

POKER LAKE FEDERAL LEASES

INSOFAR AS SUCH LEASES COVER SONAT'S REQUEST FOR THE BLANKET SURFACE COMMINGLE IN THE DELAWARE FORMATION

BLM Lease No: NM-69369

Lessor: DOI - MMS

Lessee: Bettis Brothers Inc.

Effective Date: 12/1/87

Term: 5 years

Description: Lots 1, 3, SW/4NW/4, SW/4NE/4, NE/4SW/4, NE/4SE/4, SW/4SW/4,
SW/4SE/4, T24S, R31E, N.M.P.M., Eddy County, NM.

Royalty: Sliding Scale

BLM Lease No: NM-30070

Lessor: DOI - MMS

Lessee: Christine M. Bilberry, et al

Effective Date: 5/1/77

Term: 10 years

Description: Sec. 15: E/2E/2, SW/4SE/4, N/2SW/4, SE/4SW/4; Sec. 12: NE/4NE/4,
SW/4NE/4, NE/4SE/4, SW/4SE/4; T24S, R31E; T24S, R32E, N.M.P.M., Eddy
County, NM; Sec. 18: NW/4, T24S, R32, Lea County, NM

Royalty: 1/8th

BLM Lease No: NM-56741

Lessor: DOI - MMS

Lessee: Three Rivers Basin PTN

Effective Date: 11/1/84

Term: 10 years

Description: Sec. 15: NW/4, T24S, R31E, N.M.P.M., Eddy County, NM

Royalty: 1/8th

BLM Lease No: NM-29234

Lessor: DOI - MMS

Lessee: Dewey Daryl Shelley

Effective Date: 1/1/77

Term: 10 years

Description: Sec. 8: NW/4NW/4, SE/4NW/4, NW/4SW/4, SE/4SW/4; Sec. 9: SE/4; Sec.
10: NE/4, S/2SE/4, NE/4SE/4; Sec. 11: SE/4, NW/4NE/4, T24S, R31E,
N.M.P.M., Eddy County, NM

Royalty: 1/8th

Exhibit 3

BLM Lease No: NM-70895
Lessor: DOI - MMS
Lessee: Nancy C. McMurtrie
Effective Date: 7/1/88
Term: 10 years
Description: Sec. 10: NE/4SW/4, T24S, R31E, N.M.P.M., Eddy County, NM
Royalty: 1/8th

BLM Lease No: NM-031963
Lessor: DOI - MMS
Lessee: Mona M. Stewart
Effective Date: 9/1/58
Term: 5 years
Description: Sec. 11: SW/4, T24S, R31E, N.M.P.M., Eddy County, NM
Royalty: 1/8th

BLM Lease No: NM-63757
Lessor: DOI - MMS
Lessee: Thomas G. Dorough
Effective Date: 10/1/94
Term: 10 years
Description: Sec. 9: NE/4, T24S, R31E, N.M.P.M., Eddy County, NM
Royalty: 1/8th

BLM Lease No: NM-67106
Lessor: DOI - MMS
Lessee: Bettis Brothers Inc.
Effective Date: 12/1/86
Term: 5 years
Description: Sec. 12: NW/4, T24S, R31E, Eddy County, NM
Royalty: 1/8th

BLM Lease No: NM-64504
Lessor: DOI - MMS
Lessee: Rex P. Spear
Effective Date: 2/1/86
Term: 10 years
Description: Sec. 11: E/2NE/4, SW/4NE/4
Royalty: 1/8th

BLM Lease No: NM-77047
Lessor: DOI - MMS
Lessee: L.E. Opperman
Effective Date: 9/1/88
Term: 5 years
Description: Sec. 15: SW/4SW/4, T24S, R31E, N.M.P.M., Eddy County, NM
Royalty: 1/8th