

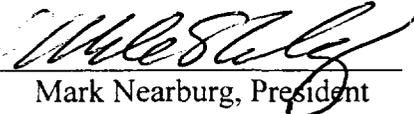
AMENDED AND RESTATED DESIGNATION OF POOLED UNIT

The undersigned, who are the lessees under those certain oil and gas leases described in Exhibit "A", attached hereto, as to the depths hereinafter referenced, pursuant to the powers granted in said leases, hereby designate and declare the N/2 Section 25, Township 16 South, Range 35 East, N.M.P.M., Lea County, New Mexico, as a pooled unit for the production of oil or gas from any formation below the base of the Morrow formation located thereunder. This instrument amends and restates that certain Designation of Pooled Unit executed June 26, 2002, recorded in Book 1157, Page 502 of the Clerk's Records of Lea County, New Mexico.

This instrument may be executed in several counterparts that may be combined as a single document for the purpose of filing or recording.

EXECUTED this 30th day of January, 2003, effective as of June 26, 2002.

AMERISTATE OIL & GAS, INC.

By: 
Mark Nearburg, President

FUEL PRODUCTS, INC.

By: _____
Thomas M. Beall, President

LOUIS MAZZULLO, INC.

By: _____
Louis Mazzullo, President

TMBR/SHARP DRILLING, INC.

By: _____
Jeffrey D. Phillips, President

F. HOWARD WALSH, JR.

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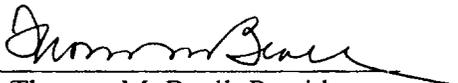
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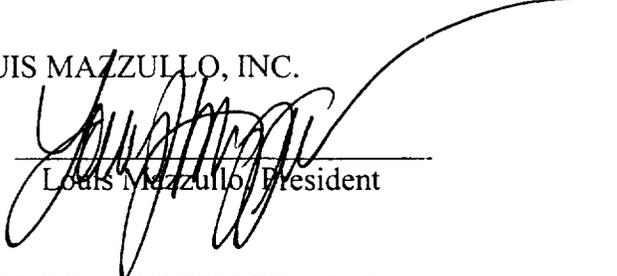
AMERISTATE OIL & GAS, INC.

By: _____
Mark Nearburg, President

FUEL PRODUCTS, INC.

By: _____
Thomas M. Beall, President

LOUIS MAZZULLO, INC.

By:  _____
Louis Mazzullo, President

TMBR/SHARP DRILLING, INC.

By: _____
Jeffrey D. Phillips, President

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Mark Nearburg, President

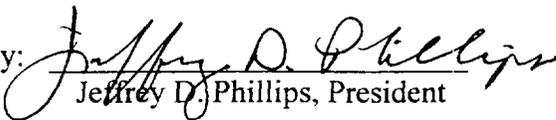
FUEL PRODUCTS, INC.

By: _____
Thomas M. Beall, President

LOUIS MAZZULLO, INC.

By: _____
Louis Mazzullo, President

TMBR/SHARP DRILLING, INC.

By: 
Jeffrey D. Phillips, President

F. HOWARD WALSH, JR.

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Mark Nearburg, President

FUEL PRODUCTS, INC.

By: _____
Thomas M. Beall, President

LOUIS MAZZULLO, INC.

By: _____
Louis Mazzullo, President

TMBR/SHARP DRILLING, INC.

By: _____
Jeffrey D. Phillips, President



F. HOWARD WALSH, JR.

JADE RESOURCES, INC.

By: *D. Douglas Dudley*
D. Douglas Dudley, President

P. V. PATEL

THE RUDD FAMILY TRUST

By: _____
Robert Rudd, Trustee

JOHN F. HERBIG, JR.

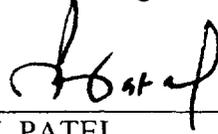
CHI ENERGY, INC.

By: _____
William C. Bergman, President

THOMAS C. BROWN

JADE RESOURCES, INC.

By: _____
D. Douglas Dudley, President



P. V. PATEL

THE RUDD FAMILY TRUST

By: _____
Robert Rudd, Trustee

JOHN F. HERBIG, JR.

CHI ENERGY, INC.

By: _____
William C. Bergman, President

THOMAS C. BROWN

JADE RESOURCES, INC.

By: _____
D. Douglas Dudley, President

P. V. PATEL

THE RUDD FAMILY TRUST

By: *Robert Rudd - Trustee*
Robert Rudd, Trustee

JOHN F. HERBIG, JR.

CHI ENERGY, INC.

By: _____
William C. Bergman, President

THOMAS C. BROWN

JADE RESOURCES, INC.

By: _____
D. Douglas Dudley, President

P. V. PATEL

THE RUDD FAMILY TRUST

By: _____
Robert Rudd, Trustee



JOHN F. HERBIG, JR.

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William C. Bergman, President

THOMAS C. BROWN

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D. Douglas Dudley, President

P. V. PATEL

THE RUDD FAMILY TRUST

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Robert Rudd, Trustee

JOHN F. HERBIG, JR.

CHI ENERGY, INC.

By: _____
William R. Bergman, President
WRB

THOMAS C. BROWN

JADE RESOURCES, INC.

By: _____
D. Douglas Dudley, President

P. V. PATEL

THE RUDD FAMILY TRUST

By: _____
Robert Rudd, Trustee

JOHN F. HERBIG, JR.

CHI ENERGY, INC.

By: _____
William C. Bergman, President

Thomas C. Brown

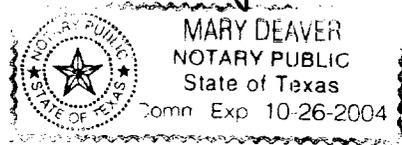
THOMAS C. BROWN

STATE OF TEXAS)
)
COUNTY OF TRAVIS) ss.

This instrument was acknowledged before me on JANUARY 21, 2003, by Mark Nearburg, President of Ameristate Oil & Gas, Inc., a Texas corporation.

Mary Deaver
Notary Public

My Commission Expires:



STATE OF TEXAS)
)
COUNTY OF MIDLAND) ss.

This instrument was acknowledged before me on _____, 2003, by Thomas M. Beall, President of Fuel Products, Inc., a New Mexico corporation.

My Commission Expires: _____
Notary Public

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO) ss.

This instrument was acknowledged before me on _____, 2003, by Louis Mazzullo, President of Louis Mazzullo, Inc., a New Mexico corporation.

My Commission Expires: _____
Notary Public

STATE OF TEXAS)
)
COUNTY OF TRAVIS) ss.

This instrument was acknowledged before me on _____, 2003, by Mark Nearburg, President of Ameristate Oil & Gas, Inc., a Texas corporation.

My Commission Expires:

Notary Public

STATE OF TEXAS)
)
COUNTY OF MIDLAND) ss.

This instrument was acknowledged before me on February 28, 2003, by Thomas M. Beall, President of Fuel Products, Inc., a New Mexico corporation.

My Commission Expires:

Kim Kollar
Notary Public



STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO) ss.

This instrument was acknowledged before me on _____, 2003, by Louis Mazzullo, President of Louis Mazzullo, Inc., a New Mexico corporation.

My Commission Expires:

Notary Public

STATE OF TEXAS)
) ss.
COUNTY OF TRAVIS)

This instrument was acknowledged before me on _____, 2003, by Mark Nearburg, President of Ameristate Oil & Gas, Inc., a Texas corporation.

My Commission Expires: _____
Notary Public

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

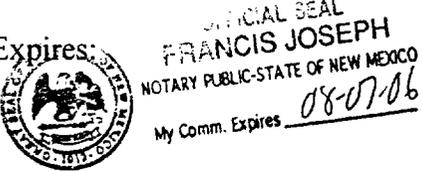
This instrument was acknowledged before me on _____, 2003, by Thomas M. Beall, President of Fuel Products, Inc., a New Mexico corporation.

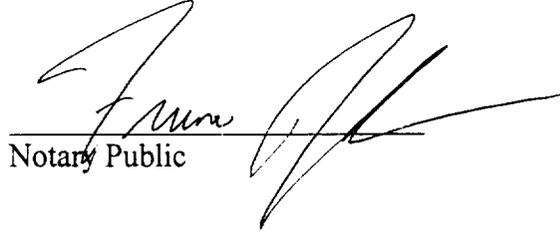
My Commission Expires: _____
Notary Public

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on FEB 3, 2003, by Louis Mazzullo, President of Louis Mazzullo, Inc., a New Mexico corporation.

My Commission Expires: _____
Notary Public

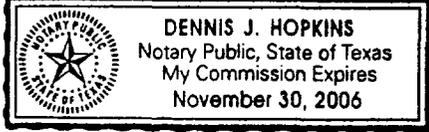
 FRANCIS JOSEPH
NOTARY PUBLIC-STATE OF NEW MEXICO
My Comm. Expires 08-07-06



STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on January 30, 2003, by Jeffrey D. Phillips, President of TMBR/Sharp Drilling, Inc., a Texas corporation.



[Signature]
Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF TARRANT)

ss.

This instrument was acknowledged before me on _____, 2003, by F. Howard Walsh, Jr.

Notary Public

My Commission Expires:

STATE OF NEBRASKA)
)
COUNTY OF MADISON)

ss.

This instrument was acknowledged before me on _____, 2003, by D. Douglas Dudley, President of Jade Resources, Inc., a Nebraska corporation.

Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on _____, 2003, by Jeffrey D. Phillips, President of TMBR/Sharp Drilling, Inc., a Texas corporation.

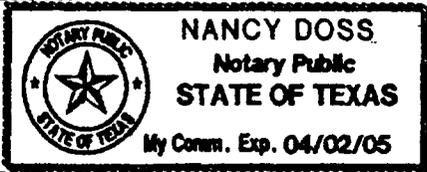
My Commission Expires:

Notary Public

STATE OF TEXAS)
)
COUNTY OF TARRANT)

ss.

This instrument was acknowledged before me on February 3rd, 2003, by F. Howard Walsh, Jr.



Nancy Doss
Notary Public

My Commission Expires:

STATE OF NEBRASKA)
)
COUNTY OF MADISON)

ss.

This instrument was acknowledged before me on _____, 2003, by D. Douglas Dudley, President of Jade Resources, Inc., a Nebraska corporation.

Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND) ss.

This instrument was acknowledged before me on _____, 2003, by Jeffrey D. Phillips, President of TMBR/Sharp Drilling, Inc., a Texas corporation.

My Commission Expires:

Notary Public

STATE OF TEXAS)
)
COUNTY OF TARRANT) ss.

This instrument was acknowledged before me on _____, 2003, by F. Howard Walsh, Jr.

My Commission Expires:

Notary Public

^{California}
STATE OF ~~NEBRASKA~~)
^{RIVERSIDE}
COUNTY OF ~~MADISON~~) ss.

This instrument was acknowledged before me on February 10, 2003, by D. Douglas Dudley, President of Jade Resources, Inc., a Nebraska corporation.

Bryan Turner
Notary Public

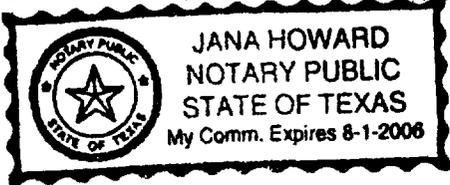
My Commission Expires:

March 25, 2004



STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Patel. This instrument was acknowledged before me on Jan. 30, 2003, by P. V.



Jana Howard
Notary Public

My Commission Expires: 8-1-2006

STATE OF TEXAS)
) ss.
COUNTY OF POTTER)

This instrument was acknowledged before me on _____, 2003, by Robert Rudd, Trustee of The Rudd Family Trust.

Notary Public

My Commission Expires:

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

This instrument was acknowledged before me on _____, 2003, by John F. Herbig, Jr.

Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on _____, 2003, by P. V. Patel.

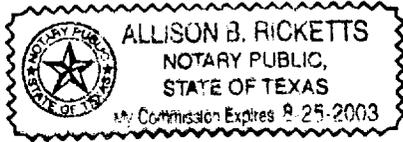
Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF POTTER)

ss.

This instrument was acknowledged before me on January 31st, 2003, by Robert Rudd, Trustee of The Rudd Family Trust.



Allison Ricketts
Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on _____, 2003, by John F. Herbig, Jr.

Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on _____, 2003, by P. V. Patel.

Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF POTTER)

ss.

This instrument was acknowledged before me on _____, 2003, by Robert Rudd, Trustee of The Rudd Family Trust.

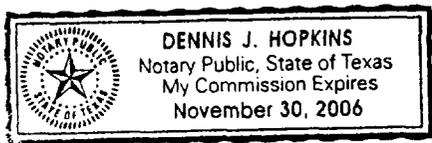
Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on January 30, 2003, by John F. Herbig, Jr.



Dennis J. Hopkins

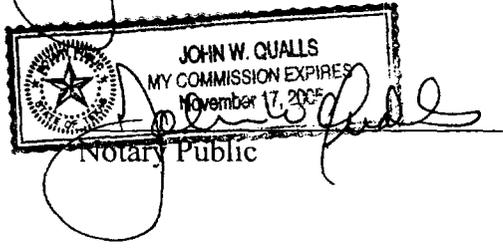
Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on May 31st, 2003, by
William C. Bergman, President of Chi Energy, Inc., a Texas corporation.
R.



My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on _____, 2003, by
Thomas C. Brown.

Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on _____, 2003, by William C. Bergman, President of Chi Energy, Inc., a Texas corporation.

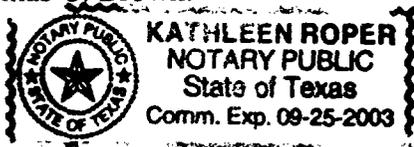
Notary Public

My Commission Expires:

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

ss.

This instrument was acknowledged before me on January 30, 2003, by Thomas C. Brown.



Kathleen Roper
Notary Public

My Commission Expires:

EXHIBIT "A" TO AMENDED AND RESTATED DESIGNATION OF POOLED UNIT

The following described oil and gas leases (all recording references are to the Clerk's Records of Lea County, New Mexico) and mineral interests:

<u>Lessor</u>	<u>Date</u>	<u>Book/Page</u>
Madeline Stokes	December 7, 1997	827/127
Erma Stokes Hamilton	December 7, 1997	827/124
Kendra Irene Kelley	March 19, 1999	954/485
Stacey K. Crawford	July 19, 1999	999/696
Justin R. Strickland	July 19, 1999	999/698
Marty L. Strickland	July 19, 1999	999/700
Jody F. Strickland	July 19, 1999	999/702
Amy Machell Dodson	July 19, 1999	1004/747
J. R. Canon, et al., Trustees	May 2, 2001	1085/814
William N. Heiss, et al, Trustees	January 23, 2002	1130/51
Bud & Mary Lou Floccini Family Partnership	January 23, 2002	1130/55
Christopher R. F. Eckels, Trustee	January 23, 2002	1130/57
Louis A. Oswald, III	January 23, 2002	1130/60
Wytex Oil Company	January 23, 2002	1130/64
Lynne M. Baalman, et vir.	January 23, 2002	1130/68
Citadel Oil & Gas Corp.	January 23, 2002	1131/266
Richard L. Vandenburg	January 23, 2002	1131/270

<u>Lessor</u>	<u>Date</u>	<u>Book/Page</u>
Ronald C. Agel	January 29, 2002	1131/274
M. W. Oil Investment Co. Harle, Inc.	January 23, 2002 [unleased mineral interest]	1135/473
Robert J. Bullock, Sr., Branka Palmore	April 11, 2002 April 11, 2002	1142/243 1142/236
Jonathan S. Roderick & Carol Roderick	January 23, 2002	1146/96
Larry Hunnicutt, Custodian	October 30, 2001	1115/603
Mary Frances Antweil	January 28, 2002	1137/234
Crista L. Leavell	February 25, 2002	1134/343
Mark Caldwell, et ux.	January 28, 2002	1128/457
George M. O'Brien, et ux.	January 28, 2002	1128/455
R. M. Williams, et ux.	January 28, 2002	1128/453
O. D. Whitley	April 13, 2001	1084/298
Jeannine Byron	April 13, 2001	1084/301
Jimmy J. Hooper, et ux.	April 13, 2001	1084/304
Jerry L. Hooper, et ux.	March 22, 2001	1084/293
Toles-Com-Ltd	April 24, 2001	1084/296
S. P. Johnson, III, et al., Trustees	May 21, 2001	1092/78
PJC Limited Partnership	May 21, 2001	1092/87
Rodney Carter	April 17, 2001	1085/799
Powhatan Carter, III	April 17, 2001	1085/805

<u>Lessor</u>	<u>Date</u>	<u>Book/Page</u>
Charles Overton, et al., Trustees	April 17, 2001	1085/808
Beverly T. Carter, Trustee	April 17, 2001	1085/811
Anderson Carter Estate	April 17, 2001	1092/81
Robert M. Edsel	May 1, 2002	1164/777
Virginia Bernhardt	[unleased mineral interest]	
Branex Resources, Inc.	February 14, 2003, effective May 7, 2002	1209/222
Carl A. Schellinger, et ux.	November 11, 1998	920/132
Foundation for First Presbyterian Church	April 24, 2001	1084/290
Theodora P. Reed, et al., Trustees	April 13, 2001	1092/561

COTTON, BLEDSOE, TIGHE & DAWSON

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

ROBERT T. SULLIVAN
ATTORNEY

Writer's Direct Fax #: (915) 684-3169
Email: bsullivan@cbtd.com

500 W. ILLINOIS
SUITE 300
MIDLAND, TEXAS 79701-4337
P.O. BOX 2776 ZIP 79702-2776

TELEPHONE (915) 684-5782
FAX (915) 682-3672
WEB www.cbtd.com

1415 LOUISIANA
SUITE 2100
HOUSTON, TEXAS 77002-7351
TELEPHONE (713) 759-9281
FAX (713) 759-0458

RECEIVED

MAR 18 2003

Oil Conservation Division

March 17, 2003

VIA FEDEX OVERNIGHT MAIL

TRACKING NO. 8371 5421 6143

Mr. W. Thomas Kellahin
Kellahin and Kellahin
117 N. Guadalupe
Santa Fe, New Mexico 87501

Re: NMOCD Case 12816; Application of TMBR/Sharp Drilling, Inc. for Compulsory Pooling, Lea County, New Mexico

NMOCD Case 12841; Application of Ocean Energy, Inc. for Compulsory Pooling, Lea County, New Mexico

NMOCD Case 12859; Application of David H. Arrington Oil and Gas, Inc. for Compulsory Pooling, Lea County, New Mexico

NMOCD Case 12860; Application of Ocean Energy, Inc. for Compulsory Pooling, Lea County, New Mexico

Dear Mr. Kellahin:

Enclosed for your delivery to the Commission are five copies of supplements to the Exhibits for the March 20, 2003 hearing:

Tab 14:	Color copies of maps
Tab 15:	Color copies of maps
Tab 33:	Section 25 Logs
Tab 34:	Title backup information
Tab 36:	25-1 Volumetric Estimates
Tab 37:	24-1 Volumetric Estimates
Tab 38:	25-1 MCF Per Day
Tab 39:	24-1 MCF Per Day

Page 2
March 17, 2003

Tab 40: Cumulative production records for the Blue Fin 24-1 and Blue Fin 25-1
Wells; and
Tab 41: Amended Pooling Designation for the N/2 of Section 25.

If you have any questions or comments, please do not hesitate to give me a call.

Very truly yours,

COTTON, BLEDSOE, TIGHE & DAWSON, P.C.



Robert T. Sullivan

RTS/aw
Enclosures
cc:
Mr. James Bruce
Attorney at Law
369 Montezuma, No. 213
Santa Fe, NM 87501
VIA FED EX OVERNIGHT MAIL
TRACKING NO. 8370 9150 2824

Susan R. Richardson
Richard R. Montgomery