

re GLA-46

Amendment #1/A

SUPPLEMENT dated May 24, 1952
to
Operating Agreement dated November 27, 1951

between

EL PASO NATURAL GAS COMPANY

and

BROOKHAVEN OIL COMPANY

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SUPPLEMENT TO OPERATING AGREEMENT

This Agreement, made and entered into this 24th day of May, A.D. 1952, by and between BROOKHAVEN OIL COMPANY, a Delaware corporation (hereinafter referred to as "Brookhaven") whose address is First National Bank Building, Albuquerque, New Mexico, and EL PASO NATURAL GAS COMPANY, a Delaware corporation (hereinafter referred to as "El Paso") whose address is 1010 Bassett Tower, El Paso, Texas,

W I T N E S S E T H :

WHEREAS, by written Agreement dated November 27, 1951, Brookhaven entered an Operating Agreement with San Juan Production Company and the interest of San Juan Production Company has been assigned to El Paso and El Paso has assumed the obligations of San Juan Production Company; and,

WHEREAS, Brookhaven owns the leasehold interest in Oil and Gas Leases described as follows, to wit:

1. Lease No. B-11125-38 from the State of New Mexico, dated March 21, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 27 North, Range 8 West, N.M.P.M.
Section 36: SW/4 NW/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to Arthur W. Sunter and Edwin T. Sunter.

2. Lease No. B-11125-39 from the State of New Mexico, dated March 21, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 27 North, Range 8 West, N.M.P.M.
Section 36: SW/4 NW/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to William Hardy.

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3. Lease No. B-11125-40 from the State of New Mexico, dated March 21, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 27 North, Range 8 West, N.M.P.M.
Section 36; N/2 SW/4
containing 80.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to Joseph A. Hayes and Mary A. P. Hayes.

4. Lease No. B-11125-41 from the State of New Mexico, dated March 21, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 27 North, Range 8 West, N.M.P.M.
Section 36; NW/4 SE/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to Lillian Pirtle and Norma Pirtle Willoughby.

5. Lease No. B-11125-42 from the State of New Mexico, dated March 21, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 27 North, Range 8 West, N.M.P.M.
Section 36; SW/4 SE/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned by Bertha Rahn.

6. Lease No. B-11125-43 from the State of New Mexico, dated March 21, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 27 North, Range 8 West, N.M.P.M.
Section 36; SE/4 SE/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to Frieda Rahn.

7. Lease No. E-6001 from the State of New Mexico, dated February 11, 1952, in so far as it covers the following described property in San Juan County, New Mexico:

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Township 27 North, Range 8 West, N.M.P.M.
Section 36: NE/4 NW/4, SE/4 NW/4
containing 80.00 acres, more or less.

~~8. Lease No. B-1233 from the State of New Mexico, dated
February 10, 1947, in so far as it covers the following
described property in San Juan County, New Mexico:~~

~~Township 29 North, Range 9 West, N.M.P.M.
Section 30: NE/4 NW/4
containing 40.00 acres, more or less.~~

9. Lease No. E-1203 from the State of New Mexico, dated
February 10, 1947, in so far as it covers the following
described property in San Juan County, New Mexico:

Township 30 North, Range 9 West, N.M.P.M.
Section 2: NE/4 SE/4
containing 40.00 acres, more or less.

10. Lease No. B-11124-20 from the State of New Mexico, dated
March 21, 1944, in so far as it covers the following
described property in San Juan County, New Mexico:

Township 30 North, Range 10 West, N.M.P.M.
Section 2: Lot 3
containing 40.33 acres, more or less;

subject to an outstanding overriding royalty interest
of 1 $\frac{1}{2}$ % reserved or assigned to Rose L. Wirth and 1 $\frac{1}{2}$ %
reserved or assigned to Bertha M. Rightmire and
Elizabeth E. Wright.

11. Lease No. B-11242-27 from the State of New Mexico, dated
May 26, 1944, in so far as it covers the following
described property in San Juan County, New Mexico:

Township 30 North, Range 10 West, N.M.P.M.
Section 16: NW/4 NW/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest
of 3% reserved or assigned to H. Rummell Anderson.

12. Lease No. B-11124-21 from the State of New Mexico, dated
March 21, 1944, in so far as it covers the following
described property in San Juan County, New Mexico:

Township 30 North, Range 10 West, N.M.P.M.
Section 16: NW/4 SE/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest
of 3% reserved or assigned to Samuel A. Beckley and Sybil
V. Beckley.

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13. Lease No. B-11124-22 from the State of New Mexico, dated March 21, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 30 North, Range 10 West, N.M.P.M.
Section 16: NW/4 SW/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to Adelaide E. Collins.

14. Lease No. B-10405-43 from the State of New Mexico, dated June 24, 1943, in so far as it covers the following described property in San Juan County, New Mexico:

7M-379-A
Township 31 North, Range 10 West, N.M.P.M.
Section 23: NE/4 NW/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to Harold E. Coldren.

15. Lease No. B-11124-19 from the State of New Mexico, dated March 21, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.
Section 32: SW/4 SE/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to Samuel A. Beckley and Sybil V. Beckley.

16. Lease No. B-11017-17 from the State of New Mexico, dated February 18, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

Township 31 North, Range 10 West, N.M.P.M.
Section 32: SW/4 NW/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest of 3% reserved or assigned to Joe Haynes and Evelyn Haynes.

17. Lease No. B-11419-10 from the State of New Mexico, dated August 19, 1944, in so far as it covers the following described property in San Juan County, New Mexico:

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18. Township 31 North, Range 11 West, N.M.P.M.
Section 2: SE/4 SW/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest
of 3% reserved or assigned to Benjamin Forrest and
Evelyn Forrest.

19. Lease No. B-11017-20 from State of New Mexico, dated
February 18, 1944, in so far as it covers the following
described property in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 16: SW/4 NW/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest
of 3% reserved or assigned to Dominik Fuchs.

20. Lease No. B-11017-19 from the State of New Mexico, dated
February 18, 1944, in so far as it covers the following
described property in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 16: SW/4 SE/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest
of 3% reserved or assigned to Anton E. Jensen.

21. Lease No. B-11513-13 from the State of New Mexico, dated
October 2, 1944, in so far as it covers the following
described property in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 16: NW/4 SE/4
containing 40.00 acres, more or less;

subject to an outstanding overriding royalty interest
of 3% reserved or assigned to Frank B. Wissink, Jr. and
Agnes E. Wissink.

22. Lease No. B-11017-22 from the State of New Mexico, dated
February 18, 1944, in so far as it covers the following
described property in San Juan County, New Mexico:

Township 31 North, Range 11 West, N.M.P.M.
Section 16: E/2 E/2
containing 160.00 acres, more or less;

subject to an outstanding overriding royalty interest
of 3% reserved or assigned to John A. Owings.

and,

WHEREAS, the parties desire to subject the above described leases to the terms and conditions of the Operating Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and between Brookhaven and El Paso as follows:

1. The Operating Agreement above described is hereby amended and supplemented to include Brookhaven's interest in each of the above described leases and each of the above described leases is committed and subjected to the terms of said Operating Agreement by Brookhaven; subject to approval of title by El Paso's attorneys. Brookhaven shall furnish El Paso with abstracts covering the serial register of New Mexico District Land and Survey Office, and the public records of San Juan County, New Mexico, showing good title in Brookhaven subject only to overriding royalties as specified above. El Paso, within thirty (30) days of receipt of such abstracts, shall either accept or reject each lease. Any lease rejected shall be deleted from this agreement.

2. Brookhaven hereby assigns to El Paso the operating rights as provided by said Operating Agreement in and to each of the above described leases and designates El Paso as Operator therefor.

3. El Paso, subject to approval of title as above provided, hereby assumes the obligations prescribed by the Operating Agreement as to each of the above described leases; provided El Paso shall

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not be obligated to drill or to pay any rentals on any lease until acceptance thereof.

4. Except as hereby modified and supplemented, the original Operating Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first hereinabove written.

BROOKHAVEN OIL COMPANY

By *Thos B. Scott*
President

ATTEST:

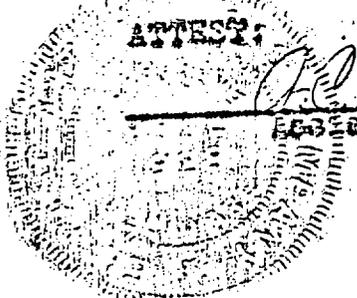
J. B. Modraal
Secretary

EL PASO NATURAL GAS COMPANY

By *O. Perkins*
Vice President

ATTEST:

R. C. Martel
Assistant Secretary



STATE OF
COUNTY OF

On this 24th day of May, 1952, before me personally appeared Thos. B. Scott, Jr., to me personally known, who, after being by me duly sworn did say that he is the President of BROOKHAVEN OIL COMPANY, a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Thos. B. Scott, Jr. acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

July 25, 1955

Margaret H. Sell
Notary Public, County of Bernalillo
State of New Mexico

STATE OF TEXAS
COUNTY OF EL PASO

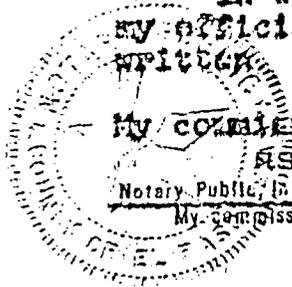
On this 3d day of June, 1952, before me personally appeared C. L. Perkins, to me personally known, who, after being by me duly sworn did say that he is the Vice President of EL PASO NATURAL GAS COMPANY, a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said C. L. Perkins acknowledged said instruments to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

M. RICHARDSON
Notary Public, for El Paso County, Texas
My commission expires June 1, 1953

Elise M. Richardson
Notary Public, County of El Paso,
State of Texas



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