

## COMMUNITIZATION AGREEMENT

THIS AGREEMENT\* is entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Township 18 South, Range 31 East, N.M.P.M.  
Section 30: W/2

Eddy County, New Mexico

containing 301.68 acres, more or less, and this agreement shall include only the Morrow formation underlying said lands and the gas and associated liquid hydrocarbons, hereinafter referred to as "communitized substances," producible from such formations.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and

LAND CONSERVATION DIVISION  
CASE NUMBER 5  
PERMIT

showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized are, and four executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized are and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding-or-step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, as separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate

component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as a commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is July 1, 2002, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect as to the Morrow formation for a period of two (2) years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended, which are hereby incorporated by reference in this agreement

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Date: 7-1-02

Chi Operating, Inc.

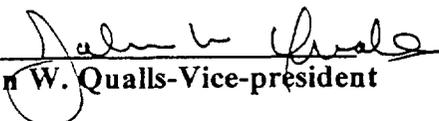
By:   
John W. Qualls-Vice-president

Exhibit A"

Plat of communized area covering the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M.,  
Eddy County, New Mexico

Tract 1 Lot 1, Lot 2, E/2NW/4 150.68 acres
Tract 2 Lot 3, Lot 4, E/2SW/4 151.0 acres

\*

Chi Big Red Fed Com No. 1  
660' FSL & 1830' FWL

## EXHIBIT "B"

To Communitization Agreement dated \_\_\_\_\_ embracing the W/2 of Section 30, T-18-S-R-31-E, N.M.P.M., Eddy county, New Mexico.

Operator of Communitized Area: Chi Operating, Inc.

### Description of Leases Committed

Tract No. 1

Lessor: United States of America  
Lessee of Record: 18-31, Inc.  
Serial No. of Lease: LC-029387(B), which is a renewal of Oil and Gas Permit LC-029387 dated January 25, 1925.  
Date of Lease: November 1, 1991  
Description of Lands Committed: T-18S-R-31E, N.M.P.M. Section 30: Lots 1, 2, E/2NW/4  
Royalty Rate: 12.5%  
No. of Acres: 150.68

Name and Percent

ORRI Owners:	Margaret Baish Masters	.428145%
	Betty Baish Strohmeyer	.053518%
	Karen Elizabeth Charles	.017839%
	Katherine Mary Scott	.017839%
	Mary Elizabeth Baish	.017839%
	Higgins Trust, Inc.	.086908%
	Wendell W. Iverson, Trustee of the SJI, Jr. 1990 Trust	.060353%
	Wendell W. Iverson, Trustee of the P.I.P 1990 Trust	.060353%
	Wendell W. Iverson, Trustee of the WWI 1990 Trust	.060353%
	Margaret Masters	.278704%
	Billie Lewis and Becky Rankin as joint tenants with the right of survivorship	.034839%
	Michael R. McGuire	.034839%

First National Bank in Artesia, Trustee of Margaret Naylor Revocable Trust u/t/a 11/25/96	.034713%
Phoebe Shelton	.167073%
George Westall and Maurice M. Pippin	.027970%
Garel R. Westall	.027970%
George Westall	.027970%
M. F. Pearsall	.002497%
Rojo, Inc.	.174065%
Mary Ellen Johnston	.441781%
18-31, Inc.	.139852%
Marianne Keohane Frost	.419554%
Mark James Frost	.083911%
Teresa Ann Frost	.041956%
John Michael Frost	.049156%
Marianne Keohane Frost Trustee for John Michael Frost	.049156%
Marianne Keohane Frost, Trustee for Teresa Ann Frost u/w/o	
B. M. Keohane, deceased	.041956%
Jeanette Y. Keohane	.167822%
Wendell W. Iverson, Trustee of the SJI 1990 Trust	.093234%
Wendell W. Iverson, Trustee of the PIP 1990 Trust	.093234%
Wendell W. Iverson, Trustee of the WWI 1990 Trust	.093234%
S. J. Iverson, Jr.	.093234%
Wendell W. Iverson	.093234%
Patsy Iverson Page	.093234%
Phoebe Shelton	.279703%
First National Bank of Fort Worth, Trustee u/w/o S. J. Iverson, deceased for the life of Marjorie W. Iverson, remainder to Sigfried James Iverson, Jr., Patsy Ann Iverson and Wendell Welch Iverson	.262222%

Wendell W. Iverson Trustee of the SJI 1990 Trust	.087407%
Wendell W. Iverson, Trustee of the PIP 1990 Trust	.087407%
Wendell W. Iverson, Trustee of the WWI 1990 Trust	.087407%
Elyse Saunders Patterson	.279703%
Sue Saunders Graham	.279703%
The Toles Company	.279703%
Peter C. Iverson and Billie H. Iverson, Trustees of Iverson Family Trust u/t/a 10/22/92	.052444%
A. M. Iverson, Jr., Trustee of Alvin Martin Iverson Trust u/t/a 10/22/92	.052444%
Jewell D. Iverson, Trustee of the Jewell D. Iverson Revocable Intervivos Trust u/t/a September 22, 1981	.104888%
P.A.I. Incorporated	.034963%
Iverson III, Inc.	.034963%
Donald S. Iverson	.034963%

Name and Percent  
WI Owners:

Chi Energy, Inc.	34.649544%
Concho Oil & Gas Corp.	31.959935%
McCombs Energy, L.L.C.	23.972347%
Jeremia, LLC	3.0%
S & P Co.	1.918174%
Joseph H. Byrne	1.0%
Thunderbolt Petroleum, Inc.	1.0%
Pocahontas Oil Co., Inc.	1.0%
Oren Albright III	1.0%
Permian Development Corp.	.50%

Tract No. 2

Lessor: United States of America  
Lessee of Record: Canadian Kenwood Company (73%) and T. R. Parker Estate (27%)  
Serial No. of Lease: LC-029387(D), which is a renewal of Oil and Gas Permit LC-029387 dated January 15, 1925.  
Date of Lease: November 1, 1991  
Description of Lands Committed: T-18S-R-31E, N.M.P.M. Section 30: Lots 3,4 and E/2SW/4  
Royalty Rate: 12.5%  
No. of Acres: 151.00

Name and Percent ORRI Owners:

Gene Shumate	.200593%
Carol Shumate	.200593%
TRW Exploration, Inc.	.401186%
Alan R. Hannifin	.004263%
Shawn P. Hannifin and Frances A. Hannifin, as Joint Tenants with Right of Survivorship	.004263%
Lyle B. Gallivan and Mary Boxell Gallivan, as Joint Tenants with Right of Survivorship	.004263%
Joseph K. Moorgan and Madge B. Morgan, as Joint Tenants with Right of Survivorship	.004263%
Donald C. Wambaugh and Annett O. Wambaugh, as Joint Tenants with Right of Survivorship	.009718%
CBT/MAP 1998-A, a Texas Nominee Partnership	.314239%
Paul R. Barwis	.200594%
Jareed Partners, Ltd.	.200594%
Penwell Employee Royalty Pool	.060178%

William G. Parker,	
Sylvia S. Voorhies, and	
Nancy P. Strong, Co-Trustees	
T. R. Parker Estate	1.420794%
Canadian Kenwood Company	4.567339%
SklarCo, L.L.C.	.0043320%
Devon Energy Production	.356053%

Name and Percent  
WI Owners:

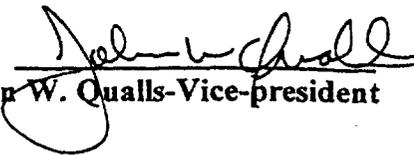
Chi Energy, Inc.	34.649544%
Concho Oil & Gas Corp.	31.959935%
McCombs Energy, L. L. C.	23.972347%
Jermiah, LLC	3.00%
S & P Co.	1.918174%
Joseph H. Byrne	1.00%
Thunderbolt Petroleum, Inc.	1.00%
Pocahontas Oil Co., Inc.	1.00%
Oren Albright III	1.00%
Permian Development Corp.	.500%

RECAPITULATION

TRACT NO.	NO. OF ACRES COMMITTED	PERCENTAGE OF INTEREST IN COMMUNITIZED AREA
LEASE NO. 1	<u>150.68</u>	<u>49.9469%</u>
LEASE NO. 2	<u>151</u>	<u>50.0531%</u>
TOTAL	<u>301.68</u>	<u>100.00%</u>

Date: 7-1-02

Chi Energy, Inc.

By:   
John W. Qualls-Vice-president

Date: 7-24-02

Concho Oil & Gas Corp.

By: 

Name: Van N. Rogers

Title: A-I-F

Date: \_\_\_\_\_

McCombs Energy, L.L.C.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Jeremia, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

S & P Co.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph H. Byrne

**Acknowledgments**

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of July, 2002 by John W. Qualls, as Vice-president of Chi Energy, Inc. a Texas corporation, on behalf of said corporation.

  
NOTARY PUBLIC, STATE OF TEXAS

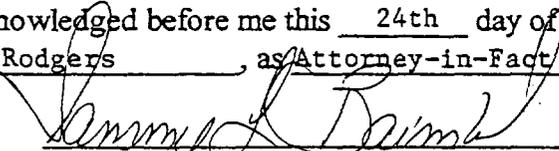
STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of July, 2002 by John W. Qualls, as Vice-president of Chi Operating, Inc. , a Texas corporation, on behalf of said corporation.

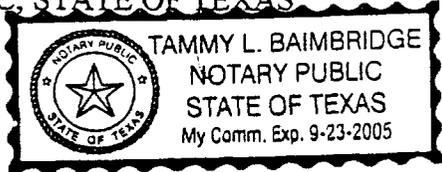
  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this 24th day of July, 2002 by Van N. Rodgers, as Attorney-in-Fact of Concho Oil & Gas Corp.

  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF \_\_\_\_\_ }



The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by \_\_\_\_\_, as \_\_\_\_\_ of McCombs Energy, L.L.C.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

Date: \_\_\_\_\_

**Thunderbolt Petroleum, Inc.**

By: \_\_\_\_\_  
**Robert Lee, President**

Date: \_\_\_\_\_

**Pocahontas Oil Co., Inc.**

By: \_\_\_\_\_  
**Phillip L Lawson, President**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
**Oren Albright III**

Date: 08-07-02

**Permian Development Corp.**

By:  \_\_\_\_\_  
**Dan Linebarger-President**

STATE OF TEXAS                    }  
  }  
COUNTY OF MIDLAND            }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Phillip L. Lawson, as President of Pocahontas Oil Co., Inc.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

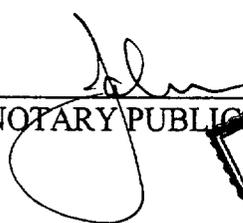
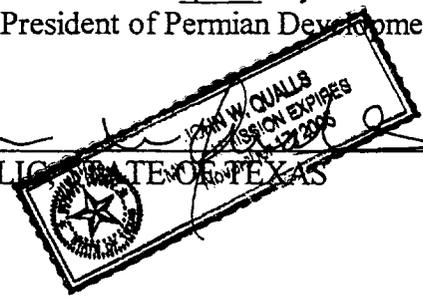
STATE OF TEXAS                    }  
  }  
COUNTY OF MIDLAND            }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ by Oren Albright III.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

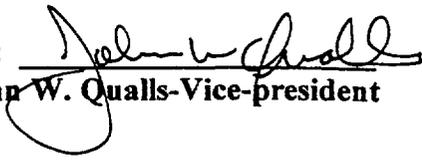
STATE OF TEXAS                    }  
  }  
COUNTY OF MIDLAND            }

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of August, 2002 by Dan Linebarger as President of Permian Development Corp.

  
\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS  


Date: 7-1-02

Chi Energy, Inc.

By:   
John W. Qualls-Vice-president

Date: \_\_\_\_\_

Concho Oil & Gas Corp.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

McCombs Energy, L.L.C.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Jeremia, LLC

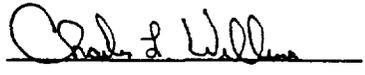
By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: 8/9/02

S & P Co.

By: 

Name: Charles L. Williams

Title: General Manager

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph H. Byrne

STATE OF NEW MEXICO }  
 }  
COUNTY OF \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by \_\_\_\_\_, as \_\_\_\_\_ of Jeremia, LLC.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF NEW MEXICO

STATE OF LOUISIANA }  
 }  
COUNTY OF CADDO \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this 9th day of August, 2002 by Charles L. Williams, as General Manager of S & P Co.

Frances M. Bailey  
\_\_\_\_\_  
NOTARY PUBLIC, STATE OF LOUISIANA

STATE OF TEXAS }  
 }  
COUNTY OF \_\_\_\_\_ }

FRANCES M. BAILEY  
NOTARY PUBLIC, Caddo Parish, Louisiana  
My Commission is for Life

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Joseph H. Byrne.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Robert Lee as President of Thunderbolt Petroleum, Inc.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

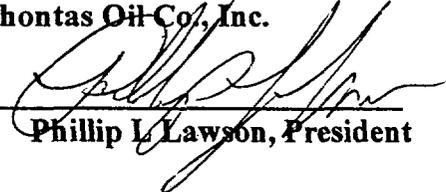
Date: \_\_\_\_\_

**Thunderbolt Petroleum, Inc.**

By: \_\_\_\_\_  
**Robert Lee, President**

Date: 8.2.02

**Pocahontas Oil Co., Inc.**

By:   
**Phillip L. Lawson, President**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
**Oren Albright III**

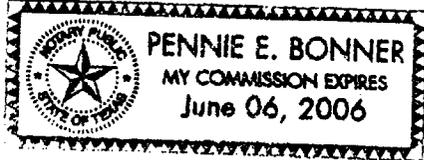
Date: \_\_\_\_\_

**Permian Development Corp.**

By: \_\_\_\_\_  
**Dan Linebarger-President**

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The forgoing instrument was acknowledged before me this 2<sup>nd</sup> day of August, 2002 by Phillip L. Lawson, as President of Pocahontas Oil Co., Inc.



Pennie E. Bonner  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ by Oren Albright III.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

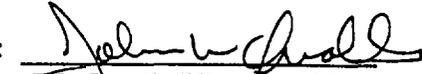
STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Dan Linebarger as President of Permian Development Corp.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

Date: 7-1-02

Chi Energy, Inc.

By:   
John W. Qualls-Vice-president

Date: \_\_\_\_\_

Concho Oil & Gas Corp.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

McCombs Energy, L.L.C.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Jeremia, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

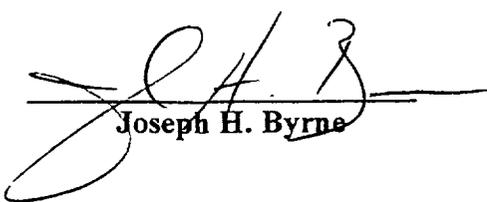
S & P Co.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: 7/23/02

  
Joseph H. Byrne

STATE OF NEW MEXICO }  
COUNTY OF \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by \_\_\_\_\_, as \_\_\_\_\_ of Jeremia, LLC.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF NEW MEXICO

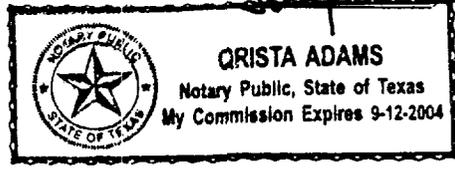
STATE OF LOUISIANA }  
COUNTY OF \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by \_\_\_\_\_, as \_\_\_\_\_ of S & P Co.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF LOUISIANA

STATE OF TEXAS }  
COUNTY OF Lubbock }

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of July, 2002 by Joseph H. Byrne.



Krista Adams  
\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Robert Lee as President of Thunderbolt Petroleum, Inc.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

Date: 7/30/02

**Thunderbolt Petroleum, Inc.**

By: Robert Lee  
**Robert Lee, President**

Date: \_\_\_\_\_

**Pocahontas Oil Co., Inc.**

By: \_\_\_\_\_  
**Phillip L Lawson, President**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
**Oren Albright III**

Date: \_\_\_\_\_

**Permian Development Corp.**

By: \_\_\_\_\_  
**Dan Linebarger-President**

STATE OF NEW MEXICO }  
 }  
COUNTY OF \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by \_\_\_\_\_, as \_\_\_\_\_ of Jeremia, LLC.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF NEW MEXICO

STATE OF LOUISIANA }  
 }  
COUNTY OF \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by \_\_\_\_\_, as \_\_\_\_\_ of S & P Co.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF LOUISIANA

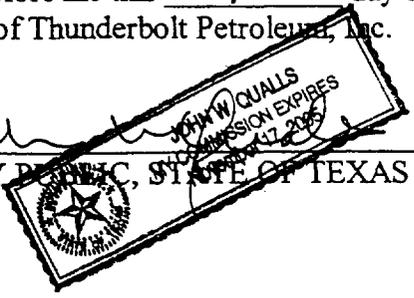
STATE OF TEXAS }  
 }  
COUNTY OF \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Joseph H. Byrne.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of July, 2002 by Robert Lee as President of Thunderbolt Petroleum, Inc.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS  


Date: \_\_\_\_\_

**Thunderbolt Petroleum, Inc.**

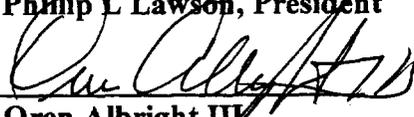
By: \_\_\_\_\_  
**Robert Lee, President**

Date: \_\_\_\_\_

**Pocahontas Oil Co., Inc.**

By: \_\_\_\_\_  
**Phillip L Lawson, President**

Date: 7-29-02

By:   
**Oren Albright III**

Date: \_\_\_\_\_

**Permian Development Corp.**

By: \_\_\_\_\_  
**Dan Linebarger-President**

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

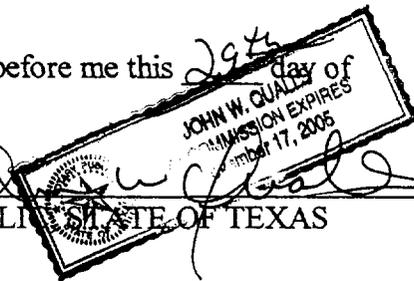
The forgoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Phillip L. Lawson, as President of Pocahontas Oil Co., Inc.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The forgoing instrument was acknowledged before me this 29<sup>th</sup> day of July by Oren Albright III.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS



STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The forgoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Dan Linebarger as President of Permian Development Corp.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

Date: 7-1-02

Chi Energy, Inc.

By:   
John W. Qualls-Vice-president

Date: \_\_\_\_\_

Concho Oil & Gas Corp.

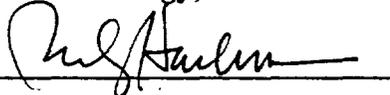
By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: 7/24/02

McCombs Energy, L.L.C.

By: 

Name: RICKY HAIKIN  
VICE PRESIDENT

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Jeremia, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

S & P Co.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph H. Byrne

**Acknowledgments**

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of July, 2002 by John W. Qualls, as Vice-president of Chi Energy, Inc. a Texas corporation, on behalf of said corporation.

[Signature]  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The forgoing instrument was acknowledged before me this 1<sup>st</sup> day of July, 2002 by John W. Qualls, as Vice-president of Chi Operating, Inc. , a Texas corporation, on behalf of said corporation.

[Signature]  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF MIDLAND }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by \_\_\_\_\_, as \_\_\_\_\_ of Concho Oil & Gas Corp.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS }  
 }  
COUNTY OF Harris }

The foregoing instrument was acknowledged before me this 27 day of July, 2002 by Lucky Parker, as Trax Pres of McCombs Energy, L.L.C.

[Signature]  
NOTARY PUBLIC, STATE OF TEXAS



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated July 30<sup>th</sup>, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 30 day of July, 2002.

JEREMIA, L.L.C.

BY [Signature]

STATE OF NEW MEXICO }  
COUNTY OF Lea }

This instrument was acknowledged before me this 30th day of July, 2002 by Jeremia, L.L.C.

[Signature]  
Notary Public, State of New Mexico

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated July 1, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

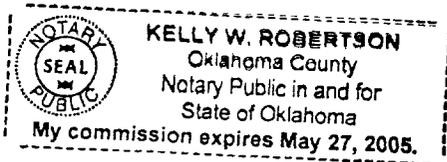
EXECUTED this 29th day of October, 2002.

DEVON ENERGY  
PRODUCTION CO., L.P.

BY [Signature]  
D. D. DeCarlo, Vice President <sup>12/14/02</sup> <sub>KBA</sub>

STATE OF OKLAHOMA }  
  }  
COUNTY OF OKLAHOMA }

This instrument was acknowledged before me this 29th day of October, 2002 by D. D. DeCarlo, Devon Energy Production Co., L. P. Vice President of



Kelly W. Robertson  
Notary Public, State of Oklahoma  
Comm. No. 0106811ele

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 20<sup>th</sup> day of August, 2002.

Lyle B. Gallivan  
Lyle B. Gallivan

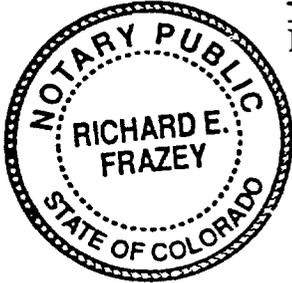
Mary Boxell Gallivan  
Mary Boxell Gallivan

STATE OF COLORADO }  
City & C }  
COUNTY OF Denver }

This instrument was acknowledged before me this 23<sup>rd</sup> day of August, 2002 by Lyle B. Gallivan and Mary Boxell Gallivan.

Richard E. Fraze  
Notary Public, State of Colorado

my Commission  
Expires  
8/1/05



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

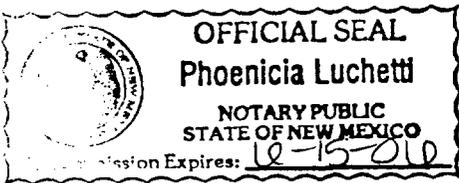
EXECUTED this 16<sup>TH</sup> day of AUGUST, 2002.

Jeanette Y. Keohane  
Jeanette Y. Keohane

STATE OF NEW MEXICO }  
COUNTY OF Hernaldo }

This instrument was acknowledged before me this 16 day of August, 2002 by Jeanette Y. Keohane.

Phoenicia Luchetti  
Notary Public, State of New Mexico



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

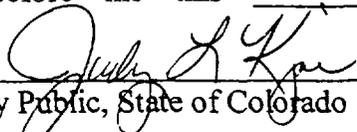
NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 23<sup>rd</sup> day of August, 2002.

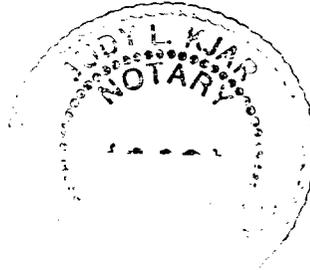
  
\_\_\_\_\_  
Alan R. Hannifin

STATE OF COLORADO            }  
  }  
COUNTY OF Denver            }

This instrument was acknowledged before me this 23<sup>rd</sup> day of August, 2002 by Alan R. Hannifin.

  
\_\_\_\_\_  
Notary Public, State of Colorado

My Commission Expires 1-31-2005



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated July 1, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 23<sup>rd</sup> day of September, 2002.

CBT/MAP 1998

BY *Doug Garrett*

STATE OF ~~TEXAS~~ OKLA }  
COUNTY OF OKLA }

This instrument was acknowledged before me this 23<sup>rd</sup> day of September, 2002 by Douglas GARRETT, CBT/MAP 1998.

*Karen Sue Roberts*  
AIF for  
Notary Public, State of Texas

Comm. # 01019386



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 6<sup>th</sup> day of August, 2002.

  
Mark James Frost

STATE OF NEW MEXICO        }  
  }  
COUNTY OF \_\_\_\_\_        }

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Mark James Frost.

\_\_\_\_\_  
Notary Public, State of New Mexico

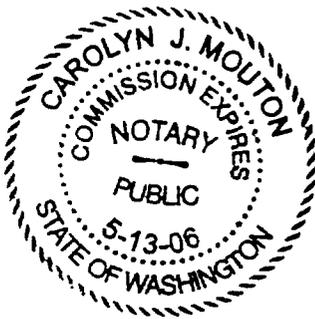
STATE OF WASHINGTON        )  
  ) ss.  
COUNTY OF KING            )

On this 02 day of August, 2002, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, appeared Mark James Frost, to me known to be the individual who executed the within and foregoing instrument, and acknowledged that he signed the same as his voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal hereto affixed the day and year in this certificate first above written.



\_\_\_\_\_  
Signature of Notary Public



Name of Notary Public: Carolyn J. Mouton  
Notary Public in and for the State of Washington,  
residing at Seattle  
My Commission Expires: May 13, 2006

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated Aug. 7, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 7 day of August, 2002.

Marianne Keohane Frost I T F  
Marianne Keohane Frost trustee for  
Teresa Ann Frost Teresa Ann Frost

Washington  
STATE OF NEW MEXICO }  
COUNTY OF King }

This instrument was acknowledged before me this 7<sup>th</sup> day of August, 2002 by Marianne Keohane Frost, trustee for Teresa Ann Frost.

[Signature]  
Notary Public, State of New Mexico  
Washington



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated July 1, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 19<sup>th</sup> day of August, 2002.

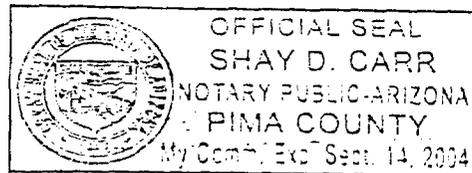
Billie Lewis  
Billie Lewis

Becky Rankin  
Becky Rankin

STATE OF ARIZONA            }  
  }  
COUNTY OF Pinal            }

This instrument was acknowledged before me this 19<sup>th</sup> day of August, 2002 by Billie Lewis and Becky Rankin.

Shay D Carr  
Notary Public, State of Arizona



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 29<sup>th</sup> day of August, 2002.

Margaret Masters  
Margaret Masters

MASSACHUSETTS }  
STATE OF PENNSYLVANIA }  
COUNTY OF Nantucket }

This instrument was acknowledged before me this 29<sup>th</sup> day of August, 2002 by Margaret Masters.

Leigh H. Ludwick  
Notary Public, State of Pennsylvania  
MASSACHUSETTS

LEIGH H. LUDWICK, Notary Public  
My Commission Expires November 7, 2008

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

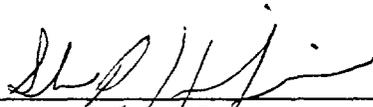
The undersigned party has received a true copy of Communitization Agreement dated September 11, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

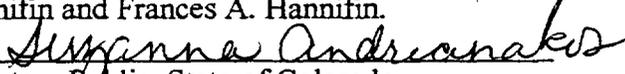
EXECUTED this 11th day of September, 2002.

  
\_\_\_\_\_  
Shawn P. Hannifin

  
\_\_\_\_\_  
Frances A. Hannifin

STATE OF COLORADO            }  
  }  
COUNTY OF Denver            }

This instrument was acknowledged before me this 11th day of September, 2002 by Shawn P. Hannifin and Frances A. Hannifin.

  
\_\_\_\_\_  
Notary Public, State of Colorado

*Commission expires  
6/14/05*

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

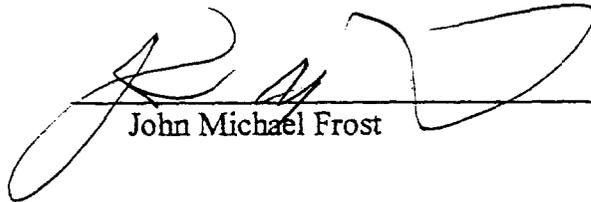
The undersigned party has received a true copy of Communitization Agreement dated 8/22, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 8 day of AUGUST, 2002.

  
John Michael Frost

STATE OF NEW MEXICO        }  
  }  
COUNTY OF \_\_\_\_\_     }

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by John Michael Frost.

\_\_\_\_\_  
Notary Public, State of New Mexico

STATE OF Washington)

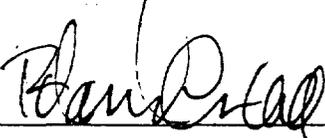
) ss.

COUNTY OF King)

On this 22nd day of August, 2002, personally appeared before me JACK FROST to me known to be an individual that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said individual, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

In Witness Whereof I have hereunto set my hand and affixed my Official Seal the day and year first above written.



  
\_\_\_\_\_

(Print Name) Rachel P. Vanderlaan

NOTARY PUBLIC in and for the State of  
Washington, residing in Bothell.

My commission expires: 1/19/06

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated Aug 7, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 7 day of August, 2002.

Marianne Keohane Frost ITF  
Marianne Keohane Frost trustee  
For John Michael Frost John Michael Frost

Washington  
STATE OF ~~NEW MEXICO~~ 224 }  
COUNTY OF King }

This instrument was acknowledged before me this 7<sup>th</sup> day of August, 2002 by Marianne Keohane Frost trustee for John Michael Frost.

[Signature]  
Notary Public, State of New Mexico  
Washington



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

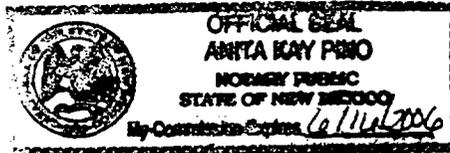
EXECUTED this 9th day of August, 2002.

*Mary Ellen Johnston*  
Mary Ellen Johnston

STATE OF NEW MEXICO }  
COUNTY OF Chaves }

This instrument was acknowledged before me this 9th day of August, 2002 by Mary Ellen Johnston.

*Anita Kay Pino*  
Notary Public, State of New Mexico



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 9 day of August, 2002.

A. M. Iverson Jr., trustee of  
Alvin Martin Iverson trust

By A. M. Iverson Jr.

STATE OF OKLAHOMA            }  
  }  
COUNTY OF TULSA            }

This instrument was acknowledged before me this 9 day of August, 2002 by \_\_\_\_\_ A. M. Iverson Jr., trustee of Alvin Martin Iverson trust.

Leith Hamill  
Notary Public, State of Oklahoma

My Commission expires: 7-7-2005

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 8<sup>th</sup> day of August, 2002.

IVERSON III, INC.

BY [Signature]  
Pres - Iverson III, Inc.

STATE OF OKLAHOMA }  
COUNTY OF Tulsa }

This instrument was acknowledged before me this 8<sup>th</sup> day of August, 2002 by Steven K Iverson Iverson III, Inc.

[Signature]  
Notary Public, State of Oklahoma

my commission expires: 7/7/05  
Commission # 01010187

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated 6th. Aug., 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

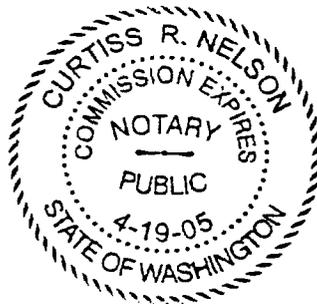
EXECUTED this 6 day of August, 2002.

Marianne Keohane Frost  
Marianne Keohane Frost

Washington  
STATE OF NEW MEXICO }  
COUNTY OF King }

This instrument was acknowledged before me this 6<sup>th</sup> day of August, 2002 by Marianne Keohane Frost.

[Signature]  
Notary Public, State of New Mexico  
Washington



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

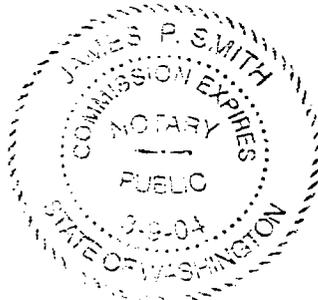
EXECUTED this 12 day of August, 2002.

ROJO, INC.

BY Marianne Keohane  
Trust

WASHINGTON  
STATE OF NEW MEXICO (+) }  
COUNTY OF KING }

This instrument was acknowledged before me this 12<sup>TH</sup> day of AUGUST, 2002 by MARIEANNE KEOHANE Rojo, Inc.



James P. Smith  
Notary Public, State of New Mexico WA.

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

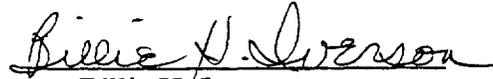
The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

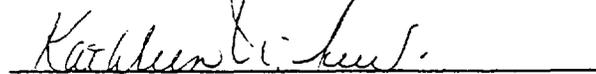
EXECUTED this 8th day of August, 2002.

  
Peter C. Iverson

  
Billie H. Iverson

STATE OF OKLAHOMA            }  
  }  
COUNTY OF McIntosh        }

This instrument was acknowledged before me this 8th day of August, 2002 by Peter C. Iverson and Billie H. Iverson.

  
Notary Public, State of Oklahoma

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 29<sup>th</sup> day of July, 2002.

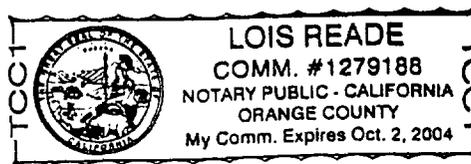
P.A.I. INC.

BY *Stephen Iverson*

STATE OF CALIFORNIA }  
COUNTY OF Orange }

This instrument was acknowledged before me this 29<sup>th</sup> day of July, 2002 by Stephen Iverson P.A.I. Inc.

*Lois Reade*  
Notary Public, State of California



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 29<sup>th</sup> day of July, 2002.

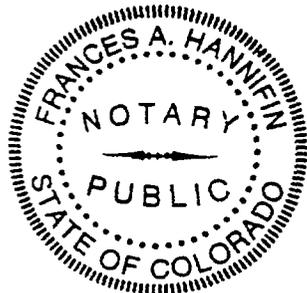
Joseph K. Morgan  
Joseph K. Morgan

Madge B. Morgan  
Madge B. Morgan

STATE OF COLORADO        }  
  }  
COUNTY OF Denver        }

This instrument was acknowledged before me this 29<sup>th</sup> day of July, 2002 by Joseph K. Morgan and Madge B. Morgan.

Frances A. Hannifin  
Notary Public, State of Colorado



My Commission Expires  
8/4/05

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 15<sup>th</sup> day of August, 2002.

CANADIAN KENWOOD  
COMPANY

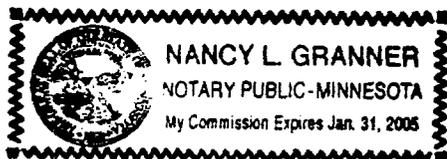
David M. Winton  
BY

David M. Winton, Member  
Canadian Kenwood Company, LLC, GP

STATE OF MINNESOTA }  
COUNTY OF Hennepin }

This instrument was acknowledged before me this 15<sup>th</sup> day of August, 2002 by David M Winton Canadian Kenwood Company.

Nancy L. Granner  
Notary Public, State of Minnesota



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 7<sup>th</sup> day of AUGUST, 2002.

George Westall  
George Westall

STATE OF NEW MEXICO        }  
  }  
COUNTY OF LINCOLN        }

This instrument was acknowledged before me this 7<sup>th</sup> day of AUGUST, 2002 by George Westall.

D'Ann Dungan  
Notary Public, State of New Mexico



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

*South Springs*  
TRW EXPLORATION, INC.

BY *Ralph E. Worthington*

Texas  
STATE OF ~~NEW MEXICO~~ }  
COUNTY OF Midland }

This instrument was acknowledged before me this 6th day of August, 2002 by Ralph E. Worthington TRW Exploration, Inc.  
*South Springs*

*[Signature]*  
\_\_\_\_\_  
Notary Public, State of New Mexico



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communization Agreement dated JULY 1, 2002, which communitized the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communization Agreement and commit to the Communization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

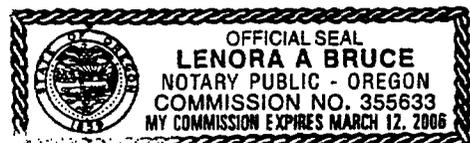
EXECUTED this 13<sup>th</sup> day of SEPT, 2002.

William G. Parker  
Trustee, of the T. R. Parker Estate

STATE OF OREGON                    }  
  }  
COUNTY OF Josephine        }

This instrument was acknowledged before me this 13<sup>th</sup> day of September, 2002 by William G. Parker, Trustee of the T. R. Parker Estate.

Lynna A. Bruce  
Notary public, State of Oregon



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communization Agreement dated JULY 1, 2002, which communitized the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 13<sup>th</sup> day of SEPT, 2002.

Sylvia S. Voorhies  
Trustee, of the T. R. Parker Estate

STATE OF OREGON                    }  
  }  
COUNTY OF Josephine        }

This instrument was acknowledged before me this 13<sup>th</sup> day of September, 2002 by Sylvia S. Voorhies, Trustee of the T. R. Parker Estate.

Lenora A. Bruce  
Notary public, State of Oregon



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communization Agreement dated September 23, 2002, which communitized the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communization Agreement and commit to the Communization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 23rd day of September 2002.

Nancy P. Halsell  
Trustee, of the T. R. Parker Estate

STATE OF HAWAII }  
COUNTY OF Mau }

This instrument was acknowledged before me this 23rd day of September, 2002 by Nancy P. Halsell, Trustee of the T. R. Parker Estate.

Tom Flares  
Notary public, State of Oregon Hawaii  
My Commission 1-10-2003

AFFIDAVIT

Before me, the below signed Notary Public, appeared Nancy Parker Halsell, of P.O. Box 804, Kihei, Hawaii 96753, and upon duly sworn, did say as follows:

My name is Nancy Parker Halsell, I was formerly known as Nancy Parker Strong, and am the same person who was named as a trustee under the Will of my father, T. R. Parker.

Further Affiant said not.

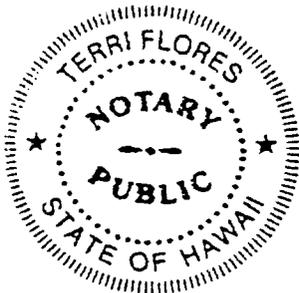
Dated this 7<sup>th</sup> day of November, 2000.

Nancy Parker Halsell  
Nancy Parker Halsell

THE STATE OF HAWAII

COUNTY OF MAUI

7<sup>th</sup> The foregoing instrument was subscribed to and sworn to before me on the day of November, 2000, by Nancy Parker Halsell



Terri Flores  
Notary Public for the State of Hawaii

Notary's Printed Name: Terri Flores

Notary's Commission Expires: 1-10-2003

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated August 6, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 6<sup>th</sup> day of August, 2002.

Sue Saunders Graham  
Sue Saunders Graham

STATE OF NEW MEXICO }  
COUNTY OF Charles }

This instrument was acknowledged before me this 6<sup>th</sup> day of August, 2002 by Sue Saunders Graham.

Margaret G. Sanders  
Notary Public, State of New Mexico  
My com exp. 5/31/23

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated 31 July, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 31 day of July, 2002.

Patsy Iverson Page  
Patsy Iverson Page

STATE OF CALIFORNIA }  
COUNTY OF San Diego }

This instrument was acknowledged before me this 31<sup>st</sup> day of July, 2002 by Patsy Iverson Page.

Heather Keaffaber  
Notary Public, State of California





**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated 8-1-02, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 1<sup>st</sup> day of Aug., 2002.

Jewel D. Iverson Revocable Trust,  
Richard Sullivan, Trustee

Richard R. Sullivan, Trustee

STATE OF OKLAHOMA        }  
  }  
COUNTY OF Tulsa        }

This instrument was acknowledged before me this 1<sup>st</sup> day of August, 2002 by Richard E. Sullivan, Jewel D. Iverson Revocable Trust, Richard Sullivan, Trustee.

Jocia A. Hallon #01011818  
Notary Public, State of Oklahoma

**My Commission Expires July 17, 2005**

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 30th day of July, 2002.

THE TOLES COMPANY

BY J. Penrod Toles  
J. Penrod Toles,  
Vice Pres./Asst. Mgr.

STATE OF NEW MEXICO        }  
  }  
COUNTY OF Chaves        }

This instrument was acknowledged before me this 30th day of July, 2002 by J. Penrod Toles for The Toles Company.

Juanita Bero  
Notary Public, State of New Mexico

My Commission expires:

3/13/06





**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated July 1, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 31<sup>st</sup> day of July, 2002.

Margaret Naylor Revocable Trust,  
First National Bank in Artesia, Trustee

Diane Taylor  
Trust operations officer

STATE OF NEW MEXICO }  
COUNTY OF Eddy }

This instrument was acknowledged before me this 31<sup>st</sup> day of July, 2002 by Diane Taylor, Margaret Naylor Trust, First National Bank in Artesia, Trustee.

Kathy Richardson  
Notary Public, State of New Mexico

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated July 31, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 31st day of July, 2002.



~~Garel R. Westall~~  
Myrtle M. Westall and Sandra W. Shank  
Co-Trustees of the Garel R. & Myrtle  
M. Westall Revocable Trust

STATE OF NEW MEXICO            }  
  }  
COUNTY OF EDDY                    }

This instrument was acknowledged before me this 31st day of July, 2002 by Garel R. Westall.

Francis E. Moreau  
Notary Public, State of New Mexico

My commission expires:  
August 14, 2002

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

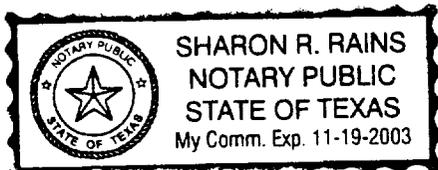
EXECUTED this 26 day of July, 2002.

Paul R. Barwis  
Paul R. Barwis

STATE OF TEXAS }  
COUNTY OF Midland }

This instrument was acknowledged before me this 26<sup>th</sup> day of July, 2002 by Paul R. Barwis.

Sharon R. Rains  
Notary Public, State of Texas



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 25<sup>th</sup> day of July, 2002.

S.J. Iverson, Jr.  
S.J. Iverson, Jr.  
by Carolyn Norman Iverson

STATE OF TEXAS                    }  
  }  
COUNTY OF MIDLAND            }

This instrument was acknowledged before me this 25<sup>th</sup> day of July, 2002 by S. J. Iverson Jr.



Pam Burke  
Notary Public, State of Texas

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

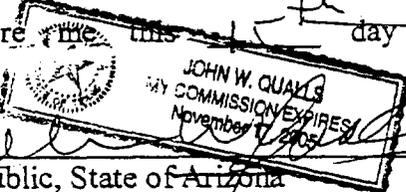
EXECUTED this 15<sup>th</sup> day of August, 2002.

Carol Shumate  
Carol Shumate

Texas  
STATE OF ~~ARIZONA~~ }  
COUNTY OF midland }

This instrument was acknowledged before me this 15<sup>th</sup> day of August, 2002 by Carol Shumate.

John W. Quayle  
Notary Public, State of Arizona  
Texas



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 21st day of August, 2002.

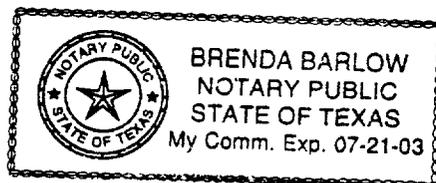
FIRST NATIONAL BANK, trustee  
U/W/O S.J. Iverson

BY Lisville H. Goodson, VP

STATE OF TEXAS }  
COUNTY OF Dallas }

This instrument was acknowledged before me this 21st day of August, 2002 by Brenda Barlow First National Bank, trustee u/w/o S.J. Iverson.

Brenda Barlow  
Notary Public, State of Texas



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated July 1, 2002, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

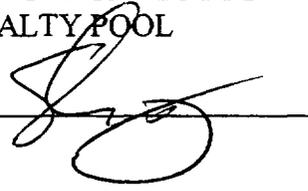
The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 22<sup>nd</sup> day of October, 2002.

PENWELL EMPLOYEE  
ROYALTY POOL

BY

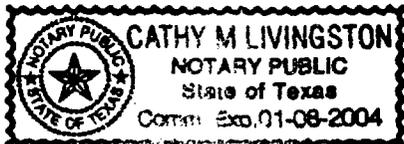


STATE OF TEXAS }

COUNTY OF Midland }

This instrument was acknowledged before me this 22<sup>nd</sup> day of October, 2002 by Steven R. Fey, Trustee of Penwell Employee Royalty Pool.

Cathy M Livingston  
Notary Public, State of Texas



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communization Agreement dated \_\_\_\_\_, 2002, which communitized the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

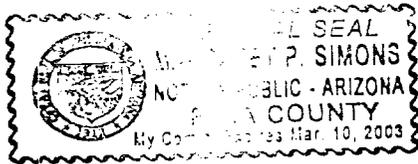
EXECUTED this 16<sup>th</sup> day of October, 2002.

James S. Strohmeyer  
James S. Strohmeyer, Trustee, of the  
Margaret Baish Strohmeyer Estate

BETTY ups

STATE OF ARIZONA }  
COUNTY OF Pima }

This instrument was acknowledged before me this 16 day of October, 2002 by James Strohmeyer Trustee of the Margaret Baish Estate. Betty ups



P. Simons  
Notary public, State of Arizona









**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated \_\_\_\_\_, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 23<sup>rd</sup> day of July, 2002.

GENE SHUMATE

BY *G. Shumate*

STATE OF TEXAS }  
midland }  
COUNTY OF ~~midland~~ }

This instrument was acknowledged before me this 23<sup>rd</sup> day of July, 2002 by Gene Shumate.

*John W. Qualls*  
Notary Public, State of Texas  
JOHN W. QUALLS  
MY COMMISSION EXPIRES  
November 17, 2005

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated Oct. 9, 2002, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 9<sup>th</sup> day of October, 2002.

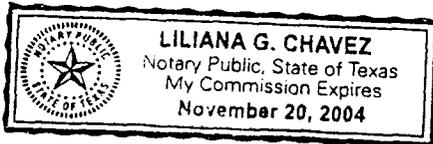
JAREED PARTNERS, LTD

BY James E. Gortgey, officer, Jared Enterprises Inc.  
for the benefit of  
Jared Partners, LTD

STATE OF TEXAS                    }  
  }  
COUNTY OF Midland            }

This instrument was acknowledged before me this 9<sup>th</sup> day of October, 2002 by James E. Gortgey, officer, Jared Partners, LTD.

Liliana G. Chavez  
Notary Public, State of Texas



**RATIFICATION OF COMMUNITIZATION AGREEMENT**

The undersigned party has received a true copy of Communitization Agreement dated July 1, 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 8th day of October, 2002.

Michael R. McGuire  
Michael R. McGuire

STATE OF NEW MEXICO        }  
  }  
COUNTY OF Chaves        }

This instrument was acknowledged before me this 8th day of October, 2002 by Michael R. McGuire.

[Signature]  
Notary Public, State of New Mexico

**RATIFICATION OF COMMUNITIZATION AGREEMENT**

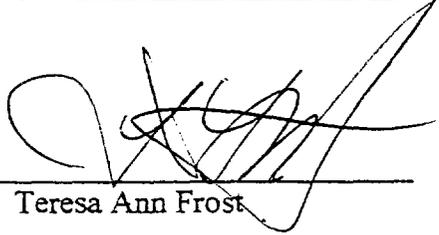
The undersigned party has received a true copy of Communitization Agreement dated 23 Sept 2002, which communitizes the production of gas and associated liquid hydrocarbons produced from the Morrow formation underlying the W/2 of Section 30, T-18-S, R-31-E, N.M.P.M., Eddy County, New Mexico.

The undersigned party is an Overriding Royalty Interest Owner in one or more of the tracts comprising the communitized area.

The undersigned party desires to adopt, ratify and become a party to the Communitization Agreement and commit to the Communitization Agreement all interest owned or controlled by such party in the communitized area.

NOW, THEREFORE, by the execution hereof, the undersigned party hereby becomes a party to the Communitization Agreement and agrees to be bound by the terms thereof as if such party had signed the original thereof.

EXECUTED this 23<sup>rd</sup> day of Sept, 2002.

  
\_\_\_\_\_  
Teresa Ann Frost

WASHINGTON  
STATE OF ~~NEW MEXICO~~ }  
COUNTY OF KING }

This instrument was acknowledged before me this 23 day of September, 2002 by Teresa Ann Frost.



Toni M. Reiswig  
Notary Public, State of ~~New Mexico~~  
Washington