11th day of September, 2007, by (name) Charles B. Read,  
(office or capacity) President, of (name of company) First Century Oil, Inc.

WITNESS my hand and official seal.

[Signature]  
Notary Public

My Commission expires: 6/13/2008

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
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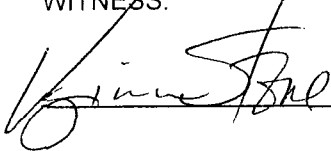
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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 19 day of Sept 2007.

WITNESS:

Fisco, Inc.



By: Norman L. Stevens, Jr.  
Title: President

Address:

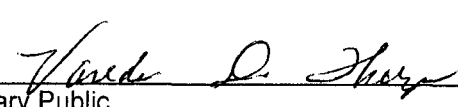
Fisco, Inc.  
P O Box 3087  
Roswell, NM 88202

STATE OF New Mexico

COUNTY OF Chaves

The foregoing instrument was acknowledged before me this 19th day of Sept, 2007, by (name) Norman L. Stevens, Jr., (office or capacity) President, of (name of company) FISCO Inc.

WITNESS my hand and official seal.

  
Notary Public

My Commission expires: 4-19-08

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

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This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 20 day of Sept 2007.

WITNESS:

Jerry Blenese

All-Tex Royalty Ltd, Steger Mgmt, LLC  
General Partner

By: Stephen R. Henson, Pres.  
Title: \_\_\_\_\_

Address: All-Tex Royalty Ltd  
P O Box 1888  
Gilmer, TX 75644

STATE OF Tx

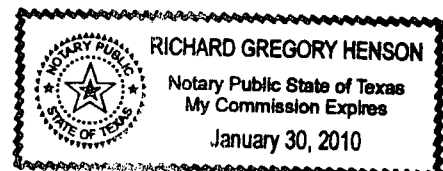
COUNTY OF Upshur

The foregoing instrument was acknowledged before me this 20 day of Sept., 2007, by (name) Stephen R. Henson,  
(office or capacity) Pres., of (name of company) Steger Mgmt LLC.

WITNESS my hand and official seal.

Richard G. Henson  
Notary Public

My Commission expires: \_\_\_\_\_





# Exhibit "D"

## QUAIL QUEEN UNIT ROYALTY Unit Participation BASED ON TPF'S

Total of	
All Tract's TPF	
1.0000	
Tracts Unit Participation Fraction	
Royalty Interest Owner	RI TPF(RI)
State of New Mexico	0.12559424
<b>TOTAL</b>	<b>0.12559424</b>



PATRICK H. LYONS  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

September 27, 2007

Holland & Hart LLP  
P. O. Box 2208  
Santa Fe, NM 87504-2208

Attention: William F. Carr

Re: Proposed Quail Queen Unit  
Lea County, New Mexico

Dear Mr. Carr:

**RECEIVED**

SEP 27 2007

**HOLLAND & HART LLP**

This office has reviewed the unexecuted copy of unit agreement, which you have submitted on behalf of Chesapeake Exploration, for the proposed Quail Queen Unit, Lea County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands and has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short-term leases, until final approval and an effective date have been given.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. All ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.
3. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.
4. A copy of the Unit Operating Agreement.
5. A copy of your Initial Plan of Operation.
6. A re-designation of well names and numbers.
7. The filing fee for a unit agreement is \$30.00 dollars for every section of partial section thereof. Please submit a \$90 filing fee.
8. On Exhibit "B", on Tract No. 1A, NE/4NE/4 Sec. 14-19S-34E the correct lessee of record for Lease No. OG-1847-1 is Read & Stevens Inc.
9. On Exhibit "B", on Tract No. 1B, N/2NW/4 Sec. 14-19S-34E the correct lessee of record for Lease No. OG-1847-1 is Read and Stevens Inc.

**-State Land Office Beneficiaries -**

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rjo Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University

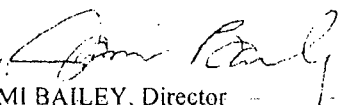
Holland & Hart LLP  
September 27, 2007  
Page 2

10. On Exhibit "B", on Tract No. 2, NW/4NE/4, S/2NE/4, Section 14-19S-34E the correct Lessee of record is Permian Resources Inc.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
PL/JB/pm  
pc: Reader File  
OCD-Attention: Mr. David Catanach

# Exhibit "D"

## QUAIL QUEEN UNIT ORRI Unit Participation BASED ON TPF'S

Tracts Unit Participation Fraction Override Interest Owner	Total of All Tract's TPF 1.0000	
	ORRI	TPF(ORRI)
Magnum Hunter Production Inc.		0.04040277
Chesapeake		0.00126638
Diverse GP III		0.00486356
Ann W. Morris		0.00167095
Paul and Patrica Slayton		0.00167095
Columbine II Ltd Partnership		0.00642672
Cimarex Energy Company		0.02334385
Macey & Mershon Oil Inc.		0.00249181

**RATIFICATION AND JOINDER OF UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT**

In consideration of the execution of the Unit Agreement for the development and operation of the Quail Queen Waterflood Unit Area, County of Lea, State of New Mexico, dated August 1, 2007, in form approved by the Bureau of Land Management and Commissioner of Public Lands, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned (whether one or more) hereby expressly ratifies, approves, and adopts said Unit Agreement, and also said Unit Operating Agreement, if the undersigned is a working interest owner, as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests and royalties within the said unit presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 29<sup>th</sup> day of August 2007.

WITNESS:

Chesapeake Exploration, L.L.C., an  
Oklahoma limited liability company

By: \_\_\_\_\_  
Title: Henry J. Hood  
Senior Vice President-Land and  
Legal & General Counsel

Address: \_\_\_\_\_  
Chesapeake Exploration, L.L.C.,  
P O Box 18496  
Oklahoma City, OK 73154-0896

STATE OF Oklahoma

COUNTY OF Oklahoma

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of  
August, 2007, by (name) Henry J. Hood  
(office or capacity) Sr. V.P. Land and Legal, of (name of company) \_\_\_\_\_  
Chesapeake Exploration, L.L.C.

WITNESS my hand and official seal.

Notary Public

My Commission expires: 11/01/09



## RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the Quail Queen Waterflood Unit Area, County of Lea, State of New Mexico, dated August 1, 2007, in form approved by the Bureau of Land Management and Commissioner of Public Lands, and in consideration of the execution or ratification by other royalty and overriding royalty interest owners, the undersigned whether one or more hereby expressly ratifies, approves, and adopts said Unit Agreement, if the undersigned is a royalty or overriding royalty interest owner, as though the undersigned had executed the original instrument.

This Ratification and Joinder shall be effective as to the undersigned's interests in any lands and leases, or interests and royalties within the said unit presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder shall be binding upon the undersigned, his, her, or its heirs, devisees, assigns, or successors in interest.

EXECUTED this 6<sup>th</sup> day of September 2007.

WITNESS:

Macey & Mershon Oil Inc.

James H. Hembuck  
Secretary

Macey & Mershon Oil Inc  
By: Keith H. Hembuck  
Title: President

Address:

Macey & Mershon Oil Inc.  
~~1801 Broadway Suite 1600~~ P.O. Box 2210  
Denver, Colorado 80201

STATE OF Colo

COUNTY OF Jeff

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of September, 2007, by (name) Keith H. Hembuck, (office or capacity) President, of (name of company) Macey & Mershon Oil Inc.

WITNESS my hand and official seal.

Mary S. Brannin  
Notary Public

My Commission expires: 2/23/11